

	<p>Council</p> <p>5 March 2019</p>
<p>Title</p>	<p>Members' Allowances Scheme 2019/20</p>
<p>Report of</p>	<p>Monitoring Officer</p>
<p>Wards</p>	<p>N/A</p>
<p>Status</p>	<p>Public</p>
<p>Enclosures</p>	<p>Appendix A: The Remuneration of Councillors in London – Report of the Independent Panel, January 2018</p> <p>Appendix B: Proposed Members Allowances Scheme 2019/20</p>
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<p>Summary</p>
<p>The Council is required, if it wishes to pay such allowances, to adopt a Members' Allowances Scheme on an annual basis with effect from 1 April each year.</p> <p>The proposed Members' Allowances Scheme for 2019/20 is based on the current Scheme, which was adopted by Council on 6 March 2018 for 2018/19.</p>

<p>Recommendation</p>
<p>1. That Council have regard to the recommendations of the Independent Panel on the Remuneration of Councillors in London as attached as Appendix A.</p>
<p>2. That Council approve the Members' Allowances Scheme 2019/20 attached as Appendix B with effect from 1 April 2019.</p>

1. WHY THIS REPORT IS NEEDED

- 1.1 The Council is required under the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) to agree on an annual basis a schedule of Allowances payable to Members' for the following financial year. Under the regulations, when making or amending a scheme, the Council is required to have regard to the recommendations of an Independent Remuneration Panel (regulation 19). The regulations state that before the beginning of each year the authority shall make a scheme for the allowances for that year.
- 1.2 The Members Allowance Scheme is comprehensive and includes Basic Allowances, Special Responsibility Allowances (for posts which carry specific responsibilities) and other allowances and expenses that may be claimed.
- 1.3 Council at its meeting on 6 March 2018 approved a schedule of allowances that reflect responsibilities under a Committee System. The adopted scheme forms part of the formal Members Allowance Scheme which is incorporated within the Council's Constitution. The current scheme has regard to the recommendations in the June 2014 report of the London-wide Independent Remuneration Panel convened by London Councils (see link in Background Papers section). That report noted there is now considerable congruity in the basic allowance made by the London Boroughs. However, most London Boroughs do not adopt the Panel's recommendations in their entirety. It should also be noted that the London Councils recommendations do not explicitly consider the Committee System which Barnet now operates and, as such, some of the bands are not comparable (e.g. Leader and Deputy Leader).
- 1.4 In January 2018, the London-wide Independent Remuneration Panel convened by London Councils published revised recommendations (Appendix A). The main changes between the 2014 and 2018 schemes are the application of an inflationary allowance increase across all bands. The increase is linked to the local government pay awards that have happened in successive years since 2014. The Leader has requested that, despite the London-wide Panel recommending the increases, there should be no changes to the currently adopted scheme. The new administration may wish to reserve the right review the Barnet Members Allowances Scheme in the light of the London Councils IRP recommendations.
- 1.5 As such, the scheme of allowances adopted for 2018/19 and the proposed scheme of 2019/20 does not change the allowance rates from those agreed for 2017/18. This includes recommendations that:
 - 1.5.1 London Councils previously recommended that Member allowances are linked to the annual local government pay settlement which would ensure that councillors can receive annual increases which are in line

with those received by staff. To date, Barnet has not agreed that the scheme should be tied to the annual government pay settlement.

