

# Council

## **27 February 2024**

Title	Members' Allowances Scheme 2024/25
Report of	Head of Governance
Wards	N/A
Status	Public
Enclosures	Appendix A: The Remuneration of Councillors in London – Report of the Independent Panel - December 2023  Appendix B: Proposed Members Allowances Scheme 2024/25
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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.

A scheme was adopted at Council on 28 February 2023 for 2023/24 which was subsequently amended at an Extraordinary Council meeting on 2 May 2023 to reflect the council's new governance arrangements which were effective from Annual Council (23 May 2023).

## 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 2024/25 attached as Appendix B with effect from 1 April 2024.



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 28 February 2023 approved a schedule of allowances which were implemented on 1 April 2023. This schedule was subsequently amended at an Extraordinary Council meeting on 2 May 2023 to reflect the council's new governance arrangements which were effective from Annual Council (23 May 2023).
- 1.4 The adopted scheme forms part of the formal Members Allowance Scheme which is incorporated within the Council's Constitution.
- 1.5 In December 2023, 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, 2018 and 2022 (see <a href="here">here</a>). Barnet have had regard to these recommendations each time a Members Allowances Scheme was adopted by Council.
- 1.6 In the 2018, 2022 and 2023 reports, the IRP recommend an annual update in line with the local government pay settlement this has been applied in some years, but not all. No inflationary increase will be applied for 2024/25.

#### 2. REASONS FOR RECOMMENDATIONS

- 2.1 The Members Allowance Scheme for 2024/25 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 has been drafted on the basis that Council still wishes to pay the Basic and Special Responsibility allowances proposed and adopted by Council.

#### 3. ALTERNATIVE OPTIONS CONSIDERED AND NOT RECOMMENDED

3.1 Council could refuse to adopt the proposed Members' Allowances Scheme for 2024/25. 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 2024.
- 4.3 The Head of Governance will arrange for an updated version of the Members Allowances section of the Constitution to be published from 1 April 2024.

#### 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) the budget will remain at £1,023,317 for 2024/25.

#### 5.3 **Legal and Constitutional References**

- 5.3.1 Responsibility for adopting a Members' Allowances Scheme is attributable to Council in accordance with Part 2A (Terms of Reference of Council) of the Council's Constitution. Section 1 states that "Only the full Council can exercise the following functions: 1.12 Adopting the Scheme of Members' Allowances set out in the Constitution."
- 5.3.2 2. Under the Local Authorities (Members' Allowances) (England) Regulations 2003 the requirements of the scheme are:
  - 10.— Requirements for schemes
  - (1) Before the beginning of each year, an authority shall make the scheme required by regulation 4(1)(a) for the payment of basic allowance for that year.
  - (2) The scheme shall also make provision for the following allowances if an authority intends to make such payments in respect of the year—

- (a) special responsibility allowance;
- (b) dependants' carers' allowance;
- (c) travelling and subsistence allowance; and
- (d) co-optees' allowance.
- 3.3 The scheme can be amended under regulation 3 and 6.
- (3) Subject to regulation 12 the scheme may be amended at any time but may only be revoked with effect from the beginning of a year.
- (6) Where an amendment is to be made which affects an allowance payable for the year in which the amendment is made, the scheme may provide for the entitlement to such allowance as amended to apply with effect from the beginning of the year in which the amendment is made.

## 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 Council, 28 February 2023, Item 12.3 Members Allowances Scheme: <u>Agenda for Council on Tuesday 28th February</u>, 2023, 7.00 pm (moderngov.co.uk)
- 6.2 Extraordinary Council, 2 May 2023, Item 4 Report of the Head of Governance Members Allowances Scheme 2023/24: Agenda for Council on Tuesday 2nd May, 2023, 7.00 pm (moderngov.co.uk)
- 6.3 Councillors Allowances and Expenses: <u>Councillors' allowances and expenses | Barnet</u>
  Council
- 6.4 London Councils, Remuneration of Councillors in London Reports: Remuneration of Councillors in London Boroughs | London Councils