

## **Report of: The Independent Remuneration Panel**

**To: Blackburn with Darwen Borough Council on Monday 28 February 2022**

### **Review of the Members' Allowances Scheme**

#### **1. Introduction**

- 1.1 The Council has appointed an Independent Remuneration Panel (IRP) to advise the Council on the adoption of a Scheme of Members' Allowances from May 2022.
- 1.2 The Panel was convened under the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021). These regulations, which arise out of the relevant provisions in the Local Government Act 2000, require all local authorities to set up and maintain an advisory Independent Remuneration Panel to review and provide advice on Members' allowances. All Councils are required to convene their Allowances Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme.
- 1.3 The Panel undertakes a full review once every four years and meets in the intervening years, if required. The last full review was carried out in 2018, following the Boundary Review when the number of Councillors reduced from 64 to 51 and Electoral Wards were reduced from 23 to 17.
- 1.4 The Members of the Panel are Ian Woolley (Chair) who has chaired the Panel for a number of years and was also formerly Chair of a Local Health Authority and is a retired Managing Director of a local pharmaceutical business, Miranda Carruthers-Watt, former Solicitor and retired Local Government Senior Executive, and David Swift, retired Audit Professional from an NHS background.

#### **2. Methodology**

1. The Panel were supplied with the following information to assist its work:
  - Research on levels of some relevant allowances from Councils in the North of England.
  - The Existing Members Allowances Scheme, as amended, to reflect pay rises since 2018.
  - A Briefing Note on Members Allowances.
  - Terms of Reference for the Panel.
  - The Annual Council report of 17 May 2018 detailing the recommendations from the IRP in 2018.
  - Council Appointments List 2021/22.
2. The Strategic Head of Service Legal and Governance and the Corporate and Democratic Lead attended meetings to answer questions and support the Panel. The Panel met three times during January and February 2022.
3. The Panel also received the written representations of the Leaders of the Labour and Conservative Groups as part of the review, and the Leader of the Conservative Group joined the second meeting to outline the views of his Group.

4. Following the full review of the allowances scheme approved by the Council in 2018, the Panel were asked to review the level of allowances generally, to look at some matters that had arisen since the last review, and to produce a report containing recommendations for Full Council to consider.
5. The Council's Appointments List 2021/22 reference the current responsibilities/positions approved by the Council. The Panel noted that not all the positions listed are in receipt of a Special Responsibility Allowance (SRA) and considered the reasons for this. The Panel also notes that the existing Members Allowances Scheme clearly state that only one SRA is paid (i.e. the highest amount) where more than one responsibility/position is held by any Councillor.

### **3.0 Level of Members Allowances Payments**

- 3.1 The Panel noted that for many of the schemes from other local authorities that it looked at, generally the rates are higher in terms of Basic Allowances and Special Responsibility Allowances (SRA's) than Blackburn with Darwen, whether this be for the Leader for example, but also for other key positions.
- 3.2 Through further information and clarification on the possible reasons for these differences, the Panel gained further insight into differences between Councils, which ranged from the population of the Council's administrative area, differing responsibilities/roles, number of Portfolios, Councillors, Wards and number of electors represented by each Member for example. It was also noted that Blackburn with Darwen has 15 Assistant Executive Members to assist the Executive Members, whereas some other Councils did not have these positions to support the Executive/Cabinet Members, which perhaps reflects different rates for allowances. Therefore it was not possible to compare exactly on a 'like with like' basis.
- 3.3 Nevertheless, the Panel did feel that for key posts such as the Leader of the Council, Blackburn with Darwen pays an allowance at a comparatively lower rate. That being said, the Panel noted the view of the Leader of the Labour Group, who advised that he could not recommend any changes to the level of allowances paid, due to financial constraints. The Panel feel that the differential in allowances needs to be addressed over the next few years to bring the Council more in line with its counterparts.
- 3.4 The Panel agreed with the existing way of increasing allowances each year, which is to continue use of the annual local government pay settlement. It is also noted that the 2021/22 pay award had not yet been agreed, and that this would need to be back dated when agreed and confirmed. The Panel noted that the Members Allowances Scheme in the Council's Constitution reflected these increases each year.
- 3.5 The Panel considered the views of the Leader of the Conservative Group, who requested a number of changes to the Scheme, and these are outlined in Section 4.

