

Report to Audit Committee

Members' Allowances Update

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Reason for Decision

To provide the Audit Committee with assurance that processes and strengthened oversight are in place for the effective management of member allowances. The report also provides an update, as requested by the Committee, on the position of the underpayments and overpayments of Members' and former Members' Allowances between 2022/23 and 2024/25, following the review and quality assurance exercise which identified historic discrepancies.

Recommendations

That the Audit Committee notes the report and progress made to strengthen internal controls, together with the position related to underpayments and overpayments for Members' and Former Members'.

Members' Allowances Update**1 Background**

- 1.1 In October 2025, the Audit Committee considered a report on the administration of Members' Allowances following the review and quality assurance exercise which identified historic discrepancies affecting both serving and former Members, including instances of underpayments and overpayments dating back to the 2022/23 financial year.
- 1.2 The review found that these issues arose from systemic weaknesses in processes, controls and communication between Democratic Services, Finance, HR and Payroll. The responsibility for applying, administering, and ensuring compliance with the scheme rests entirely with officers, because once full Council approves the Members' Allowance Scheme, Members have no further involvement in its operation or implementation. The discrepancies arose from weaknesses in internal processes, communication, and validation. Key issues included inconsistent application of payment dates, incorrect allowance rates, insufficient record-keeping (particularly in relation to Members who forwent allowances), and a lack of robust quality assurance arrangements.
- 1.3 A series of actions have since been implemented to strengthen governance and reduce the risk of recurrence. These include the introduction of clear rules for payment start and end dates, improved processes and audit trails between services, independent verification of allowance rates, increased communication with Members, and the establishment of regular quality assurance and internal audit activity.

2 Current Position

- 2.1 The position in relation to overpayments and underpayments identified across the past three municipal years shows a mixed level of progress across former members, newly retired members, and current members.
- 2.2 For former members (28 cases in total), seven cases have been fully resolved, with identified underpayments now settled. In relation to overpayments, 14 cases are currently awaiting confirmation of net amounts from Payroll, which is required before repayment arrangements can be discussed and agreed. Additionally, four former members have not responded to correspondence to date, all related to overpayments. We are currently in discussion with one former member to settle an underpayment.
- 2.3 Two former members impacted by this issue have sadly passed away before this review concluded. In the case of one former Member, an overpayment of £569.68 has been written off by the Assistant Director for Governance in consultation with the Director of Finance, and in the case of another former Member, conversations are ongoing with the former Member's family so that the underpayment of £687.29 can be made to the estate.
- 2.4 Amongst the former Members who retired in May 2026 (16 cases in total), seven individuals had repayment plans in place prior to retirement, six of those are settled and require no further action, while we are in the process of collecting the outstanding balance from one individual. Discussions are ongoing with a further six

individuals to agree appropriate repayment arrangements. However, there remain three newly retired members who have yet to respond, in these cases we have asked Group Leaders for their assistance in contacting these members.

2.5 For current members (45 cases in total), forty-one individuals have concluded their case, with either repayment plans in place or the debt settled. Four cases remain in progress, with repayment arrangements under discussion.

2.6 Table 1 showing the progress and gross amounts for all current and former members impacted by the discrepancies found in the review:

