

Alternative Members Allowances Scheme

The Independent Remuneration Panel (IRP) has recommended a new Members' Allowances Scheme to take effect from 2023. This paper sets out an alternative scheme designed to mirror staff compensation plans where:

- i. The basic allowance for 2023/24 is £6,597, a £174 increase vs. current levels, but £202 lower than the IRP's recommendation. This effectively increases the public service discount on the basic allowance from 45% to 46.6%.
- ii. The Special Responsibility Allowances (SRA) band 1 multiplier is reduced to keep the SRAs at 2022/23 values.
- iii. The roles entitled to receive SRAs and are proposed to be the same as in the IRP's recommended scheme.
- iv. All other IRP proposals are adopted.

Basic Allowance

Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors.

The basic allowance reflects the Public Service Principle; that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated; and that part of a councillor's time should be given voluntarily. In particular, the view from the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.

The 2023/24 basic allowance was calculated by the IRP as follows:



The proposed alternative 2023/24 basic allowance has been calculated as follows:



¹ The full-time gross median wage per hour for the South East (December 2021)

Special Responsibility Allowances (SRAs)

Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. The IRP recommended that the multiplier applied to calculate the Leader's SRA is 300% (3 times) the basic allowance.

The alternative scheme proposes that the multiplier applied to calculate the Leader's SRA is reduced to 292% (2.92 times) the basic allowance. This has a knock-on impact on all other SRAs (which are a percentage of the Leader's allowance) and 'freezes' them at approximately the same level as the current SRAs in the 2022/23 scheme.

It is proposed to adopt all other elements of the IRP's recommendations regarding SRAs:-

- That no councillor should be entitled to receive at any time more than one SRA.
- That an SRA should be paid to at least one councillor who is not a member of the controlling group of the Council.
- That the Council should adhere to the principal that no more than 50% of Council Members (23) should receive an SRA at any one time.
- The banding of each role entitled to an SRA and the multiplier used to calculate the allowance for each of those bands:

Band	Role	% of the Leader's Allowance	Value of the SRA (£)
Band 1	Leader	100%	£19,264
Band 2	Deputy Leader With Portfolio	55%	£10,595
Band 3	Cabinet Member Chairperson of Scrutiny Committee Chairperson of Planning Committee Leader of Principal Opposition Group	45%	£8,669
Band 4	Chairperson of Licensing & Regulatory Committee Chairperson of Audit and Governance Committee Chairperson of Business and Housing Policy Committee Chairperson of Health and Environment Policy Committee	20%	£3,853
Band 5	Chairperson of Council Other Opposition Group Leaders Vice Chairperson of the Planning Committee	15%	£2,890
Band 6	Chairperson of the Winchester Town Forum Chairperson of Task and Finish Working Groups	10%	£1,926

Other Allowances and scheme benefits

It is proposed to adopt all elements of the IRP's recommendations regarding other allowances and elements of the scheme. These are:-

1. Travelling and Subsistence Allowance:
 - i. Payable to councillors in connection with any approved councillor duties. The amount of travel payable shall continue to be in line with HM Revenue and Customs' rates.
 - ii. No changes to the current travel allowances.
 - iii. No changes be made to the Subsistence Allowance scheme payable for approved councillor duties

2. Dependant Carers Allowance
 - i. Childcare and more specialist care should continue be based at cost, upon production of receipts.
 - ii. In the case of specialist care, a requirement of medical evidence that this type of care be required.
 - iii. The allowance should have no daily or monthly maximum claim when undertaking Approved Councillor Duties.

3. Parental Leave
 - i. that the approach outlined in the IRP report is adopted as a basis of a policy to support parental leave for councillors.

Indexing of Allowances

It is proposed to adopt the recommendation of the IRP, that an annual indexation of the basic allowance should continue to be based on the current formula. The allowances should be increased annually in line with the NJC Local Government pay award from April 2023 for a period of up to four years. After this period, the Scheme shall be reviewed again by an independent remuneration panel.