

REPORT OF STANDARDS COMMITTEE 03/2024/25

FULL COUNCIL 24 March 2025

Chair: Councillor Ibrahim Ali

1. INTRODUCTION

- 1.1 This report arises from the Standards Committee meetings held on the 4th of February and 10th of March 2024 and asks Full Council to consider the following:
- 1.2 To revoke the Members' Allowances Scheme for 2024/25 as of 31 March 2025 and to approve a new Members' Allowances Scheme, set out at Appendix 4, for the Municipal year 2025/26 to take effect from 1 April 2025.
- 1.3 To note the carers claim form attached at Appendix 6.
- 1.4 Changes to Council Standing Orders relating to second supplementary questions.
- 1.5 Minor changes to the Overview and Scrutiny Procedure Rules arising from changes to the non-voting co-optees protocol.
- 1.6 Changes to the Procurement Procedure rules.

2. MEMBERS' ALLOWANCES SCHEME 2025/26

- 2.1 The Local Authorities (Members Allowances) (England) Regulations 2003 allow London Boroughs to use an Independent Remuneration Panel set up for the purpose of making recommendations across London. London Councils set up a panel for this purpose in 2001 and its most recent report was published on 5th of January 2024 following a detailed review, with recommendations on the remuneration of Councillors in London. We noted that this report had not been updated in 2025, and we continued to refer and consider this.
- 2.2 The report argued strongly that the salaries for Councillors are considerably lower than those in Scotland, Wales and Northern Ireland and workers in London. The Panel were recommending that the basic allowance should be £15,960 and the approach and calculations are listed at paragraph 7.9 of the attached report at Appendix 5. The Panel had included comments from their research and focus groups to help to provide assurance on how this may not be negatively perceived.
- 2.3 We noted that although the IRP 2023 makes recommendations, it is for each individual Council to decide the level of remuneration and for which roles.

2.4 We considered the presentation of the Member Allowances SRA's at Appendix 2 and 3 Table A and it was noted that the Chair of General Purposes was also noted in the table to be Vice Chair of Appointments Panel and the Vice Chair of Disciplinary, Grievance and Dismissal Panel. There was comment made that this provided the impression that SRA's were applicable to Vice Chair roles and agreed that this be deleted from the table and added as a separate note in the scheme. This is set out in Appendix 4.

2.5 We noted that neighbouring boroughs and some other London boroughs have taken forward a 2.5% increase to Councillor basic allowance in line with the local government pay award and further to feedback, that the cost had been worked out as follows:

$\text{£}11,701/100 \times 2.5(\text{£}292.52 \text{ rounded to } \text{£}293) \text{ with new basic Allowance as } \text{£}11,994$

$\text{£}293 \times 57 = \text{£}16,701$ additional budget cost.

2.4 We discussed the following:

- That a proposed 2.5% increase did not have a significant impact on the budget. Also noting that by not making incremental increases to the basic allowance could mean larger increases in the future.
- Noting that the allowance was not a salary payment and the need to consider the support the allowance provides with the day-to-day activities of a ward Councillor and with attending evening meetings.
- That the proposed basic allowance of £11,994 would still be well below the recommended basic allowance of £15, 960.

We noted the provision for claiming expenses for baby sitting and carer support available to all Councillors. This form had been updated last year, and we agreed to further publicise this form and include it as part of this Council report. This is attached at Appendix 6 for noting.

3. WE RECOMMEND

3.1.1 Full Council revoke the Members' Allowances Scheme for 2024/25 as of 31 March 2025.

3.1.2 Full Council consider the proposed changes to the Members' Allowance Scheme 2025/2026 set out at **Appendix 3**.

3.1.3 Full Council approve the new Members' Allowances Scheme for the Municipal year 2024/25, **as set out in Appendix 4**.

