

LONDON BOROUGH OF CROYDON

REPORT:	GENERAL PURPOSES COMMITTEE	
DATE OF DECISION	21 st February 2023	
REPORT TITLE:	Members' Allowance Scheme 2023/24	
DIRECTOR	Stephen Lawrence-Orumwense Director of Legal Services	
LEAD OFFICER:	Adrian May Interim Head of Democratic Services adrian.may@croydon.gov.uk	
AUTHORITY TO TAKE DECISION:	Part 3 Responsibility for Council Functions in the Constitution, identifies the General Purposes Committee (GPC) as responsible for reviewing the Member's Allowance Scheme with approval of the scheme at full Council.	
CONTAINS EXEMPT INFORMATION?	NO	Public
WARDS AFFECTED:	N/A	

1 SUMMARY OF REPORT

- 1.1** Under the Local Authorities (Members' Allowances) (England) Regulations 2003, Councils each year, must approve the Members' Allowances Scheme for the next financial year. Council agreed the Members' Allowance Scheme for 2022/23 at Council 23rd March 2022 and subsequently amended the scheme at the Annual Council 25th May 2022.
- 1.2** With the scheme last being amended May 2022, following the Local and Mayoral elections, this report recommends that the Committee agrees to recommend to Council a 2023/24 Members' Allowances Scheme with materially the same terms as the 2022/23 scheme.

2 RECOMMENDATIONS

For the reasons set out in the report, the General Purposes Committee is recommended to:

- 2.1 agree to recommend to Council the Members' Allowances Scheme for 2023/24 (Appendix 1 with tracked changes) with materially the same terms as the 2022/23 scheme. **Note:** *The Basic and Special Allowance amounts are for 2022/23. If an increase to 2022/23 (proposed as a recommendation in a paper of this same Committee meeting) is agreed, the basic and special allowance amounts*

recommended for agreement at Council for 2023/24 will be the uplifted 2022/23 amounts.

- 2.3 agree that Council authorises the Director of Legal Services to comply with the statutory requirements to publicise the 2023/24 Members' Allowances Scheme and make all necessary updates to the Constitution.
- 2.5 note, the committee will review and bring proposals to Council with regards to the Basic and Special Responsibilities Allowances and other allowances, such as carer responsibilities, travel, maternity/paternity, and Subsistence, following the publication of the next report of the Independent Remuneration Panel (IRP) report on 'The Remuneration of Councillors in London', anticipated for late 2023.

3 REASONS FOR RECOMMENDATIONS

- 3.1 There has been no material change in Member responsibilities or committee functions identified since the last Member's Scheme of Allowances was agreed at Council, May 2022.
- 3.2 There is a statutory duty to advertise locally the Members' Allowance Scheme each year.
- 3.3 As the scheme was only amended in May 2022, it's considered that a review should take place, upon release of the next IRP report, anticipated for late 2023.

4. BACKGROUND AND DETAILS

- 4.1 The current Scheme provides for the payment of Basic, Special Responsibility, Carers, Travel, Subsistence and an Independent/Co-opted Chair where applicable.
- 4.2 The Croydon Member's Allowance Scheme has already provision that the Basic and Special Responsibility Allowances shall be subject to an annual adjustment in accordance with the annual local government staff pay settlement, a long-standing recommendation of the Independent Panel.
- 4.3 There is a legal requirement to have regard to the latest 'Remuneration of Councillors in London' report of the Independent Panel when agreeing a new scheme. Their latest report was published January 2022 (Appendix 2) and informed the setting of Croydon's 2022/23 Member's Allowance Scheme at March and May 2022 Council meetings.
- 4.4 The updated report is anticipated as being released late 2023, and that is considered a time when the General Purposes Committee should review the Members' Allowance Scheme in full.
- 4.5 No changes to Member roles, functions and responsibilities or Committee functions and business has been identified during the period from May 2022 year to sufficiently warrant a change to the allowances payable under the scheme.
- 4.6 Should Council wish to make any change to the Members' Allowances Scheme at a full Council meeting, regard must be had to the Report of the Independent Panel 2022

5 ALTERNATIVE OPTIONS CONSIDERED

- 5.1 A Council's Members' Allowance Scheme needs approving by Council before the start of the next financial year.
- 5.2 Proposals were subject to Member Consultation.

6 CONSULTATION

- 6.1 In advance of this Committee meeting, the proposals were circulated to all political groups and parties reflected on Croydon Council.

