

PENDLE BOROUGH COUNCIL

REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES – MAY, 2023

THE INDEPENDENT REMUNERATION PANEL

Pat Higginbottom – the Council's appointed Independent Person under the Localism Act 2011

David Whatley – Independent Person on the Accounts and Audit Committee

Philip Mousdale

Advised by: - Richard Gibson, Director of Resources
- Jane Watson, Head of Democratic Services

PURPOSE OF THE INDEPENDENT PANEL

The Independent Panel was established under the Local Authorities (Members Allowances) (England) Regulations 2003 to formulate and recommend to the Council a new scheme of allowances for elected members that would reflect their duties and responsibilities under the Council's Constitution.

PRESENT MEMBERS' ALLOWANCE SCHEME

The Panel was convened because the Council is changing its governance arrangements from "a committee system" (which it has had since May, 2018) to "executive arrangements" (which the Council operated under prior to the committee system).

The present Scheme of Members' Allowances is as follows:

(1) A Basic Allowance for all members of £3,000 per year

(2) Special Responsibility Allowances :-

- Leader – £4,000 pa
- Opposition Group Leaders (x2) – £1,200 pa
- Area Committee Chair (x4) – £1,200 pa
- Licensing Committee Chair - £500
- Taxi Licensing Committee Chair - £500
- Accounts and Audit Committee Chair - £500

(3) Dependent Carers Allowance £3.00 per hour

(4) Travel & subsistence at the prescribed national rates for members.

THE EVIDENCE CONSIDERED

The Council considered the legal background to the payment of members' allowances and the reasons for the implications of the forthcoming change to an executive form of governance.

The Panel was advised that most councillors consider that the current annual basic allowance and the current special responsibility allowances are about right bearing in mind the Council's financial position.

The Panel also considered details of current members' allowance schemes from other Lancashire councils and were asked for their views on possibly increasing the Mayor's allowance which had been set at £5,130 for a number of years.

CONCLUSIONS and RECOMMENDATIONS

1. It was acknowledged that the current basic allowance is the lowest when compared to those in most other Lancashire councils. This reflects the commendably high sense of voluntary public service on the part of Pendle councillors and also the severe financial constraints the Council has been under for many years.
2. It was explained that the change in governance would mean the Leader may appoint no more than 9 other members of the Cabinet, known as executive members or portfolio holders and they will qualify for a special responsibility allowance. There would also be the introduction of a chair for the Overview and Scrutiny Committee. The Policy and Resources Committee would be replaced by the Executive and all other committees will be retained.
3. The move to an executive form of governance will mean some significant changes in special responsibility duties. Therefore, the Panel felt that it was time to make some changes and **recommend** the following:

	£
Basic Allowance	3,500
Leader	5,000
Deputy Leader	2,000
Executive Members (x4)	2,000
Opposition Group Leader	2,000
Area Committee Chairs	2,000
Overview and Scrutiny Chair	2,000
Overview and Scrutiny Vice-Chair	1,000
Licensing Committee Chair	1,000
Accounts and Audit Chair	1,000
Taxi Licensing Chair	1,000
Development Management Chair	1,000

4. It should be noted that Members can only receive one additional allowance. In the event that (due to numbers) a Member is asked to chair more than one committee, they would only receive an allowance equivalent to the greater of the two or more allowances for each committee chaired.
5. The Panel does not recommend any changes to either the dependent carer's allowance or to travel and subsistence payments.

6. The affordability of allowances is primarily a matter for the Council rather than the Panel. The current cost of the basic and special responsibility allowances was currently £111,700 and under the recommendations above the cost would increase to £147,500.
7. The Panel **recommends** the Mayor's Allowance be increased by £1,000 to £6,130 per annum
8. Finally, the Panel **recommends** that the Scheme be reviewed in two years' time.

Pat Higginbottom

David Whatley

Philip Mousdale

May, 2023