3.1.4 Full Council note the carers form attached at **Appendix 6**.

4. Changes to Council Standing Orders and second supplementary questions

4.1 We noted that in March 2024 changes had been made to Council Procedure rules to increase back bencher participation in full Council meetings and this included increasing oral questions from 6 to 9 and the time allocation from 30 minutes to 45 minutes. On the 22nd of July Full Council meeting the updated format of Council meetings, with increased oral questions, and deletion of the debate item, and timed motions was activated. This meeting brought to the light the need to have more clarity on the assignment of second supplementary questions as CSO 10.7 could be interpreted equally as an opportunity for the main opposition or any Opposition Group to have the opportunity to ask a second supplementary question. At the meeting it was noted that this issue would be put forward to the Constitution Working Group for consideration. To note that in previous Council meetings CSO 10.7 and the provision of second supplementary questions has rarely been used.

4.2 The Constitution Working Group considered this issue and a detailed flow chart on how in practice Councillor question were taken forward at Council meetings and we noted the following.

- Second supplementary questions were an important provision and even if an answer could not be given at the meeting, they could be responded to in writing.
- Providing the Mayor with discretion to allow second supplementary would be difficult to manage and ensure that there was fair access given to this provision. Also, without the guidance to follow, this would make chairing the meeting more difficult.
- There was a need to have a simple process that was easily understood and set out some sort of allocation
- Keeping second supplementary questions as this part of the meeting was not scripted and allowed for an extra layer of accountability.

4.3 In conclusion the Constitution Working Group recommend the following changes outlined at Appendix 7 and we considered this discussed the following:

- The reasoning for allowing 4 supplementary questions to the first Opposition group and one to the second Opposition as this was not a politically proportionate number. In response that there were 5 Labour oral questions, and the 4 and 1 allocation correlated with this. It was noted that the number of questions assigned to the opposition groups was in response to removing the

Haringey debate provision and also decreasing the time allocation for motions, allowing for more back bench participation in Council meetings.

WE RECOMMEND

5. Approval of the additions to CSO 10.7 outlined at paragraph 6.3 in the attached report and at Appendix 7 and set out in Appendix 8.
6. **Non-Voting Co-opted Members Protocol and Subsequent Changes to the Council's Constitution**
 - 6.1 We were asked to consider an updated protocol on non-voting co-opted member appointments to ensure the process is robust and transparent as possible to maintain the integrity and core functions of scrutiny.
 - 6.2.1 We noted that there was a need to update the protocol to ensure that the recruitment process was as robust as possible given the access the non – voting co – opted roles offer to elect Councillors and senior officers.
 - 6.2.2 The protocol has been updated following consideration at Constitution Working Group, and we considered this for approval in accordance with our responsibilities for maintaining high standards of conduct and considering amendments to the Constitution and recommending proposals to full Council for approval.
 - 6.2.3 We noted that the updated protocol attached at Appendix 11 responded to observations and comments made by the Constitution Working Group at meetings between November and late February as outlined in paragraph 6.5 in the attached report at Appendix 10.
 - 6.2.4 There were also subsequent changes needed to the Overview and Scrutiny Procedure Rules, Part 4 Section G, outlined at Appendix 12 and Overview and Scrutiny Protocol outlined at Appendix 14.

WE RECOMMEND

- 7.1.1 Full Council note the Non – Voting Co-opted Member protocol at Appendix 11 for implementation and publication on the Council's website
- 7.1.2 Full Council AGREE the required changes to the Overview and Scrutiny Procedure Rules, Part 4 Section G, at Appendix 12 and 13.

- 7.3.1 To note the required changes to the Overview and scrutiny Protocol outlined at Appendix 14.

