

REPORT TO:	ANNUAL COUNCIL
DATE:	23 MAY 2018
SUBJECT:	APPOINTMENTS AND SCHEME OF ALLOWANCES
LEAD OFFICER:	DIRECTOR OF LAW AND MONITORING OFFICER
WARDS:	ALL
<p>CORPORATE PRIORITY/POLICY CONTEXT: The annual appointments are a constitutional requirement set out in Part 4A of the constitution. The Council is also required by statute to review, publicise and maintain a scheme of allowances for its elected Members.</p>	
<p>FINANCIAL SUMMARY: There are no new financial issues arising from the recommendations in this report.</p>	

<p>RECOMMENDATIONS</p> <p>1. Council is recommended to:</p> <p>APPOINTMENTS</p> <p>1.1 Agree (or receive for information as applicable) the following appointments where the number of nominations is equal to the number of available positions:</p> <ul style="list-style-type: none"> i) The appointments to Committees of the Council (Blue Schedule); and ii) The appointments to all other Panels, Working Groups and Outside Bodies (Pink Schedule). <p>1.2 To receive for information executive appointments made under the Leader and Cabinet decision making framework:</p> <ul style="list-style-type: none"> i) The appointments of Cabinet Members, Cabinet Committees and Deputy Cabinet Members (Blue Schedule); ii) The appointments to Joint Committees (Blue Schedule); iii) The appointments to London Councils Committees and Panels and Local Government Association bodies (Blue Schedule); and iv) The appointment of Councillors to the Health & Wellbeing Board. <p>1.3 Note that the Leader has confirmed his intention to continue to devolve decision making powers to cabinet or relevant cabinet members.</p> <p>1.4 To authorise the Council Solicitor to make any consequential changes to the Council's Constitution to reflect the proposed arrangements for 'job-share' executive roles.</p> <p>1.5 To receive for information:</p> <ul style="list-style-type: none"> i) The appointments of Leader of the Opposition and Shadow Cabinet (Blue Schedule); ii) The appointments of political party group officers (Blue Schedule);

ALLOWANCES

- 1.6 To agree that pursuant to the provisions of Article 12.4 of the Constitution and section 31 of the Localism Act 2011, the Monitoring Officer has granted a general dispensation to all Members of the Council pursuant to the Council's dispensation procedure as detailed in paragraph 3 below for the purposes of permitting Members to consider allowances for the duration of their term of office;
- 1.7 To agree the continuation of the current Members' allowance scheme as adopted by the Council in 2015, and last updated by the Council in June 2017 together with delegation of authority to the Council Solicitor to carry out all necessary publicity; and
- 1.8 To note that a review of the Members' Allowance Scheme will be undertaken, including more detailed consideration of the latest report of the Independent Remuneration Panel, and that recommendations arising from that review, along with a revised Members' Allowance Scheme, will be presented to Members for approval.

1. SUMMARY

- 1.1 This report details the Non-Executive appointments to be made by the Council for the Municipal Year 2018-19 and notes the Executive appointments made by the Leader.
- 1.2 It further asks Members to continue with the current Members' Allowances Scheme (the Scheme), which, pending review, sets out the allowances Members are entitled to receive for carrying out their responsibilities.
- 1.3 The report includes details of the most recent review of Members' Allowances completed by an Independent Remuneration Panel (IRP) established by London Councils on behalf of London Boroughs and to which the Council must have regard in setting the Members' allowances for the upcoming years.

2. APPOINTMENTS

- 2.1 Part 4A of the Council's Constitution reserves the business of the Annual Meeting of the Council to a number of matters that includes the appointment of Members to Committees and other bodies.
- 2.2 Those appointments can be broadly divided into three categories: Non-Executive Appointments; Party Political Appointments; and External Appointments.

Executive Appointments

- 2.3 In accordance with Article 7 of the Council's Constitution, the power to make Executive Appointments is reserved to the Leader of the Council under the 'Leader and Cabinet' model of decision making. This includes positions such as Cabinet Members and portfolios, Cabinet Committees and Joint Committees exercising Executive functions.

- 2.4 In accordance with the statutory rules, the Council operates a 'Leader and Cabinet' model of decision making that permits the Leader to take all executive decisions. The Council Leader has indicated, subject to item 7 on the agenda, that it is his intention to continue to devolve and disperse executive decision making powers. The established custom and practice is for the overwhelming majority of executive decisions to be delegated to the Cabinet for collective consideration or to relevant individual Cabinet Members.
- 2.5 Those Executive appointments made by the Leader of the Council are listed in the attached 'Blue' and 'Pink' appointment schedules and are marked 'For information'.
- 2.6 As this year's Executive appointments have introduced a 'job share' arrangement for one Cabinet Member position, Members are asked to delegate authority to the Council Solicitor to make any consequential changes to the Constitution to reflect the proposed arrangements for 'job-share' executive roles.

