

**Council Meeting**  
**2 March 2010**

SUPPLEMENTAL REPORT OF THE ACTING DEMOCRATIC SERVICES MANAGER  
AGENDA ITEM 5.3

**5.3.2 MEMBERS ALLOWANCE SCHEME 2010/11 – REPORT OF THE INDEPENDENT REMUNERATION PANEL.**

The Council is required under the Local Authorities (Members' Allowances) (England) Regulations 2003 to make a Members' Allowance Scheme before the beginning of each year providing for the payment of a basic allowance to each Member. The scheme may also provide for the payment of a Special Responsibility Allowance, Childcare and Dependant Allowance, Travel and Subsistence Allowance and Co-optees Allowance. Barnet's current scheme is contained within the Council's Constitution.

Local Authorities have the choice of adopting either their own local scheme for Members' Allowances or a scheme recommended by the London Council. Barnet has always taken the first option in adopting a local scheme.

Before making or amending a Scheme, the Council must have regard to the recommendation of an Independent Remuneration Panel.

The Independent Remuneration Panel met on 17 February 2010 to carry out a full review of the Scheme and their recommendations are contained in the report attached at Appendix A of this report.

**RECOMMENDED**

- 1. That, having regard to the recommendation of the Independent Remuneration Panel, the Members' Allowance Scheme attached as Appendix A for the year 2010/11 be approved for the period 1 April 2010 to 31 March 2011.**
- 2. That the Acting Democratic Services Manager make the appropriate amendments to the Council's Constitution.**

**Aysen Giritli**  
**Acting Democratic Services Manager**

## APPENDIX A

### **Members' Allowances - Report of the Independent Remuneration Panel for the London Borough of Barnet**

#### **Members' Allowances 2010/11**

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#### **1. Introduction**

1.1 The Panel met on 17 February 2010 at Hendon Town Hall to consider making recommendations on the Scheme of Members' Allowances for 2010/11.

1.2 the Council's officers supplied us with

- Details of the current Scheme
- A comparison with the Schemes in neighbouring Boroughs
- The current scheme produced by London Councils
- A "broad brush" comparison across all London Boroughs, produced by London Councils

#### **2. Last Year's review and the current levels of allowance**

2.1 Last year the Panel recommended

- an uplift in allowances in line with the agreed yardstick, the Local Government pay settlement, resulting in a Basic Allowance of £9,974
- carried out a detailed review of the positions that should be recognised by Special Responsibility Allowances (SRAs)
- an Increase in the travel allowance to £500

2.2 Subsequently the Panel agreed in-year changes

- To align with a major restructuring of the Scrutiny arm of the Council.
- To recognise the responsibilities of the Chairman of the Special Committee (Constitutional Review).

2.3 A copy of the resultant levels of allowance is attached for reference

#### **3. Review of the current Scheme and recommendations for 2010/11**

3.1 Having carried out a major review last year we did not feel it necessary to revisit the SRA structure in detail. Our attention this year focussed on the question of whether there should be any uplift in allowances.

##### Review of increasing the Basic Allowance

3.2 We are acutely aware that the coming year will be a time of severe financial stringency in all sectors of the economy. Many employees in the private sector are already subject to a wage freeze and some are being asked to accept reductions in salary. Against a background of a 1% salary increase in the public sector generally there is a possibility of an overall public sector salary freeze next year. Significant cutbacks in UK public sector financing

over the coming years have been projected by most economists. This is likely to mean serious cutbacks in many other areas of Council spending.

- 3.3 In such circumstances we concluded members should demonstrate their awareness of the harsh economic climate and take no increase in allowances this year. Our recommendation to the Council is that there should be a freeze on allowances. We considered whether to go further and recommend a 1% decrease in allowances but we have decided to leave this as an option for the Council to consider.

#### SRAs for Vice-Chairmen

- 3.4 Although detailed scrutiny of the SRAs was not necessary in light of our work last year, there was one aspect of the scheme that we felt needed consideration – the award of allowances to Vice-Chairmen. The current position here we felt somewhat anomalous in that some Vice-Chairmen receive an allowance whilst others do not and there is no consistent rationale for this. The only essential function of a Vice-Chairman is to chair a meeting or to be consulted on draft reports/minutes when the Chairman is unavailable – these are usually quite rare eventualities. Comparison with other local authorities' SRA schemes reveals only a few cases of Vice-Chairmanships being recognised by SRAs.
- 3.5 We therefore recommend cessation of SRAs for Vice Chairmen.

#### **Recommendations**

- 1. That the Council implement at least a freeze on allowances for 2010/11 and give consideration to a 1% reduction to recognise the financial stringency now facing all sectors of the economy**
- 2. That the payment of SRAs to Vice-Chairmen should cease**

Firoozeh Ghaffari

Andrew Leslie

Jon Shamah

22 February 2010

**Proposed Special Responsibility Allowances -1 April 2010 to 31 March 2011**

(Basic Allowance is £9,974)

<b>Scale</b>	<b>Multiple of Basic</b>	<b>Amount</b>	<b>Positions</b>
1	3.5	34,909	Leader
2	1.75	17,454.50	Cabinet Members
			Leader of Main Opposition Group
3	1	9,974	Deputy Leader
			Leader of Smaller Opposition Group
			Chairman of Audit Cttee
			Chairman of Planning & Environment Cttee
			Chairman of Area Planning Sub-Cttee
			Chairman of Pension Fund Cttee
			Chairman of Budget & Performance Overview & Scrutiny Cttee
			Chairman of Business Management Overview & Scrutiny Sub Cttee
			Chairman of Policy & Performance Overview & Scrutiny Cttee
			Chairman of Health Overview & Scrutiny Cttee
Chairman of Special Cttee (Constitution Review)			
4	0.6	5,984.40	Chairman of Gen Functions Cttee
			Chairman of Area Environment Sub-Cttee
			Group Secretaries
			Chairman Residents Forum
			Chairman of Licensing Cttee
			Chairman of Standards Cttee

<b>Scale</b>	<b>Multiple of Basic</b>	<b>Amount</b>	<b>Positions</b>
			Group Whip (Majority Party)
			Chairman of CJNCC
			Chairman of Adult Social Services Overview & Scrutiny Sub Cttee
			Chairman of Children's Services Overview & Scrutiny Sub Cttee
			Vice Chairman of Health Overview & Scrutiny Cttee
5.	0.25	2493.50	Group Whip (Minority Parties)
			Vice Chairman of Planning & Environment Cttee
			Vice Chairman of Area Planning Subs
			Vice Chairman of Area Environment Subs
			Shadow Cabinet Members
			Licensing Cttee Members
			Pension Fund Cttee Members
			Vice Chairman of Residents Forums
			Vice Chairman of Budget & Performance Overview & Scrutiny Cttee
			Vice Chairman of Children's Services Overview & Scrutiny Sub Cttee
			Vice Chairman of Business Management Overview & Scrutiny Sub Cttee
			Vice-Chairman Policy & Performance OSSC
			Vice Chairman of Adult Soc Serv Overview & Scrutiny Sub Cttee