

Public Document Pack



TRAFFORD COUNCIL

2 July 2013

Trafford Town Hall,
Talbot Road
Stretford,
M32 0TH

Dear Councillor,

Your attendance is requested at a meeting of the Council of the Borough of Trafford on **WEDNESDAY, 10 JULY 2013**, at **7.00 P.M.** in the **COUNCIL CHAMBER, TRAFFORD TOWN HALL, TALBOT ROAD, STRETFORD**, for the transaction of the business set out below:

- | | Pages |
|---|--------------|
| 1. Minutes | |
| To approve as a correct record the Minutes of the Annual Meeting of the Council held on 22 May 2013 and the Extraordinary Meeting of the Council held on 19 June 2013 for signature by the Mayor as Chairman. | 1 - 14 |
| 2. Announcements | |
| To receive any announcements from the Mayor, Leader of the Council, Members of the Executive, Chairmen of Scrutiny Committees and the Head of Paid Service. | |
| 3. Questions By Members | |
| This is an opportunity for Members of Council to ask the Mayor, Members of the Executive or the Chairman of any Committee or Sub-Committee a question on notice under Procedure Rule 10.2. | |
| 4. Appointment of Co-opted Members for Standards Committee | |
| To consider a report of the Acting Director of Legal and Democratic Services. | To Follow |
| 5. Health and Wellbeing Board Membership Changes | |
| To consider a report of the Executive Member for Community Health and Wellbeing. | To Follow |

6. **Proposed Changes to the Planning Development Control Committee Scheme of Delegation**
- To consider the attached referral from the Planning Development Control Committee held on 13 June 2013. 15 - 16
7. **Financial Procedure Rules**
- To consider a joint report of the Executive Member for Finance and the Director of Finance. To Follow
8. **Treasury Management Outturn report 2012/13**
- To consider a joint report of the Executive Member for Finance and the Director of Finance, as recommended to the Council by the Executive and the Accounts and Audit Committee meetings held on 24 and 27 June 2013, respectively. 17 - 28
9. **Accounts and Audit Committee Annual Report to Council 2012/13**
- To receive a report from the Chairman and Vice-Chairman of the Accounts and Audit Committee. 29 - 46
10. **Report of the Independent Remuneration Panel**
- To consider a report of the Chief Executive. 47 - 66
11. **Motions**
- To consider the following motions submitted in accordance with Procedure Rule 11:
- (a) **Motion submitted by the Labour Group**
- This Council affirms its commitment to making our roads as safe as possible for all road users. It notes widespread public interest in the issue, and the concerns of the public documented by Kate Green MP as part of her Safer Trafford Streets campaign. The Council commits to taking action to: work with the police to tackle dangerous and inconsiderate parking; present, within two months, a timetable for dealing with the road repairs and improvements acknowledged to be necessary in its response to the dossier prepared by Kate Green MP; implement as a first stage 20 mph speed limit outside all schools and draw up a list of residential areas which would benefit from 20 mph limit which will have positive road safety benefits for residents; adopt road calming measures on selected roads where deemed to be dangerous; and work with the police to install cameras and speed warning signs where it is recognised they are appropriate; develop improved safety schemes for cyclist who use our roads , and will work with schools, community groups, the emergency services, Kate Green MP and others to promote road safety.

(b) Motion submitted by the Labour Group

This Council supports Trafford teaching staff who we recognise as highly skilled and dedicated in their work in producing excellent results in our Trafford schools.

However we are concerned about the damaging affects to teachers pay and conditions of service and pensions which is stretching their goodwill and leading to a crisis in morale, teacher recruitment and retention.

For the benefit of our school children it is essential that teacher goodwill is maintained and their morale lifted to ensure that we improve recruitment and retention which in turn will maintain the high level of achievement and results in our Trafford schools. We therefore call on the Secretary of State for Education Michael Gove to agree to hold meaningful discussions with teachers and teacher unions to avoid damaging industrial action by teachers which will be detrimental to our Trafford schools and Trafford school children.

(c) Motion submitted by the Labour Group

The Council condemns the Council Conservative Executive decision to axe the environmental enforcement operation delivered by the environmental team. This environmental team carries out a critical role in enforcing unacceptable behaviours some people exhibit, which contributes greatly in damaging our environment.

The environmental team tackle offenders who litter our streets, allow their dogs to foul the pavements, parks and open spaces, deal with abandoned cars and shopping trolleys, fly tipping and much more. The axing of this team will remove an essential deterrent and result in a deterioration of our environment within our communities. The work they also carry out such as street champions, Tidy Business awards, community tool chest and community events are vital and much needed part of the service we provide working with our local communities and businesses.

In light of the above the Council agrees to review the decision of the Executive and instructs the review examines a viable strategy to deliver environmental enforcement across Trafford. This review will look at a new reconfigured environmental team and how this will be funded. The review will be carried out over the next two months and a report brought back to this Council for decision in September with a clear recommendation on how this will be achieved.

(d) Motion submitted by the Labour Group

The Council calls upon the Secretary State Jeremy Hunt to halt any decisions regarding the future of Trafford General Hospital threatened Accident and Emergency department.

There is a deepening national crisis across urgent care which indicates that more and more patients are forced to wait over 4 hours in A&E departments; this number has reached a 9 year high. Many more patients are left waiting on trolleys for treatment again for over 4 hours; this number has doubled since the election.

In our own local area between the week of 30 September 2012 and the week of 26 May 2013 University Hospital of South Manchester breached the 95% 4 hour target 31 weeks out of 35. For the same timescale Central Manchester University Hospitals NHS Foundation Trust breached 30 out of 35 weeks. These NHS England figures clearly show that hospitals are struggling to cope with the flow of patients through A&E. To downgrade Trafford A&E will most certainly create further pressures on these hospitals.