Name	Overpaid or Underpaid	Gross Amount	Progress
Abdul Jabbar	Overpaid	£5,161.69	Concluded
Abdul Malik	Overpaid	£630.55	No response
Abdul Wahid	Overpaid	£327.41	Concluded
Aftab Hussain	Overpaid	£1,416.44	In Progress
Aisha Kouser	Overpaid	£66.50	Concluded
Alicia Marland	Overpaid	£872.69	In Progress
Aqeel Salamat	Overpaid	£582.08	In Progress
Amanda Chadderton	Overpaid	£2,835.71	In Progress
Angela Cosgrove	Overpaid	£2,222.94	In Progress
Arooj Shah	Overpaid	£5,072.58	Concluded
Barbara Brownridge	Overpaid	£2,652.77	Concluded
Beth Sharp	Overpaid	£896.49	Concluded
Brian Hobin	Underpaid	-£417.63	Concluded
Chris Gloster	Overpaid	£918.48	In Progress
Chris Goodwin	Overpaid	£2,571.59	Concluded
Chris McManus	Overpaid	£417.56	In Progress
Christine Adams	Overpaid	£433.19	Concluded
Clint Phythian	Overpaid	£963.71	In Progress
Colin McLaren	Overpaid	£1,240.55	Concluded
Dave Arnott	Overpaid	£978.08	Concluded
Dave Murphy	Overpaid	£1,511.49	Concluded
Diane Williamson	Overpaid	£1,121.82	Concluded
Eddie Moores	Underpaid	-£1,746.67	Concluded
Elaine Garry	Overpaid	£1,326.24	In Progress
Elaine Taylor	Overpaid	£1,121.12	Concluded
Fida Hussain	Overpaid	£2,647.95	Concluded
Garth Harkness	Overpaid	£327.41	Concluded
George Hulme	Overpaid	£1,110.43	No response
Ginny Alexander	Overpaid	£569.68	Agreed to write-off
Graham Sheldon	Overpaid	£1,345.84	In Progress
Graham Shuttleworth	Overpaid	£2,206.27	Concluded

Hannah Roberts	Overpaid	£3,723.94	In Progress
Hazel Gloster	Overpaid	£465.35	In Progress
Helen Bishop	Underpaid	-£826.99	In Progress
Holly Harrison	Overpaid	£1,392.59	Concluded
Howard Sykes	Overpaid	£2,728.29	In Progress
Jade Hughes	Overpaid	£66.50	Concluded
Jamie Curley	Overpaid	£233.03	In Progress
Javid Iqbal	Overpaid	£573.65	No response
Jean Stretton	Underpaid	-£687.29	In Progress
Jenny Harrison	Underpaid	-£711.74	Concluded
Joshua Charters	Overpaid	£955.71	Concluded
Junaid Hussain	Overpaid	£8,461.10	Concluded
Kamran Ghafoor	Overpaid	£2,226.36	Concluded
Ken Rustidge	Overpaid	£66.50	Concluded
Kyle Phythian	Overpaid	£916.95	In Progress
Leanne Munroe	Overpaid	£312.65	In Progress
Lewis Quigg	Underpaid	-£149.72	Concluded
Lisa Navesey	Overpaid	£483.99	Concluded
Louie Hamblett	Overpaid	£1,512.39	In Progress
Lucia Rea	Underpaid	-£651.49	Concluded
Luke Lancaster	Overpaid	£724.09	Concluded
Maggie Hurley	Overpaid	£327.41	Concluded
Marc Hince	Overpaid	£6,934.40	Concluded
Marie Bashforth	Overpaid	£306.10	In Progress
Mark Kenyon	Overpaid	£1,511.49	Concluded
Mark Wilkinson	Overpaid	£660.51	Concluded
Max Woodvine	Overpaid	£1,002.23	Concluded
Mohammed Alyas	Overpaid	£214.80	No response
Mohammed Irfan	Underpaid	-£718.73	In Progress
Mohon Ali	Overpaid	£2,622.62	Concluded
Montaz Ali Azad	Overpaid	£35.85	In Progress
Nadeem Iqbal	Overpaid	£327.41	In Progress
Naseem Aslam	Overpaid	£854.37	Concluded
Naveed Chowhan	Overpaid	£66.50	Concluded
Nazrul Islam	Overpaid	£1,618.96	Concluded
Neil Hindle	Overpaid	£687.74	No response
Norman Briggs	Overpaid	£1,652.38	No response
Nyla Ibrahim	Overpaid	£1,041.89	Concluded
Pam Byrne	Overpaid	£1,126.33	In Progress
Paul Fryer	Underpaid	-£718.73	Concluded
Peter Davis	Overpaid	£2,214.29	Concluded