### **4.0 Conservative Group Observations**

- 4.1 The Leader of the Conservative Group, Councillor John Slater, attended the Panel meeting on 14<sup>th</sup> January 2022 to outline the views of his Group, which he had also outlined via e-mail on 24 December 2021:

- No change to Basic Allowance
- There should be a payment for the Vice Chair of the Standards Committee
- Shadow Executive Members should be paid the same SRA as Assistant Executive Members
- Shadow Assistant Executive Members should receive a payment of £1000.
- Spokespersons on Planning & Highways Committee and Licensing Committee receive an allowance

Councillor Slater also indicated that he felt that if allowances were paid at the appropriate level, that this would attract younger people with family commitments etc to become Councillors.

Following consideration, the Panel agreed that there should be a payment of £786 at current rates for the Vice Chair of the Standards Committee, to recognise the importance and responsibility of the role.

The Panel did not agree that the level of responsibility of the Shadow Executive Members was equivalent to that of Assistant Executive Members, and the current differences in the level of allowances reflect that. Therefore, the Panel could not recommend changes in respect of that position. The Panel also noted that the Shadow Assistant Executive Members posts had been previously paid positions, but had been removed from the scheme in 2018 as the Panel at that time did not consider that the retention of these separate allowances could be justified. Having considered this this Panel could also not see any justification for their re-introduction.

- 4.2** The Panel would like to thank Councillor Slater for taking the time to outline the views of his Group, and agree that going forwards, the Council may want to consider looking at increasing basic allowances to encourage people from all backgrounds to become Councillors.

## **5.0 Other Matters**

- 5.1** As part of the review (and with reference to the Council Appointments List 2021/22) the Panel also noted that a payment for the Chair of the Audit & Governance Committee is not within the Members Allowances Scheme. The Panel understand that this is because the Chair of the Committee is usually the Assistant Executive Member, who already receives a payment for that role, but feel that the Scheme needs to reflect this arrangement. It is also noted that the Vice Chair of the Committee does not receive a payment, for the same reason, again this should be reflected in the scheme.
- 5.2** The Panel is aware that some other Councils have introduced parental leave policies, which aim to increase the diversity of Councillors. Such policies allow six months maternity leave to members giving birth, adopting, fostering for adoption, or becoming surrogate parents, as well as two weeks paternity leave for biological, adoptive or surrogate fathers for example. The Panel feel that the Council should explore this further.
- 5.3** The Panel were advised that it may be necessary for the Council to create more sub committees or other formal Committees in the near future. In particular, the Officers advised that the Council may restructure the Scrutiny

Committees in the near future. The Panel would recommend that remuneration for any additional Chair and Vice Chair posts are in line with existing comparator Committees.

## **6.0 Recommendations to Council**

- 6.1** The Panel ask that the Council note that the level of allowances paid at Blackburn with Darwen is generally lower than the other Councils looked at. The Panel notes the difficulties of comparing differing Councils, but feel that allowances such as the Leader for example, are comparatively low, but acknowledge the financial position of the Council, so are not recommending significant changes to the Scheme. However, the Panel feel that the lower levels of remuneration by Blackburn with Darwen needs to be addressed in future years, to bring them to a comparable level with counterparts, including increasing basic allowances to encourage more diversity and representation from people currently unable to devote time for public duties.
- 6.2** That the Council agree to introduce the following SRA payments:
- SRA Payment for Vice Chair of the Standards Committee of £786 at current rates.
  - SRA Payment for Chair of Audit & Governance Committee (if not already receiving higher payment for other position) of £1572 in line with equivalent payment for Chair of Standards Committee. Also SRA payment for Vice Chair of Audit & Governance Committee if not already receiving higher payment for other position) of £786 in line with equivalent payment for Vice Chair of Standards Committee at current rates.
- 6.3** That increases to Basic Allowance and SRA payments each year continue to be in-line with the annual local government pay settlement and back dated as appropriate.
- 6.4** That the Council consider the introduction of a Parental Leave Policy to increase the diversity of Councillors.
- 6.5** The Panel stressed that the provision in the existing Members Allowances Scheme that only one SRA is paid (i.e. the highest amount) where more than one responsibility/position by any Councillor, is retained.
- 6.6** In the event of the establishment of any extra Committees/sub committees it is recommended that remuneration for any new responsibilities/positions are in line with existing comparator Committees.

**Ian Woolley,  
Chair of the Independent Remuneration Panel  
February 2022**