

## **Report of the Independent Remuneration Panel**

In attendance:     Rahila Hussain  
                          Laurence Loft  
                          Frank Whitehead

### **Brief for the Panel**

The Panel considered a brief which:

- gave details of the Council's current Members' Allowances Scheme; and
- set out the specific items that the Council would like the Remuneration Panel to consider in respect of its Members Allowances Scheme.

The brief included information under the following headings:

- Role of the Remuneration Panel;
- The legal framework for members allowances;
- Background to the current Allowances Scheme and a copy of the Scheme;
- Current position (the proposed scope of the review and underlying assumptions, based on the recommendations of the Council's Leader's Policy Development Board of 29<sup>th</sup> July 2024); and
- Comparisons to Other Lancashire Districts, regarding key Special Responsibility Allowances (SRAs), Basic Allowance and SRAs for Member Champions).

The Panel were invited to make recommendations in respect of the following matters, which had been identified at a recent meeting of the Leader's Policy Development Board:

- a. whether the Council should again have the capacity to increase allowances by reference to inflation as previously (subject to the proviso that this could only be done on four occasions without reference to the Panel); and
- b. whether the Special Responsibility Allowance for Vice-Chairs of overview and scrutiny committees was too high with regard to the workload involved and, if the Panel considered that it was, what the appropriate level of allowance should be; and
- c. whether a Special Responsibility Allowance should be paid in recognition of the "Member Champion" role and, if the Panel considered that it should, what the appropriate level of allowance should be and whether a limit should be placed upon the number of such allowances payable.

## **Background and Context**

The Panel was advised of the recent change in political control of the Council and the emerging priorities of the new controlling group. In particular, the Panel was advised that the Leader's Policy Development Board was not seeking a root and branch review of the Members Allowances Scheme, although it was within the power of the Panel to do so, if it so wished.

The Scheme was last substantially revised in 2011/12 to reduce both Basic and Special Responsibility Allowances to 2009/10 levels, which was mainly in response to the Government's austerity measures and, in particular, the public sector pay freeze announced in 2010, which also affected Council staff. Increases in allowances between 2012/13 and 2015/16 were in line with inflation only, applied by way of an index. Thereafter, allowances were frozen, as by law an index can only be applied for 4 years without requiring a further Panel recommendation. A minor change to Scheme was implemented in 2021, which provided for an SRA to be paid to the leader of a minority opposition group.

## **Findings of the Panel**

The Panel determined that it did not require any additional information in order to make its recommendations. The Panel was satisfied that it could reach a decision at its meeting based upon the information currently available in its Brief.

The Panel determined that it would confine its review to within the parameters recommended by the Leader's Policy Development Board, namely:

1. whether to restart an index for increases to the Basic Allowance and SRAs, eg. based on inflation;
2. to consider the level of SRAs for Vice-Chairs of overview and scrutiny committees; and
3. whether to recommend an SRA for 'Member Champions' and, if so, at what level and subject to what, if any, overall limitations.

## **Question 1 - Restarting an Index for Basic Allowance and SRAs**

The Panel considered that Hyndburn's allowances remained reasonable when compared to those paid by other Lancashire Districts (Tables 1 and 2 below refer). In view of this, the Panel were not minded not to recommend applying an inflationary index at this point.

**Table 1 – Comparison of Special Responsibility Allowances**

Council	Leader	Deputy Leader	Main Opp'n Leader	Main Opp'n Deputy	Cabinet Member	Chair of Planning	O&S Chair / VC
Hyndburn	21,594	10,797	6,961	2,317	8,110	6,951	6,719 / 5,561
Burnley	18,447	8,292 (?)	2,030	0	9,308	3,249	5,077 / 1,624
Chorley	16,406	5,079	8,420	2,368	5,437	3,680	5,437 / 1,812
Pendle	4,000	1,200	1,200	0	1,200	1,200	1,200 / 500
Rosendale	13,908	10,431	6,954	0	6,954	3,477	3,477 / 0
Ribble Valley	16,480	10,300	8,240	0	6,180	8,240	6,180 / 590
Preston	10,426	7,579	4,236	0	5,931	4,236	3,530 / 54.99 half day rate
South Ribble	21,405	11,164	4,863	0	6,301	5,401	3,689 / 0
West Lancs	12,375	7,425	3,465	1,733	4,950	4,950	?
Lancaster	11,619	6,860	5,809 shared pro rata between all opp group leaders	0	5,809	4,501	4,354 / 0
Fylde	12,059	3,621	£39 per group member	0	n/a	4,824	4,824 / 2,412
Wyre	22,590	14,733	% of basic based on no. in group	0	9,822	7,366	7,377 / 0

