

CHESHIRE FIRE AUTHORITY

MEETING OF: GOVERNANCE AND CONSTITUTION COMMITTEE
DATE : 16 NOVEMBER 2022
REPORT OF : DIRECTOR OF GOVERNANCE
AUTHOR: ANDREW LEADBETTER

**SUBJECT: MEMBERS' ALLOWANCES SCHEME UPLIFT
2022-23 AND MEMBERS' ALLOWANCES
SCHEME 2023-24**

Purpose of Report

1. To enable Members to recommend to the Fire Authority:

How the Members' Allowances Scheme for 2022-23 should be uplifted:

That the Members' Allowances Scheme for 2022-23 should be changed to reflect the additional allowance associated with the role of Independent Audit Committee Member.

The Members' Allowances Scheme for 2023-24.

Recommended: That Members

- [1] Recommend to the Fire Authority how Members' allowances for 2022-23 should be uplifted; and
- [2] Recommend to the Fire Authority an addition to the Members' Allowance Scheme to cover the allowance payable to the Independent Audit Committee Member.
- [3] Agree that the revised Members' Allowances Scheme for 1st April 2023 to 31st March 2024 be based on the 2022-23 Scheme once the uplift has been applied and the addition made and recommend its approval to the Fire Authority.

BackgroundThe Law

2. The provisions governing Members' allowances are contained in the Local Authorities (Members' Allowances) (England) Regulations 2003 [the Regulations]. The Regulations do not apply to the Fire Authority in full.
3. Part 2 of the Regulations prescribes the allowances that may be paid and rules relating to such allowances. Part 3 of the Regulations sets out the requirements for members' allowances schemes, e.g. the potential to apply an index for annual adjustments to schemes (which can be relied upon for no longer than a period of four years). Part 4 of the Regulations

is concerned with the role of the independent remuneration panel [IRP]. Local authorities (e.g. district, county and London boroughs) must have regard to recommendations of an IRP before they make or amend their scheme. A fire authority has a different obligation: it must have regard to the recommendations made by the IRPs of local authorities that appoint its Members (i.e. the constituent authorities). By virtue of this distinction it is clear that the Fire Authority is not required to have its own IRP.

4. The Members' Allowances Scheme must be approved each year by the Fire Authority.

The 2020 Review

5. The Members' Allowances Scheme was reviewed with the assistance of an Independent Reviewer and approved by the Fire Authority on 10th February 2021. The approved Scheme applies up to 31st March 2025.

Information

Uplift to Members' Allowances Scheme 2022-23

6. The Members' Allowances Scheme 2022-23 states that:

The Basic and Special Responsibility Allowances in this scheme shall be increased by the same percentage increase as the NJC pay award for Local Government employees (Green Book).

The increases shall apply from the same date as the pay increases take effect and will be backdated, if necessary.

7. Unfortunately, as a result of the way that the NJC pay award for Local Government employees (Green Book) has been determined, it is not clear how the Members' Allowances Scheme 2022-23 should be uplifted.
8. The Green Book pay award is £1,925, applied to all pay points. Therefore, there is no fixed percentage to apply to the Scheme for 2022-23. This pay award equates to a 10.5% increase for staff on the lowest pay point and 4% for staff on the highest pay point.
9. Officers are attempting to establish how public sector organisations that use the same index as the Fire Authority (tracking Green Book pay awards) are approaching the issue and will provide as much intelligence about this, as possible, at the meeting. There is a possibility that local authorities will engage with their Independent Review Panels. Whilst it seems unlikely that the Independent Review Panels would make any recommendations that are directly relevant to the Fire Authority, it is something that officers will be mindful of and advise Members about.

Change to Members' Allowances Scheme 2022-23

10. The Independent Audit Committee Member is entitled to an allowances of £1,250. This should be reflected in the Scheme for this year and beyond. The following heading and paragraph will need be added.

Independent Audit Committee Member

The Independent Audit Committee Member will receive an annual allowance of £1,250.

Members' Allowances Scheme 2023-24

11. A draft of the Members' Allowances Scheme for 2023-24 cannot be prepared at this point as it needs to reflect the figures that were payable under the 2022-23 Scheme, which have obviously not been finalised, yet. However, it will be based on the existing format. For information the Scheme for 2022-23 (pre-uplift) is attached as Appendix 1 to this report.

Financial Implications

12. The annual increase for 2022-23 should be capable of being funded from the Authority's existing budget for Members' allowances. To put this into context, we believe that a 4% increase would equate to around £6k additional funding and a 10.5% increase to around £15k additional funding.
13. Any increase for 2023-24 should also be capable of being funded from the Authority's existing budget for Members' allowances.

Legal Implications

14. The Fire Authority is required to have a scheme to cover its Members' allowances. The scheme must be approved each year. It is not bound to have an independent remuneration panel. However, it is required to have regard to any recommendations made by the panels of the constituent authorities.

Equality and Diversity Implications

15. There are no equality and diversity implications.

Environmental Implications

16. There are no environmental implications.

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BACKGROUND PAPERS: NONE.