

ROYAL BOROUGH OF KENSINGTON AND CHELSEA

FULL COUNCIL – 28 FEBRUARY 2024

REFERENCE FROM THE ADMINISTRATION COMMITTEE

ADOPTION OF A MEMBERS' ALLOWANCES SCHEME FOR 2024/25

This report recommends the adoption of a Members' Allowances Scheme for the year 1 April 2024 – 31 March 2025.

FOR DECISION

1. BACKGROUND

- 1.1 Every year the Council is required, pursuant to the Local Authorities (Members' Allowances) (England) Regulations 2003, to adopt a Members' Allowances Scheme to run from 1 April to 31 March the following year.
- 1.2 The Members' Allowances Scheme is set out in Part Two, Section Three of the Constitution and available on the Council website. An Annual Report of totals paid under the Scheme to each Councillor in 2022/23 is also available on the Council website.
- 1.3 The headline allowances rates paid under the Council's Members' Allowances Scheme have remained unchanged since 2018/19 with no annual uprating. In previous versions of the Scheme there was a paragraph which applied an automatic uprating in line with the local government staff pay settlement but in early 2018 the Council removed this from the Scheme in favour of taking an explicit decision each year on whether to uprate.
- 1.4 The Council, in adopting a Scheme each year, is required to have regard to the recommendations of an Independent Remuneration Panel (IRP) and for these purposes has hitherto, in common with most London authorities, used the Panel convened, usually every four years, by London Councils. The most recent quadrennial London Councils IRP report was published in January 2022 and signalled an intention to undertake a more thorough review of Members' Allowances in 2023.
- 1.5 This further review has now been completed and the final 2023 report and recommendations were published in January. [A copy is available via the London Council's website.](#)

2. THE ADMINISTRATION COMMITTEE ON 8 JANUARY 2024

- 2.1 At its meeting on 8 January 2024 the Committee noted information on the Basic Allowance and Special Responsibility Allowances (SRAs) paid across all London boroughs for 2023/24, which showed that this Council pays above the London and Inner London average across almost all SRA categories. On the basis that this Council's SRAs are not out of line with London averages, the Committee did not propose any increase.

- 2.2 However, the Committee did note that this Council pays below both the London and Inner London average for the Basic Allowance, at £11,027.
- 2.3 The Committee considered various options in relation to the Basic Allowance to be paid in 2024/25, before opting to set up a small working group of non-executive Members to consider and make recommendations in relation to the level of Basic Allowance for 2024/25.
- 2.4 That Working Group, comprising Cllrs. Joanna Gardner (Chair), Kasim Ali, Mary Weale and Sidney Yankson, met on 16 January 2024. Its recommendation for a Basic allowance of £11,689 and a reinstatement into the Scheme of an annual uprating in line with the staff pay award, has now been accepted by Administration Committee Members (under action pursuant to Standing Order 34.03) and is included in the recommendations at the end of this report.

3. FINANCIAL AND OTHER CONSIDERATIONS

Budget provision

- 3.1 The 2023/24 budget for Members' Allowances, including oncosts, is £1,251,300 and the projected outturn for 2023/24 as at November 2023 is £1,231,560, an underspend of £19,740. It is worth noting, however, that this underspend is principally attributable to the Council currently having a Leadership Team of only 9 and to at least one Councillor holding two SRA-eligible roles (in which circumstances the Councillor is only paid the higher of the two).

Dependants' Carer's Allowance hourly rate

- 3.2 The rate for Dependants' Carer's Allowance in the 2023/24 Scheme is £11.95 per hour based on the London Living Wage. The LLW has since increased to £13.15 per hour and it is recommended that this be incorporated into the Scheme. As claims are few, the financial implications are unlikely to be significant and can be contained within existing budgets.

Comments from the Head of Financial Management

- 3.3 If the Councillors' Basic Allowance increases to £11,689 in 2024/25 with Special Responsibility Allowances unchanged, this will add £33,100 to the available budget. This increase and that of the Dependent Carers' Allowance can be contained within budgets for 2024/25 that are being recommended to Council at tonight's meeting.

4. RECOMMENDATIONS

- 4.1 The Administration Committee accordingly **recommends** as follows to Full Council.
- (i) to increase the hourly rate for Dependent Carer's Allowance in line with the increase in the London Living Wage;
 - (ii) to set the Councillors' Basic Allowance for 2024/25 at £11,689;

- (iii) to insert a paragraph into the Scheme that provides for an automatic annual uprating of the Basic Allowance in line with the national staff pay award as follows:

The Basic Allowance will be uprated annually, at the Council Meeting at which it is adopted for the next 'Allowances Year', with reference to the previous year's staff pay settlement - but any increase in Special Responsibility Allowances will remain the subject of a separate, explicit, Full Council decision.

- (iv) to not increase the level of any Special Responsibility Allowances;
- (v) to revoke the existing Scheme from 31 March 2024 and adopt the proposed Scheme for the year 1 April 2024 to 31 March 2025 attached at Appendix A.

FOR DECISION

Maxine Holdsworth
Chief Executive

Background papers used in the preparation of this report: None other than previously published documents.

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