(e) Motion submitted by the Conservative Group

This Council continues to be delighted with outcomes for Trafford's school leavers aged 16-18 years. As at the end of May the Not in Education, Employment, or Training (NEET) for Trafford was 4.38% compared to 5.26% at the same time last year. We have seen an increase in the percentage of young people participating in learning to 85.22% this May compared to 83.33% last May. The percentage of young people whose destination is not known has fallen to 5.90% this May compared to 6.69% last May. In addition to this DFE has just published data showing the average NEET for Nov 12, Dec 12 and Jan 13 showing that during this period Trafford's NEET was 4.3% which was the lowest in the North West. This Council therefore offers thanks to Trafford's Connexions staff for all their efforts thereby giving all youngsters the opportunity of better outcomes.

(f) Motion submitted by the Conservative Group

This Council is pleased that the Government's recent spending announcement formally incorporates the funding model that will facilitate the delivery of a brand new Trafford Park Metrolink line. This line is essential to maximise connectivity between the vast numbers of businesses in Trafford Park with Greater Manchester's workforce through a modern light rail transport network, thereby ensuring future economic growth and associated employment for Trafford and beyond. This Council now calls on the development of Metrolink line plans and the final financial adjustments within the announced model to ensure an early commencement of delivery.

(g) Motion submitted by the Conservative Group

This Council welcomes the forthcoming Ashes Test Match to be held this August at the prestigious new facilities of Lancashire County Cricket Club. This has only been possible thanks to the foresight of Trafford Conservatives whose actions ensured the club could lever in substantial private sector investment thereby securing its future in Trafford. Had this Council followed the Labour Group view, this facility would have been lost to Trafford forever, thereby forsaking tens of millions of pounds worth of investment and thousands of jobs not just in Trafford, but beyond, for many decades to come. This Council thereby recognises all partners and groups who had the vision and conviction to safeguard our local economy by securing the future of the club.

Yours sincerely,



THERESA GRANT

Chief Executive

Membership of the Council

Councillors D. Butt (Mayor), E.H. Malik (Deputy Mayor), D. Acton, S. Adshead, S. Anstee, Dr. K. Barclay, J. Baugh, J. Bennett, Miss L. Blackburn, R. Bowker, C. Boyes, Mrs. A. Bruer-Morris, J. Brophy, B Brotherton, D. Bunting, C. Candish, R Chilton, M. Colledge, Mrs. L. Cooke, M. Cordingley, M. Cornes, J. Coupe, Mrs. P. Dixon, A. Duffield, Mrs. L. Evans, T. Fishwick, M. Freeman, P. Gratrix, J. Harding, D. Higgins, J. Holden, M. Hyman, C. Hynes, D. Jarman, P. Lally, J. Lamb, J. Lloyd, A. Mitchell, P. Myers, D. O'Sullivan, I. Platt, K. Procter, D. Quayle, J.R. Reilly, Mrs. J. Reilly, B. Rigby, T. Ross, B. Sharp, B. Shaw, J. Smith, E.W. Stennett, N. Taylor, S. Taylor, L. Walsh, Mrs. V. Ward, A. Western, D. Western, K. Weston, M. Whetton, Mrs. J. Wilkinson, A. Williams, M. Young and Mrs. P. Young

Further Information

For help, advice and information about this meeting please contact:

Ian Cockill, Democratic Services Officer

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Email: ian.cockill@trafford.gov.uk

This Summons was issued on **Tuesday, 2 July 2013** by the Legal and Democratic Services Section, Trafford Council, Trafford Town Hall, Talbot Road, Stretford M32 0TH

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Public Document Pack Agenda Item 1

TRAFFORD BOROUGH COUNCIL

ANNUAL MEETING

22 MAY 2013

PRESENT

The Worshipful the Mayor (Councillor Mrs. Patricia Young), in the Chair.

D. Butt	Mrs. P. Dixon	K. Procter
D. Acton	A. Duffield	J.R. Reilly
S. Adshead	Mrs. L. Evans	Mrs. J. Reilly
S. Anstee	T. Fishwick	B. Rigby
Dr. K. Barclay	M. Freeman	T. Ross
J. Baugh	P. Gratrix	B. Sharp
J. Bennett	J. Harding	B. Shaw
Miss L. Blackburn	D. Higgins	J. Smith
R. Bowker	J. Holden	E.W. Stennett
C. Boyes	M. Hyman	N. Taylor
Mrs. A. Bruer-Morris	C. Hynes	S. Taylor
J. Brophy	D. Jarman	L. Walsh
B Brotherton	P. Lally	Mrs. V. Ward
D. Bunting	J. Lamb	A. Western
C. Candish	J. Lloyd	D. Western
R Chilton	E.H. Malik	K. Weston
M. Colledge	A. Mitchell	M. Whetton
M. Cordingley	P. Myers	Mrs. J. Wilkinson
M. Cornes	D. O'Sullivan	A. Williams
J. Coupe	I. Platt	M. Young

In attendance

Chief Executive	Ms. T. Grant
Corporate Director Children and Young People's Service	Mrs. D. Brownlee
Corporate Director Economic Growth and Prosperity	Mrs. H. Jones
Corporate Director Environment Transport and Operations	Mr. P. Molyneux
Corporate Director Transformation and Resources	Mrs. W. Marston
Acting Director of Legal and Democratic Services	Ms. J. Le Fevre
Director of Finance	Mr. I. Duncan
Democratic Services Manager	Mr. P. Forrester
Democratic Services Officer	Mr. I. Cockill

APOLOGIES

Apologies for absence were received from Councillors Mrs. L. Cooke and D. Quayle.