Non-Executive Appointments

- 2.7 This category of appointments covers all Council positions that are not reserved to the Executive, such as seats on Non-Executive Committees and outside bodies.
- 2.8 When making Non-Executive appointments, Section 16 of the Local Government and Housing Act 1989 (Duty to Give Effect to Allocations) requires the Council to give effect to any allocations in accordance with the wishes of the relevant party political groups. The wishes of the party political groups represented on the Council are listed in the attached 'Blue' and 'Pink' appointment schedules and are marked 'For agreement'. Council is recommended to agree those appointments. Section 16 of the same Act sets out the requirement for political proportionality.

Party Political Appointments

- 2.9 In accordance with Part 4A and Part 6A of the Council's Constitution, Annual Council is also asked to receive for information those appointments made by political parties represented on the Council.
- 2.10 Those appointments are also detailed in the 'Blue' and 'Pink' appointment schedules attached to this report and are marked 'For noting'. Council is asked to note those appointments.

External Appointments

- 2.11 Appointments to outside bodies are made for four years following local elections. Annual appointments in following years will be restricted to those organisations that require annual appointments or where Members are unable to continue their membership.
- 2.12 Should any non-executive vacancies arise during the remainder of the

Council year, the Council's constitution permits the Council Solicitor to appoint to such vacancies, following consultation with the relevant group secretary. Where this relates to appointments to outside bodies the constitution requires this consultation to be extended to the Chair of General Purposes and Audit Committee.

3. SCHEME OF ALLOWANCES

- 3.1 In accordance with the Local Government Act 2000 and Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities are required to undertake a formal independent review of the level of allowances for their Members at least once every four years. In London, provision has been made for this review to be undertaken by an Independent Remuneration Panel (IRP) set up on behalf of all Boroughs by London Councils.
- 3.2 Given that the last review was undertaken in 2014, the IRP was reconvened by London Councils last year, in line with statutory requirements, to undertake the next review. The IRP has now completed its review, the results of which were published in January 2018. Their report titled "The Remuneration of Councillors in London 2018 – Report of the Independent Panel" is referenced as a background paper to this report and can be found at <https://www.londoncouncils.gov.uk/node/33152>.
- 3.3 Croydon Council's Members' Allowance Scheme (which is included in the Council's Constitution at Part 6A and is published on the Council's website) was last formally reviewed in July 2014 following publication of the last IRP report. The scheme was last amended by Full Council in June 2017.
- 3.4 Given the publication of the 2018 IRP report, there is now a requirement for the Council to undertake a review of the existing scheme to have regard to the new recommendations by the IRP. Before the authority makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by the IRP.
- 3.5 Prior to a full reconsideration and review of the IRP recommendations, Members are asked to agree to the continuation of the existing scheme attached at Appendix 1, which proposes no changes to the level of allowances agreed in the scheme considered by Full Council in June 2017.
- 3.6 Council is also asked to note that a more detailed review of the recommendations of the IRP will be undertaken, with recommendations arising from that review being presented to Members for approval.
- 3.7 Under section 31 of the Localism Act 2011, a Member or co-opted Member who has a disclosable pecuniary interest (DPI) in a matter to be considered or being considered at a meeting of the authority at which that Member or co-opted Member is present and the DPI is one which the Member or co-opted Member is aware of, the Member or Co-opted Member may not participate or participate further in any discussion or vote on the matter at the meeting unless he / she has first obtained a dispensation in accordance with the Council's dispensation procedure.
- 3.8 The Monitoring Officer has delegated authority to grant an application for a

dispensation on the grounds that having considered that as all Members of the Council would have a DPI in relation to decisions pertaining to Allowances and the establishment of the Scheme of Allowances, such that it would impede the transaction of business. It was appropriate to grant a dispensation to all Members for their current term of office to permit them to consider and vote on Members' allowances and any scheme relating to Members' allowances.

4. LEGAL IMPLICATIONS

- 4.1 The Solicitor to the Council comments that with regard to the recommendations contained within this report relating to appointments, these are compliant with the Council's duties under the Local Government and Housing Act 1989, the Local Government (Committees and Political Groups) Regulations 1990, the Local Government Act 2000, the Licensing Act 2003, the Localism Act 2011, The Health and Social Care Act 2012 and the Council's Constitution.
- 4.2 In relation to recommendations relating to allowances, the Solicitor to the Council comments that the proposed continuation of the Members' Allowance Scheme is required to comply with the relevant provisions of the 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 Mayor and the Deputy Mayor which Croydon has traditionally referenced as part of its Members' allowance scheme.
- 4.3 The law permits a dispensation where so many Members of the decision-making body have DPIs in a matter that it would "impede the transaction of the business".

6 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 6.1 There are no new financial burdens arising from the recommendations of this report. Members' allowances are currently met out of a Democratic Services' budget and the proposed scheme will be contained within that budget.
- 6.2 Approved by: Lisa Taylor, Director of Finance, Insurance and Risk and Deputy Section 151 Officer.

CONTACT OFFICER: Stephen Rowan, Head of Democratic Services and Scrutiny.

APPENDICES TO THIS REPORT

Blue and Pink Appointment Schedules

Appendix 1 Scheme of Members' Allowances.

BACKGROUND DOCUMENTS: Review of Members' Allowances completed by an Independent Remuneration Panel - <https://www.londoncouncils.gov.uk/node/33152>.