

**REPORT OF INDEPENDENT REMUNERATION PANEL TO THE
CHIEF EXECUTIVE OF TRAFFORD COUNCIL**

**RECOMMENDATIONS IN RELATION TO AMENDMENTS TO THE MEMBERS'
ALLOWANCES SCHEME**

1 Introduction

In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 the Panel has met on three occasions to consider amendments to the Scheme of Members' allowances to make recommendations to the Council. The Panel met on 13th March, 16th June and 9th September 2014.

This report summarises the issues considered by the Panel and their recommendations.

The independent panel comprises of:

- Mr. Ralph Rudden, Voluntary Sector (Chairman)
- Sir Bill Moorcroft, Trafford College; and
- Mr Chris Fletcher, Greater Manchester Chamber of Commerce

The Panel had been called in March to consider the level of allowances paid to the Leader of the Council in relation to the duties and responsibilities of the role. All Group Leaders had met and had agreed that this was necessary as allowances paid in Trafford were lower than other Councils in Greater Manchester and elsewhere in the Country and that this could be a significant barrier to people becoming Councillors or aspiring to leadership roles.

The IRP was asked to consider whether they would carry out the review and make recommendations to the Council. The Panel agreed that a review was overdue as the last major review of the scheme had been completed in 2007.

The Panel also agreed that whilst the primary focus was on the Leadership allowance, they also felt that the review should cover other allowances.

The Panel agreed that it would consider the following:

1. To advise the Council on what would be the appropriate level of Special Responsibility Allowances for the Leader of the Council, Executive Members, Lead Members, Group Leaders and Shadow Executive and Lead Members having regard to the:
 - expectations and responsibilities of the respective roles; and
 - allowances paid to these members compared with other Local Authorities with similar responsibilities as Trafford Council.

2. To advise the Council on what would be the appropriate level of Basic Allowance for all Members having regard to the:
 - expectations and responsibilities of the role: and
 - allowances paid to members compared with other Local Authorities with similar responsibilities as Trafford Council.

The Panel also agreed that they would consider the allowances for Regulation 33 visits, Standards Committee and Neighbourhood Forums.

In order to support the IRP it was agreed that the Chief Executive should commission Declan Hall to act as an independent person to provide research and advice to enable the Panel to prepare its conclusions and recommendations. Mr Hall had carried out reviews for other Councils in Greater Manchester previously.

The Panel met again on 9 September 2014 when they considered a range of material to support their review. This included the following:

- (a) A presentation from Declan Hall on the Allowances Regulations and his findings and views resulting from his work.
- (b) Benchmarking on allowances paid by AGMA and “nearest neighbour” comparator Authorities.
- (c) Potential options to change the allowances scheme
- (d) Briefing notes on various issues including Regulation 33 visits, the work of the Standards Committee and Neighbourhood forums.

2. The Panel’s Findings

1. Members Allowances Scheme

The Panel have considered the detailed presentations and background work from Declan Hall and their previous discussions about the responsibilities of Members.

The benchmarking work had highlighted that

- The Leader’s Allowance in Trafford is the lowest in Greater Manchester and the second lowest in the wider benchmarking group.
- The Basic Allowance is significantly below the mean for the benchmarking group and Declan Hall advised that it is the lowest of all Metropolitan Councils
- The allowances for Deputy Leader, Cabinet, Committee Chairmen and Opposition Leader are at or above the mean for the benchmarking group.
- That the percentage of Members in receipt of a Special Responsibility Allowance (SRA) is higher than other Councils.

Mr Hall had prepared four different models to highlight how the Allowances Scheme could be amended in line with the scope of the review. Three of the options suggested significant changes to the current scheme and the fourth offered more limited changes and addressed the issues around the allowance to the Leader and the new roles of Lead Members and their Shadow Opposition Members.

The Panel considered the budget provision for Members Allowances prior to their detailed discussions. The Panel felt that the financial consequences of any amendments should not be greater than those associated with the existing scheme and, if possible, produce a saving.

The Panel considered the Allowances in light of this information and previous discussions. They felt that the current priority was to address the issues around the Leader's allowance and the work of the Lead Members and their Shadows. They noted that the current allowances for the Deputy Leader, Opposition Leader, Executive and Chairmanship roles were at, or above, the mean and therefore they did not feel that this was an area to focus on.

The Panel highlighted the fact that the Basic Allowance was significantly lower than others and indicated that this is something that they would like to reconsider at some point in the future. They did comment that as there were a high number of SRA payments this did to a degree, compensate for a low Basic Allowance and meant that payments were more directly related to tasks performed.

In considering the allowance for the Leader, the Panel were advised of the significant additional responsibilities that the Leader had taken on since the last major review of the scheme in 2007. The work associated with the Greater Manchester Combined Authority had resulted in a significant increase in work for the leader. This included being a member of a number of bodies associated with the Combined Authority such as:

- AGMA Executive Board
- Enterprise Zone Board
- GMCA Executive Board
- GMCA Standards Committee
- Greater Manchester Local Enterprise Partnership
- Greater Manchester Police and Crime Panel
- Manchester Growth Company
- North West European Programmes Local Management Committee
- North West Regional Leaders Board
- Skills and Employment Partnership Strategy Board
- Workforce Advisory Board

It was also acknowledged that the Leader of the Council takes on a Greater Manchester lead role and that the current Leader is acting as the lead for Skills, Employment and Worklessness, a significant portfolio that forms a key part of further discussions for devolution from central Government in existing and future Growth Deals. Declan Hall advised that other Councils had recognised this in their allowances scheme.