**Annual Meeting of the Council
22 May 2013**

1. ELECTION OF MAYOR AND CHAIRMAN OF COUNCIL

It was proposed, seconded, supported and

RESOLVED: That Councillor Dylan Butt be and is hereby elected Mayor of the Borough of Trafford for the forthcoming municipal year.

The retiring Mayor presented the Requisition to the Mayor and invested him with the Chain and Badge of Office. Councillor Butt took the Chair and returned thanks to the Council for his election.

**THE WORSHIPFUL THE MAYOR
(COUNCILLOR DYLAN BUTT) IN THE CHAIR**

2. APPOINTMENT OF DEPUTY MAYOR AND VICE-CHAIRMAN OF COUNCIL

It was proposed, seconded, supported and

RESOLVED: That Councillor Ejaz Malik be and is hereby appointed Deputy Mayor of the Borough of Trafford for the ensuing municipal year.

The Mayor invested Councillor Malik with the Chain and Badge of Office.

3. APPOINTMENT OF MAYORESS

The Mayor announced that his wife, Mrs. Farah Butt would act as his Mayoress during the ensuing year.

The retiring Consort invested the Mayoress with the Chain and Badge of Office and presented her with a bouquet of flowers.

4. APPOINTMENT OF DEPUTY MAYORESS

The Deputy Mayor informed the Council that his wife, Mrs. Malik would act as his Deputy Mayoress during the ensuing year.

The Mayoress invested the Deputy Mayoress with the Chain and Badge of Office and presented her with a bouquet of flowers.

5. VOTE OF THANKS

It was proposed, seconded, supported and

RESOLVED: That the Council hereby place on record their appreciation for the manner in which Councillor Mrs. Patricia Young has carried out her duties as Mayor of the Borough of Trafford during her period of office and tender to her their best thanks in that connection. They also express their gratitude to Councillor Michael Young for the manner in which he has acted as her Consort.

**Annual Meeting of the Council
22 May 2013**

The Mayor presented the retiring Mayor with a replica of the Badge of Office, a framed photograph and the Requisition from her Mayoral year and a bouquet of flowers.

The Mayoress presented the retiring Consort with a replica of the Badge of Office and a gift.

The retiring Mayor then responded to the vote of thanks and expressed gratitude to Councillor Mrs. Evans for her work on behalf of her Charity Committee and presented her with a bouquet of flowers.

6. MINUTES

RESOLVED: That the Minutes of the Meeting of the Council held on 13 March 2013 and the Extraordinary Meeting of the Council held on 30 April 2013, be approved as correct records and signed by the Chairman.

7. MEMBERSHIP OF THE EXECUTIVE

The Chief Executive submitted a report concerning the appointment of the Executive and a Deputy Leader of the Council.

RESOLVED –

- (1) That the Council notes that the Leader of Council has determined that the Executive shall comprise himself plus 9 Councillors.
- (2) That the Council notes that the Leader of the Council appoints the membership of the Executive and a Deputy Leader for the 2013/14 municipal year, as follows:

<u>Councillor</u>	<u>Portfolio</u>
Matthew Colledge (Leader)	
Sean Anstee (Deputy Leader)	Finance
Michael Young	Adult Social Services
Dr. Karen Barclay	Community Health and Wellbeing
Michael Hyman	Economic Growth and Prosperity
Michael Cornes	Education
Alan Mitchell	Highways and Environment
Jonathan Coupe	Safe and Strong Communities
Miss Linda Blackburn	Supporting Children and Families
Alex Williams	Transformation and Resources

8. SHADOW EXECUTIVE

RESOLVED: That the membership of the Shadow Executive, as set out below, for the 2013/14 municipal year be noted:

**Annual Meeting of the Council
22 May 2013**

<u>Councillor</u>	<u>Portfolio</u>
David Acton (Leader)	
Judith Lloyd (Deputy Leader)	Education
Joanne Bennett	Adult Social Services
Jane Baugh	Community Health and Wellbeing
Mike Cordingley	Economic Growth and Prosperity
Barry Brotherton	Finance
Stephen Adshead	Highways and Environment
Kevin Procter	Safe and Strong Communities
Tom Ross	Supporting Children and Families
Andrew Western	Transformation and Resources

9. COUNCIL COMMITTEES

The Chief Executive submitted a report inviting the Council to agree the Committees of the Council, their size, political composition, membership and terms of reference for the 2013/14 municipal year. In accordance with the provisions of the Local Government and Housing Act 1989, the Acting Chief Executive had been informed of the following political groups on the Council:

Conservative Group	-	34 Members
Labour Group	-	25 Members
Liberal Democrat Group	-	4 Members

The regulations provided for the composition of Committees to be in accordance with the political balance of the 63 Members of the Council.