8. Proposed changes to the Council's Contract Standing Orders

- 8.1 We noted that the Council's Constitution defines the Council's decision-making procedures. It is kept under review and when necessary, amendments are proposed to Standards Committee for consideration and recommendation on to full Council.
- 8.2 We noted that the previous update to Part Four of the Constitution, Section J Contract Procedure Rules was in July 2023. The proposed amendments to the Contract Standing Orders (CSO) were intended to align with the new Procurement Act 2023 (PA23), which came into effect on 24 February 2025.
- 8.3 We were advised that the PA23 introduces significant changes to that of the existing Public Contract Regulations 2015 (PCR), with enhanced transparency and new procedures consolidating multiple regulations relating to the letting of public contracts. The PA23 will cover the entire commercial lifecycle for letting and maintaining public contracts, which now needs to be considered in the CSO's.
- 8.4 We further noted that the proposed amendments to the CSO's will support a new operating model for Strategic Procurement, promoting best practice across the Council and align with the PA23.
- 8.5 We were asked to consider the proposed changes to the Constitution, and key changes were summarised as follows:
- Amendments to Part Four of the Constitution, Section J Contract Procedure Rules and any other consequential amendments arising as a result of these.
 - Alignment of the constitution with the Procurement Act 2023.
 - Consideration of transitional arrangements from the PCR's to the PA23.
 - Centralisation of procurements above £25,000 (twenty-five thousand pounds) into Strategic Procurement.
 - Cabinet approval to commence procurements of £500,000 (five hundred thousand pounds) and above.

The introduction of new practices covering:

- Disclosure of pipelines

- Disclosure of information throughout the commercial lifecycle of a contract
 - The requirement to consider Social Value in our procurements above £500k
 - Introduction of Dynamic Markets
 - Contract management
 - Termination of contracts
- Restructure the flow of the CSO's to align with the commercial lifecycle of contracts.

Additional information on the proposed changes was considered at Appendix 18 Summary of Proposed CSO Amendments 2025.

We noted the following in response to questions:

- That there will be a contract management process with increased oversight to ensure that contracts were consistently maintained and that there was good management of general categories of spend such as Adults' services and Children's related services. The Strategic Procurement Team will have oversight of the contract from signature to performance management status and there will be an officer Procurement Board for added scrutiny of larger contracts.
- That previously contracts below £160k were managed by the service and now this would change to contracts over £25k having strategic procurement input and challenge. It was noted the £25k applied to each procurement and not the aggregated spend in a service.
- That there would be an additional demand on the services of the Strategic Procurement team due to the increase in number of contracts to oversee and ensure compliance with updated procedure rules. In response it was noted that there had been additional capacity added to the procurement and training sessions provided to staff taking forward contracts so aware of the new processes to be implemented. This staffing included 3 new apprentices.

We welcomed the increased oversight of contracts in the Council and additional scrutiny and made no further specific changes to the outlined changes.

WE RECOMMEND

Adoption of the proposed revised Part Four of the Constitution, Section J Contract Procedure Rules as attached at **Appendix 16 - Contract Standing Orders 2025**.

Noting the following key amendments:

Alignment with the Procurement Act 2023.

Cabinet to approve the commencement of procurements where the contract will exceed £500,000 (five hundred thousand pounds).

Centralisation of procurements above £25,000 (twenty-five thousand pounds).

The notification of procurement pipelines to the Chief Procurement Officer and requirement to publish pipelines.

The formalisation of Social Value considerations aligned to the Councils pending Procurement Social Value Policy.

The introduction of contract management and contract termination provisions.

Procedural matters will be contained in the Procurement Code of Practice.

Reasons for decision

The CSO's need updating to reflect changes in legislation (Procurement Act 2023), support the new Procurement operating model, improve processes and to reflect current Council Policies.

New legislation (Procurement Act 2023) comes into effect on 24 February 2025 and replaces several previous procurement regulations. The new legislation now covers the entire commercial lifecycle of letting and managing public contracts and consolidates previous procurement regimes into a single set of regulations. Therefore, various amendments have been made throughout the CSOs so as to ensure the CSOs remain aligned to these legislative changes and support the transition to the new PA23.

Definitions have been updated to ensure references in the CSOs remain consistent throughout the document and incorporate new terminology in the PA23.

The proposal to require Cabinet to approve procurements of £500,000 (five hundred thousand pounds) or more prior to commencing the procurement activity, enables members to consider the following:

Understand what other service delivery options have been considered (i.e. in-house, hybrid etc.).