**Table 2 – Comparison of Basic Allowances**

Council	Basic Allowance	Council	Basic Allowance
Wyre	4,911	Lancaster	4,326
Fylde	4,540	Chorley	5,434
Hyndburn	4,634	Pendle	3,500
Rosendale	3,477	Ribble Valley	4,120
Preston	4,707	West Lancs	4,950
Burnley	4,061	South Ribble	4,826

The Panel considered that, as the levels of Hyndburn's allowances were now close to those of its Lancashire peers, it would be appropriate to review this question again in time to make recommendations for adoption in the Members Allowances Scheme

2025/26. In making any such recommendations for 2024/25, or subsequent years, the Panel would consider whether the level of inflation was in step with the staff pay award.

**Question 2 - Level of SRAs for Vice-Chairs of Overview & Scrutiny Committees**

The Panel were informed that there were three overview and scrutiny committees and that usually, if the Chair was unavailable for a particular meeting, the date of the meeting would be changed, rather than the Vice-Chair taking up the Chair’s role.

The Panel noted that the Vice-Chair’s SRA, as a proportion of the Chair’s allowance (82.8%), was significantly higher than for the Vice-Chairs of other Committees, such as Planning (33.3%) and Licensing (50%).

After careful consideration, the Panel concluded that it may be appropriate to abolish this SRA, with the proviso that, if the allowance was to be retained, it should more closely reflect the ratio of Chairs to Vice-Chairs allowance applicable to other Committees.

**Question 3 – SRA for Member Champions**

The Panel noted that the proposed Member Champions would not be members of the Cabinet, but would lead on a particular area of interest, such as young people or disability. The Champions would be expected to gain knowledge of their subject and to make proposals for consideration by the Cabinet or Council, as appropriate. It was envisaged that they would work closely with the relevant Portfolio Holders in the development of any such proposals. The Panel further noted that Hyndburn did not currently appoint paid Member Champions, but the role was relatively common nationally and had been adopted by several Lancashire councils. The following table gave some examples of the arrangements in place at other authorities:

**Table 3 – Member Champions**

<b>Council</b>	<b>Amount</b>	<b>Number Permitted</b>
Wyre	£250.00	5
Lancaster	£257.50 max	£1,000 total pot to be shared between champions up to cap of £257.50 each
Chorley	£399	
Preston	£1,246	3

Panel concluded that it might be useful to defer consideration of this matter until the roles were better established and that this could be reviewed at the same meeting set aside to discuss the inflationary index, at which time more information would be available about workloads and levels of responsibility.

The Panel considered making a recommendation to agree, in principle, to an allowance of £250 being set for each Member Champion, but decided to defer making a final recommendation pending receipt of further information about the role (and potentially a job description).

**Panel Recommendations**

The Panel made the following unanimous recommendations:

- (1) Not to apply an inflationary index to Basic Allowance and SRAs for 2024/25, but to review this question again in time to make recommendations for adoption in the Members Allowances Scheme 2025/26. *(NB. When making any recommendation for 2024/25, or subsequent years, the Panel will have regard to the desirability of the level of inflation not being significantly out of step with the staff pay award).*
- (2) That the overview and scrutiny committees' Vice-Chair's SRA should be abolished, but if the Council are minded to retain the allowance it should reduce the amount to ensure that it more closely reflects the ratio of Chairs to Vice-Chairs allowance applicable to other Committees (ie. in the range 33% to 50%).
- (3) To agree, in principle, to an allowance of £250 being set for each Member Champion, but to defer making a final recommendation pending receipt of further information about the role and the lines of accountability.

Signed ..... Rahila Hussain

Signed ..... Laurence Loft

Signed ..... Frank Whitehead