

Report for: ACTION
Item Number:

Contains Confidential or Exempt Information	NO
Title	Scheme of Members' Allowances 2024-25
Responsible Officer(s)	Helen Harris, Director of Legal and Democratic Services
Author(s)	Sam Bailey, Head of Democratic Services
Portfolio(s)	Cllr Steve Donnelly – Cabinet Member for Inclusive Economy
For Consideration By	Council
Date to be considered	5 March 2024
Implementation Date if Not Called In	n/a
Affected Wards	n/a
Keywords/Index	Members allowances

Purpose of Report:
This report seeks approval for the Members' Allowances scheme for 2024/25.

1. Recommendations

- 1.1 To note and have regard to the report and recommendations of the London Councils' independent panel, 'The Remuneration of Councillors in London 2023' (Appendix 2).
- 1.2 To approve the proposed Ealing Members' Allowances Scheme for 2024/25, as set out in Appendix 1 to this report.

2. Reason for Decision and Options Considered

- 2.1 The Council is required to approve its Members' Allowances Scheme. To assist the setting of setting the budget this is done on an annual basis at the budget Council meeting.
- 2.2 The Council last undertook a comprehensive review of the allowances scheme in May 2022 at the Annual Council meeting following the election. The scheme was reviewed comprehensively and changes to the levels and number of all allowances took place.
- 2.3 No major changes to the scheme are proposed this year, other than uprating all basic and special responsibility allowances by 4.04%, commencing in May 2024, which is in line with the pay settlement for 2023-24 for staff and in accordance with a principle previously agreed by full council and set out in

paragraph 15(c) of the Scheme. This is the same increase as last year, as the pay settlement for staff was the same in 2022-23.

- 2.4 Councils are required to establish and maintain an independent remuneration panel to provide advice on their own schemes and amounts to be paid and the pensionability of allowances where relevant. Regulations provide for an independent remuneration panel to be established by London Councils to produce reports for authorities across London and the Council must have regard to its advice.
- 2.5 The conclusions of the 2023 review and recommendations can be found in the report 'The Remuneration of Councillors in London 2023'. The Review Panel has had no direct involvement in the recommendations within this report. The 2023 report recommends some large increases in basic and Special Responsibility Allowances, arguing that allowances for Councillors in London had fallen behind allowances for Councillors in other similar types of authorities in England. It further argues that allowances had also fallen behind those paid to Councillors in Wales and Scotland where independent panels not only review allowances but set them nationally. The recommendations and proposed increases in allowances in this report will be considered the next time a major review of the Council's allowances scheme is undertaken. This is likely to be after Borough Council elections in 2026.
- 2.6 It is recommended that, in light of the significant increases in basic and special responsibility allowances made in May 2022, allowances are not increased over and above the staff pay settlement at this point.
- 2.7 Staff on NJC terms and conditions have been awarded a flat rate payrise of £2,229. The IRP has considered this figure and concluded that it equates to an equivalent rise of 4.04% for Member's Allowances.
- 2.8 Rather than applying this increase in allowances in year, backdated, in order to match Staff pay increases, instead this figure will be used to increase allowances for 2024/25.
- 2.9 For the next two years, it is anticipated the Council will keep to this cycle of agreeing the previous year's staff pay award figures to the following year's member's allowances figures. This has the advantage of being clear and transparent, and allows Council an opportunity to make the final decision on whether to apply it or not, as it is highly likely the previous year's pay claim will have been settled by the time Budget Council is due to meet and agree the allowances scheme for the following year.
- 2.10 It is likely that a more fundamental review of member allowances will be undertaken in May 2026.

3. Key Implications

- 3.1 The proposed scheme ensures that allowances keep pace with staff pay awards and that allowance values aren't eroded over time due to inflation.

4. Financial

- 4.1 The financial implications of this scheme can be met from existing Council budgets.