Peter Dean	Overpaid	£2,596.06	Concluded
Riaz Ahmad	Overpaid	£1,089.15	In Progress
Robert Barnes	Overpaid	£171.61	Concluded
Ros Birch	Underpaid	-£106.14	Concluded
Ruji Surjan	Underpaid	-£220.51	Concluded
Sajed Hussain	Overpaid	£952.77	Concluded
Sam Al-Hamdani	Overpaid	£2,132.72	Concluded
Sandra Ball	Overpaid	£394.65	Concluded
Shaid Mushtaq	Overpaid	£2,817.68	In Progress
Shoab Akhtar	Overpaid	£1,292.92	Concluded
Steve Bashforth	Underpaid	-£124.33	Concluded
Steve Williams	Overpaid	£1,003.28	In Progress
Umar Nasheen	Overpaid	£1,631.85	Concluded
Valerie Leach	Overpaid	£996.90	In Progress
Yasmin Toor	Underpaid	-£58.33	Concluded
Zaheer Ali	Overpaid	£66.50	Concluded
Zahid Chauhan	Overpaid	£367.29	Concluded

2.7 For those former members that have yet to engage with this process, the Council will shortly begin recovery proceedings in-line with the Under and Overpayments Policy and the Corporate Debt Policy.

2.8 The relevant section of the Under and Overpayments Policy that will be applied to current Members who have yet to respond is from Section 2. Overpayments:

“Should an employee fail to agree to a recovery plan within the general principles above, or fails to respond to any contact, then a letter with details of a proposed repayment plan will be issued to the employee giving 15 working days to respond. If there is no response from the employee, then salary deductions spread over a period the same to that of the overpayment shall commence.”

2.9 Overall, while a majority of cases have now been successfully resolved and others continue to progress, some remain dependent on payroll calculations and engagement before they can be fully concluded. Throughout this process, conscious efforts have been made to prioritise and resolve cases relating to current members before turning attention to former members. As the majority of current member cases have now been addressed, work is increasingly focused on following up and resolving outstanding cases involving former members. Progress was also affected by reduced capacity within Democratic Services during the election period; however, post-election capacity has increased, enabling greater focus on addressing the remaining backlog.

2.10 In terms of strengthened internal controls the following actions have been implemented:

- Consistent dates being applied to start and end dates for allowances.
- New process established for Councillors who chose to forgo all or part of their allowance.

- Increased communications between Democratic Services, Finance and Payroll with meetings at key points e.g. following the election, after changes to the Members Allowance Scheme, following changes to appointments/roles, and following any national pay award.
- Corporate record keeping of changes
- Renewal process introduced for political group deduction payments
- Audit as part of overall payroll audit
- Letters/emails to Members when there are changes
- Compliance with legislation e.g. publishing the Members' Allowance Scheme

3 Recommendation

- 3.1 That the Audit Committee notes the report and progress made to strengthen internal controls, together with the position related to underpayments and overpayments for Members' and Former Members'.

4 Consultation

- 4.1 N/A

5 Financial Implications

- 5.1 Details of all under and overpayments of Members Allowances are included within the report. The payment of allowances previously underpaid and the recovery of any overpayments still outstanding will be in accordance with the Council's policies and procedures.

Vickie Lambert (Finance Manager)

6 Legal Implications

- 6.1 It is good that the issues have been rectified, and this matter is now being resolved. While this was not an error by members, ultimately there is a duty to the public purse, and the Council must seek to remedy the financial position. The report sets out the proposal for those former members who have sadly passed away. The report also outlines the proposal to utilise the Under and Overpayments Policy and the Corporate Debt Policy to seek to recover any payments owed where members have either not repaid money or not agreed a repayment plan. This is suitable re-assurance that the public purse is sufficiently safeguarded.

Alex Bougatef (Director of Legal Services)

7 Procurement Implications

- 7.1 None.

8 Equality Impact, including implications for Children and Young People

- 8.1 No.

9 Key Decision

- 9.1 No.

10 Key Decision Reference

- 10.1 N/A

11 Background Papers

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- 11.1 The following is a list of background papers on which this report is based in accordance with the requirements of Section 100(1) of the Local Government Act 1972. It does not include documents which would disclose exempt or confidential information as defined by the Act:

[Report to Audit Committee – 22nd October 2025](#)

12 Appendices

- 12.1 None.