The projected costs and timescales.

The procurement strategy, including the route to market and the social value proposals.

Alignment with Council priorities and policies.

The introduction of a centralised procurement function for above £25,000 (twenty-five thousand pounds). This is part of the procurement modernisation programme to introduce efficiencies across procurement activity. The Council will benefit from:

Avoiding the need to train significant volumes of officers on the new Procurement Act 2023 (applies to contracts above £25,000 (net of VAT)).

Increased compliance in the procure to pay process.

Application of best practice across procurement and contract management functions.

Alignment of low value contracts with category strategies and consolidation of contracts to promote best value.

The PA23 requires the Council to publish a contract pipeline of contracts valued at £2,000,000 (two million pounds) or more which it intends to procure in the following 18 months (as a minimum). This pipeline must be published within 56 days of 01 April each year, with updates to be published as soon as practicably possible. To ensure compliance with this regulation, it is proposed this activity is managed by the Chief Procurement Officer.

Directors will be required to provide the Chief Procurement Officer with an updated pipeline for all contracts they intend to procure with a value exceeding £25,000 (twenty-five thousand pounds) every quarter. This is to ensure Strategic Procurement can manage the demand, ensure compliance with the transparency requirements under the Procurement Act and to capture any additional contracts of £2m (two million pounds) or above that were not previously published on the pipeline referenced in 4.6 above.

The introduction of Social Value provisions into the CSOs is to re-enforce the pending Procurement Social Value Policy and comply with various aspects of the PA23 and the National Procurement Policy Statement.

The PA23 includes provisions relating to contract management. This includes restrictions on the extent of which contract amendments can be undertaken, the publication of contract key performance indicators and associated commentary for some contracts and the contract termination, whether for breach, non-performance or simply coming to the end of its term. Therefore, specific provisions relating to contract management have been introduced into the CSOs.

The CSOs have been reconfigured in parts to introduce a more consistent and logical flow to the provisions.

Most procedural matters have been removed from the CSOs and will be incorporated into the Procurement Code of Practice. This is to ensure the CSOs remain succinct and there is flexibility to update processes in the Code of Practice to reflect subsequent changes to the PA23 as they refine legislation over the next couple of years. Due to the scope of the PA23, there will be a significant volume of guidance required for officers, which will need to incorporate where there are exceptions for some services. It would not be practical to incorporate this into the CSOs.

Alternative options considered

Do Nothing – This option would mean the Council would be referencing outdated legislation in its constitution and not be consistent with the new PA23. This would likely lead the Council to breach its statutory obligations in failing to comply with current legislation and would also be a missed opportunity to amend, refine and strengthen its own internal governance processes. This option is therefore not recommended.

Appendices

Appendix 1 Standards Committee Report Members' Allowances Scheme

Appendix 2 Member Allowance Scheme no change,

Appendix 3 Members' Allowances Scheme 2025/2026 track changes with 2.5% change to Basic Allowance

Appendix 4 Members' Allowances Scheme 2.5% increase proposed published version

Appendix 5 Independent Remuneration Panel Report 2023

Appendix 6 Updated Carers Form

Appendix 7 Standards Committee Report on changes to second supplementary questions

Appendix 8 Final version of CSO 10.7 for publication

Appendix 9 Article 5, 10/03/2025 Standards Committee

Appendix 10 Standards Committee report on non-voting co-optee members

Appendix 11 Protocol on non-voting co-optees

Appendix 12 Part4 Section G Overview and Scrutiny Procedure Rules,

Appendix 13 Part4 Section G Overview and Scrutiny Procedure Rules publishing version

Appendix 14 Overview and Scrutiny Protocol updated

Appendix 15 Standards Committee Report 2025 CSO Changes, 10/03/2025 Standards Committee

Appendix 16 - Contract Standing Orders 2025, 10/03/2025 Standards Committee

Appendix 17 Summary of Proposed CSO Amendments 2025, 10/03/2025 Standards Committee

Appendix 18- CSO 2023 vs 2025 comparison