

LONDON BOROUGH OF CAMDEN	WARDS: All
REPORT TITLE Members' Allowances Scheme 2025/26	
REPORT OF Director of Participation, Partnerships and Communication	
FOR SUBMISSION TO Audit and Corporate Governance Committee Council	DATE 20 th February 2025 3 rd March 2025
<p>SUMMARY OF REPORT The report invites the Audit and Corporate Governance Committee to recommend to Council the Members' Allowances Scheme for the 2025/26 financial year.</p> <p>LOCAL GOVERNMENT ACT 1972 – ACCESS TO INFORMATION No documents were used in this report that are required to be listed.</p> <p>CONTACT OFFICER Kathryn Myers Director of Participation, Partnerships and Communication 5 Pancras Square London, N1C 4AG Telephone: 020 7974 6020 Email: kathryn.myers@camden.gov.uk</p>	
<p>RECOMMENDATIONS</p> <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 2025/26 financial year. ii) Delegate Authority to the Director of Participation, Partnerships and Communication to take all necessary steps in relation to the operation of the scheme including updating and publicising the scheme. <p>Council is asked to:</p> <ul style="list-style-type: none"> i) Agree the Members' Allowances Scheme for 2025/26 as recommended by the Audit and Corporate Governance Committee. ii) Delegate Authority to the Director of Participation, Partnerships and Communication to take all necessary steps in relation to the operation of the scheme including updating and publicising the scheme. 	

Signed: 

Executive Director Corporate Services

Date: 11.02.2025

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' remuneration – making recommendations to Council.

2. Background

- 2.1 The Members' Allowances Scheme for 2024-25 was approved by Council on 4th March 2024. Last year the Council decided to uplift the basic allowance in line with the National Pay Award for officers by an additional £2,352 taking it from £13,340 to £15,692 from 1 April 2024. All other allowances except the Independent Persons' allowance remained the same rate paid in the 2023/24 scheme. The Independent Person's allowance was raised by £45, from £1,130 to £1,175.

3. Independent Panel on the Remuneration of Councillors in London

- 3.1 All local authorities must have regard to an independent remuneration panel's recommendation 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 multimillion-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.
- 3.7 The IRP recommended a basic allowance of £15,960 in their 2023 report. Table A details their recommendations for special responsibility allowances.

Band 1	Vice chair of regulatory or scrutiny committee <ul style="list-style-type: none"> • Chair of sub-committee • Leader of second or smaller opposition group • First opposition group whip • Chairs, vice chairs, area committees and forums • Cabinet assistant 	£3,105 - £9,314
Band 2	Lead member in scrutiny arrangements, such as chair of a scrutiny panel <ul style="list-style-type: none"> • Representative on key outside body • Chair of major regulatory committee e.g. planning • Chair of council business (civic mayor) • Leader of principal opposition group • Majority party chief whip (in respect of council business). 	£15,523 - £31,046
Band 3	Cabinet member <ul style="list-style-type: none"> • Chair of the Health and Wellbeing Board • Chair of the main overview or scrutiny committee • Deputy leader of the council 	£37,255 - £46,569
Band 4	Leader of the Council	£62,092
Band 5	Elected Mayor	£93,575

Table A The IRP recommended special responsibility allowances

4.0 The National Pay Award

4.1 The national pay settlement, for April 2024 was agreed in September as a flat rate of £1,575, for inner London boroughs or 2.5%. This means that all officers pay points have been increased by £1,575 or 2.5%. It is therefore recommended that the basic Member allowance be increased by 2.5% in line with the officer pay award.

4.2 The basic allowance will therefore rise from £15,692 to £16,084.30 from 1 April 2025. All other allowances will be uplifted by 2.5% as depicted by the table below.

Band	Post	With 2.5% uplift
1	Leader of the Council	£43,721.38
2	Cabinet Members (x 9)	£27,326.50
3	Leader of the opposition	£17,788.88
	Mayor	£17,788.88
4	Chief Whip of the administration group	£11,859.25
	Chair of Planning Committee	£11,859.25
5	Chairs of Scrutiny Committees (x 5)	£9,834.88
	Chair of Pension Committee	£9,834.88
	Chair of Licensing Committee	£9,834.88
	Chair of Audit and Corporate Governance Committee	£9,834.88
	Member of the Adoption, Fostering and Permanence Panel	£9,834.88
6	Leader of the second opposition group	£6,011.63
	Deputy Leader of the largest opposition group	£6,011.63
	Whip of the largest opposition group	£6,011.63
	Deputy Whip of the administration group	£6,011.63
	Deputy Mayor	£4,371.63
7	Cabinet Advisers (x4)	£2,183.25

Table B Special Responsibility Allowances 2025-26

5.0 Legal Comments

5.1 Local Authorities are legally required to make a scheme for the payment of allowances to councillors. They are also required to set up an independent remuneration panel to review their members' allowances schemes and before making, amending or reworking its allowances scheme, are required to have regard to the recommendations of an independent remuneration panel.

Camden uses the Independent Remuneration Panel for London ('the Panel'). The Panel reviewed allowances in 2023.

6.0 Finance Comments

6.1 The full cost of the increase to the Basic Allowance is estimated to be £21,576 and the full cost of the increase to the Special Responsibility Allowances is estimated to be £11,576. This is a total increase of £33,152, which will be met from existing General Fund budgets.

7.0 Environment Comments

7.1 This proposal has no environmental impacts.

8.0 Appendices

Appendix A: 2025-26 Members' Allowances Scheme

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

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