



Hinckley & Bosworth Borough Council

Forward timetable of consultation and decision making

Council 13 December 2022

Wards affected: All wards

Scheme of Members' Allowances 2022/23 and 2023/24

Report of the Independent Remuneration Panel on Members' Allowances

1. Purpose of report

- 1.1 To present the recommendations of the Independent Remuneration Panel relating to application of the pay award and the scheme of allowances for 2023/24. It is a requirement of the scheme of allowances that when an officer pay award is agreed, the equivalent award is applied to members' allowances so this report has been produced as required, not at the request of members.

2. Recommendation

- 2.1 That members consider the recommendations of the panel and make a decision on the options outlined in paragraph 3.7.
- 2.2 Paragraph 5.2 of the scheme of allowances be amended as outlined in paragraph 3.8.

3. Background to the report

- 3.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, local authorities must establish and maintain an Independent Remuneration Panel to provide the authority with recommendations on its remuneration scheme and the amounts to be paid to councillors. Council must have regard to these recommendations when approving a scheme.
- 3.2 The scheme of allowances was last considered in February 2020 with changes coming into force in April 2020. The current scheme requires annual

increases on both the basic allowance and the special responsibility allowances in line with officer pay awards.

3.3 At its meeting in February 2020, Council resolved that the panel be requested to meet again in late 2022 to propose a scheme of allowances to be introduced for the new Council in May 2023.

3.4 On 1 November 2022, the unions accepted the NJC pay offer (for staff) of a flat rate of £1,925, rather than the usual percentage increase. This resulted in being unable to comply with the scheme of allowances in increasing members' allowances by the same percentage as the officer pay award and necessitated an urgent meeting of the Independent Remuneration Panel.

3.5 Composition of the panel is included in the attached report. The panel met on 8 and 24 November to consider any changes required to the scheme of allowances and to consider how the equivalent of the officer pay award could be applied to the basic and the special responsibility allowances for councillors.

3.6 In making its recommendations, the panel acknowledged the reluctance of some members to consider an increase in allowances at this time, given the cost of living crisis and its impact on their communities, however they felt it was important to continue with annual increases on the allowances to reflect the amount of work that councillors undertake, the level of responsibility they have and to ensure the authority doesn't fall behind similar authorities in the level of allowances. They did not recommend any changes to the scheme of allowances for 2023/24 outside of those linked to the pay award as already required by the scheme.

3.7 Council is asked to consider the following options:

(a) Accept the recommendation to increase the allowances, backdated to April 2022, by 3.3% as an equivalent to the officer pay award;

(b) Reject the recommendation to increase the allowances by 3.3%;

(c) Propose an alternative amendment to the scheme of allowances.

3.8 Council is also asked to amend paragraph 5.2 of the scheme of allowances to read:

"The basic allowance shall be increased annually in line with officer pay awards unless a resolution of Council determines otherwise. Where the pay award is a fixed sum, it will be calculated on the percentage equivalent of the value of the pay award on the average salary of all heads of service and senior management".

4. Exemptions in accordance with the Access to Information procedure rules

4.1 This report is to be taken in open session.

5. Financial implications (AW)

- 5.1 The existing budget for 2022/23 includes a pay award of 1.75% and therefore if option (a) is approved, the additional budget required is £5,590.

	£
Estimated Total Cost of Members' Salaries - 2022/23	312,460.00
Existing budget for 2022/23	306,870.00
Additional Budget Requirement 2022/23	<u>5,590.00</u>

- 5.2 The pay award for 2023/24 has not yet been agreed and will be subject to negotiations with unions.

6. Legal implications (MR)

- 6.1 Set out in the report.

7. Corporate Plan implications

- 7.1 This report supports all corporate aims by supporting councillors to carry out their duties.

8. Consultation

- 8.1 Current councillors were surveyed as part of the process. There is no provision in legislation to undertake wide consultation, however the Independent Remuneration Panel consists of external, independent members representing the wider public.

9. Risk implications

- 9.1 It is the council's policy to proactively identify and manage significant risks which may prevent delivery of business objectives.
- 9.2 It is not possible to eliminate or manage all risks all of the time and risks will remain which have not been identified. However, it is the officer's opinion based on the information available, that the significant risks associated with this decision / project have been identified, assessed and that controls are in place to manage them effectively.
- 9.3 The following significant risks associated with this report / decisions were identified from this assessment:

Management of significant (Net Red) risks

Risk description	Mitigating actions	Owner
Difficulty in recruiting, retaining and supporting councillors	Ensure the scheme of allowances is fit for purpose and provides fair recompense for the role.	Democratic Services Manager

10. Knowing your community – equality and rural implications

10.1 This report does not impact any particular community, group or service. It serves to encourage and support members and to encourage membership from all communities. Any resulting changes would apply to members from all areas of the borough.

11. Climate implications

11.1 Whilst the scheme provides for payment of mileage expenses, meetings are held remotely where legislation allows in order to reduce travel. The scheme allows for robust challenge of mileage claims, ensuring that all duties for which travel is reimbursed is approved.

11.2 The increasing use of ICT solutions which are covered by the scheme of allowances will help the authority in meeting its carbon reduction requirements by reducing paper and postage of agendas and enabling remote meetings where allowed by legislation.

12. Corporate implications

12.1 By submitting this report, the report author has taken the following into account:

- Community safety implications
- Environmental implications
- ICT implications
- Asset management implications
- Procurement implications
- Human resources implications
- Planning implications
- Data protection implications
- Voluntary sector

Background papers: Previous reports on members' allowances.

Contact officer: Rebecca Owen, Democratic Services Manager

Executive member: Not applicable.