

Report of: The Independent Remuneration Panel

To: Blackburn with Darwen Borough Council Forum on 26th January 2023

Members Allowances 2022/23

1. Introduction

- 1.1 The Council appointed an Independent Remuneration Panel (IRP) in January 2022 to advise the Council on the adoption of a Scheme of Members' Allowances from May 2022. The appointments to the Panel are for a term of 4 years.
- 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 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, Solicitor and retired Local Government Senior Executive, and David Swift, retired Audit Professional from an NHS background.
- 1.4 It has been necessary to convene a meeting of the Panel to consider the options for Members Allowances in 2022/23 following the recent staff pay award.

2. Methodology

1. The Panel were supplied with the following information to assist its work:
 - A briefing note together with a copy of the existing Members' Allowance Scheme
 - Some comparator information from other local authorities on how their approach to the matter
 - The information and advice of officers on possible increases to Members' Allowances and the financial context.
2. The Deputy Director of Service Legal and Governance and the Corporate and Democratic Lead attended a meeting on 12th January 2023 to answer questions and support the Panel.

3.0 Background

- 3.1 Following a review by the Panel in January 2022 and making recommendations to Council, the current Members' Allowance Scheme ('the Scheme') was adopted by

Finance Council on 28 February 2022 and implemented in May 2022 - ([Report 28.02.22. Members Allowances Scheme 2022-23. IRP.pdf \(blackburn.gov.uk\); REPORT \(blackburn.gov.uk\); Part 6 Members Scheme 2022.pdf \(blackburn.gov.uk\)](#)). Paragraph 5.2 of the Scheme provides for the allowances to be *“rated annually in line with the pay award for local authority NJC staff with each annual increase being reported to a Council meeting for information at the earliest opportunity”*. The Scheme also states that any other amendments to it will be determined by the Council following receipt of recommendations from the Independent Remuneration Panel.

Whilst in most years the NJC pay award has been determined as a percentage increase on each pay point, the pay agreement for 2022-23 reached in November 2022 was that all local government staff receive a pay award of £1925 (pro-rata for part-time employees). This equates to a 10.5% rise for the lowest paid staff and 2.72% for the highest paid on the Council’s staff grading structure (for the majority of staff on ‘Green Book’ NJC terms and conditions). The offer also includes a permanent extra day’s leave per year for all staff from 1 April 2023, and an uprating of 4.04% on allowances (such as travel, accommodation, overtime etc).

As the main increase has been agreed as a flat rate, it became necessary to convene a meeting of the Independent Remuneration Panel to consider the Members Allowances Scheme 2022-23 for Blackburn with Darwen Borough Council

4.0 Members Allowances 2022/23

- 4.1** At the meeting, Panel Members considered the various options available, and also considered the approach taken by some comparator local authorities. The main options considered were:
- No increase to allowances.
 - Increase Basic and Special Responsibility Allowances by 4.04% back-dated to 1st April 2022.
 - Increase Basic and Special Responsibility Allowances by some other amount.

The Panel also considered deletion of paragraph 5.2 so that the annual review during the period of the Scheme was no longer linked to the NJC staff pay award.

- 4.2** Following discussion the Panel felt that the best solution would be to recommend that in years where a flat rate was paid to staff, that a lowest percentage increase on the Council’s staff grading structure (which for 2022/23 is 2.72%) should be applied to Members Allowances. In years where a single percentage increase only was awarded to staff, the same rate of increase should also apply to Members Allowances. Mileage and subsistence rates were recommended to remain in line with those paid to staff.
- 4.3** The Panel also noted that as highlighted in its last report to Council in February 2022, that Blackburn with Darwen paid significantly less to its Members than many of its neighbours, and also of the importance of appropriate remuneration to attract potential Councillors.
- 4.4** Although it was not on the original agenda, discussion led under ‘Any Other

Business' onto appropriate remuneration for Independent Members of the Standards Committee which had not been reviewed since 2012. It was considered appropriate for the equivalent of 50% of the Vice Chair SRA payment (around £400 p.a) to be paid to the Independent Members, and that this be considered by Full Council for approval.

5. Recommendations

- 5.1** The Panel recommend to Full Council that paragraph 5.2 of the Members' Allowances Scheme (May 2022) so that in years where a flat rate is paid to staff, that a lowest percentage increase on the Council's grading structure should be applied to Members Allowances. In years where a singlepercentage increase only is awarded to staff, the same rate of increase should also apply to Members Allowances. Mileage and subsistence rates are recommended to remain in line with those paid to staff.
- 5.2** Accordingly for 2022/23, Member Allowances be increased at the rate of 2.72%.

**Ian Woolley,
Chair of the Independent Remuneration Panel
January 2023**