Item 9(c) - Report considered by the Executive Committee, 8 February 2023

Buckinghamshire & Milton Keynes Fire Authority



Meeting and date: Executive Committee, 8 February 2023

Report title: Members' Allowances

Lead Member: Councillor Simon Rouse, Chairman

Report sponsor: Graham Britten, Director of Legal and Governance

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Action: Decision

Recommendations:

That the recommendations below be considered for submission to the Authority:

- 1. That a Scheme for Members' Allowances for 2023/24 (**Appendix C**) be adopted with either
 - a) 0% increase in allowances; or
 - b) 2% increase in allowances; or
 - c) 5% increase in allowances.
 - 2. That a Scheme for Members' Allowances for 2023/24 be adopted with an increase based on indexation not aligned to the NJC employers' Grey Book pay offer or award.

Executive summary: The Authority is required to adopt a Scheme of Members' Allowances before 1 April each year and, in so doing, have due regard to the recommendations of the Independent Remuneration Panels (IRP) of the constituent authorities when considering its own Scheme of Members' Allowances and confirm that it has done so when it gives public notice of the Scheme of Allowances.

The Independent Remuneration Panel of the scheme for Milton Keynes City Council undertook a review in November 2021 and this is attached at **Appendix A**. The Council's IRP was convened in November 2022 to make a further recommendation as to indexation for 2023/24. The adopted arrangements for annual indexation are based on the percentage award for officers in the preceding year. However, the 2022/23 pay settlement for officers was based on a flat rate, as opposed to a percentage rate. The recommendation of the Council's IRP was to uprate all allowances by 4.69%, this being the median officer increase for 2021/22. Scheme of Councillors' Allowances 2023/24

The Independent Remuneration Panel of the scheme for Buckinghamshire Council undertook a review in January 2020 and this is attached at **Appendix B**.

The Authority agreed at its meeting on 14 December 2011 that the index linking for the period 2012/13 to 2014/15 – for basic and special responsibility (and co-optee) allowances – be the pay award for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book). The application of this index linking had been endorsed annually by the Authority since 2014/15 until 2021/22.

Although there had been a Grey Book 2% pay award effective from 1 July 2020, the Authority agreed in February 2021 to suspend the indexation for the year 2021/22, resulting in a 0% increase in Members' allowances.

The NJC agreed an increase of 1.5% with effect from 1 July 2021 (NJC Circular 4/21, 28 June 2021) for the Authority's staff on National Joint Council (NJC) for Local Authorities' Fire and Rescue Services, Scheme of Conditions of Service (Grey Book).

At its meeting on 9 February 2022, the Executive Committee submitted two options to the Authority for the Scheme for Members' Allowances for 2022/23 with either a) 0% increase in allowances; or b) 1.5% increase in allowances. At its meeting on 16 February 2022 the Authority resolved to adopt the latter.

A summary of the percentage increases to members' allowances over the preceding five years is as follows:

2018/2019	1%
2019/2020	2%
2020/2021	2%
2021/2022	0%
2022/2023	1.5%

The draft Scheme of Allowances for 2023/24 is attached at **Appendix C** and shows three options: a 0% increase (suspending the indexation for the year 2023/24); and 2% or 5% increases in line with the respective NJC employers' Grey Book pay offers.

Paragraphs 20 and 21 of the Scheme of Allowances provide that:

- "20. The scales for all allowances are maxima and there is no obligation on any Member to claim any or all of the allowances.
- 21. A Member shall give notice in writing to the Chief Finance Officer that he/she elects to forego any part of his/her entitlement to an allowance under the scheme."

Financial implications: The current budget for Members' Allowances (Basic and Special Responsibility Allowances) is £66k, including National Insurance costs. The

existing budget would be sufficient to cover a 2% increase. However, in line with pay assumptions made for BFRS employees, the proposed budget provides for a 5% increase in April 2023, which would increase the budget for Members' Allowances to £69k. The pay assumption for the 2023/24 budget is 4%.

Costs will be incurred in publishing a notice that the Authority has made a Scheme of Members' Allowances in a newspaper circulating in its area. The cost is estimated to be in the region of £800 (£745.20 last year).

Risk management: The recommendation will have no adverse effect on the Authority's business.

Legal implications: The making or amendment of the Members' Scheme of Allowances is a function reserved to a meeting of the Authority. An amendment may be made by the Authority in year. Regulation 10(4) of Local Authorities (Members' Allowances) (England) Regulations 2003 provides that "A scheme may make provision for an annual adjustment of allowances by reference to such index as may be specified by the authority and where the only change made to a scheme in any year is that effected by such annual adjustment in accordance with such index the scheme shall be deemed not to have been amended."

Privacy and security implications: No issues arising from the recommendations.

Duty to collaborate: The making of a scheme of allowances is the responsibility of each individual authority defined in the Local Authorities (Members' Allowances) (England) Regulations 2003. The methodology for doing so is prescribed exclusively by those regulations.

Health and safety implications: No issues arising from the recommendations.

Environmental implications: No issues arising from the recommendations.

Equality, diversity, and inclusion implications: The Authority's Scheme of Members' Allowances does not include any element for meeting costs incurred by a Member who has to arrange care in order to carry out their function as a Member of the Fire Authority.

The Local Authorities (Members' Allowances) (England) Regulations 2003 exclude the Authority from including such a provision in its Scheme. However, with the exception of co-opted members, all Members are appointed by either Buckinghamshire Council or Milton Keynes City Council and are entitled to claim "dependent carers' allowances" from their appointing authority. There are currently no co-opted members on the Authority.

Consultation and communication: A notice that the Authority has made a Scheme of Members Allowances will be published in a local newspaper and the updated Scheme of Members' Allowances can also be inspected at Headquarters, during standard office hours. Copies of the Scheme may be purchased at a cost of £2.50 or downloaded for free at www.bucksfire.gov.uk

Background papers: EMP CIRCULAR 2/22, EMP CIRCULAR 3/22, EMP CIRCULAR 4/22, EMP CIRCULAR 5/22, NJC Circular 4/21, 28 June 2021, Executive Committee Minutes (9 February 2022), Fire Authority minutes (16 February 2022)

Appendix	Title	Protective Marking
А	Milton Keynes City Council report of the Independent Panel of Members' Allowances November 2021	
В	Buckinghamshire Council report of the Independent Panel of Members' Allowances January 2020.	
С	Draft Scheme for Members' Allowances 2023/24.	