

London Borough of Waltham Forest

Report Title	Scheme of Members' Allowances 2026-27
Meeting / Date	Council, 26 February 2026
Directorate	Resources
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Wards affected	None specifically
Public access	Open
Appendices	Appendix 1 – Councillors' Allowances Scheme (amended)

1. Summary

- 1.1. The Council is required by the Local Authorities (Members' Allowances) (England) Regulations 2003 (the 2003 Regulations) to make its allowances scheme each year and in so doing to have regard to the reports of the Independent Remuneration Panel (IRP) for members allowances.
- 1.2. The IRP most recently reported in November 2023¹.
- 1.3. This report proposes to vary the typical increase in allowances recommended by the IRP that states allowances "*should be updated annually in accordance with the headline figure in the annual local government pay settlement,*" and the Council's resolution in March 2016 to include this mechanism in its scheme of allowances².
- 1.4. This report proposes retaining all member allowances for 2026-27 as applied for the period 2025-26.

2. Recommendation

- 2.1. Council is recommended to agree the Scheme as resolved in February 2025, to remain in effect until at least 31 March 2027.

3. Background

- 3.1. The 2003 Regulations set out a statutory scheme for the payment of allowances to councillors for local authority duties. The Council is required to have a Members Allowance Scheme (The Scheme) for the

¹ [London Councils Executive – 7 November 2023](#)

² [Para 1.2, Part 10, Councillors' Allowances Scheme](#)

payment of allowances. Broadly, there are three main types of payment:

- A fixed basic allowance is payable to all councillors for carrying out their duties.
- Special responsibility allowances payable in addition to the basic allowance to those members who undertake additional duties as specified by the Scheme, e.g. committee chairs.
- Third, expenses may be paid for specific items, e.g. travel.

3.2. The Council is required by the 2003 Regulations to have regard to the recommendations of an independent panel who report on members' remuneration when setting or amending its allowances. The Pan-London Independent Remuneration Panel (the IRP) published its last report in November 2023.

3.3. For the purposes of this report those recommendations are relevant and have been considered on balance in relation to fiduciary and public duty.

4. Proposal

4.1. The current basic allowance is £13,085.81. The recommendation is to retain the basic allowance resolved by Council in February 2025.

Special Responsibility Allowances (SRAs)

4.2. No recommendation is made for changes to SRAs. It should be noted that the Council's level of remuneration for all SRA's is lower than the top end of the IRP recommendations.

4.3. Noting the total cost of SRAs in 26-27 is subject to change dependent on number of confirmed appointments made to positions in receipt of an SRA from May 2026.

Other Allowances

4.4. It is proposed that there is also no increase applied to the remuneration of the Independent Person for Standards and the Independent Members of the Audit and Governance Committee.

5. Options and Alternatives

5.1. Payments under the Members' Allowances Scheme are entirely discretionary. In making payments, the Council must always balance the 'public duty' element of undertaking local government office with the fact that in many cases, Councillors sacrifice their ability to earn a salary elsewhere when taking up office for 4 years.

5.2. If there were no allowances, it is unlikely that many authorities would be able to attract candidates that adequately reflect the local population and a large range of people would be indirectly excluded from holding public office as they could not afford to undertake the role voluntarily.

5.3. The recommendations may be varied so long as, particularly when increasing payments, any changes are reasonable, meet the Council's

fiduciary duty to council taxpayers and specifically have regard to the IRP recommendations.

- 5.4. All the proposed allowances fall within or below the IRP recommendations.

6. Consultation

- 6.1. The recommendation to retain allowances as resolved in February 2025 until at least March 2027, does not follow the previous increase convention resolved in 2016 to automatically uplift allowances in line with the NJC award for staff. As no changes are recommended, the Council traditionally considers proposals without further consideration by its committees or working groups. For this reason, the recommendation has not been considered by the Constitution Working Group or the Audit and Governance Committee.
- 6.2. Should changes be proposed to the Scheme in future, those bodies will consider proposals ahead of any recommendation to Council.
- 6.3. The Council is required to have regard to the IRP's recommendations which were drafted following consultation with participating London boroughs, political parties, and Londoners. The implications of the IRP recommendations are addressed throughout this report.

7. Implications

7.1. Finance, Value for Money and Risk

- 7.1.1. Provision is set aside within existing budgets to retain allowances as resolved in February 2024.
- 7.1.2. The total budget for members' allowances (excluding employer's National Insurance Contributions) will remain at £1.3 million.

7.2. Legal

- 7.2.1. This report ensures compliance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 2003/2021) ("the 2003 Regulations"). Under Regulation 4(1)(a) the Council must "make a scheme in accordance with these Regulations which shall provide for the payment of an allowance in respect of each year to each member of an authority" and regulation 4(1)(b) provides that the Council must "pay basic allowance and any other allowances permitted by these Regulations only in accordance with such a scheme". Regulation 11(3) provides that a scheme "may be amended at any time" and regulation 11(6) provides that where an amendment is to be made during the year to the scheme it may provide for the allowance as amended to apply with effect from the beginning of the year in which the amendment is made.
- 7.2.2. Regulation 19(1) sets out the requirement to have regard to the recommendations of an independent remuneration panel before

making or amending its scheme. Under Regulation 21(1) the IRP must produce a report, making recommendations on the amount of allowances, whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated in accordance with regulation 10(6) and whether allowances should be adjusted according to an index and if so which index and how long that index should apply, subject to a maximum of four years.

- 7.2.3. The legislation gives a broad power to Authorities with regard to setting and amending its scheme of allowances subject to consideration of the IRP recommendations and compliance with ordinary principles of public law. The wording of regulation 19 does not require the Council to seek a specific recommendation from an IRP before making any amendment to its scheme, but to have regard to recommendations made to it before amending its scheme. In practice, the issue of frequency of recommendations is dealt with by the four-year limit on index-linked increases in regulations 11(5) and 21(1)(e). It is therefore considered appropriate to have regard to the 2023 recommendations.

7.3. Equalities and Diversity

- 7.3.1. The implications of this report are positive. Members' allowances provide financial support to those who would otherwise be unable to or deterred from taking up office for four years by financial necessity. Carers' allowances also allow those with dependants to attend meetings without having to have regard to the cost of care.
- 7.3.2. There are no specific implications for Care Leavers arising from this decision although it is recognised that ensuring that allowances are commensurate with the duties Councillors undertaken will ensure that holding public office is accessible to a broad representation of residents.

7.4. Sustainability (including climate change, health, crime and disorder).

- 7.4.1. None specifically.

7.5. Council Infrastructure (e.g. human resources, accommodation or IT issues)

- 7.5.1. None specifically.

Background Information (as defined by Local Government (Access to Information) Act 1985)

Report of the Independent Remuneration Plan for London 2023