

CHESHIRE FIRE AUTHORITY

MEETING OF: GOVERNANCE AND CONSTITUTION COMMITTEE
DATE: 8 NOVEMBER 2023
REPORT OF: DIRECTOR OF GOVERNANCE
AUTHOR: ANDREW LEADBETTER

SUBJECT: MEMBERS' ALLOWANCES SCHEME:
UPLIFT 2023-24; 2024-25; AND REVIEW

Purpose of Report

1. To enable Members to consider the uplift to the Members' Allowances Scheme 2023-24 and determine whether they are able to make a recommendation to the Fire Authority;
2. To make a recommendation to the Fire Authority about the Members' Allowances Scheme for 2024-25; and
3. To agree the process for the upcoming review of the Members' Allowances Scheme which is due to take place during the 2024-25 Municipal Year.

Recommended: That Members

- [1] Consider whether they are able to make a recommendation to the Fire Authority about the uplift to be applied to the Members' Allowances Scheme for 2023-24;
- [2] Recommend to the Fire Authority that the Members' Allowances Scheme for 2024-25 (which covers 1st April 2024 to 31st March 2025) be based on the 2023-24 Scheme once the uplift has been applied; and
- [3] Consider how they envisage the review of the Members' Allowances Scheme taking place during the 2024-25 Municipal Year.

Background

The Law

4. 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.
5. 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.

6. The Members' Allowances Scheme must be approved each year by the Fire Authority. However, this should be a formality as an index (uplift) has been approved that is intended to determine the annual uplift that should be applied.
7. According to the Regulations the index (uplift) can only apply for four years.

The 2020 Review

8. 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 – this is essentially the latest date that the index (uplift) can apply until.

Information

Members' Allowances Scheme 2023-24

9. The Members' Allowances Scheme 2023-24 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.

10. By agreeing the Scheme at the Fire Authority meeting held on 7th December 2022 Members agreed to uplift the Scheme in accordance with the pay award. However, the National Joint Council (NJC) pay award for 2023-24 is still being negotiated. As it stands it would be appear that the pay award is likely to be expressed as a figure/sum, rather than a percentage.
11. It is worth reminding Members about how they handled the situation last year. The pay award for 2022-23 was not expressed as the usual percentage increase; instead, £1,925 was applied to all pay points of the Green Book pay scale, which worked out as a 10.5% increase for staff on the lowest pay point and 4% for staff on the highest pay point. Therefore, there was no fixed percentage which could be directly applied to the Members' Allowance Scheme for 2023-24.

12. Members agreed at the Fire Authority meeting held on 7th December 2022 that an uplift of 5% be applied to the 2022-23 Scheme. This was decided in the context of the ongoing pay dispute for Grey Book staff. An offer of 5% had been declined in October 2022 and there was potential for industrial action. However, ultimately a pay settlement of 7% for 2022-23 and 5% for 2023-24 was agreed in March 2023.
13. Officers are hopeful that there will be further clarity about the NJC pay award by the time of the meeting, which would allow Members to consider how to approach the uplift to the Members' Allowances Scheme 2023-24 and make a recommendation to the Fire Authority.

Members' Allowances Scheme 2024-25

14. A draft of the Members' Allowances Scheme for 2024-25 cannot be prepared at this point as it needs to reflect the figures that were contained in the Members' Allowances Scheme 2023-24, which has, obviously, not been finalised. However, it is possible for Members to recommend to the Fire Authority that it approves the format of the Members' Allowances Scheme 2024-25 and that it should be finalised by officers taking into account the uplift that will ultimately be applied to the Members' Allowances Scheme 2023-24.
15. For information, the Scheme for 2023-24 is attached as Appendix 1 to this report.

Review of the Members' Allowances Scheme

16. A review of the Members' Allowances Scheme is due to take place during the 2024-25 Municipal Year. The previous two reviews of the Scheme did not involve the engagement of an Independent Remuneration Panel. A single member of the Panel for Cheshire East (the Independent Reviewer) assisted in the review and Members seemed to be satisfied that she provided a sufficient degree of independence.
17. The following activities were conducted during the last review:
 - Gathering information on:
 - The Members' Allowances Schemes of the constituent authorities
 - The Members' Allowances Schemes of a range of fire and rescue authorities
 - The views and expectations of Members and independent members for the review.
 - Meetings with the following stakeholders:
 - Officers and the Independent Reviewer to present information
 - Independent Reviewer and Members
 - A report of the Independent Reviewer was prepared and presented to the Governance and Constitution Committee along with a draft Members' Allowances Scheme.

- A report was then presented to the Fire Authority based on the recommendations of the Governance and Constitution Committee.

18. Members are asked to consider whether they are happy to follow the same process for the upcoming review.

Financial Implications

19. The annual increase for 2023-24 should be capable of being funded from the Authority's existing budget for Members' allowances. Any increase for 2024-25 should also be capable of being funded from the Authority's existing budget for Members' allowances.

Legal Implications

20. The legal implications are covered within the report.

Equality and Diversity Implications

21. There are no equality and diversity implications associated with this report.

Environmental Implications

22. There are no environmental implications associated with this report.

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BACKGROUND PAPERS: NONE