- 1.5.2 If members take on extra work and responsibilities through undertaking external appointments, then they should be entitled to retain the remuneration attracted by those responsibilities. The Members' Allowance Scheme attached at Appendix B states the following "where a member of the authority is also a member of another authority that member may not receive allowances from more than one authority in respect of the same duties".
- 1.5.3 The payment to Councillors of an allowance ('the Dependents Carer Allowance') in respect of the expenses of arranging for the care of children or dependents when the Councillor attends meetings or is engaged in other official duties. Ordinary care should be remunerated at not less than the London living wage (£10.42 per hour from 1 April 2018), and (on presentation of proof of expense) payment should be made at a higher rate when specialist nursing skills are required. The Members Allowance Scheme as set out in Appendix B includes an allowance of £7.00 per hour for a maximum of 8 hours which is below the rate previously recommended by London Councils, but in accordance with the rate agreed by Council in March 2018.
- 1.5.4 Continuance of Special Responsibility Allowances (SRAs) in the case of sickness, maternity and paternity leave in the same terms that the council's employees enjoy such benefits. The Members Allowance Scheme at Appendix B is silent on continuance of SRAs in the event of sickness, maternity and paternity. However, the Scheme notes that only the following circumstances mean that the SRA is altered:
- the scheme is amended
 - the councillor is newly elected
 - the councillor ceases to be a councillor
 - the councillor accepts or gives up a position eligible for a special responsibility allowance.
- 1.5.5 The basic allowance should cover all reasonable out-of-pocket expenses incurred by councillors including intra-borough travel costs and expenses. The Members Allowance Scheme at Appendix B considers travel outside of the borough.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Members Allowance Scheme for 2019/20 requires the approval of full Council. Council is required to ensure the Scheme meets all the requirements of statute including the period the scheme covers and consideration of the findings of the Independent Panel Report.
- 2.2 The Scheme chosen reflects the special responsibilities of Members under the Committee System and is below the London Councils recommendations.

- 2.3 The Scheme has been drafted on the basis that Council still wishes to pay the Basic and Special Responsibility allowances proposed adopted by Council on 6 March 2018.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Fully implementing the recommendations of the January 2018 report of London Councils Panel, even at median levels, would result in additional expenditure by the Council compared to current budget provision.
- 3.2 Council could refuse to adopt the proposed Members' Allowances Scheme for 2019/20. This is not recommended as the implementation of the Scheme is required to regulate the remuneration of Members in respect of Council business undertaken.

4. POST DECISION IMPLEMENTATION

- 4.1 Following approval by the Council of a Scheme, a notice will be advertised pursuant to Section 19 of the Regulations.
- 4.2 The approved Scheme will become operational with effect from 1 April 2019.
- 4.3 A further report for review on Members Allowances for 2020/21 will be brought to Council before 31 March 2020 with a view to agreeing a scheme for the following municipal year.

5. IMPLICATIONS OF DECISION

5.1 Corporate Priorities and Performance

- 5.1.1 None in the context of this report.

5.2 Resources (Finance & Value for Money, Procurement, Staffing, IT, Property, Sustainability)

- 5.2.1 The 2018/19 Members Allowances budget is £1,106,150. No changes are currently proposed for 2019/20.

5.3 Legal and Constitutional References

- 5.3.1 There is a requirement that councils must make any scheme for the following year to commence on 1 April. Schemes can be amended at any time, but new schemes can be introduced only from the start of each year commencing on 1 April. The approval of Council is necessary to any amendments to existing schemes or the adoption of new schemes.

- 5.3.2 Responsibility for adopting a Members' Allowances Scheme is attributable to Council in accordance with section 4.1 of Article 4 of the Council's Constitution.

5.4 Risk Management

5.4.1 Failure to agree a scheme may render the council in breach of its statutory duty.

5.5 **Equalities and Diversity**

5.5.1 These proposals do not adversely compromise the Council's public sector equalities duty under the 2010 Equality Act.

5.6 **Consultation and Engagement**

5.6.1 An advertisement setting out details of the Scheme itself will be published as soon as practicable after Council has made its decision.

6. **BACKGROUND PAPERS**

6.1 London Borough of Barnet website, Currently Elected Councillors Allowances and Expenses: <https://www.barnet.gov.uk/citizen-home/council-and-democracy/democracy-and-elections/currently-elected-councillors/allowances-and-expenses.html>

6.2 London Councils, Remuneration of Councillors in London Reports 2014 and 2018: <https://www.londoncouncils.gov.uk/who-we-are/about-us/financial-information/leadership-and-expenses/remuneration-councillors-london>