

## Report of the Independent Remuneration Panel on the Members' Allowance Scheme 2022-2025

### REPORT TO FULL COUNCIL



DATE	22/02/2023
PORTFOLIO	none
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#### PURPOSE

1. To consider the findings of the Independent Remuneration Panel (IRP) in respect of a proposed percentage increase to the current Members' Allowance Scheme (MAS) for the financial year 2022/23.

#### RECOMMENDATION

2. That the Council receives and considers a recommendation from the Independent Remuneration Panel to approve an increase of 4.04% to the members basic allowance for the financial year 1<sup>st</sup> April 2022- 31<sup>st</sup> March 2023, and the resulting increases to Special Responsibility Allowances as set out at Appendix 1.

#### REASONS FOR RECOMMENDATION

3. The Local Authorities (Members' Allowances) (England) Regulations 2003 require that before Council can determine its members' allowances it must have regard to a report from the Independent Remuneration Panel.

This report updates the recommendation of the IRP for 2022-23 financial year only.

#### SUMMARY OF KEY POINTS

4. Throughout the summer of 2021 the Independent Remuneration Panel conducted a review of the members' allowance scheme in Burnley in order to make a recommendation to Council. The Panel's report is attached at Appendix 2.
5. In the course of its review the Panel sought the views of members on the approved members' allowance scheme, the level of allowances going forward and whether there would be support for a further three-year scheme.

6. The Panel also considered the Council's structure and the political landscape. It considered the demands made on councillors' time and how this should be recompensed.
7. The Panel then compared Burnley's Members' allowance scheme with that of neighbouring authorities.
8. The Panel concluded that whilst the current members' allowance scheme, which had been set in 2019 for a three-year period, had brought Burnley's allowance up to a level comparable with that of that of neighbouring authorities, there was still a case for further small increases to ensure the level of allowances adequately recompensed members for their work.
9. The Panel recommended a further three-year scheme from 1st April 2022 index linked the to the percentage increase in employees pay under the National Joint Council (Administrative, Professional, Technical and Clerical) pay structure. This was approved by Council in February 2022 (see Appendix 2).
10. The National Joint Council (Administrative, Professional, Technical and Clerical) pay award for the 2022-23 financial year was finalised in November 2022. Instead of receiving a % pay award as in previous years, staff were awarded a lump sum of £1925 across all NJC pay scales.
11. This meant there was no consistent % that could be applied to members allowances. Therefore, the IRP convened to consider how best to approach the issue.
12. The IRP agreed that in order to prevent the MAS losing momentum, a % increase should be awarded so that the level of basic allowance would increase. As there was no clear % indicated due to the structure of the staff pay award, the IRP would recommend a % award. The scheme would then revert to the NJC % in future years.

13.

Option considered	
Do nothing	Members allowances were for a long period the lowest amongst comparable Local Authorities locally. Over recent years this has been brought back into line.
2.5% increase	The approved MAS set out that increases should be linked to staff pay increases. The lowest staff increase was 4.04% therefore this would not reflect the aim of the scheme.

6.62%	Average % salary increase. However, higher than some staff therefore considered not to reflect the aim of the scheme.
4.04%	Lowest % awarded to staff on NJC paycales. Considered by the IRP to be the most appropriate measure.

14. The IRP also considered the economic climate, affordability, prior reluctance to accept increases in difficult economic times and consultation with members & political groups against the desire to that members continued to receive appropriate allowances.

15. Having regard to all of the above, the IRP recommend a 4.04% increase to the basic member allowance for 2022-23, along with the associated increases to Special Responsibility Allowances. The basic allowance would rise from £3732.36 to £3883.15. Full details of the proposed scheme attached at Appendix 1

**FINANCIAL IMPLICATIONS AND BUDGET PROVISION**

16. The proposal can be funded from within existing budgets.

**POLICY IMPLICATIONS**

17. Council must have regard to the IRP recommendations before it takes a decision on the setting of its members' allowance scheme.

**DETAILS OF CONSULTATION**

18. Member Structures Working Group and Political Groups

**BACKGROUND PAPERS**

19. None

**FURTHER INFORMATION**

**PLEASE CONTACT:**

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**ALSO:**