

REPORT TO:		Council	
DATE:		15 January 2026	
PORTFOLIO:		Councillor Munsif Dad, Leader of the Council	
REPORT AUTHOR:		Executive Director (Legal & Democratic Services)	
TITLE OF REPORT:		Review of the members allowances scheme for the municipal year 2026/27	
EXEMPT REPORT:	No		
KEY DECISION:	No	If yes, date of publication:	

1. **Purpose of Report**

To inform members of the recent annual review of the members allowances scheme and the recommendations of the Council's Independent Remuneration Panel.

2. **Recommendations**

It is recommended that Council:

- 2.1 consider the views of its independent remuneration panel as set out in paragraph 4 of this report, and having done so, agree to amend the members allowances scheme to remove the special responsibility allowance payable to each political group whip and group secretary, with effect from 1st April 2026;
- 2.2 accept the recommendation of the Leader's Policy Board and agree to freeze members allowances, keeping them at the 2025/26 level,

3. **Reasons for Recommendations and Background**

- 3.1 The statutory role of the independent remuneration panel is to advise the Council in respect of the allowances and expenses paid to councillors. By law, the Council is unable to amend its members allowances scheme without having regard to the recommendations of its remuneration panel and this must be done at a meeting of the Council as a whole, although the panel's recommendations are not binding on the Council. The Council is therefore able to take decisions about members allowances that differ from the recommendations of the remuneration panel.

- 3.2 By law, the Council must have a scheme for the payment of members' allowances. The scheme:
- must provide for payment of a basic allowance. The basic allowance must be paid to every councillor and every councillor must be paid the same amount;
 - may provide for the payment of special responsibility allowances which are paid to councillors who have special roles and responsibilities;
 - may provide for payment of a childcare and dependent carer's allowance.
- 3.3 The Council's members allowances scheme permits basic and special responsibility allowances to be increased on 1st April each year in line with the NJC local government pay award provided such "inflation only" increases have been sanctioned by the Council's independent remuneration panel within the last 4 years. An inflationary increase could be made to the allowances scheme for 2026/27 as such increases were sanctioned by the remuneration panel in 2024. However, members allowances scheme was recently reviewed by the Leaders Policy Board which recommended that allowances should not be increased in respect of the 2026/27 municipal year and should instead be frozen at the current level.
- 3.4 The Leaders Policy Board also recommended that the special responsibility allowances payable to each political group whip and secretary should be removed with effect from 1st April 2026. In making this recommendation the Leaders Board was mindful that no other local authority in Lancashire pays such special responsibility allowances and that these particular allowances were considered to be anomalous by the LGA Peer Review Team when they came back for their review visit in the Autumn. Each such allowance is currently £784.00.
- 3.5 To assist members, a copy of the revised members allowances scheme is attached to this report at Appendix 1.

4. Alternative Options considered and Reasons for Rejection

- 4.1 The Council is not required to accept the recommendations in this report. The Council could choose not to remove the whip and group secretary special responsibilities and / or to make an inflationary increase to members allowances.

5. Consultations

- 5.1 The Leader's Policy Development Board reviewed the current members allowances scheme at a recent meeting and recommended that members allowances should be frozen at the current level for the 2026/27 municipal year and that the special responsibility allowances for each political group whip and group secretary should be removed with effect from 1st April 2026.
- 5.2 The Council's independent remuneration panel was consulted in respect of the proposal to remove the special responsibility allowances payable to each political group whip and group secretary. The panel did not raise any objection to the proposed amendment.

6. Implications

Financial implications (including mainstreaming)	There are no cost implications in the current financial year. If the recommendations are accepted there will be a saving in 2026/27 as no provision will need to be made in the budget for an inflationary increase to members allowances.
Legal and human rights implications	These are discussed in section 3 above.
Assessment of risk	No significant risks have been identified
Equality and diversity implications <i>A Customer First Analysis should be completed in relation to policy decisions and should be attached as an appendix to the report.</i>	<p>The Council is subject to the public sector equality duty introduced by the Equality Act 2010. When making a decision in respect of the recommendations in this report Cabinet must have regard to the need to:</p> <ul style="list-style-type: none">• eliminate unlawful discrimination, harassment and victimisation; and• advance equality of opportunity between those who share a relevant protected characteristic and those who don't; and• foster good relations between those who share a relevant protected characteristic and those who don't. <p>For these purposes the relevant protected characteristics are: age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, sex and sexual orientation. Council is advised to consider its obligations in respect of the public sector equality duty when making a decision in respect of the recommendations contained in this report.</p>

7. Local Government (Access to Information) Act 1985: List of Background Papers

None.

8. Freedom of Information

- 8.1 The report does not contain exempt information under the Local Government Act 1972, Schedule 12A and all information can be disclosed under the Freedom of Information Act 2000.

