



Council
1 March 2022

Title	Members' Allowances Scheme 2022/23
Report of	Head of Governance
Wards	N/A
Status	Public
Enclosures	Appendix A: The Remuneration of Councillors in London – Report of the Independent Panel, January 2022 Appendix B: Proposed Members Allowances Scheme 2022/23
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Summary

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.

The proposed Members' Allowances Scheme for 2022/23 is based on the current Scheme, which was adopted by Council on 1 March 2021 for 2021/22.

Recommendations

1. That Council have regard to the recommendations of the Independent Panel on the Remuneration of Councillors in London as attached as Appendix A.
2. That Council approve the Members' Allowances Scheme 2022/23 attached as Appendix B with effect from 1 April 2022 and agree that if the national pay award is not agreed at 1.75% then the Scheme will be amended to reflect the final nationally agreed pay award.

3. That Council note that following approval the Scheme, a notice will be advertised pursuant to Regulation 16 of the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended).

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 1 March 2021 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.
- 1.4 In January 2022, the London-wide Independent Remuneration Panel (IRP) convened by London Councils published revised recommendations (Appendix A). Prior to this, the London Councils IRP made recommendations in 2014 and 2018 – Barnet have had regard to these recommendations each time a Members Allowances Scheme was adopted by Council. It should be noted that 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). In the 2018 report, the IRP recommend an annual update for inflation (in line with the local government pay settlement) – this was applied in 2020/21, but not in 2018/19, 2019/20 or 2021/22.
- 1.5 Section 1.3.6 of the report to Policy & Resources Committee on 9 February 2022 shows the key assumptions that were included within the Medium-Term Financial Strategy (MTFS). For 2021/22, there is an on-going national negotiation currently agreed at a 1.75%. As officers are unable to predict pay awards for future years it is recommended that the increase to the allowance scheme be based on the best measure of staff pay inflation available (i.e. 1.75%). Council are therefore recommended to agree an increase of 1.75% to will apply to Barnet's Members Allowances Scheme from 1 April 2022.
- 1.6 The London-wide IRP have stated that they will undertake a more detailed review of allowances in the summer of 2022 and conclude the review during the latter half of 2023. These will be reported to Council in due course.

2. REASONS FOR RECOMMENDATIONS

- 2.1 The Members Allowance Scheme for 2022/23 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.
- 2.3 The Scheme has been drafted on the basis that Council still wishes to pay the Basic and Special Responsibility allowances proposed and adopted by Council on 1 March 2022.

3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

- 3.1 Fully implementing the recommendations of the January 2022 report of London Councils IRP, even at median levels, would result in additional expenditure by the Council compared to current budget provision. It is therefore recommended that an inflationary increase of 1.75% is applied to the 2022/23 Members Allowances Scheme.
- 3.2 Council could refuse to adopt the proposed Members' Allowances Scheme for 2022/23. This is not recommended as the implementation of the Scheme is required to regulate the remuneration of Members in respect of Council business undertaken and the Regulations require a Scheme to be adopted annually.

4. POST DECISION IMPLEMENTATION

- 4.1 Following approval by the Council of a Scheme, a notice will be advertised pursuant to Regulation 16 of the Regulations.
- 4.2 The approved Scheme will become operational with effect from 1 April 2022. The Head of Governance and Assistant Director Human Resources and OD will ensure that payroll adjustments are made to reflect the revised scheme.
- 4.3 The Monitoring Officer will arrange for an updated version of the Members Allowances section of the Constitution to be published from 1 April 2022.

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 For the main element of the Members Allowances budget (which comprises Basic and Special Responsibility Allowances) a 1.75% inflationary increase

has been applied. This results in a £19,308 increase in the budget from £1,103,342 to £1,122,650 for 2022/23.

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 Equality Act 2010.

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 Policy & Resources Committee, 9 February 2022, Item 7, Business Planning – The Barnet Plan, Budget 2022/23, Medium Term Financial Strategy 2022 – 2026 and Budget Management 2021/22:

[Agenda for Policy and Resources Committee on Wednesday 9th February, 2022, 7.00 pm | Barnet Council \(moderngov.co.uk\)](#)

6.2 London Borough of Barnet website, Currently Elected Councillors Allowances and Expenses: [Barnet councillors' allowances and expenses | Barnet Council](#)

6.3 London Councils, Remuneration of Councillors in London Reports: [Remuneration of Councillors in London Boroughs | London Councils](#)