RESOLVED –

- (1) That the composition of the various standing Committees, as set out in Appendix 1 to the report, be approved.
- (2) That the Terms of Reference for each Committee, as set out in Appendix 2 to the report, be approved.
- (3) That Council approves the membership of Committees for the 2013/14 Municipal Year, as set out below, including the appointment of Chairman (CH) and Vice-Chairman (V-CH) and notes the nominated Opposition Spokesperson (OS), where appropriate:

ACCOUNTS AND AUDIT COMMITTEE

CONSERVATIVE GROUP

Councillors:

Chris Boyes
Mrs. Laura Evans **V-CH**
Patrick Myers
Michael Whetton **CH**

LABOUR GROUP

Councillors:

Jane Baugh
Barry Brotherton **OS**
Tom Ross
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LIBERAL DEMOCRAT GROUP

Councillors:

-

**Annual Meeting of the Council
22 May 2013**

EMPLOYMENT COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Mrs. Lisa Cooke
Mrs. Pamela Dixon **V-CH**
John Lamb
Brian Rigby **CH**

**LABOUR
GROUP**

Councillors:

Joanne Bennett
Catherine Hynes
Andrew Western **OS**

**LIBERAL
DEMOCRAT
GROUP**

Councillors:

-

LICENSING COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Dan Bunting
Chris Candish **CH**
Paul Lally
Patrick Myers
Mrs. June Reilly
Brian Rigby
Bernard Sharp **V-CH**
Mrs. Jacki Wilkinson

**LABOUR
GROUP**

Councillors:

Mike Freeman
Philip Gratrix
David Jarman **OS**
Ejaz Malik
John Smith
Whit Stennett

**LIBERAL
DEMOCRAT
GROUP**

Councillors:

Neil Taylor

PLANNING DEVELOPMENT CONTROL COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Daniel Bunting **V-CH**
Rob Chilton
Bernard Sharp
Brian Shaw
Mrs. Viv Ward **CH**
Ken Weston
Michael Whetton

**LABOUR
GROUP**

Councillors:

Philip Gratrix
Ejaz Malik
Dolores O'Sullivan
John Smith
Laurence Walsh **OS**

**LIBERAL DEMOCRAT
GROUP**

Councillors:

Tony Fishwick

Substitute Members of the Planning Development Control Committee:

Mrs. Pamela Dixon
Mrs. Laura Evans
Patrick Myers
Brian Rigby

Whit Stennett
Denise Western

Neil Taylor

**Annual Meeting of the Council
22 May 2013**

STANDARDS COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Sean Anstee
Mrs. Pamela Dixon
Mrs. Laura Evans
David Higgins
John Holden **CH**
Ken Weston

**LABOUR
GROUP**

Councillors:

Mike Freeman
David Jarman
Ian Platt
Kevin Procter **V-CH**

**LIBERAL
DEMOCRAT
GROUP**

Councillors:

Ray Bowker

Non-Voting Co-optees (5)

2 Parish Representatives: Mrs. S. Royle and 1 Vacancy
3 Independent Members: Mr. D. Goodman, Mr. C. Griffiths and
1 Vacancy

Independent Persons of the Hearing Panel (2)
(under Section 28 of the Localism Act 2011): Ms. N. Jackson and
Mr. M. Whiting

SCRUTINY COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Chris Candish
Rob Chilton
Mrs. Pamela Dixon
David Higgins
John Reilly
Brian Shaw **CH**

**LABOUR
GROUP**

Councillors:

Stephen Adshead
Mike Cordingley **V-CH**
Anne Duffield
Denise Western

**LIBERAL DEMOCRAT
GROUP**

Councillors:

Ray Bowker

Ex-Officio (Non-Voting Member): Chairman of Health Scrutiny Committee –
Councillor Judith Lloyd

Co-opted Members for Education Matters:

Church Representatives (Voting Members)

Church of England: Vacancy
Roman Catholic: Sister P. Goodstadt

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Parent-Governor Representatives (Voting Members)

Primary: Vacancy
Secondary: Mrs. D. Haddad
Special: Mrs. R. Gallagher

Teacher Representatives (Non-Voting Members)

Primary: Mr. D. Kitchen
Secondary: Vacancy
Special: Vacancy

HEALTH SCRUTINY COMMITTEE

**CONSERVATIVE
GROUP**

Councillors:

Mrs. Angela Bruer-Morris
John Holden
John Lamb **V-CH**
Mrs. Viv Ward
Mrs. Jacki Wilkinson
Mrs. Patricia Young

**LABOUR
GROUP**

Councillors:

Joanne Harding
Judith Lloyd **CH**
Kevin Procter
Sophie Taylor

**LIBERAL DEMOCRAT
GROUP**

Councillors:

Mrs. Jane Brophy

Ex-Officio (Non-Voting Member): Chairman of Scrutiny Committee –
Councillor Brian Shaw

HEALTH AND WELLBEING BOARD

**CONSERVATIVE
GROUP**

Executive Members for:

Community Health and
Wellbeing – Councillor
Dr. Karen Barclay
Adult Social Services –
Councillor Michael Young
Supporting Children and
Families – Councillor
Miss Linda Blackburn

**LABOUR
GROUP**

Shadow Executive
Member for:

Community Health and
Wellbeing – Councillor
Jane Baugh

**LIBERAL DEMOCRAT
GROUP**

-

**Annual Meeting of the Council
22 May 2013**

Officer(s) and External Partners:

Non-Executive Member Greater Manchester Cluster Board
Corporate Director of Children, Families and Wellbeing
Director of Public Health
Chair of Clinical Commissioning Group
Nominated Director Clinical Commissioning Group
Clinical Commissioning Group Lay Member
Chair Health Watch

