

**Report for:** Standards Committee 28 February 2022

**Title:** Members Allowances Scheme for 2022-23

**Report authorised by :** Head of Legal and Governance Fiona Alderman

**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<sup>st</sup> 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 discuss and comment on any changes required to Appendix 1, Members Allowance Scheme 2022/23 as set out in paragraph 6.4 and 6.5.
- 3.2 To recommend that the Members' Allowances Scheme be adopted by Full Council on 14 March 2022.

**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 2022/ 23 municipal year and recommend the final scheme for approval by full Council on the 14<sup>th</sup> of March , 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 on the 14<sup>th</sup> of January 2022 and considered by the Committee on 25<sup>th</sup> of January 2022 and the following comments made:
- The SRA bandings in the attached IRP report remained out of touch with local Council decision making on Member's Allowances and the SRA thresholds were too high. Committee Members felt that they were not realistic in expecting residents to accept these potentially high payments for local representations.
  - The IRP report did not provide any evidence to support its claim that allowances should not be an incentive to carry out the Councillor role but also not be a disincentive.
  - There was general comments about keeping the Basic Member Allowance index linked to rises to local government officer pay awards and it was suggested that the 1.75 increase being negotiated with local government officers could be applied and capped at this figure.
  - There was discussion about the percentage rate connections between the SRA bandings and the Committee discussed the difficulties in having a set scheme as in Wales. The SRA's thresholds in Haringey were traditionally in the lower ranges of the proposed SRA bandings and noted that most Councils in London did not fully apply the SRA banding thresholds. This was a locally agreed issue with Councillors mindful of resident's expectations
- 6.4 Agreement is sought on whether Committee members are continuing to recommend that the Member's Allowances scheme continue unchanged for the 2022/23 year as set out at Appendix 1.Or indicate if the Basic Allowance should be index link to the proposed increases to the local government officer pay percentage of 1.75% and also capped at this figure as suggested at the January Committee meeting. The latest position, since the last Committee meeting, is that local government officers are still being offered a 1.75% pay increase (2.75% to those on the lowest pay point). This increase is being contended by trade unions and a higher increase being sought to cover the full cost of inflation. There is an NJC Pay claim for a substantial increase with a minimum of 10% on all spinal column points. This was put forward to the Local Government Association on the 15<sup>th</sup> of February. A ballot for strike action was not successful and the Local Government Chronicle indicates that due to

ongoing negotiations local government officers are unlikely to get a pay award before April 2022.

- 6.5 To note that if the 1.75% increase is agreed and further agreed for implementation at the same time as the local government officer pay award, during the 2022/23 municipal year , the current Basic Allowance would increase to £11,444.

## **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 unchanged is within the allocated budget envelope and to increase the Members Basic Allowance by £197.00 per councillor would be £11,229 with on costs and would need to be met within the overall Budget envelope of Democratic and Scrutiny services.

### **8.2 Head of Legal and Governance**

The proposed Members' Allowance Scheme complies with the relevant provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003; the Local Government and Housing Act 1989 and the Local Government Act 2000.

In addition, there are separate provisions, namely sections 3 and 5 of the Local Government Act 1972 for the payment of allowances to the Mayor and the Deputy Mayor.

### **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 2022/23

Appendix 2: The remuneration of Councillors in London 2022– report of the Independent Panel

## **10. Local Government (Access to Information) Act 1985**

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# Haringey Review of Member Allowances 2019/20