

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Members' Allowances Scheme 2024/25	
REPORT OF Director of Participation, Partnerships and Communication	
FOR SUBMISSION TO Audit and Corporate Governance Committee Council	DATE 29 th February 2024 4 th March 2024
SUMMARY OF REPORT The report invites the Audit and Corporate Governance Committee to recommend to Council the Members' Allowances Scheme for the 2024/25 financial year.	
LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION No documents were used in this report that are required to be listed.	
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RECOMMENDATIONS <p>Audit and Corporate Governance Committee is asked to recommend the Council to:</p> <ul style="list-style-type: none"> i) Adopt the Members' Allowances Scheme as set out in Appendix A for the 2024/25 financial year. ii) Authorise the Director of Participation, Partnerships and Communication, in consultation with the Borough Solicitor, to take all necessary steps in relation thereto including amendments to the Constitution, and publication and operation of the Scheme. <p>Council is asked to:</p> <ul style="list-style-type: none"> i) Agree the Members' Allowances Scheme for 2024/25 as recommended by the Audit and Corporate Governance Committee. ii) Authorise the Director of Participation, Partnerships and Communication, in consultation with the Borough Solicitor, to take all necessary steps in relation thereto including amendments to the Constitution, and publication and operation of the Scheme. 	

Signed: Agreed by Jon Rowney, Executive Director Corporate Services

Date: 19 February 2024

1. Introduction

- 1.1. Before 1 April each year, local authorities are required under the Local Government and Housing Act 1989 to agree a scheme for the payment of allowances to councillors for the forthcoming financial year. This is known as the Members' Allowances Scheme ("the Scheme").
- 1.2. The Scheme must be approved by Council, with the Audit and Corporate Governance Committee – as the non-executive committee with the remit for matters relating to Members – making recommendations to Council.

2. Background

- 2.1 The scheme was last revised significantly in October 2019 by Council following the work of the Democratic Review Group, a cross party panel of members. The Members' Allowances Scheme for 2023-24 was approved by Council on 27th February 2023. The Council has decided to annually uplift all allowances, other than the Dependent Carers Allowance, in line with the national cost of living increase in the local government pay settlement for officers awarded for the previous financial year.

3. Independent Panel on the Remuneration of Councillors in London

- 3.1. All local authorities must give regard to an independent remuneration panel's recommendations when adopting or amending their Scheme. Camden uses the Independent Panel on the Remuneration of Councillors in London ("the IRP") established by London Councils. The IRP's most recent report which was issued in 2023 is attached in **Appendix B**.
- 3.2. The Democratic Review Group recommended, following its 2019 review, that the Council's long-term aim for allowance levels should be to meet the IRP recommendations. Camden's member allowances have consistently remained slightly below the IRP's recommendations.
- 3.3. The IRP also recommends that allowances be uplifted each year in line with the cost of living increase in pay for officers. This annual inflationary increase was also supported by the Democratic Review Group to ensure that allowances reflect inflationary pressures and do not start falling further behind IRP recommended allowances levels.
- 3.4. The IRP's most recent report recognises the crucial role that elected members play in managing multi million pound budgets. Further, it is noted that the health and well-being of residents and communities are at the heart of the work of London boroughs, while also endeavouring to give children the best start in life..
- 3.5. Councillors are deemed integral to the effectiveness of the local democratic process. The report feels that the role of members is becoming increasingly complex given the size and range of national and international changes varying from, climate change, the global energy crisis and housing shortages.

- 3.6. The report recognises the ongoing challenging economic climate as a rationale for advocating annual increments in line with the annual national pay award for local government.

4.0 The National Pay Award

- 4.1 The national pay settlement (for April 2023) has now been agreed. For inner London Boroughs, this is a flat rate award of £2,352.00, This means that all officer pay points have been increased by £2,352, or 3.88%, whichever is greater. It is therefore recommended that the basic Member allowance be increased by £2352 in line with the officer pay award.
- 4.2 The basic allowance will therefore rise from £13,340 to £15,692 from 1 April 2024. All other allowances will remain at the rate paid in the 2023/24 scheme. Adding the additional amount to the basic Member allowance enables the benefit to be spread as widely as possible.
- 4.3 The uplifted basic Member allowance of £15,692 is slightly (£268) below the IRP's recommendation of £15,960.
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5:0 Legal Comments

- 5.1 The Borough Solicitor has been consulted and has no comments to add.

6.0 Finance Comments

- 6.1 The full cost of the increase in basic allowance is estimated to be £148,000 per year. This will be met from existing general fund budgets.

7.0 Environment Comments

- 7.1 There is no perceived environmental impact from the changes in this report.

8.0 Appendices

Appendix A: 2024-25 Members' Allowances Scheme

Appendix B: The Remuneration of Councillors in London 2023. Report of the Independent Panel

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