- (4) That the Licensing Committee be recommended to appoint the membership of the Safety at Sports Grounds Sub-Committee, namely Councillors David Higgins (Chairman), Paul Lally (Vice-Chairman) and Dave Quayle.
- (5) That the Scrutiny Topic Group Chairmen be appointed as follows:
- Scrutiny Committee Topic Group A – Councillor Robert Chilton
Scrutiny Committee Topic Group B – Councillor John Reilly
Health Scrutiny Committee Topic Group C – Councillor Mrs. Patricia Young
Health Scrutiny Committee Topic Group D – Councillor John Holden
- (6) That the Appointments and Appeals Panel be formally appointed and its membership be drawn from all Members of the Council.
- (7) That until such time locality partnership arrangements are in place:
- (a) the Chairmen of the Neighbourhood Forums be appointed as follows:
- | | | |
|------------------|---|---------------------------------|
| Altrincham North | - | Councillor Mrs. Jacki Wilkinson |
| Altrincham South | - | Councillor Patrick Myers |
| Sale East | - | Councillor Mrs. Pamela Dixon |
| Sale West | - | Councillor Brian Rigby |
| Stretford | - | Councillor Laurence Walsh |
| Urmston | - | Councillor Mrs. Lisa Cooke |
- (b) Councillor Stennett be nominated as Chairman of the Old Trafford Neighbourhood Forum.
- (8) That the Council delegate to the Chief Executive, in accordance with the written request of the relevant Group Leader, the power and authority to change the membership of committees and sub-committees as may be needed from time to time.

10. APPOINTMENTS TO OUTSIDE AND INDEPENDENT BODIES

The Chief Executive submitted a report proposing the appointment of representatives to a number of outside and independent bodies.

RESOLVED –

**Annual Meeting of the Council
22 May 2013**

- (1) That approval be given to the appointment of representatives to those outside and independent bodies set out in Appendix 1 to the report.
- (2) That the Chief Executive, in consultation with the relevant Group Leader(s), be delegated authority to appoint members to any outside body vacancy that remains or arises after this Annual Meeting and to any other bodies to which the Council is required to make appointments (and to report back to Council on any changes or new appointments so made).
- (3) That the persons named in Appendix 2 to the report be authorised to sit on the Statutory School Appeals Committee for the 2013/14 Municipal Year and that the Acting Director of Legal and Democratic Services be delegated authority to make changes to this list and to set up School Admission Appeals Committees including the appointment of Chairmen.

11. TIMETABLE OF COUNCIL AND COMMITTEE MEETINGS

RESOLVED: That the timetable of Council and Committee meetings for the 2013/14 Municipal Year be approved.

12. DELEGATED DECISIONS AND URGENT ACTION

RESOLVED -

- (1) That where, under the approved Scheme of Delegation, decisions may be taken by officers in consultation with non-Executive Members, then in the absence of any specific arrangements having been made, the officer shall consult the appropriate Chairman, Vice-Chairman and Opposition Spokesperson.
- (2) That, in situations which require emergency action, the Chief Executive or the appropriate officer, in consultation with the Chairman and Vice-Chairman of the Committee concerned and the Opposition Spokesperson where appropriate (or their respective nominees), be authorised to deal from this date until the Annual Meeting of the Council in 2014, with any matters of urgency or any other matter that cannot conveniently be deferred to the next ordinary meeting of the Committee, subject to later report, for information, to the Committee in question.

13. DELEGATION OF FUNCTIONS AND AMENDMENTS TO THE CONSTITUTION

The Acting Director of Legal and Democratic Services and Monitoring Officer submitted a report confirming the arrangements for the delegation of Council (non-Executive) and Executive functions and seeking to amend the Constitution of the Council to incorporate these arrangements. The report advised on changes to the Officer Scheme of delegation and on a number of changes proposed following a review of the documents that form the Constitution.

RESOLVED –

**Annual Meeting of the Council
22 May 2013**

- (1) That Council notes that Executive functions not covered by the Officers' Scheme of Delegation are delegated by the Leader of the Council as follows:
 - (a) functions are delegated to all individual Executive Members in accordance with the Scheme of Delegation set out in Part 3 of the Constitution; and
 - (b) all other functions are delegated to the Executive.
- (2) That the Scheme of Delegation to Officers, as set out in Part 3 of the Constitution, be confirmed.
- (3) That the other amendments to Parts 1, 2, 4 and 5 of the Constitution be approved, with the exception of the Financial Procedure Rules which are deferred for consideration at a future meeting.
- (4) That the Acting Director of Legal and Democratic Services be authorised to amend the Constitution of the Council in accordance with and as a consequence of this report.

The meeting commenced at 6.12 p.m. and finished at 7.31 p.m.

TRAFFORD BOROUGH COUNCIL

EXTRAORDINARY MEETING OF THE COUNCIL

19 JUNE 2013

PRESENT

The Worshipful the Mayor (Councillor Dylan Butt), in the Chair.

E.H. Malik	J. Coupe	B. Sharp
D. Acton	Mrs. P. Dixon	B. Shaw
S. Adshead	Mrs. L. Evans	J. Smith
S. Anstee	M. Freeman	E.W. Stennett
Dr. K. Barclay	P. Gratrix	N. Taylor
J. Bennett	J. Holden	S. Taylor
Miss L. Blackburn	M. Hyman	Mrs. V. Ward
R. Bowker	C. Hynes	A. Western
C. Boyes	D. Jarman	D. Western
Mrs. A. Bruer-Morris	P. Lally	K. Weston
J. Brophy	D. O'Sullivan	M. Whetton
D. Bunting	K. Procter	Mrs. J. Wilkinson
R Chilton	D. Quayle	A. Williams
M. Colledge	J.R. Reilly	M. Young
Mrs. L. Cooke	Mrs. J. Reilly	Mrs. P. Young
M. Cordingley	B. Rigby	
M. Cornes	T. Ross	

In attendance

Corporate Director Transformation and Resources	Mrs. W. Marston
Acting Director of Legal and Democratic Services	Ms. J. Le Fevre
Head of Public Protection	Mr. I. Veitch
Democratic Services Manager	Mr. P. Forrester
Democratic Services Officer	Miss M. Cody
Democratic Services Officer	Mr. I. Cockill

APOLOGIES

Apologies for absence were received from Councillors J. Baugh, B Brotherton, C. Candish, A. Duffield, T. Fishwick, J. Harding, D. Higgins, J. Lamb, J. Lloyd, A. Mitchell, P. Myers, I. Platt and L. Walsh.

