

# OFFICER REPORT TO COUNCIL

## MEMBERS' ALLOWANCES ANNUAL ADJUSTMENT

## KEY ISSUE/DECISION:

To agree the annual adjustment to Members' Allowances for the financial year 2023-2024.

## BACKGROUND:

At its meeting on 7 July 2020, the Council amended its Members' Allowances Scheme in accordance with recommendations presented in the report of the Independent Remuneration Panel (IRP).

The new scheme made provision for an annual adjustment of allowances on 1 April, with reference to the previous September's Consumer Price Index (CPI). This is in accordance with Regulation 10(4) of The Local Authorities (Members' Allowances) (England) Regulations 2003.

In September 2022 the CPI increase was 8.8%.

The Council recognises the spirit with which the IRP recommendation to raise Members' Allowances in line with CPI was made, however it could not be foreseen at that time that it would rise by such a significant amount.

This report proposes approving a lower adjustment of 3% (increase).

## IMPACT OF INCREASES ON MEMBERS' ALLOWANCES

Individual Allowances						
Allowance	2022-23	+3% with rounding (up to nearest £10)	+CPI 8.8% with rounding (up to nearest £10)			
Basic Allowance	£13,120	£13,520	£14,280			
Leader	£45,410	£46,780	£49,410			
Deputy Leader	£29,430	£30,320	£32,020			
Chair of Council	£19,020	£19,600	£20,700			
Vice-Chair of Council	£6,870	£7,080	£7,480			
Cabinet Member	£23,760	£24,480	£25,860			
Deputy Cab Member	£10,540	£10,860	£11,470			
Select Cttee Chairman	£10,570	£10,890	£11,510			
P&R Cttee Chairman	£12,680	£13,070	£13,800			
A&G Cttee Chairman	£10,570	£10,890	£11,510			
Surrey Pension Fund Ch	£10,570	£10,890	£11,510			
LC JC Chairmen	£8,460	Allowance removed				
SC Task Group Leads	£1,590	£1,640	£1,730			
Opposition Leaders	£12,680	£13,070	£13,800			
Adoption & Fostering	£106	£110	£120			

Table 1 summarises the impact that both 3% and 8.8% increases will have on each available allowance.

 Table 1: Individual Allowances Increases

Tables 2 (3%) and 3 (8.8%) illustrates the total budget required across all allowances and compares them to the 2022-23 total.

+3% Total across all appointments					
	2022-23	2023-24	Increase/decrease		
Basic allowance	£1,062,720	£1,095,120	£32,400		
Special Responsibility Allowances	£551,290	£472,140	-£79,150		
Total	£1,614,010	£1,567,260	-£46,750		

Table 2: 3% Increase

+8.8% Total across all appointments					
	2022-23	2023-24	Increase/decrease		
Basic allowance	£1,062,720	£1,156,680	£93,960		
Special Responsibility Allowances	£551,290	£498,730	-£52,560		
Total	£1,614,010	£1,655,410	£41,400		

Table 3: 8.8% Increase

## **REDUCTION IN SPECIAL RESPONSIBILITIES AVAILABLE:**

At its meeting in October 2022, the Council approved the ceasing of the Local Committees and served notice of the Council's intention to withdraw from the Joint Committees. The removal of these appointments are included within Tables 2 and 3.

## ALIGNMENT WITH THE CURRENT MEMBERS ALLOWANCES SCHEME:

In accordance with regulation 19 of The Local Authorities (Members' Allowances) (England) Regulations 2003, local authorities have a duty to have regard to recommendations from an IRP before a scheme can be amended.

The Director of Law & Governance has confirmed that this does not constitute a change to the current Members' Allowances scheme requiring a report from the IRP.

#### **RECOMMENDATIONS**:

It is recommended that the County Council:

1. Approves the proposed 3% increase in Members' Allowances for the 2023 - 2024 financial year.

#### Lead/Contact Officers:

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#### Sources/background papers:

The Local Authorities (Members' Allowances) (England) Regulations 2003

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