

Report of	Head of Governance and Monitoring Officer	Author	Richard Clifford ☎ 507832
Title	Increase in Members Allowances 2023-24		
Wards affected	Not applicable		

1. Executive Summary

1.1 This report concerns the annual increase in the Members Basic Allowance and the Special Responsibility Allowance. The Members Allowances Scheme provides for members allowances to be increased annually in line with the percentage rise applied to Council officers. However in this financial year the pay rise applied to officers has been a fixed sum across all pay grades rather than a percentage increase. The Members Allowances Scheme does not address what should happen in these circumstances, so the report proposes an increase in the allowances which is linked to the nationally set increase in staff allowances. It also proposes a revision to the Members Allowances Scheme to address how this situation should be addressed in future.

2. Recommended Decisions

2.1 The increase in the Members Basic Allowance and Special Responsibility Allowances for 2023/24 be set at 3.88%

2.2 The Members Allowances Scheme be amended as set out at paragraph 5.3 to provide clarity on the position when a non-percentage increase to staff salaries is made.

3. Reason for Recommended Decision

3.1 There is a need to determine the level of increase in the Members Basic Allowance and Special Responsibility Allowances, as the Members Allowances Scheme is silent on what should happen when a non-percentage increase is agreed for officers.

4. Alternative Options

4.1 Alternative options would be to increase members allowances by an average of the award to officers or to link the rise to a national public sector index. These options are explored in more detail in section 5 of the report.

5. Background Information

5.1 The current Members Allowances Scheme provides that members allowances shall be increased annually with effect from the Annual General Meeting of the Council by the same percentage as that applied to the Council's officers' salary scale.

5.2 This financial year the pay rise for officers has not been settled on the basis of a percentage increase. Colchester City Council negotiates its pay locally rather than through the national local government framework. As Council will be aware, the pay award that was agreed was an increase of £1925 across all spinal points. This was in line with the national pay award agreed by the National Joint Council.

5.3 In order to determine what level of increase should be applied to members allowances the Council has looked at how a number of the authorities in a similar position have addressed this issue and consulted with the Independent Remuneration Panel. A number of approaches have been taken by other authorities as set out below:-

- As well as setting the increase in staff salaries, the National Joint Council award also sets an increase in staff allowances. This was set at 3.88% this year. A number of authorities have taken the decision to apply this award to member allowances also. Amongst the authorities the Council looked at this was the most common approach.
- Some authorities have sought to increase members allowances by the average pay award to their staff. Of the authorities the Council looked at this worked out at rises of 5.44% and 4.9%.
- One authority had applied the Office for National Statistics Public Sector Pay Index which would lead to an increase of 5.6%.

5.4 Following consultation with Independent Remuneration Panel it is proposed to adopt the first of these options and increase the Members Basic Allowance and Special Responsibility Allowances by 3.88%. Members of the Independent Remuneration Panel have indicated they support this approach.

5.5 If agreed the increase in allowances will be backdated to the date of the Annual General Meeting. A breakdown of the revised allowances is at Appendix 1

5.6 To address this situation should it arise again in future it is proposed to amend paragraph 1 of the Members Allowances Schemes as follows (new text in bold):-

*Each Councillor shall be paid a Basic Allowance, and those Councillors who undertake special responsibilities shall be paid a Special Responsibility Allowance. Allowances and Co-opted members' allowances shall be increased annually with effect from the Annual General Meeting of the Council by the same percentage as that applied to the Council's officers' salary scale. **Where the pay award is determined as a fixed amount then members and co-opted allowances will increase by the same amount as the increase in staff allowances agreed by the National Joint Council.***

6. Equality, Diversity and Human Rights implications

6.1 Ensuring the Members Basic Allowance and the Special Responsibility Allowances maintain their value is an important commitment to the support of Councillors. The proposals in the report will provide clarity to Councillors and candidates about their entitlement in these circumstances and ensuring that the allowances are set at a realistic and reasonable level may help attract a more diverse range of candidates in terms of gender, age and experience.

7. Consultation

7.1 The Independent Remuneration Panel have been consulted on the proposals.

8. Financial implications

8.1 The budget for 2023-24 contained made provision for a 4% increase in members allowances for 2023-24 and therefore there is budgetary provision for the proposed level of increase.

9. Standard References

9.1 There are no particular references to the Strategic Plan; publicity considerations; community safety; health and safety or risk management implications.

Appendix 1

Allowances Paid to Councillors from 24 May 2023 if increase of 3.88% agreed

Members Allowances	£
Basic Allowance	7576.54
Special Responsibility Allowances	£
Leader of the Council	22,729.42
Deputy Leader of the Council	14,319.67
Cabinet Member	13,637.81
Chairman, Scrutiny Panel	7955.38
Chairman, Planning	7,955.38
Chairman, Licensing	6819.01
Chairman, Other Panel/Committee/Board	4545.93
Group Leader (Conservative)*	7071.51
Group Leader (Liberal Democrats)*	6268.11
Group Leader (Labour)*	5768.51
Group Leader (Green)*	2770.91
Member, Planning	1193.32
Member, Licensing	511.42

*amount equates to = £2271.31 & 249.80 per member

NB. Each Councillor will qualify for only one Special Responsibility Allowance (the highest) regardless of the number of positions of responsibility.