14. MAYORAL ANNOUNCEMENT - QUEEN'S AWARD FOR VOLUNTARY SERVICE

The Mayor congratulated the Counselling and Family Centre, Hale and the Friends of Walkden Gardens, Sale on being awarded the Queen's Award for Voluntary Service and remarked that it was a marvellous achievement which provided recognition of the excellent voluntary work undertaken in our Borough by many unsung heroes. The Council joined with the Mayor in thanking all concerned.

**Extraordinary Meeting of the Council
19 June 2013**

15. MOTION SUBMITTED BY THE LABOUR GROUP

It was moved and seconded that:

“The Council condemns the decision made by the Conservative Government Secretary of State in overruling this Council's unanimous decision to refuse planning permission for the development of a Biomass Incineration Plant in Davyhulme.

This Conservative Government decision flies in the face of the thousands of local people who have campaigned against and opposed this Incineration Plant. The decision runs contrary to the definition of "Localism" and belies any notion of local democracy and the strong wishes of our community.

In light of the above Trafford Council is right to appeal through the Courts the Secretary of States ruling, and pledges to continue the fight to overturn this appalling decision.”

It was moved and seconded as an amendment that:

“The Council condemns the decision made by the Conservative Government Secretary of State in overruling this Council's unanimous decision to refuse planning permission for the development of a Biomass Incineration Plant in Davyhulme.

This Conservative Government decision flies in the face of the thousands of local people who have campaigned against and opposed this Incineration Plant. The decision runs contrary to the definition of "Localism" and belies any notion of local democracy and the strong wishes of our community.

In light of the above, this Council welcomes the decision of the ruling Conservative Group to put Party allegiances aside, and based on the legal advice they received, instructed the Acting Director of Legal and Democratic Services to appeal through the Courts the Secretary of States ruling, and through this action Trafford Council pledges to continue the fight to overturn this decision.”

The mover of the Motion signified acceptance of the amendment, subject to an addition to the third paragraph of “and with all party support” following the text “based on the legal advice”. With this understanding and with the consent of the mover and seconder of the amendment, the amendment was debated by the Council before being put to the vote and being agreed unanimously. Accordingly, the substantive Motion was unanimously approved.

RESOLVED: That the Council condemns the decision made by the Conservative Government Secretary of State in overruling this Council's unanimous decision to refuse planning permission for the development of a Biomass Incineration Plant in Davyhulme.

**Extraordinary Meeting of the Council
19 June 2013**

This Conservative Government decision flies in the face of the thousands of local people who have campaigned against and opposed this Incineration Plant. The decision runs contrary to the definition of "Localism" and belies any notion of local democracy and the strong wishes of our community.

In light of the above, this Council welcomes the decision of the ruling Conservative Group to put Party allegiances aside, and based on the legal advice they received, and with all party support, instructed the Acting Director of Legal and Democratic Services to appeal through the Courts the Secretary of States ruling, and through this action Trafford Council pledges to continue the fight to overturn this decision.

The meeting commenced at 7.18 p.m. and finished at 8.05 p.m.

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TRAFFORD COUNCIL

Report to: Planning Development Control Committee
Date: 13 June 2013
Report for: Decision
Report of: Acting Chief Planning Officer

Report Title

Proposed Changes to the Scheme of Delegation

Summary

This report seeks Committee's agreement to revise the Scheme of Delegation to allow prior approval applications submitted as a result of the recent changes to permitted development rights to be determined by the Chief Planning Officer.

Recommendation(s)

That Council be recommended to agree the proposed amendments to the Scheme of Delegation.

Contact person for access to background papers and further information:

Name: David Pearson
Extension: 3198

Background Papers:
Scheme of Delegation to Officers
The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013

Background Information

Relationship to Corporate Priorities	Economic Growth and Development
Financial	None directly from this report
Legal Implications	None directly from this report
Equality/Diversity Implications	None directly from this report
Sustainability Implications	None directly from this report
Staffing/E-Government/Asset Management Implications	None directly from this report
Risk Management Implications	None directly from this report
Health and Safety Implications	None directly from this report

The Government has introduced a number of mainly temporary changes to permitted development rights aimed at deregulating the planning system and stimulating the economy. The changes came into effect on 30 May 2013.

A number of the changes involve the introduction of a prior approval process, allowing the Council to assess the impact of the development. As with other prior approval regimes, unless a decision is made within the prescribed time period, the applicant will be able to proceed with the development.

The Chief Planning Officer currently has delegated authority to determine whether or not prior approval of details is required for demolition, telecommunications equipment and agricultural / forestry buildings and operations and to approve or refuse such submitted details.

Committee are asked to recommend that Council agree to extend the scheme of delegation to allow the Chief Planning Officer to determine all prior approval applications submitted following the recent changes to permitted development rights following the introduction of The Town and Country Planning (General Permitted Development) (Amendment) (England) Order 2013. This will include a permanent change to the delegation agreement in respect of prior approval applications relating to change of use permanently to a state-funded school and change of use to agricultural buildings; but only a temporary change to the scheme of delegation for a period of three years in relation to prior approval applications for house extensions and changes of use from offices to residential.

