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**The report of the Independent Remuneration Panel  
appointed to review the allowances paid to Councillors.  
of Cambridgeshire County Council**

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1. INTRODUCTION AND BACKGROUND

- 1.1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances.
- 1.1.2 Cambridgeshire County Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Nicky Blanning – Local resident
Gerard Dempsey- Business Consultant and member of the Judiciary
Jennifer Horn- Local Company Director
Amanda Orchard- Marketing Consultant and Local Magistrate
Mark Palmer – Development Director, South East Employers (Chair)

- 1.1.3 Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). The recommendations were based on the following information provided by the Council:

The Independent Remuneration Panel ("IRP") shall, as requested consider the following at a Panel Meeting convened by MS Teams on the **4th December 2023**:

Council agreed the following in July 2021 following a report from the IRP.

WE RECOMMEND that the basic allowance, each of the SRAs and the Co-Optees' Allowance be increased annually in line with the percentage increase in staff salaries (non-management band) from 10th May 2021 for a period of up to four years. After this period, the Scheme shall be reviewed again by an Independent Remuneration Panel.

However, the pay award was a lump sum rather than a percentage, so the IRP agreed to consider it as part of its mini review, which enabled Council to approve the following in December 2022.

Indexation

- 1.1.4 The Panel was asked to recommend an indexation for 2023/24. As recommended in the June 2021 review the Panel recommended to index allowances in line with staff salary increases (non-management band). After consideration the Panel recommended that the indexation should now be based on the median P&M Pay Scale, £50,838. This equated to an indexation of 3.8% per annum.

WE THEREFORE RECOMMEND that the indexation for 2023/24 should be based on the median P&M Pay Scale, £50,838. This equates to an indexation of 3.8% per annum.

- 1.1.5 Unfortunately, the above was just the indexation for 2023/24.

The NJC award in full was:

- an increase of £1,925 (pro rata for part-time employees) to be paid as a consolidated, permanent addition on all NJC pay points 2 to 43 inclusive. For Cambridgeshire this stops at the top of SO2, currently £34,723.
- a 3.88% increase for all pay points above £34,723.

- 1.1.6 Having considered the national pay settlement, the Chief Executive agreed that for this year the principles set out in the broader NJC pay offer (above) would be applied to all those on the Council's P&M pay scales. This means that everyone on grades P1-P3 will receive an increase of £1,925 whilst those on grades P4-P6 will receive a 3.88% increase, because this is the point at which 3.88% is greater than £1,925, this will be backdated to 1 April 2023.
- 1.1.7 The Council's Staffing and Appeals Committee accepted the Chief Executive's recommendation, following consultation with the CLT, to apply a 3% increase to all points on the Council's Leadership pay scales with effect from 1st October 2023. When arriving at this decision and presenting members with this recommendation at the Staffing and Appeals Committee, the Chief Executive and CLT considered the prevailing financial situation the Council found itself in, and the responsibility it had to prevent that worsening and exceeding the total sum of £8.07 million that was budgeted for pay increases by the Council this year. Therefore, implementing the Leadership Pay Scales increase at a lower level than for other colleagues and from October instead of being backdated to 1st April enabled the Council to remain broadly within that financial envelope.

2. CONSIDERATIONS AND RECOMMENDATIONS

- 2.1.1 The Panel was asked to recommend an indexation for 2023/24 and 2024/25. The Panel was of the collective view that the indexation of councillor allowances for 2023/24 should continue to be linked to the P&M Scale. The indexation will be based on grades P4-P6. For 2023/24 this equates to a percentage increase of 3.88%. The Panel is also of the view that this increase should apply from 1 April 2023 and therefore should be back dated to 1 April 2023.
- 2.1.2 The Panel further recommends that the indexation of councillor allowances for 2024/25 should also be linked to the percentage increase recommended for grade P4-P6. Any backdating for 2024-25 should also be applicable to 1 April 2024.

WE THEREFORE RECOMMEND that the indexation for 2023/24 and 2024/25 should be based on the P&M Pay Scale, grades P4-P6. This equates to an indexation of 3.88% for 2023/24. The percentage increase for 2024/25 will also be based on the P&M Scale P4-P6. For 2023/24 and 2024/25 any backdating will be applicable to 1st April 2023 and 1st April 2024.

**Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
December 2023**