

Horsham Independent Remuneration Panel

Report to Horsham District Council on the impact of the 2022-23

Officers pay award on Members Allowances

Background

In the last report of the Independent Remuneration Panel (IRP), it was recommended that the Basic Allowance, the Special Responsibility Allowances (SRAs) and the Co-optee / Representative roles continue to be increased in line with the annual pay award for officers. Additionally the panel recommended that the Basic Allowance and the SRA for the Leader be increased by 10% as well as a 10% reduction in the SRA for the Leader of the Opposition. All these recommendations were approved by Full Council in April 2021 but with a decision to delay implementation for 12 months.

Accordingly, the current rates payable are as shown on the authorities' website and have been payable since 25 May 2022. For ease these are reproduced at Appendix 1 to the report.

Officers pay award for 2022/23

For this year, agreement was reached for Local Authority staff to receive a fixed sum of £1,925 each regardless of the position on the pay scale. The result is that employees at the higher end receive a smaller percentage increase than those at the lower end. This award, although only agreed very recently, is to be backdated to April 2022.

Clearly this causes complications with regard to the agreed method for increasing members allowances in line with officers' annual pay awards. Accordingly, the authority has asked the IRP to consider a solution and make recommendations for the Full Council.

The panel has researched the approach taken by other authorities and spoken with South East Employers, the organisation supporting public sector organisations across the South East. The common approach is to take the median point of the pay scale for employees and calculate the percentage increase using the £1,925 award. This percentage is then used to calculate the increase for relevant Members Allowances. In the case of Horsham District Council, the median spinal point is at £41,154 which equates to a 4.9% increase.

In considering whether this is appropriate for this authority we have taken into account that although the latest allowances, as published, have only been implemented since May 2022 they were in fact delayed for over a year from the original agreement in April 2021. Apart from the agreed increases to the Basic Allowance and the Leaders SRA, none of the other allowances were increased in the April 2021 report and therefore would have remained unchanged since April 2020.

Additionally, the panel are aware of the desire by the authority to continue to encourage a wide demographic in its elected members and therefore any erosion in the allowance's payable may have a negative impact on an individual's ability to run or remain as a Councillor.

As a result, the panel make the following recommendations:

- 1) Councillors receive an increase in relevant allowances of 4.9%**
- 2) This be applied to the following allowances;**
 - a) Basic Allowance**
 - b) All Special Responsibility Allowances**
 - c) The Co-optees and Representatives allowance**
- 3) The increases be backdated to April 2022.**

We recognise issues surrounding the cost-of-living crisis and that councillors may be concerned about the impact of receiving an apparent large increase in their allowances. Although by virtue of two completely separate processes, the delayed increase from the 2021 review and those from this proposal, it may be seen by others as a single 9.9% increase in the Basic Allowance for all members and a 14.9% increase in the SRA for the Leader. However, consideration to delay implementation as happened with the April 2021 recommendations, will further complicate matters as the next round of staff pay negotiations is underway nationally and is likely to result in a further pay award from April this year.

If the Council were minded to reject all the recommendations, then it should be considered against the fact that none of the SRAs (apart from the that for the Leader) have increased since April 2021.

In presenting this report the panel recognises that it is a matter for the council whether to accept all or some of these recommendations and similarly, individual members may choose not to take any or part of their entitlement.

The impact of these recommendations is shown in a table at the end of this report.

Submitted for consideration.

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Independent Remuneration Panel

January 2023

Impact of recommendations – basic and special responsibility Allowances

	£	Allowance	£
	25/05/2022	4.90%	25/02/2023
Basic Allowance per Councillor	£5,470.50	£268.05	£5,738.55
Total for 48 Councillors	£262,584.00	£12,866.40	£275,450.40
Leader of the Council	£15,587	£763.80	£16,350.80
Deputy Leader of the Council	£8,925	£437.30	£9,362.30
Leader of the Minority Group	£3,857	£189	£4,045.50
Per Cabinet Member	£7,285	£357	£7,642
Plus 6 Cabinet Members	£43,710	£2,142	£45,852
Chair of the Council	£5,310	£260.20	£5,570.20
Vice Chair of the Council	£1,780	£87.20	£1,867.20
Chair of the Overview & Scrutiny Committee	£5,310	£260.20	£5,570.20
Vice Chair of the Overview & Scrutiny Committee	£1,775	£87	£1,862
Chair of the Planning Committee North	£4,000	£196	£4,196
Vice Chair of the Planning Committee North	£1,345	£65.90	£1,410.90
Chair of the Planning Committee South	£4,000	£196	£4,196.00
Vice Chair of the Planning Committee South	£1,345	£65.90	£1,410.90
Chair of the Licensing Committee	£2,535	£124.20	£2,659.20
Chair of the Governance Committee	£2,535	£124.20	£2,659.20
Chair of the Audit Committee	£2,535	£124.20	£2,659.20
Chair of the Standards Committee	£2,535	£124.20	£2,659.20
Totals for the Special Responsibility Allowances	£114,369	£5,604.30	£119,972.80
Grand total of all allowances	£376,952.50	£18,470.70	£395,423.20

Note: Co-optees and Representatives are variable and have therefore not been included in the table above.