TRAFFORD BOROUGH COUNCIL

Report to: Executive 24 June 2013
Accounts & Audit Committee 27 June 2013
Council Meeting 10 July 2013

Report for: Decision

Report of: The Executive Member for Finance and the Director of Finance

Treasury Management Annual Performance 2012/13 Report

Summary

In accordance with the CIPFA Code of Practice, as adopted by the Council, this report has been prepared to review treasury activities for the past financial year.

During 2012/13 the Council complied with its legislative and regulatory requirements, including compliance with all treasury management prudential indicators.

No new borrowings were undertaken in the year to finance the capital programme and at 31 March 2013 the Council's external debt was £100.5m (£100.7m at 31 March 2012) and investments totalled £52.2m (£76.6m at 31 March 2012).

Investment activity undertaken during 2012/13 resulted in the placement of 302 investments totalling £570m spread over 24 institutions. This compares to the 2011/12 activity when 395 investments were placed totalling £624m in 29 institutions.

During the year and as a result of the above actions, a saving against the treasury management budget of £(0.5m) occurred. This was due to increase in investment interest earned of £(0.2m) and savings in external loan interest payable of £(0.3m).

Recommendations

That the Executive and the Accounts & Audit Committee advise the Council;

1. of the Treasury Management activities undertaken in 2012/13,
2. that no prudential limits were breached during 2012/13,
3. that both the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance were fully complied with.

Contact person for background papers:
Graham Perkins – Technical Accountant - Extension: 4017

Background papers: None

Relationship to Policy Framework/Corporate Priorities	Value for Money
Financial	In 2012/13 the Council paid loan interest of £5.3m and received £0.7m from money market investments.
Legal Implications:	No legal implications arising from this report
Equality/Diversity Implications	Not applicable
Sustainability Implications	Not applicable
Staffing/E-Government/Asset Management Implications	Not applicable
Risk Management Implications	The monitoring and control of risk underpins all treasury management activities. The main risks are of adverse or unforeseen fluctuations in interest rates and security of capital sums.
Health & Wellbeing Implications	
Health and Safety Implications	Not applicable

1. INTRODUCTION AND BACKGROUND

- 1.1 The Council is required through regulations issued under the Local Government Act 2003, to produce an annual treasury report reviewing treasury management activities and the actual prudential and treasury indicators for 2012/13. This report meets the requirements of both the CIPFA Code of Practice on Treasury Management (the Code) and the CIPFA Prudential Code for Capital Finance in Local Authorities (the Prudential Code).
- 1.2 In 2012/13, the Accounts & Audit Committee together with the Executive and Full Council received the following reports:
- annual treasury strategy for the year ahead (February 2012)
 - mid-year update report (November 2012)
 - annual report describing the activity undertaken compared to the strategy (June 2013 i.e. this report)
- 1.3 The figures in this report are based on the actual amounts borrowed and invested and as such will differ from those stated in the final accounts which are shown in compliance with International Financial Reporting Standards.
- 1.4 The report comprises of the following sections;
- Economic background & impact on the Strategy(Section 2),
 - Treasury Position (Section 3),
 - Borrowing Position (Section 4),
 - Investment Position (Section 5),
 - Prudential and Performance indicators (Section 6),
 - Conclusions and Recommendations (Section 7),
 - Post 2012/13 events update (Section 8),
 - Appendices.

2. ECONOMIC BACKGROUND & IMPACT ON 2012/13 STRATEGY

- 2.1 The challenging economic conditions of the previous years continued throughout 2012/13 and a brief summary of the main events which occurred during the year are highlighted below:

UK: -

- economic growth (GDP) remained relatively static for the year increasing by 0.5% primarily due to the Olympics & Jubilee celebrations,
- consumer expenditure remained subdued,
- exports remained weak especially to the country's biggest customer - the European Union,
- the Monetary Policy Committee (a) increased quantitative easing by £50bn in July to a total of £375bn, (b) maintained Bank Rate at 0.5% and (c) introduced the Funding for Lending Scheme in July. This resulted in cheap credit being made available to banks causing market investment rates to fall sharply in the second half of the year,
- Consumer Price inflation remained above the 2% Government target, starting the year at 3.0% and finishing at 2.8% in March,
- the coalition Government maintained its tight fiscal policy stance against a background of warnings from the credit rating agencies in the event Moody's and Fitch, downgrading the UK's AAA credit rating to AA1 (23/02/13) and AA+ (19.04.13) respectively.

EU:-

- the sovereign debt crisis continued to dominate the headlines during the year,
- Greece received a second bailout of €110bn in December, payable in tranches depending on their performance with a further third tranche of €30bn also being agreed,
- a major crisis in Cyprus towards the end of the year resulted in a €10bn loan package being agreed,

- Spanish banks received during the summer, a €100bn package of support

Rest of the World:-

- US – GDP growth was close to 3% with signs of the housing market improving starting to appear. The agreement reached on 1st January 2013 to avert some of the “fiscal cliff” reduces the risk of a further recession being encountered.
- China - economic growth slowed due to difficulties being experienced in its exports to the western markets.

