

**INDEPENDENT REMUNERATION PANEL
NOTE OF MEETING HELD ON 5 October 2022**

Present: Mr David Cam, Chairman
Mrs Helen Hockenhull
Mrs Karen Eaton
Ian Curtis, Head of Governance
Sharon Wadsworth, Democratic Services (note taker)

Ian Curtis welcomed everyone to the meeting.

Ian Curtis presented the 2023/2024 Member Allowance Scheme report, a copy of which had previously been circulated to members of the Panel.

The report covered the current level of members' allowances and the special responsibility allowances; dependent carers' allowance; and a comparison of allowances paid in 2001 to 2022. The report also provided information regarding the level of allowances adjusted to 2001 prices (the consumer price index); information regarding the different allowances, the annual budgeted amount for members' allowances and the Council's financial position. He advised that the advice from the Chief Financial Officer was that the level of future funding was uncertain with the Government seeking reductions in public expenditure.

The report provided a detailed spreadsheet comparing the allowances paid by other Lancashire authorities and authorities who operated a committee system.

The panel were updated on the expected new committee structure that would be implemented following the May 2023 local elections that would also see the number of councillors being reduced from 51 to 37.

Mr Curtis suggested to the panel that, due to the upcoming election and committee structure change, any changes to the allowances should be adopted in May 2023 rather than April.

Mr Curtis discussed the current Special Responsibility Allowances, and the ability of the Panel to set an allowance and link the allowances to an index. He explained that the allowances would then increase with the index but there would be a need to review the allowances every four years rather than annually.

The Panel thanked Ian for his report and presentation.

The Panel considered their recommendations for the financial year 2023-24 regarding:

- The level of basic allowance payable to all councillors
- Which councillors were to receive special responsibility allowances
- The levels of special responsibility allowances
- Whether to continue to pay dependants' carers' allowance and, if so, whether to cap the rates payable; and
- whether to continue to pay travel and subsistence allowances and, if so, of how much

The Panel went through the report and highlighted the current financial difficulties being faced by the council, including increasing fuel costs, interest rates and inflation, and the uncertainty of the impact to residents and businesses of the borough. It was also acknowledged that while the council finances were currently stable and in surplus the uncertainty of future funding was cause for caution.

It was the opinion of the panel that with the reduction in the number of members, following the 2023 election, it was reasonable that the public would expect to see reduced costs. It was also realistic to expect that each councillor would likely have an increased workload due to the increase in proportion of ward members.

The Panel acknowledged the new committee structure that would take effect from May 2023 and agreed that any proposed changes to the allowances would take effect from 8th May 2023. It was agreed that there was not enough information at this time to consider if the new structure would exceptionally increase the frequency and duration of meetings. It was also unknown if there would be any additional responsibility roles in addition to those of chair/vice chair, Leader and Deputy Leader. In light of these unknown factors the Panel agreed that they would reserve the right to meet again, after May 2023, to re-evaluate the allowances.

The Panel discussed the merits of linking the allowances to an index but agreed that this was not currently the best approach at this time, in light of the current financial climate.

The Panel confirmed that the dependents' carers' allowance and travel allowances be maintained as present.

The Panel confirmed that there would be no changes to the roles that may be in receipt of special responsibility allowances.

The Panel agreed that balancing the reduction in members and the expectation that a saving would be made against the likely increase in the individual members workloads, and taking into account rising inflation, it was to recommend an increase to the level of basic allowances to £4,540 and the special responsibility allowances by 13.5%, as per the attached calculations. The decision represents sharing the savings, made by the reduction in the numbers, between the Councillors and the public. Members would be invited to discuss if the amounts were to be rounded up or down when the matter is tabled at full Council. The Panel also reserve the right to reconvene after the May 2023 elections if it is deemed necessary.

Mr Cam thanked the other Panel members for their attendance and consideration of the matters at hand and thanked the officers for their work and advice.

Calculations

Table 1 - Current Structure

Allowance Type	Amount per allowance	Number of positions	Total Amount of allowance
Basic	£4,000	51	£204,000
Leader of the Council	£10,625	1	£10,625
Deputy Leader of the Council	£3,190	1	£3,190
Chairmen of Programme and Planning Committees	£4,250	5	£21,250
Vice Chairmen of above	£2,125	5	£10,625
Chairman of Audit & Standards	£3,450	1	£3,450
Vice Chairman of above	£1,725	1	£1,725
Chairmen of Public Protection and Licensing	£1,725	2	£3,450
Vice Chairmen of above	£865	2	£1,730
Chairman of Member Development Group	£2,125	1	£2,125
Leader of each Political Group	£34	51 max ¹	£1,734
Total			£263,904

Table 2 – New Structure with Current rates as in table one

Allowance Type	Amount per allowance	Number of positions	Total Amount of allowance
Basic	£4,000	37	£148,000
Leader of the Council	£10,625	1	£10,625
Deputy Leader of the Council	£3,190	1	£3,190
Chairmen of Policy, Scrutiny and Planning Committees	£4,250	4	£17,000
Vice Chairmen of above	£2,125	4	£8,500
Chairmen of Audit & Standards	£1,725	2	£3,450
Vice Chairman of above	£865	2	£1,730
Chairmen of Public Protection and Licensing	£1,725	2	£3,450
Vice Chairmen of above	£865	2	£1,730
Chairman of Member Development Group	£2,125	1	£2,125
Leader of each Political Group	£34	37 max ²	£1,258
Total			£201,058

¹ Calculation based on number of councillors

² Calculation based on number of councillors

Table 3 – New Structure with new rates

Allowance Type	Amount per allowance	Number of positions	Total Amount of allowance
Basic	£4,540	37	£167,980.00
Leader of the Council	£12,059.38	1	£12,059.38
Deputy Leader of the Council	£3,620.65	1	£3,620.65
Chairmen of Policy, Scrutiny and Planning Committees	£4,823.75	4	£19,295.00
Vice Chairmen of above	£2,411.88	4	£9,647.50
Chairmen of Audit & Standards	£1,957.88	2	£3,915.75
Vice Chairman of above	£981.78	2	£1,963.55
Chairmen of Public Protection and Licensing	£1,957.88	2	£3,915.75
Vice Chairmen of above	£981.78	2	£1,963.55
Chairman of Member Development Group	£2,411.88	1	£2,411.88
Leader of each Political Group	£38.59	37 max ³	£1,427.83
Total			£228,200.84

³ Calculation based on number of councillors