



Council

22 January 2024

MEMBERS' ALLOWANCES FOR CIVIC YEAR 2024/2025

Report by:

Monitoring Officer

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Purpose / Summary:

To review and consider the recommendations made by the Independent Remuneration Panel with regard to Members' allowances for 2024/2025 civic year.

RECOMMENDATIONS:

Recommendation 1

- (a) That Vice Chairs of Governance & Audit Committee, and Overview & Scrutiny Committee each receive the full Special Responsibility Allowance for the role.

Recommendation 2

That Members approve one of the following options

Option (a) A proposed increase of 5% on the basic allowance – new rates which would be applicable are shown in Appendix 1

OR

Option (b) A proposed increase of 4% across the board (ie) on the basic allowance and also on all Special Responsibility Allowances. – new rates are shown in Appendix 2

IMPLICATIONS

Legal: None

Financial : FIN/136/24/SL

Pending approval from Full Council in January 2024, the proposed changes will have the following impact on the Medium Term Financial Plan (MTFP):

	Current 2024/25 Budget £	Recommendation				
		1a only	2a only	2b only	1a and 2a	1a and 2b
Basic Allowances	236,200	231,400	243,000	240,700	243,000	240,700
Special Responsibility Allowances	66,400	69,200	66,100	68,800	69,200	71,900
Total	302,600	300,600	309,100	309,500	312,200	312,600
Pressure / (Saving)		(2,000)	6,500	6,900	9,600	10,000

The 2023/2024 MTFP included a 2% increase pa from 2024/2025 across all allowances, therefore Recommendation 1a would result in a saving on the MTFP as basic allowances would not be increased under this option alone.

Staffing : None

Equality and Diversity including Human Rights : None

Risk Assessment : None

Climate Related Risks and Opportunities

Title and Location of any Background Papers used in the preparation of this report:

None

Call in and Urgency:

Is the decision one which Rule 14.7 of the Scrutiny Procedure Rules apply?

i.e. is the report exempt from being called in due to urgency (in consultation with C&I chairman)

Yes No

Key Decision:

A matter which affects two or more wards, or has significant financial implications

Yes No

1. Background

- 1.1 West Lindsey District Council's Independent Remuneration Panel (IRP), has carried out its annual review of the Council's Scheme of Members' Allowances.
- 1.2 To inform the review, the Panel has considered a number of factors. These include the financial and budgeting situation the Council faces, including a pay award increase of £1925 for staff; a comparison of allowance rates payable at comparable Councils; and the role allowances play in attracting prospective Councillors and upholding democratic processes.
- 1.3 The Panel consulted with all Members, providing the opportunity to make comments via email and also offered the option for meeting individually with the Panel remotely via MS Teams. On 23 August 2023, two Members met independently with the Panel to give their views. No written views were received from Members.
- 1.4 The comments received by the Panel from Members have been taken into account when arriving at the final Recommendations within this report.
- 1.5 The Panel would like to record its thanks to those Members and Officers who made themselves available to speak with them.

2. Members' Allowances

- 2.1 In May 2023 the new Administration in the run up to the Annual General Meeting, indicated they wished to introduce to new Vice Chairmen positions, namely and additional Vice Chair for the Governance and Audit Committee and an additional Vice Chairman for the Overview and Scrutiny Committee. With Council approval this is constitutionally acceptable, however given there had been no prior indication of this intention, now budget for such had been set. It was therefore agreed with the Leader that until such time as the Remuneration Panel considered allowances again, the allowance would be split so as to remain in budget.
- 2.2 The Prosperous Communities Committee has two Voce-Chairmen appointed and this has been a long-standing arrangement, as such this has been budgeted for year on year and both are currently receive the full allowance for the role.
- 2.3 The Panel have recommended that Vice Chairs of Overview & Scrutiny and Governance & Audit also receive the full allowance in order to bring parity to the roles.
- 2.4 The Panel have also Recommended an increase of either: -

Option (a) 5% to Members' basic allowance,

OR,

Option(b) 4% across the board to Members' basic allowance and all SRAs.

Members should note that they may elect to forego their allowance, if they so wished.

- 2.5 **OPTION A:** A 5% increase to the Members' basic allowance would mean an increase from £6,429 to £6,750. (equating to £6.17 per week per Member).
- 2.6 **OPTION B:** A 4% increase to the Members' basic allowance would mean an increase from £6,429 to £6,686. (equating to £4.94 per week per Member).

3. Mileage and Subsistence Allowances

- 3.1 The Panel noted and commented that mileage allowances were currently in line with the tax efficient rate authorised by the HM Revenue & Customs (HMRC).
- 3.2 No change to subsistence allowances as set out below. Receipts must be provided for subsistence claimed and attached to the claim form.
- a. Absence of more than four hours but no more than eight hours – only the cost of one meal can be reimbursed up to a maximum of £15.
 - b. Absence of more than eight hours but no more than 12 hours – only the cost of two meals can be reimbursed up to a maximum of £25.
 - c. Absence of more than 12 hours but no more than 16 hours – only the cost of three meals can be reimbursed up to a maximum of £33.
 - d. Absence of more than 16 hours but not including an overnight stay – only the cost of four meals can be reimbursed up to a maximum of £40.
 - e. Overnight – No Change - £83
 - f. Overnight (London or LGA) – No Change - £208

4. Carer's Allowance

- 4.1 The Carer's Allowance was currently paid tied to the National Living Wage plus £1. This means that it should always keep pace ahead of the NLW.

5. Bicycle Purchase Scheme

- 5.1 There is currently no scheme in existence at WLDC for Members to purchase a bicycle for use when travelling around their Wards. Officers were tasked with researching other authorities schemes. It was found that other authorities operated schemes for employees only, as payments were taken at source from employee salaries. They do not operate a scheme for Elected Members as this would not be possible, (not being employees).

6. Financial Impact

- 6.1 The financial impact of accepting **recommendation 1 (a) only** - Vice Chairs of Governance & Audit and also Overview & Scrutiny to each receive the full allowance for the role, with no increase to basic allowances, would be a £2,000 saving to the Medium Term Financial Plan (MTFP).

The 2023/2024 MTFP included a 2% increase pa from 2024/2025 across all allowances, therefore Recommendation 1a would result in a saving on the MTFP as basic allowances would not be increased under this option alone.

- 6.2 The financial impact of accepting **recommendation 2 (a) only** - a 5% increase to basic allowance amounts, with no change to SRA's, would be a £6,500 pressure to the MTFP.
- 6.3 The financial impact of accepting **recommendation 2 (b) only** – a 4% increaser to basic allowances and all SRAs amounts (not including the amendments at recommendation 1 (a)) would be a £6,900 pressure to the MTFP.
- 6.4 The financial impact of accepting **Recommendation 1 (a) and 2(a)** - including the amendments at recommendation 1(a) plus a 5% increase to basic allowance amounts to £9,600 pressure to the MTFP.
- 6.5 The financial impact of accepting **Recommendation 1 (a) and Option 2 (b)** – including the amendments at recommendation 1(a) plus a 4% increase to basic allowances and all SRAs amounts to a £10,000 pressure to the MTFP.
- 6.6 The revised schedule of proposed allowances is set out in Appendix One and Two for each respective option .

7. Recommendations

- 7.1 The Panel firstly recommends that both Vice Chairs for Governance & Audit, and Overview & Scrutiny, receive the full allowance for their roles - **recommendation 1(a)**.

Secondly the Panel recommends either:

Option 2 (a) an increase of 5% on the basic allowance for 2024/2025.

OR

Option 2 (b) an increase of 4% on the basic allowance and all Special Responsibility Allowances for 2024/2025.