

Meeting of the Full Council
Meeting to be held on Thursday, 12 December 2024

Report submitted by: Director of Law and Governance

Part A

Electoral Division affected:
None;

Corporate Priorities:
N/A;

Report of the Independent Remuneration Panel - 2024/25 Members' Allowance Scheme

(Appendix 'A' refers)

Contact for further information:

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Brief Summary

This report sets out the recommendation of the Independent Remuneration Panel in relation to the council's Members' Allowance Scheme for 2024/25 following the Panel's meeting on 29 November 2024.

Recommendation

Full Council is asked to:

- (i) Consider the recommendations of the Independent Remuneration Panel, as set out in the report, relating to the county council's Members' Allowance Scheme; and
- (ii) Subject to (i) above, approve the revised Members' Allowance Scheme for 2024/25, as set out at Appendix 'A'.

Detail

The county council is required to establish an Independent Remuneration Panel and have regard to its recommendations before any changes are made to its Members'



Allowance Scheme. The county council is also required to approve its Members' Allowance Scheme before the beginning of each financial year.

The Members' Allowance Scheme sets out that:

"The amounts of the Basic Allowance, Special Responsibility Allowance, Dependant's Carer's Allowance and Council's Chair/Vice-Chair Allowance, as specified in Schedule 'A' of this Scheme, are subject to an annual increase on 1 April. This increase shall equate to the annual percentage increase in employees' pay under the National Joint Council for Local Government Services pay structure. Where an annual percentage increase is not agreed, the matter of an annual increase shall be referred to the Independent Remuneration Panel for consideration."

The 2024/25 Members' Allowance Scheme was approved by Full Council at its meeting on 23 February 2024. At that time, the staff pay award had not been finalised.

The staff pay award has now been agreed. Historically the pay increase for staff has been expressed as a percentage. However, for 2024/25, like other recent years, a mix of a flat rate increase of £1,290 (for staff on spinal column point 43 or below) or 2.5% (for those on spinal column point 44 and above) has been agreed. This includes an uprating of 2.5% on allowances (such as travel, accommodation, overtime, etc).

As the main increase has not been expressed as a percentage, it was necessary to convene a meeting of the Independent Remuneration Panel to consider what the appropriate increase for councillors would be. This meeting was held on 29 November 2024.

The following information was presented to the Panel to assist its review of the Scheme:

- A copy of the existing Members' Allowance Scheme for 2024/25;
- A comparison between Lancashire County Council's members' allowances and those of some other, similarly sized county councils in England; and
- The information and advice of officers on possible increases to councillors' allowances and the financial context.

The Panel also invited views from the political groups on the Members' Allowance Scheme with regards to changes they wished the Panel to consider.

Having considered the information presented, the Panel recommended to Full Council that:

- The Basic Allowance be increased by 3.8% (the average percentage increase for staff);



- The Special Responsibility Allowances be increased using the Scheme's existing multipliers and based on the increased Basic Allowance (£14,301); and
- The Chairman/Vice-Chairman Allowance and the Dependants' Carer's Allowance be increased by 3.8%.

The recommended changes above would all apply with effect from 1 April 2024.

Increasing members' allowances as recommended by the Panel would increase the total cost of members' allowances by £0.154m.

Full Council is asked to consider the recommendation of the Independent Remuneration Panel as set out above and approve any changes to the Members' Allowance Scheme for 2024/45.

Independent Co-opted Member on the Audit, Risk and Governance Committee

In addition to the recommended increase to members' allowance, the Panel was also consulted earlier in the year on whether to pay an allowance to the Independent Co-opted Member on the council's Audit, Risk and Governance Committee.

The role of Independent Co-opted Member on the Audit, Risk and Governance Committee is a new role, established by Full Council when it approved the council's new Constitution on 14 March 2024. Since then, the Audit, Risk and Governance Committee has undertaken a recruitment exercise and the committee's recommended appointment is included elsewhere on the Full Council agenda.

The following information was shared with the Panel to assist its review:

- A copy of the role description and person specification;
- Information about the allowances paid by other local authorities to similar roles on their audit committees; and
- The information and advice of officers on options and financial context.

Having considered the information shared, the Panel endorsed the proposal for an annual allowance of £1,500 to be payable to the Independent Co-opted Member on the Audit, Risk and Governance Committee.

The allowance would be subject to an annual increase in future, in line with any recommendation of the Independent Remuneration Panel to increase other members' allowances.

Under the Members' Allowance Scheme, the Independent Co-opted Member will also be able to claim travel expenses incurred as a result of their attendance at committee meetings.

Full Council is asked to consider the recommendation of the Independent Remuneration Panel and approve that an annual allowance of £1,500 to be payable



to the Independent Co-opted Member on the Audit, Risk and Governance Committee.

Amendments to Overnight Accommodation and Travel Abroad Allowances

The Members' Allowance Scheme sets out that:

"Overnight Accommodation and Travel Abroad Allowances shall be increased annually with effect from 1 April in every year in line with the Consumer Price Index (CPI) published in November of the preceding year."

The council generally uses September's CPI figures for all other fees, charges and allowances where there is a CPI-based uplift.

At its meeting on 29 November 2024, the Panel considered and agreed to recommend to Full Council that September's CPI figure is used in future as the basis for annual increases to the Scheme's overnight accommodation and travel abroad allowances, rather than November's, for consistency.

Full Council is asked to consider the recommendation of the Independent Remuneration Panel and approve that September's CPI figure shall be used for the annual increases to overnight accommodation and travel abroad allowances.

Appendices

Appendix 'A' is attached to this report. For clarification it is summarised below and referenced at relevant points within this report.

Appendix	Title
Appendix 'A'	Amended Members' Allowance Scheme 2024/25

Consultations

N/A

Implications:

This item has the following implications, as indicated:

Legal

The county council is required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to have regard to the recommendations of its Independent Remuneration Panel before any changes are made to its Members' Allowance Scheme.

Financial

The changes to the Members' Allowance Scheme, as recommended by the Independent Remuneration Panel, will result in additional costs of £0.154m.



The additional costs recommended by the Panel are covered within the Medium Term Financial Strategy for 2025/26.

Risk management

The changes to the Members' Allowance Scheme, as recommended by the Independent Remuneration Panel, will ensure members' allowances in Lancashire stay in line with those of other, similar authorities and continue to fairly recognise the time commitment and incidental costs incurred by all councillors in carrying out their roles.

Local Government (Access to Information) Act 1985

List of Background Papers

Paper	Date	Contact/Tel
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None

Reason for inclusion in Part II, if appropriate

N/A

