



Report of:	Meeting	Date
Clare James, Corporate Director Resources (Section 151 Officer)	Council	25 January 2024

Members' Allowances Scheme

1. Purpose of report

- 1.1** To report the recommendations of the Independent Remuneration Panel (IRP) in relation to the Council's Members' Allowances Scheme ("the Scheme") following the review completed in December 2023.

2. Council priorities

- 2.1** To ensure that the Scheme properly reflects councillors' current roles, duties, responsibilities and commitments under the Council's Constitution.

3. Recommendations

- 3.1** That the Basic Allowance paid to each Councillor be increased by 3.88% from £4,728 per annum to £4,911 per annum, with effect from 16 May 2024. Note – this percentage multiplier formula reflects the uplift of staff allowances as agreed in the 2023 staff pay award. This is the same method to increase the members Basic Allowance as was used last year.
- 3.2** That the multiplier for the Special Responsibility Allowance (SRA) for the Deputy Leader be amended from 0.5 x Basic Allowance to 1 x Basic Allowance.
- 3.3** That the multiplier for the SRA paid to the Chair of the Audit and Standards Committee be set at 1.5 x Basic Allowance, in line with comparable committees.
- 3.4** That the method used for the remaining SRAs for members of the Executive, Group Leaders or Chairs of Committees continue to be based on the various current multipliers of the Basic Allowance for each of the posts as set out in Part 6.01 Section A of the Constitution.

- 3.5** That the SRAs paid to the Mayor and Deputy Mayor be increased by 3.88%, the same uplift as the Basic Allowance.
- 3.6** That an in-depth review of the Mayor's and Deputy Mayor's allowances be carried out as part of the IRP review process at an agreed time in the future.
- 3.7** That the Lead Members for Climate Change, Mental Health and Armed Forces be paid the same SRA as the Lead Members for Children and Young People and Older People, and that the fixed sum be £250.
- 3.8** That all other elements of the Council's Members' Allowances Scheme remain unchanged.

4. Background

Membership of the Panel

- 4.1** The Council is required to appoint an IRP to review its allowance payments to councillors periodically and recommend a Members' Allowances Scheme to the Council.
- 4.2** The members of the IRP for the review were:
- Reverend John Squires (Chair) and
 - Professor Darren Ansell.
- 4.3** A recruitment exercise for the vacancy on the panel has been in place for several months. However it has failed to attract any applicants. The advert will remain 'live' until a third panel member is recruited, in line with guidance and hopefully before the next review commences in the autumn of 2024.

Terms of Reference of the Panel

- 4.4** The terms of reference of the IRP are:

To propose a scheme for Members' Allowances that:

- recognises the roles, duties and responsibilities of Members, both as decision makers and community representatives, under the Council's Constitution;
- is easy to understand by Members and the public;
- is simple to operate;
- includes provision for annual review without the need for fundamental change;
- considers, subject to the necessary legislation, whether allowances should be pensionable;
- considers what other allowances, such as travel and subsistence, should be paid and in what circumstances; and

- considers the provision for different levels of allowance reflecting the responsibilities of the post-holders.

Current position and scope of the Review

- 4.5** The principal components of Wyre's current Members' Allowances Scheme are a flat rate Basic Allowance for all Members (a statutory element of all local authority schemes), together with Special Responsibility Allowances allocated to defined post-holders, the amounts reflecting the relative additional responsibilities of each post over and above the Basic Allowance. These are supported by allowances for travel and subsistence costs incurred on defined 'approved' duties. The Scheme also provides for the payment of Carer's and Dependent Person's Allowances.
- 4.6** The full Scheme, as amended and to be approved by Council, is attached at Appendices 1 and 2 of this report.
- 4.7** It is proposed that any changes approved by Council will take effect from 16 May 2024.

Methodology

- 4.8** The IRP met twice, on 15 November 2023 and 6 December 2023 respectively.
- 4.9** The Panel considered benchmarking data from twelve other councils across Lancashire. This included data relating to the allowances paid to Mayors and Deputy Mayors, alongside summaries of their duties and responsibilities, which varied from authority to authority.
- 4.10** The Panel invited comments from all councillors. Three comments were received, which were reported to and taken into consideration by the Panel.
- 4.11** The Panel met with the Leader and the Deputy Leader of the Council on 22 November 2023, to discuss various matters, including the Special Responsibility Allowances.

