

Report of

**Kirklees Council
Members' Allowances
Independent Review
Panel**

5 June 2024

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1 Panel Membership

The Members of the Independent Review Panel are as follows:

Ian Brown (Chair)
Lynn Knowles
Fiona Weston

2 Terms of Reference

The Panel's Terms of Reference are:

- (a) To advise the Council on what would be the appropriate level of remuneration for Councillors having regard to the:
 - Roles Councillors are expected to fulfil
 - Varying roles of different Councillors
 - Practice elsewhere and other Local Authorities.
- (b) To consider schemes of Members Allowances for Town and Parish Councils as and when required.
- (c) To make recommendations and provide advice to the Council on any other issues referred to the Panel by regulation or by the Council.
- (d) The Council retains its power to remove a discredited Panel Member.
- (e) The Panel can appoint its Chair from amongst its Members.

3 Constitutional Issues

(a) Term of Office

It was agreed that the current Panel membership be retained and that all relevant terms of office be renewed until December 2024.

(b) Election of Chair of Independent Review Panel

Ian Brown was elected Chair of the Independent Review Panel.

4 Members' Allowances Independent Review Panel Report

The report of the Members' Allowances Independent Review Panel, including the Members' Allowances Independent Review Panel's recommendations for the 2024/25 Members' Allowances Schemes can be found at Appendix A.

Report produced on behalf of the Members' Allowances Independent Review Panel by Leigh Webb, Acting Head of Governance, June 2024.

MEMBERS' ALLOWANCES INDEPENDENT REVIEW PANEL REPORT

June 2024

Background

The Members' Allowances Independent Review Panel last met and carried out a root and branch review in July – November 2021.

The Panel's report and recommendations went to Council in September 2022 where it was resolved that: "approval be given to the implementation of an annual increase for both the basic and all special responsibility allowances on a percentage basis in line with the agreed annual pay award for Council employees". This resolution was then applied to the Members' Allowances Schemes for 2022/23 and 2023/24.

In September 2023, a report was submitted to Council and it was resolved that:

- a Members' Allowance Independent Review Panel is convened as soon as possible to consider the allowances paid to Councillors, having regard to the financial position of the Council".
- Requests that Members in attendance at the Council meeting to indicate by recorded vote whether they wish to forgo the increase in allowances (basic and SRA) based on the officer pay award for the 2023/24 financial year and in addition to take a 5% reduction in their current allowances (basic and SRA)".
- Requests that Members of the Council not in attendance at the Council meeting be asked to indicate whether they intend to forgo the increase and in addition take a 5% reduction in their current allowances (basic and SRA)".

Following this resolution, some Councillors chose to take a voluntary reduction in their basic and SRA and some Councillors chose to forgo the percentage increase in allowances (basic and SRA) based on the officer pay award for the 2023/24 financial year. The Panel noted that the majority of these decisions have now been reversed by Councillors

Members Allowances Independent Review Panel Meeting

The Panel have now met again and received representations from the following officers and Councillors:

- Steve Mawson – Chief Executive
- Rachel Spencer-Henshall – Strategic Director, Corporate Strategy, Commissioning and Public Health
- Councillor Cathy Scott, Leader of the Council
- Councillor Carole Pattison, Leader of the Labour Group
- Councillor David Hall, Leader of the Conservative Group
- Councillor Andrew Marchington, representative of the Liberal Democrat Group

A written submission was also provided by Councillor Jo Lawson, Leader of the Kirklees Community Independent Group.

Steve Mawson and Rachel Spencer-Henshall briefed the Panel with regards to the Council's current financial situation and the Panel then heard from the Leader of the

Council, Group Leaders and representative of the Liberal Democrat Group on the following subjects:

Voluntary Reduction in basic and SRA/accepting officer pay increase

The Panel heard that whilst it was felt that this had been the right thing to do and had been done with good intentions, with Councillors making a contribution to do their bit, it was acknowledged that for some Members the reduction in allowances had a significant effect which had led to financial hardship in some cases. There was recognition that the reduction in allowances meant that allowances were now out of kilter.

It was commented that that the current level of allowances made it difficult to attract new Councillors, young people in particular, who would not be able to afford to take time off work to carry out the role, especially the role of a Cabinet Member.

Special Responsibility Allowances

The Panel heard that it was felt that some SRAs within the Members' Allowances Scheme were not paid at the correct level.

The SRAs in particular for members of Fostering Panel and Adoption Panel were felt to be underpaid given the amount of reading and preparation involved, with it often taking a whole day to read the papers for one Panel meeting.

It was also felt that the SRA for Chair of Corporate Governance and Audit Committee was not paid at the correct level and that it should be comparable with Licensing & Safety Committee or even Planning. It was noted that the Committee has responsibility for oversight of the Constitution and the approval of the Council's accounts the importance of which are not currently reflected in the current level of allowance payable.

One Councillor also commented that attracting Councillors is difficult and wanted to see an increase in the Basic Allowance. Also, that SRAs can be used as a Group management tool and are sometimes not used to recompense the right person for a job they are good at.

Political Group Bandings

It was commented that the Political bandings are inflexible within the Members' Allowances Scheme and a suggestion was that a minimum base rate for each Group position be set as an SRA with an additional payment for each member of the Group.

Concerns were also raised about the SRA for Group Leader 7–29 Councillors compared to that paid to the Leader of Council and also the comparisons between Deputy Group Leaders.

Miscellaneous

Discussions took place on the following:

Agree in advance what the pay increase is going to be – it was explained to the Panel by officers that each year the National Employers enter into negotiations with the Trade Unions to agree the pay award for staff and that this cannot be applied to the Members' Allowances Scheme until agreed.

Additional payment for travel – travel within the district is incorporated within the Basic Allowance.

LGA setting a payment rate for Councillors – this was a recommendation made by the Democracy Commission, which was forwarded to the LGA at the time. It was noted that the issue was a national issue that sat outside the remit of the Panel.

Pensions – it was recognised that Councillors are not eligible to be part of the WYPF and have not been since 2014.

Summary

The Panel would like to express its thanks to everyone who attended the meeting.

It was commented that it was right that the Members' Allowances Scheme is considered and recommendations set by an Independent Panel and that a root and branch review would be welcomed every period of time set by the Panel.

Also, that reverting to the pre 2021 review of the Members' Allowances Scheme and applying the same percentage pay award awarded to officers, is a sensible approach.

Having heard from the participants, the Panel noted the current financial situation of the Council and are of the opinion that a further review of the scheme for 2025/26 should be considered which examines the Role Profiles and SRAs paid to members of Fostering Panel, Adoption Panel and Chair of Corporate Governance and Audit Committee.

Recommendations

The Panel have made the following recommendations:

1. No changes be made to the 2024/25 scheme other than to apply the same percentage pay award awarded to officers to the Basic Allowance and SRAs and to backdated to 1 April 2024 when known.
2. To continue to apply the same percentage pay award awarded to officers to the Basic Allowance and SRAS in subsequent years, as per the 2017 recommendation of the Democracy Commission.
3. For the 2025/26 Scheme, consider a review of the Role Profiles and SRAs paid to members of Fostering Panel, Adoption Panel and Chair of Corporate Governance and Audit Committee.
4. For the 2025/26 Scheme, consider a review of the political group bandings within the Members' Allowances Scheme.