

REPORT TO CABINET

Open		Would any decisions proposed:			
Any especially affected Wards	Discretionary /	Be entirely within Cabinet's powers to decide		NO	
	Operational	Need to be recommendations to Council		YES	
		Is it a Key Decision		NO	
Lead Member: Cllr Alistair Beales E-mail: <i>Cllr.Alistair.Beaales@west-norfolk.gov.uk</i>			Other Cabinet Members consulted: Cabinet		
			Other Members consulted:		
Lead Officer: Becky Box E-mail: <i>becky.box@west-norfolk.gov.uk</i> Direct Dial: 01553 616502			Other Officers consulted: Chief Executive, Monitoring Officer, Section 151 Officer, Democratic Services Manager		
Financial Implications YES	Policy/ Personnel Implications NO	Statutory Implications NO	Equal Impact Assessment Yes If YES: Pre-screening	Risk Management Implications NO	Environmental Considerations NO

Date of meeting: 14th January 2025

MEMBERS ALLOWANCES

Summary

To agree the cost of living increase applied to Member's allowances for the 24/25 year.

Recommendation

Recommendations to Full Council:

That Council agrees an increase of 4.1% for all Member allowances for the year 2024/25 with effect from 1st April 2024.

Reason for Decision

The Council's Members Allowance Scheme provides for allowances to be updated annually in line with the Officer's cost of living pay award.

1 Background

The Council's Member allowances are reviewed annually.

In February 2022, Cabinet recommended to Council that allowances for a maximum period of 3 years commencing 2022/23 should continue to be increased in line with the officers' pay award. This recommendation was agreed by Council on 23rd March 2022.

For 2023-2024, the Officer's cost of living pay award, as approved by Full Council on 24th August 2023, was either £1925 or 5% (whichever was greater) rather than a flat rate increase across all pay grades. This represented a 10.38% increase to staff on the lowest pay point, reducing as pay points increase through to a 5% increase for higher paid staff. The median % increase for staff in 2023/24 was 7.04%.

As the Officers cost of living award was not a single flat rate increase it was necessary for Members to determine the % increase applicable for the cost of living update to Member allowances. The Monitoring Officer assessed the situation and advised that a sensible interpretation of "indexed in line with the Officer's pay award" would be permissible. Following consideration of a number of options Cabinet recommended to Council that the basic Members allowance be increased by 10.38% and to increase special responsibility allowances by 5%. This was agreed by Full Council on 19th October 2023.

In 2024, the Officer's cost of living pay award for the 2024/25 year, as agreed by Cabinet on 5th November 2024 was:

1. That with effect from 1st April 2024 an annual pay award of £1,290 (pro rata for part time employees) be paid as a consolidated, permanent addition to salaries for all staff earning less than or equal to the equivalent of National Joint Council pay point 43 (equivalent to £51,515 per annum).*
2. That with effect from 1st April 2024 a permanent salary increase of 2.5% be paid to all staff earning the above NJC spine point 43 (equivalent to £51,515 or more per annum).

(* the figure of £1,290 represents an increase of 5.78% for staff on the lowest pay point).

As a result of there not being a flat rate increase across all staff pay grades it is again necessary for Members to determine the percentage increase that will be applied to Member allowances with effect from 1st April 2024.

2 Options Considered

The Council's budget for 24/25 has allowed for a 3.5% for member allowances and a 2.5% increase to the Members IT allowance.

In considering options to increase member allowances for the 2024/25 year the net impact of this year's staff pay increase as a percentage of the total staff pay budget has been considered. This represents a 4.1% increase to the total staff pay budget and therefore it is proposed to increase Member allowances by 4.1%.

3 Policy Implications

The proposal is within existing policy, as outlined in the Members Allowance Scheme.

Members will be aware that Member allowances have been subject to review by an Independent Review Panel (IRP) during 2024. The findings of this review will be reported to Cabinet and Full Council in early 2025, to enable a revised scheme to be approved by Council and come into effect on 1st April 2025. It is intended to establish an approach for dealing with annual increases to Member allowances in the scenario that there is not a one flat rate percentage increase to the staff pay award in the revised scheme, to prevent the need for the matter to be reported to Cabinet and Full Council in the future.

4 Financial Implications

The total cost of the uplift to member allowances against the current cost is £23,400 equating to a total cost of £581,770. The budget for the current year is £580,270. This results in a small pressure of £1,500. This additional cost can be met from identified turnover savings.

There will also be an impact on future years which will need to be reflected in the base budget from 2025/2026 onwards.

5 Personnel Implications

None.

6 Environmental Considerations

None.

7 Statutory Considerations

It is a statutory requirement for the Council to adopt a Members Allowance Scheme.

8 Equality Impact Assessment (EIA)

Completed pre-screening form attached.

9 Risk Management Implications

The Council must provide a Members Allowance Scheme in accordance with the Local Authorities (Members' Allowances

(England)) Regulations 2023. The independent review has been called in Autumn 2024 and the findings of this will be reported in early 2025, so that a revised scheme can be implemented by 1st April 2025.

10 Declarations of Interest / Dispensations Granted

11 Background Papers

(Definition : Unpublished work relied on to a material extent in preparing the report that disclose facts or matters on which the report or an important part of the report is based. A copy of all background papers must be supplied to Democratic Services with the report for publishing with the agenda)