5. Legal

- 5.1 Section 18 of the Local Government and Housing Act 1989 (as amended by section 99 of the Local Government Act 2000) makes provision in relation to basic, special responsibility and dependents' carers' allowances for members of local authorities. The Local Authorities (Members' Allowances) (England) Regulations 2003, which have been made under these provisions, provide that it is for each local authority to decide its own scheme and the amounts paid under that scheme.
- 5.2 Section 2 of the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 specifies that the members allowances scheme must be approved each year by full council. The function cannot be delegated and must happen before the end of the financial year before the new scheme takes effect.
- 5.3 The council must publish the new scheme in a local newspaper and on the council's website. Details of payments actually made during the previous financial year are required to be published on the Council's website.
- 5.4 Regulation 5 of the 2003 Regulations specifies that the council may pay special responsibility allowances for members carrying out any of the following categories of activity:
- (a) acting as leader or deputy leader of a political group within the council;
 - (b) acting as a member of the cabinet;
 - (c) presiding at meetings of a committee or sub-committee of the council, or a joint committee of the council and one or more other councils, or a sub-committee of such a joint committee;
 - (d) representing the council at meetings of, or arranged by, any other body;
 - (e) acting as a member of a committee or sub-committee of the council which meets with exceptional frequency or for exceptionally long periods;
 - (f) acting as the spokesman of a political group on a committee or sub-committee of the council;
 - (g) acting as a member of the Adoption Panel;
 - (h) acting as a member of any committee or sub-committee that deals with any function arising under any enactment authorising the council to license or control the carrying on of any activity;
 - (i) carrying out such other activities in relation to the discharge of the council's functions as require of the member an amount of time and

effort equal to or greater than would be required of the member by any one of the activities mentioned above

6. Value for Money

6.1 The scheme of members' allowance represents excellent value for money for the work carried out by members. The scheme as it stands sets allowances below the levels recommended by the London IRP demonstrating value for money for the work Councillors undertake.

7. Sustainability Impact Appraisal

7.1 No sustainability impact appraisal has been carried out.

8. Risk Management

8.1 Any associated risks have been included in the body of the main report above.

9. Community Safety

9.1 There are no direct community safety implications as part of this report.

10. Links to the 3 Key Priorities for the Borough

10.1 The council's administration has three key priorities for Ealing. They are:

- Creating Good Jobs
- Tackling the Climate Crisis
- Fighting Inequality

10.2 A fair allowances scheme helps to motivate and support members in their work for and on behalf of the council and encourages able candidates to put themselves forward for election.

11. Equalities, Human Rights and Community Cohesion

11.1 A full equalities impact assessment is not required and has not been carried out.

12. Staffing/Workforce and Accommodation implications:

12.1 There are none unless claims rise to such a level that we are unable to fund the shortfall from non-staffing elements of the Members Services budget.

13. Property and Assets

13.1 There are no property implications from this report.

14. Consultation

14.1 An advert will be placed in a local newspaper, as required by the 2003 Regulations.

15. Timetable for Implementation

15.1 The new scheme once approved will take effect from 1 May 2024.

16. Appendices

Appendix 1: Members' Allowances Scheme 2024/25

Appendix 2: The Remuneration of Councillors in London 2023

17. Background Information

17.1 2023/24 Allowances Scheme, as agreed on 8 March 2023:

<https://ealing.moderngov.co.uk/documents/s5025/Appendix%201%20-%20Members%20Allowances%20Scheme%2023-24.pdf>

17.2 The remuneration of Councillors in London 2023:

<https://www.londoncouncils.gov.uk/download/file/fid/29750>

Consultation

Name of consultee	Post held	Date sent to consultee	Date response received	Comments appear in paragraph:
Internal				
Emily Hill	Strategic Director of Resources			
Helen Harris	Director Legal & Democratic Services			
Cllr Steve Donnelly	Cabinet Member for Inclusive Economy			
External	No external parties were consulted			

Report History

Decision type:	Urgency item?
Non-key decision	No
Report no.:	Report author: Sam Bailey
	Job title: Head of Democratic Services