

Councillors' Allowances Scheme 2024-25

Purpose

- 1.1 Council is required to set a Councillors' Allowances Scheme for 2024-25, which provides for payment of basic allowance and special responsibility allowances to councillors.
- 1.2 In setting a scheme of allowances, Council must have regard to the recommendations of an Independent Remuneration Panel (IRP). A full report of the IRP was last considered in July 2021 and a further review is next due by 2025.
- 1.3 This report proposes a scheme of allowances that makes only consequential amendments to the previous scheme. Council previously agreed to index link both the Basic Allowance and Special Responsibility Allowance to the Local Government Pay Award for a period of four years. It is proposed that responsibility is delegated to the Chief Executive to apply the award once it is agreed nationally.

Recommendations

- 2.1 To approve the Councillors' Allowances Scheme as set out at Appendix 1, to take effect from 1 April 2024.
- 2.2 To note that Council has previously agreed to index link the Basic Allowance and Special Responsibility Allowances to the Local Government Pay Award until 2024-25.
- 2.3 To delegate authority to the Chief Executive to undertake the following actions:
 - To apply the Local Government Pay Award for 2024-25 to the level of Basic Allowance and Special Responsibility Allowances, to be backdated to 1 April 2024 once agreed.
 - To update and publish the Councillors' Allowances and Expenses Scheme 2024-25 to reflect the application of the pay award.
 - To update the hourly rate payable for dependant adult care and children with enhanced needs, once the Council's commissioned hourly home care rate for 2024-25 has been set.

Reasons

- 3.1 The Council is statutorily required to set a Councillors' Allowances Scheme under the Local Authorities (Members' Allowances)(England) Regulations 2003.

Supporting information

- 4.1 The IRP undertook a thorough review of councillors' allowances during the 2020-21 municipal year, before reporting its findings to Council in July 2021.
- 4.2 It is statutorily required that Council has regard to the recommendations made by an IRP before it amends any part of its Councillors' Allowances Scheme. As no changes are proposed for the 2024-25 scheme that depart from the recommendations previously made by the IRP and agreed by Council, a further report is not required at this stage.
- 4.3 Council agreed in July 2021 to index link the level of Basic Allowance and Special Responsibility Allowances to the Local Government Pay Awards for the 2022-23, 2023-24 and 2024-25 financial years.
- 4.4 Pay awards for local government employees are agreed in negotiations between employer and trade unions through the National Joint Council (NJC). As is the case for council employees, the 2024/25 pay award will be backdated to 1 April 2024 once it is agreed, subject to the approval of recommendation 2.3.
- 4.5 Similar to the pay award agreed in 2022-23, a flat-rate increase of £1925 has been applied to NJC pay points 2-43 and a 3.88% increase on locally determined pay points for 2023-24. In consultation with the Chief Executive, it was agreed that direct application of the flat-rate award to councillors' allowances would not be consistent with either the previous recommendations of the IRP or the delegation made by Full Council in February 2023.

It was therefore agreed to apply to councillor's allowances the average percentage increase across every spinal column point for NJC employees resulting from the implementation of the pay award. This equated to an increase to the Basic Allowance and Special Responsibility Allowances of 5.6 per cent.

- 4.6 The IRP recommended and Council agreed that the rates payable for Dependant Carers Allowance were linked to the Real Living Wage for dependant childcare and the Council's commissioned hourly home care rate for dependant care for adults and children with enhanced needs. The following changes are therefore proposed to the scheme which reflect those benchmarks:

	2023/24	2024/25
Hourly rate for dependant childcare	£10.90	£12.00
Hourly rate for dependant adult care or children with enhanced needs	£18.04	TBC

Public/stakeholder engagement

- 5.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require councils to have regard to the recommendations of an Independent Remuneration Panel (IRP) when setting a scheme of allowances.
- 5.2 The draft scheme for 2024-25 has been shared with the Chair of the IRP, Mr Narinder Sharma. The IRP have stated their intention to conduct a comprehensive review of the allowances scheme in 2024, pending agreement of any changes associated with the Council's ongoing Constitutional Review.

Other options

6.1 None.

Financial and value for money issues

7.1 An inflationary increase will be applied to the budget for Councillors' Allowances to account for the impact of a future pay award, in the same manner as staffing budgets in other areas of the council's activity.

Legal implications

8.1 None directly arising. The Council is statutorily required to set a scheme of allowances, as detailed at paragraph 3.1.

Climate implications

9.1 None directly arising.

Socio-Economic implications

10.1 None directly arising.

Other significant implications

11.2 None directly arising.

This report has been approved by the following people:

Role	Name	Date of sign-off
Legal		
Finance	Amanda Fletcher – Head of Finance	20 September 2024
Service Director(s)	Emily Feenan – Director of Legal, Procurement and Democratic Services, and Monitoring Officer.	16 February 2024
Report sponsor	Paul Simpson – Chief Executive	20 February 2024
Other(s)	Jonathan Perkins – HR Shared Services Manager	20 February 2024

Background papers:	None.
List of appendices:	Appendix 1 – Draft Councillors' Allowances and Expenses Scheme 2024-25