The Panel considered this and the overall Allowance paid to the Leader in relation to other Greater Manchester Councils. They also considered the fact that the Leader also has a portfolio for Reshaping Trafford but did not consider it appropriate to include any specific allowance in relation to this role.

The Panel felt that the work on the Combined Authority was a significant additional responsibility and that an allowance for this should be included in the scheme. They felt that this allowance should be set at £9,385.

They also considered the Allowances that should be paid to the Lead Members for Safeguarding and Trust Development. The Panel considered that the allowance for the role should be set at the same level of a Chairman of Scrutiny Committee at £7621. The Opposition Members should be paid an allowance of £1,556.

2. Special Responsibility Allowances for Scrutiny Topic Group Chairmen

The Panel noted that the role of Scrutiny Topic Group Chairmen had been abolished and therefore recommend that these roles be deleted from the Members Allowances Scheme.

3. Special Responsibility Allowances for Standards Committee

As part of the overall review of the Allowances Scheme, the Panel considered the work and responsibilities for the Chairman and Co-opted Members of the Standards Committee. The Panel were informed that the Standards Committee was expected to meet on four occasions per year. However, if there were referrals to the Committee about Councillor behaviour, then this workload could increase significantly. In the period since the IRP review in September 2012, there had been no referrals and the Committee had met on three occasions.

The Panel discussed the matter and recognised that the workload of the Standards Committee was driven by what happens locally. Whilst at the present time, there was little activity; this could change at any point. The Panel felt that no changes should be made to the allowances for the Standards Committee at this time.

4. Neighbourhood Forums

The Panel reviewed the payments for the role of Chairman of the Neighbourhood Forums. The Members Allowances Scheme currently provides for a payment of £1556 for Neighbourhood Forum Chairmen who Chair 7 Forum Meetings.

The Panel noted that the activity of Neighbourhood Forums was relatively limited with only three meetings taking place in the 2013/14 municipal year.

The Panel felt that given the limited number of meetings, that the allowance should be discontinued.

5. Regulation 33 Visits

The Members Allowances Scheme contains provision for the payment of Social Services Visits of £420. This equates to 12 visits at £35 each. In 2013/14, the Council paid £2,275 in allowances for 65 visits.

Recent changes in requirements mean that there will be more work for people making visits.

The Panel was requested to consider the matter in light of the need to increase the pool and the workload. The Panel considered papers on the workload attached to

such visits and recommend that the allowance should be amended to £600 (i.e. £50 per visit).

3. Summary of Recommendations

The Panel makes the following recommendations to amend the existing Scheme of Members' Allowances for Trafford Borough Council.

Greater Manchester Combined Authority Allowance

- a) That a Special Responsibility Allowance of £9,385 is paid to the Leader in respect of their appointment to the Greater Manchester Combined Authority (GMCA) and the workload associated with this role.
- b) That the Council agree that the restriction in section 4 (1) of the scheme that any second Special Responsibility Allowance (SRA) is paid at the rate of 50% be not applied in relation to this allowance.
- c) That this allowance be backdated to the 1 April 2014.

Lead Members and Shadow Lead Members

- d) That an allowance of £7,621 be paid to the Lead Member for Safeguarding and to the Lead Member for Trust Development
- e) That an allowance of £1,556 be paid to the Shadow Lead Member for Safeguarding and to the Shadow Lead Member for Trust Development.
- f) That these allowances be backdated to the 11 June 2014.

Scrutiny Topic Group Chairmen

- g) That the Allowance for the role of Scrutiny Topic Group Chairman be removed from the Members's Allowances Scheme.

Neighbourhood Forum Chairmen

- h) That the allowance for Neighbourhood Forum Chairman be removed from the Member's Allowances Scheme

Regulation 33 Visits

- i) That the Allowance for Regulation 33 visits be increased to £600 (£50 per visit)

Administrative Issues

- j) That the scheme be amended to reflect changes arising from the end of the local government pension scheme for Members (section 14) and from the Localism Act which abolishes the power to withhold allowances (section 9).

4. Financial Consequences

In making these recommendations, the Panel considered the financial consequences of their recommendations.

Savings as a result of changes to the Scheme or Council decisions

	£
Changes to the Executive – reduced by two	(25,408)
Shadow Executive – reduced by two	(5,078)
Scrutiny Topic Group Chairmen – abolition of role	(22,864)
Neighbourhood Forum Chairmen – abolition of allowance	(10,892)
Total Savings	(64,242)

Cost of Recommendations

	£
Combined Authority Allowance	9,385
Lead Members for Safeguarding and Trust Development	15,242
Shadow Lead Members	3,112
Regulation 33 Visits (additional costs)	975
Total costs	28,714

	£
Net Savings	(35,528)

5. Future Reviews

The Panel acknowledged that the level of Basic Allowance is low compared to other Councils but did not feel that they were able to progress this at this time given the current financial climate. However, they suggest that the Council reconvene the Panel at a time that they consider such a review to be appropriate.

6. Declarations

The Panel Members declared the following potential conflicts of interest, all of which are personal:

- Ralph Rudden is a member of the Trafford Partnership Executive of which four elected Councillors are Members
- Mr Chris Fletcher is Chair of the Trafford Economic Growth Board which has Councillor Hyman as a member
- Sir Bill Moorcroft is Principal of Trafford College of which one Councillor is on the Board

Ralph Rudden (Chairman)

Sir Bill Moorcroft

Chris Fletcher

Panel Members - September 2014