

Report for: Standards Committee 5 March 2024

Title: Members Allowances Scheme for 2024- 2025

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 31st 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 consider the changes to the Members' Allowances Scheme set out at paragraph 6.7 and reflected at Appendix 1 to the report.
- 3.2 To recommend that the Members' Allowances Scheme 2024/25 attached at Appendix 1, and any further changes agreed by the Committee be adopted by Full Council on 14 March 2024.
- 3.3 To include the carers claim form attached at appendix 3 in the papers for Full Council on the 14th of March 2024 to support publicity.

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 2024/25 municipal year and recommend the final scheme for approval by full Council on the 14 of March 2024, 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 5th of January 2024 following a detailed review, with recommendations on the remuneration of Councillors in London.

6.4 At the 30th of January 2024 meeting, the Committee noted the following issues raised in the 2024 IRP report:

- Focus on to increasing challenges and complex role of councillors and how in London this is becoming more seismic with inclusion of national and international changes are directly impacting communities.
- Reiterates the wide-ranging responsibilities of local councillors, the time commitment needed and ensuring that the role remains attractive to local residents that have skills, knowledge of the communities and also reflect the demographics of the borough.
- Strong recommendations for changes to the basic allowance of councillors, and to the SRA for the Leader and Mayors of Councils.
- Recommendations are supported by research, which has been compiled from canvassing members and holding focus groups with the public to provide Councils with some assurance that the recommendations have been tested and to limit the anxiety around reputational risk.
- Details how the Leader and Cabinet Member roles are in reality full time positions. There is further information in section 9 of the attached report on the Leader SRA and the responsibility of the role in comparison to other public roles and other roles with financial responsibilities.
- Discusses, sickness, paternity and maternity leave and noted this is already incorporated in the Haringey Member Allowance scheme. There has been some work to simplify the process for claiming childcare and carer payments and this form is attached for comment at appendix 3. This can be better publicised as part of this report to Council in March.

- The deleted right of Councillors to access the local government pension scheme which has had an impact on recruitment of councillors.

The Committee considered the report and discussed the following:

- The cover report and IRP report referred to member allowances as salaries and this was felt to be misleading as there were many key differences. This included that salaries were associated with permanent positions and additional benefits related to a job role such as a pension. Members allowances were payments for additional responsibilities undertaken in a role which was not permanent and did not relate to the volume of additional work and time allocation.
- There was a future need to promote important role of councillors in the community and attract local people who were passionate about making changes and supporting their communities and this could also involve considering the basic member allowance.
- Noted that often the more full-time roles such as Leader and Cabinet Members were having to entail carer breaks or cuts in job salaries to undertake these roles. Noted the increased responsibility and community role of Leader's, Mayors and Cabinet Members.
- Noted that any further changes to SRA's can still be taken forward during the municipal year and any changes would need to be consulted on and have supported reasoning.

6.5 The Committee also agreed the attached carers and babysitting form at appendix 3 for wider publicity and that should be a positive campaign to promote this.

6.6 Although the IRP 2024 makes recommendations, it is for each individual Council to decide the level of remuneration and for which roles.

6.7 The Committee further noted, at their meeting on the 30th of January 2024, that the independent review of Members Allowance commissioned by the Committee in 2019/20 indicated 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. In 2023/ 2024, the Standards Committee agreed to keep to this principle and recommended a 2% increase in the basic allowance. The local government officer pay percentage increase, for 2023/24 is 3.88% on all pay points above the maximum of the pay spine but graded below deputy chief officer. The current basic allowance is **11,472** and if a **2% increase was agreed this would rise to by £229.44 to £11,701.44 (rounded to (£11, 701.00)). This would require additional budget spend of around £13, 053.00(57x 229.00).**

The Committee were in favour of a 2% increase in the basic allowance and saw this as a reasonable adjustment for the increase in volume of casework, increased communications through emails and taking account that councillors themselves were spending on additional resources to maintain increased volume of work and had families themselves to support. The 2% increase would likely be considered and discussed at political meetings and noted that if this was taken forward, there would not be additional budget allocation and instead be met from the Democratic Services budget envelope. Following consultation with member colleagues, the majority have indicated support for the 2% increase outlined above and this is set out at appendix 1 for consideration and recommendation to Full Council on the 14th of March for approval.

- 6.8 In addition, there has been queries about analysis of the Member Allowance Scheme and the interpretation provided, in the full Council report on the 13th of November 2023, that the allocation of the SRA Band 1B is provided to both the Leader of the Second Opposition Group and Deputy Leader of the Principal Opposition. It is accepted that an alternative interpretation can be applied and the Committee, in line with their responsibility for making recommendations on the Member Allowance Scheme to Full Council, are invited to specify whether the scheme should be either the Leader of the Second Opposition Group or Deputy Leader of the Principal Opposition or whether both individuals should receive an allowance.

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. The cost of increasing the Members Basic Allowance by £229 per councillor is £13,053. The cost of providing the SRA Band 1B to both the Leader of the Second Opposition Group and Deputy Leader of the Principal Opposition is £8,482, A budget pressure of £13,053 to £21,535 is not a significant sum in the context of the Council's overall budget and will have to be managed through the in-year monitoring process for 2024/25 and addressed formally in the next MTFS round.

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 2023/24 track changes

Appendix 2: The Remuneration of Councillors in London 2024– report of the Independent Panel

Appendix 3 – Draft expenses form for noting at Full Council.

10. Local Government (Access to Information) Act 1985

Haringey Review of Member Allowances 2019/20