

Part A

Report to: Council

Date of meeting: Tuesday, 30 January 2024

Report author: Democratic Services Manager

Title: Members Allowances 2023/2024

1.0 Summary

1.1 Council is asked to review the recommendations of the Independent Members Remuneration Panel (IMRP) for members' allowances following the agreement of the local government national pay negotiations for 2023 and an allowance for an independent member for Audit Committee.

2.0 Risks

2.1

Nature of risk	Consequence	Suggested Control Measures	Response (treat, tolerate, terminate or transfer)	Risk Rating (combination of severity and likelihood)
Members do not accept the panel's recommendation and reject any increase.	Potential for discouraging individuals in coming forward to stand for elected office.	Members to have regard to the advice from the panel.	Tolerate	1x2=2
Members do not accept the panel's recommendation and approve a higher percentage increase than recommended.	There would be more pressure on the council's budget.	Members to have regard to the advice from the panel.	Tolerate	1x2=2
Members do not accept the panel's	There would be more pressure on	Members to have regard to the advice of the	Tolerate	1x2=2

recommendation regarding no increase to the Special Responsibility and Group Leaders' Allowances.	the council's budget.	panel and be mindful of the finance report included elsewhere on the agenda.		
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3.0 Recommendations

- 3.1 To consider the Independent Members Remuneration Panel's suggestion that the basic allowance be increased by 4.59% from 1 April 2023.
- 3.2 To consider the Independent Members Remuneration Panel's suggestion that the Mayor's remuneration be increased by 4.59% from 1 April 2023.
- 3.3 To consider the Independent Members Remuneration Panel's suggestion that the Special Responsibility and Group Leaders allowances shall not be increased until the next full review of members' allowances.
- 3.4 To consider the Independent Remuneration Panel's suggestion that the Co-optee as independent member for the Audit Committee (referenced elsewhere on this agenda) be given an allowance of £1500 per annum.

Further information:

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Report approved by:

4.0 Detailed proposal

- 4.1 In January 2022 Council agreed the Independent Member Remuneration Panel (IMRP) recommendations set out in the quadrennial review. As part of those recommendations the Mayoral remuneration, councillors' basic allowance and the Special Responsibility Allowances (SRA) should continue to be linked to the level of local government pay settlements.
- 4.2 At the time of that review local government pay settlements tended to be increased by a percentage rather than a lump sum. Many other local authorities' member remuneration schemes contain similar wording. However, following the announcement of the local government pay award for 2022/23, which set a lump sum increase, the Group Head of Democracy and Governance contacted the Chair

of the IMRP to inform him of the pay award. A meeting was arranged for the Chief Executive and Democratic Services Manager to discuss the matter with the panel's Chair. Information was provided to the Chair who met the other panel members, and their recommendations were presented to Council last January and approved.

4.3 For 2023/24 the Local Government Services pay agreement was agreed and notified to local authorities on 1 November 2023. The agreement was to award all those on spinal point 43 and below an increase of £1,925. For those above spinal point 43 but below deputy chief officer level pay should be increased by 3.88%.

4.4 The Democratic Services Manager contacted the Chair of the IMRP to advise him of the increase. Information was provided about the approach to be taken by other local authorities within Hertfordshire where known. He was also provided with details of the median percentage increase of the staff pay award, which was 4.59%.

4.5 The Chair met with the other panel members on 9 January and then contacted the Democratic Services Manager with their decision. The email on the 12 January contained the following:

“In respect of councillors' allowances our view, based on the information available and the current economic environment, is that the Basic Allowance should be increased as per the local government review and rise by the median increase level of 4.59%.

It was felt that Special allowances should remain the same, and be reviewed when the Remuneration Panel does a full analysis of all allowances.”

4.6 The Democratic Services Manager contacted the Chair again to confirm if this also related to the Mayor's remuneration. The Chair responded on 16 January and confirmed the panel recommended the same increase for the Mayor. He also added the following reason for recommending no increase for the Special Responsibilities Allowance and Group Leaders allowance:

“We would recommend that considering the current financial situation other special allowances and the Group leaders allowance stay the same until the next full review.”

4.7 As a result the panel's recommendation, the increase of 4.59%, would apply to the following allowances only:

- Basic Allowance
- Mayor's remuneration

4.8 Council is asked to consider the recommendation from the IMRP as set out in paragraph 4.7 above and that there is no increase to the Special Responsibilities

Allowance or Group Leaders' Allowance as clarified by the Chair in his email correspondence.

4.9 Any increase agreed at Council will be backdated to 1 April 2023. If approved by Council the Basic Allowance will increase from £8,017 to £8,441 per annum. The Mayor's remuneration will increase from £73,607 to £76,986 per annum.

4.10 The IMRP was also asked to advise on an allowance for a new co-optee role from the municipal year 2024/25. That of independent person for the Audit Committee. There is a report on the agenda seeking council's approval to appoint an independent person to act as critical friend to the Committee. The IMRP has recommended, having had regard to what other authorities in Hertfordshire pay, to award between £1500-2000 per annum. It is recommended that in the current financial climate an allowance of £1500 be awarded.

5.0 **Implications**

5.1 **Financial**

5.1.1 The Chief Finance Officer comments that the cost of the pay award will be met from the contingency for pay.

5.1.2 The proposed budget for 2024/25 includes an allowance for the remuneration for an independent member of the Audit Committee.

5.2 **Legal Issues (Monitoring Officer)**

5.2.1 The Group Head of Democracy and Governance comments that Council must have regard to the views of the IMRP when deciding on allowances for themselves, however they are not bound by them.

5.3 **Equalities, Human Rights and Data Protection**

5.3.1 As required by the regulations councillors should have regard to the recommendations of the IMRP. The basic allowance must be the same for all councillors.

5.3.2 Having had regard to the council's obligations under the General Data Protection Regulation (GDPR) 2018, it is considered that officers are not required to undertake a Data Processing Impact Assessment (DPIA) for this report.

5.4 **Staffing**

5.4.1 Not applicable

5.5 **Accommodation**

5.5.1 Not applicable

5.6 **Community Safety/Crime and Disorder**

5.6.1 Not applicable

5.7 **Sustainability**

5.7.1 Not applicable

Appendices

Appendix 1 – Members allowances rates from 1 April 2023 (based on a 4.59% increase to the basic allowance and Mayor’s remuneration)

Background papers

The following background papers were used in the preparation of this report. If you wish to inspect or take copies of the background papers, please contact the officer named on the front page of the report.

Members Allowances Scheme 2022-2026 (as updated)

Email correspondence with the Chair of the IMRP

Information related to the local government pay settlement for 2023/24