5. Key issues and proposals

- 5.1** The Panel concluded that the Basic Allowance should be increased on the same basis as for 2023/24, namely in line with the 3.88% uplift on staff allowances (such as travel, accommodation, overtime, etc.). For noting, a flat rate increase of £1,925 has been agreed for the majority of staff for 2023/24, the second successive year that this fixed sum approach has been taken. This makes it more difficult to apply an increase based on the previous year's percentage increase for staff and so the allowances uplift % has been used as a suitable proxy.

SRA for the Leader, Deputy Leader and other Cabinet Members

- 5.2** Following the meeting with the Leader and Deputy Leader, the Panel understood that, as a result of the Leader being in full time employment, the Deputy Leader has an increased workload. This is particularly so in terms of representing the Council at external meetings. The Panel took the view that this increase in responsibility and accountability should be reflected in an increase in remuneration. The Panel also noted that Wyre's SRA for the Deputy Leader was below average when compared with other Lancashire councils. The Panel considered that no changes were required to the multipliers for the SRAs paid to the Leader and other Cabinet Members.

Chair of Audit and Standards Committee

- 5.3** The Panel were informed that the functions of the Audit Committee and Standards Committee had been merged into a single committee, now Audit and Standards Committee. The Panel took the view that the SRA multiplier applied to the role of Chair of this committee should reflect the work and responsibility of other comparable committees and so this has been increased from 1x Basic Allowance to 1.5x Basic Allowance.

Committee Chairs

- 5.4** It was the Panel's opinion that the multipliers for the SRAs for the Chairs of other committees should remain unchanged.

Mayor and Deputy Mayor

- 5.5** The Panel proposed that the Annual Sum paid to the Mayor and Deputy Mayor be increased by 3.88% in line with the Basic Allowance. It was noted that there had been no increase in these allowances since the 2017/18 IRP review.
- 5.6** The Panel was made aware of the Mayoralty Working Group, which was appointed by the Council, but which has not yet completed its work. It is anticipated that the Group will report to Council in January 2024. The Panel will then seek a full year's evidence of the expenses incurred by the Mayor and Deputy Mayor and will carry out an in-depth review at an appropriate time in the future, also taking into account the final recommendations of the Mayoralty Working Group.

Lead Members

- 5.7** Prior to May 2023 there were two Lead Members (for Older People and Children and Young People), appointed by the Leader, and three Champions (for Mental Health, Climate Change and Armed Forces), appointed by the Council. The two Lead Members each receive a fixed sum of £250 annually. At the Annual Meeting held on 18 May 2023, it was agreed that all of these roles be re-designated as Lead Members

and members were appointed accordingly. The Panel proposed that each of the five Lead Members receive a fixed sum of £250.

Other elements of the Members' Allowances Scheme

5.8 The Panel considered the other elements of the Scheme, including Travel Allowances, Subsistence Allowance, Carer's and Dependent Carer's Allowance, and agreed that they should remain unchanged.

6. Alternative options considered and rejected

6.1 Consideration was given to leaving the Members' Allowances Scheme unchanged, but this would not have reflected changes to the committee structure nor to changes in the levels of responsibility and accountability of certain specific roles. Consideration was also given to increasing the Basic Allowance by £1,925 but at over 40%, this was determined to be too high an increase.

Financial, Legal and Climate Change implications	
Finance	The cost of the Panel's proposed increase of 3.88% in the Basic Allowance is an estimated £9,150. The consequential increases in the Special Responsibility Allowances based on multipliers of the Basic Allowance, including the Mayor, the Deputy Mayor and the fixed sum for Lead Members, would be £9,846.15 in 2024/25.
Legal	None arising directly from this report.
Climate Change	None arising directly from this report.

Other risks/implications: checklist

If there are significant implications arising from this report on any issues marked with a ✓ below, the report author will have consulted with the appropriate specialist officers on those implications and addressed them in the body of the report. There are no significant implications arising directly from this report, for those issues marked with a x.

risks/implications	✓ / x
community safety	x
equality and diversity	x
health and safety	x

risks/implications	✓ / x
asset management	x
ICT	x
data protection	x

Processing Personal Data

In addition to considering data protection along with the other risks/ implications, the report author will need to decide if a 'privacy impact assessment (PIA)' is also required. If the decision(s) recommended in this report will result in the collection and processing of personal data for the first time (i.e. purchase of a new system, a new working arrangement with a third party) a PIA will need to have been completed and signed off by Data Protection Officer before the decision is taken in compliance with the Data Protection Act 2018.

report author	telephone no.	email	date
Marianne Unwin	01253 887326	marianne.unwin@wyre.gov.uk	20 December 2023

List of background papers:		
name of document	date	where available for inspection
None.		

List of appendices

Appendix 1 Members' Allowances Scheme

Appendix 2 Proposed Levels of Allowances 2024/25