

Report for: Standards Committee – 2 March 2021

Title: Members' Allowances Scheme 2021-22

Report authorised by : Interim Monitoring Officer – John Jones

Lead Officer: Ayshe Simsek – Democratic Services and Scrutiny Manager

Ward(s) affected: N/A

**Report for Key/
Non Key Decision:** Non-Key Decision

1. Describe the issue under consideration

- 1.1 Each year before 31 March, full Council is required by the Local Authorities (Members Allowances) (England) Regulations 2003 to adopt a Members' Allowances Scheme for the following financial year.

2. Cabinet Member Introduction

N/A

3. Recommendations

- 3.1 To comment on any changes required to the Members' Allowances Scheme, attached as Appendix 1 to the report.
- 3.2 To recommend that the Members' Allowances Scheme be adopted by Full Council on 18 March 2021.

4. Reasons for decision

- 4.1 The Council has a legal duty to approve a Members' Allowances Scheme before the end of each year to cover the following year. The Council can amend a scheme any time during the year but can only revoke a scheme with effect from the beginning of the year. The scheme must make provision for basic allowances and, if they are to be paid, special responsibility, dependents' carers, travelling and subsistence and co-optees allowances.

5. Alternative options considered

- 5.1 No alternative options were considered as there is a duty to adopt a members' allowance scheme annually.

6. Background information

- 6.1 This report asks Standards Committee to consider the scheme proposed for 2021- 22 and comment on any changes required prior to approval by full Council, in accordance with Article 14.03 of the Council's Constitution.
- 6.2 Before it can adopt a Members' Allowances Scheme, the Council has a duty to consider the recommendations of an Independent Remuneration Panel in relation to the payment of Members' Allowances.
- 6.3 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 in 2018 and is attached as Appendix 2. Although the IRP makes recommendations, it is for each individual council to decide the level of remuneration and for which roles. The 2018 recommendations were also considered in the 2019/20 review . In March 2020, when making the Members' Allowances Scheme the Council gave due regard to the recommendations of the report of an Independent Adviser to the Standards Committee who had completed a review of the current scheme. The Adviser put forward proposals for increases to certain SRA's as well as recommending index linking the Basic Allowance to the local government staff pay award with increases taken forward in the proceeding financial year. In March 2020, it was not felt appropriate to adopt the proposed increases to SRAs in the current economic climate and it was agreed that the SRA's remained at current levels. At the Council meeting on the 19 March 2020, it was agreed, that the Members Basic Allowance percentage increase be index linked to the local government officer pay percentage increase, capped at 2% to be reduced if a lesser percentage is agreed, and to be paid in the 2020/21 municipal year once the staff pay award had been finalised. The Independent Adviser report is attached for information and comment is sought on continuing to index link Basic Member Allowance increases to the local government Officer pay percentage. Current indications are that local government officers are unlikely to get a pay rise in 2021/22.
- 6.4 The changes to the Scheme for 2021-22 are shown in italics and comments provided for proposed changes. There is a minor clarification relating to the extension of non attendance at a council meeting of 6 months.

7. Contribution to strategic outcomes

- 7.1 Members of the Council are directly responsible for the setting and oversight of all strategic priorities.

8. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

8.1 Finance

The cost of the scheme is within the agreed budget provision for 2021/22.

8.2 Assistant Director of Corporate Governance

Legal implications are contained within the body of this report.

8.3 Equality

The decision to approve allowances to members does not have a direct impact on the equality duty of the council, other than that the scheme includes provision for payment for parent/carers allowances to facilitate the attendance of parents and carers at meetings and in relation to carrying out the general responsibilities of councillors.

9. Use of Appendices

Appendix 1: Members' Allowances Scheme 2021-22.

Appendix 2: The remuneration of Councillors in London 2018 – report of the Independent Panel.

Appendix 3: Haringey Review of Member's Allowances 2019-20.

10. Local Government (Access to Information) Act 1985

None.