7. CONTRIBUTION TO COUNCIL PRIORITIES

- 7.1 Through taking into consideration the recommendations of the current and future IRP report, it supports the Council to achieve, priority 4 of the Mayor's Business Plan: Ensure good governance is embedded and adopt best practice.

8. IMPLICATIONS

8.1 FINANCIAL IMPLICATIONS

8.1.1 The annual cost of the Members Allowance Scheme for 2023/24, including the council's national insurance contribution, is £1.502m (if the proposed 4.04% is agreed by the Committee, related to the previous paper's recommendation) increase for 2022/23 Basic and Special Responsibilities Allowances is applied.

8.1.2 It is assumed that increases in members allowances for inflation in future years will also be funded by the corporate provision for pay awards as part of the provision for council officers.

8.1.3 Revenue consequences of report recommendation

	Current Year	Medium Term Financial Strategy – 3 year forecast		
	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000
Current Revenue Budget Available	1,444	1,502 (£1,444 if no increase for 2022/23)	£1,502 (£1,444 if no increase for 2022/23)	£1,502 (£1,444 if no increase for 2022/23)

Corporate Budget Transferred for Pay Inflation	58 (0 if no increase for 2022/23)	0	0	0
Revised Budget	1,502 (1,444 if no increase for 2022/23)	1,502 (1,444 if no increase for 2022/23)	1,502 (1,444 if no increase for 2022/23)	1,502 (1,444 if no increase for 2022/23)
Effect of decision from report reflected in budget virement above	58 (0 if no increase for 2022/23)	0	0	0
Remaining Budget	0	0	0	0

8.1.4 Comments approved by Lesley Shields, Head of Finance for Resources and Assistant Chief Executive on behalf of the Director of Finance. Date 13th February 2023.

8.2 LEGAL IMPLICATIONS

8.2.1 The proposed Council's Scheme of Members' Allowances complies with the relevant provisions of the Local Authorities (Elected Mayor and Mayor's Assistant) (England) Regulations 2002, Local Authorities (Members' Allowances) (England) Regulations 2003, the Local Government and Housing Act 1989 and the Local Government Act 2000. In addition, there are separate provisions, namely sections 3 and 5 of the Local Government Act 1972 for the payment of allowances to the current civic Mayor and the deputy civic Mayor which Croydon has traditionally referenced as part of its Scheme of Members' Allowances .

8.2.2 The 2002 Regulations specifically allows for an elected mayor to be treated as a councillor of the local authority for the purposes of schemes relating to basic attendance and special responsibility allowances for local authority members as set-out within the Local Government and Housing Act 1989.

8.2.3 Regulation 19 of the 2003 Regulations provides that the Council must have regard to the recommendations of the independent remuneration panel before making or amending a Scheme of Allowances for its members.

8.2.4 Regulation 5(1) of the 2003 Regulations provide that the Scheme can make provision for an SRA to be paid to members who have such "special responsibilities in relation to the authority as are specified in the Scheme" and are within one or more of nine categories of responsibility identified in sub-paragraphs (a) - (i). This includes responsibilities such as Elected Mayor or Deputy Elected Mayor, acting as a member of an Executive, presiding at meetings of a committee or sub-committee and acting as a spokesman of a political group on a committee or sub-committee.

8.2.5 Comments approved by Sandra Hebert, the Head of Litigation & Corporate Law on behalf of the Director of Legal Services and Monitoring Officer. Date 20th January 2023).

8.5 EQUALITIES IMPLICATIONS

8.5.1 There are no direct equality implications for the recommendations in this report, the provision for annual increases reflected in the scheme however does reflect the report of the Independent Remuneration Panel views that allowances should be set at a level that enable people from a diverse range of backgrounds to become Councillors.

8.5.2 Should councillors require additional support in respect of their Disability, support may be sought from Democratic Services under PSED Equality Act 2010.

Approved By; Denise McCausland – 13 February 2023

9 APPENDICES

9.1 A – Proposed 2023/24 Members Allowance Scheme (**Note:** *The Basic and Special Allowance amounts are for 2022/23. If an increase to 2022/23 (proposed as a recommendation in a paper of this same Committee meeting) is agreed, the basic and special allowance amounts recommended for agreement at Council for 2023/24 will be the uplifted 2022/23 amounts*).

Also, **the Independent Remuneration Panel** report on Councillor Allowances 2022 (Appendix to the previous item, in same agenda pack)

10 BACKGROUND DOCUMENTS

N/A