



London Borough of Enfield

Report Title	Members Allowances Scheme 2023/24
Report to:	Council
Date of Meeting:	10 th May 2023
Directors:	Terry Osborne Director of Law & Governance
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Ward(s) affected:	N/A
Key Decision:	Non-Key
Classification:	Part I

Purpose of Report

1. This report details the statutory annual review of Members' allowances for the 2023/24 Municipal year and seeks member approval of the scheme for the coming municipal year

Recommendations

<ol style="list-style-type: none">I. To note the findings and recommendations of the IRP Report from London Councils published in January 2022.II. To agree an annual uplift in line with the pay settlement for employees as recommended by the Independent Panel for the Remuneration of Councillors in London as described in paragraph 6 of this report.III. To agree the Members Allowances scheme for 2023/24, subject to the amendments above.

Background and Options

2. The Local Authorities (Members' Allowances) (England) Regulations 2003 provide that a Local Authority shall make a member allowance scheme in accordance with these Regulations in respect of each year. Regulation 10 provides that such a scheme shall be made before the beginning of each year, and may be amended during the year, but only revoked and replaced with a new scheme with effect from the beginning of a year. The scheme must be adopted each year, whether or not it includes provision for an annual uplift. The scheme was last agreed at the Annual Meeting last year.
3. The existing LBE Members Allowance Scheme prescribes the Basic Allowance that will be paid to all members on the Council and the Special Responsibility Allowances ("SRAs") that will be paid to those members who hold additional roles such as Group Leaders, Cabinet members and committee chairs.
4. The regulations make specific provision for London Councils to establish a panel, which could exercise the functions of an independent remuneration panel on behalf of London borough councils and provides that regard must be had to the report of that Panel. The London Councils Panel established for this purpose produced a report in January 2022 and members must have regard to that report. The report is listed as a Background Paper to this report and is available for members to see.
5. The IRP recommended a Basic Allowance of £12,014, which is significantly higher than the current Basic Allowance paid to Enfield councillors. This higher figure is **not** being recommended for adoption in this report to members.
6. The Enfield allowances scheme contains an uplift linked to Average Earnings (5.4%) whereas the IRP recommends that allowances should be updated annually in accordance with the headline figure in the annual local government pay settlement (at the lower level of 4.04%). It is proposed to adopt this lower-level uplift for the Members Allowance Scheme for 23/24 as recommended by the IRP. This will be considered again in future years, and this will bring Enfield in-line with other London Boroughs.

Preferred Option and Reasons For Preferred Option

7. There is a requirement to approve the members allowances scheme annually. Members have not taken an increase in payment since 2009. For the reasons mentioned in the body of the report, suitable remuneration for the role is important.

Relevance to Council Plans and Strategies

8. The workload and responsibilities of councillors continues to increase, and their role has become more complex. Allowances should be set at a level that enables people to undertake the role of councillor, while not acting as an

incentive to do so. If it is important that there are no financial incentives to being a councillor, it is equally important that there should not be a financial disincentive. It is clearly desirable that service as a councillor is not confined to those who have retired or with independent means.

Financial Implications

9. The IRP recommends that boroughs apply an uplift of 4.04% to member allowances which reflects the pay increase for employees. By way of illustration, the effect would raise the basic allowance by £427. The cost of applying the uplift to all basic and special responsibility allowances would be £40,872. The additional cost of implementing this decision will be met from existing budgets.

Legal Implications

10. The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) are made under the provisions of section 18 Local Government and Housing Act 1989 and require local authorities to make a scheme of allowances for their members and to establish and maintain an independent remuneration panel to make recommendations to the Council about the scheme.

Equalities Implications

11. The report of the Panel felt that it was important that obstacles to becoming a councillor should be removed wherever possible and that, for example, care costs could be a significant deterrent to service as a councillor. Their strong view was that in appropriate cases when they undertake their council duties, councillors should be entitled to claim an allowance for care of dependents. The Enfield Scheme already includes provision for maternity, parental and adoption leave and dependent carer allowances.

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Appendix: The IRP report January 2022 published by London Councils