- 2.2 Continued uncertainty in the aftermath of the 2008 financial crisis as highlighted above promoted a cautious approach in our operations. With investments continuing to be dominated by counterparty risk considerations and a reduction in market rates due to the Funding for Lending scheme, cash balances continue to attract relatively low returns compared to borrowing rates.
- 2.3 The expectation for interest rates within the strategy for 2012/13 anticipated low but rising Bank Rate (starting in quarter 4 of 2014) with similar gradual rises in medium and longer term fixed borrowing rates over 2012/13. This forecast rise has now been pushed back to a start in quarter1 2015 at the earliest.
- 2.4 The actual movement in interest rates when compared to the expectations in the strategy are shown below and a more detailed analysis detailing how investment rates moved during the course of the year is provided at Appendix A;

	2012/13	1 April 2012	31 March 2013	2012/13
	Forecast Average	Actual	Actual	Actual Average
	%	%	%	%
UK Bank Rate	0.50	0.50	0.50	0.50
Investment Rates				
3 month	0.70	1.03	0.51	0.69
1 Year	1.60	1.86	0.91	1.33
Loan Rates				
5 Year	2.40	2.10	1.75	1.85
25 Year	4.30	4.39	4.07	4.09

For reference, the 2012/13 budget assumed an average investment rate of 1.00% and that any new borrowing would be undertaken at a maximum rate of 5%.

3. TREASURY POSITION

- 3.1 The Council’s debt and investment position is controlled in order to ensure that security of funds and adequate liquidity for revenue and capital activities maintained at all times. This function is undertaken by the Council’s Treasury Management team. Procedures and controls to achieve these objectives are well established both through Member reporting and officer activity.
- 3.2 The maturity structure of the debt portfolio was as follows:

	31 March 2013 Actual	31 March 2012 Actual
Under 12 months	£3.1m	£0.3m
12 months and within 24 months	£2.4m	£3.1m
24 months and within 5 years	£8.2m	£7.9m
5 years and within 10 years	£15.5m	£14.3m
10 years and above	£71.3m	£75.1m
Total	£100.5m	£100.7m

3.3 The maturity structure of the investment portfolio was as follows:

	31 March 2013 Actual	31 March 2012 Actual
Instant Access	£19.8m	£27.3m
Under 1 year	£32.4m	£49.3m
Total	£52.2m	£76.6m

3.4 At the beginning and end of 2012/13 the Council's treasury position was as follows:

	31 March 2013 Principal	Total	Interest Rate	31 March 2012 Principal	Total	Interest Rate
DEBT						
Fixed rate:						
-PWLB	£44.5m			£44.7m		
-Market	£25.0m	£69.5m	5.55%	£25.0m	£69.7m	5.56%
Variable rate:						
-PWLB	£0m			£0m		
-Market	£31.0m	£31.0m	4.58%	£31.0m	£31.0m	4.58%
Total debt		£100.5m	5.25%		£100.7m	5.26%
Capital Financing Requirement (to finance past capital expenditure)		£147.6m			£132.3m	
Over/ (under) borrowing		(£47.1m)			(£31.6m)	
INVESTMENTS						
- Fixed rate	£32.4m			£49.3m		
- Variable rate	£19.8m			£27.3m		
Total investments		£52.2m	0.88%		£76.6m	1.12%

4. BORROWING POSITION

4.1 As at 31 March 2013 the Council's level of external debt was £100.5m, a profile of which can be found at Appendix B. Of this debt, £1.1m is administered on behalf of Greater Manchester Probation Service which leaves £99.4m in respect of the Council's own long term requirement.

4.2 During 2012/13 in response to the continuing interest rate differential between the cost of long term debt (4% to 5.5%) and the return available from short term investments (under 1%) and investment counterparty risk, the Council followed a strategy of borrowing internally (using cash backed reserves). This course of action saved the Council £(0.3)m in debt interest in the year and was undertaken in conjunction with advice obtained from the Council's external advisers Sector

4.3 No rescheduling on any of the Council's loans was undertaken in the year as the average differential between PWLB new borrowing rates and premature repayment rates of 1% made rescheduling unviable, due to the high the breakage costs (premium) payable.

5. INVESTMENT POSITION

- 5.1 The Council's investment policy is governed by CLG guidance, which was implemented in the annual investment strategy approved by Council on 22 February 2012. This policy sets out the approach for choosing investment counterparties, and is based on credit ratings provided by the three main credit rating agencies supplemented by additional market data (such as rating outlooks, credit default swaps, bank share prices etc.).
- 5.2 The investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.
- 5.3 The Council's main bank account, held with the Co-operative Bank, is non-interest bearing and consequently if no investments were undertaken by the Council's in house treasury management team, the Council would lose a substantial amount of income. During 2012/13 an investment rate of return was 0.88% was achieved through proactive investment management generating £(0.7m) of interest, which was 0.49% or £(0.4m) above the comparable performance indicator of the average 7-day London Interbank BID (LIBID) rate, of 0.39% and £(0.2m) above budget.
- 5.4 For reference the total number of investments undertaken in 2012/13 was 302, totalling £570m and 24 institutions were used.
- 5.5 A breakdown of the Council's temporary investments, as at 31 March 2013 is provided at Appendix C for reference.

6. PRUDENTIAL AND PERFORMANCE INDICATORS

- 6.1 Within the Treasury Management Strategy for 2012/13, approval was given to the treasury management prudential & performance indicators for the period 2012/13 – 2015/16. All indicators and benchmarks set for 2012/13 were complied with and details of these are shown in Appendix D.

7. CONCLUSIONS AND RECOMMENDATIONS

- 7.1 All relevant statutory guidelines, the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance were fully complied with during 2012/13, including the prudential indicators.
- 7.2 In response to market conditions no new external borrowing was undertaken generating revenue savings of £(0.3m) and due to higher balances than forecasted along with timing differences from income received ahead of requirement, the return on investments was £(0.2m) higher than originally anticipated.
- 7.3 The Executive and the Accounts & Audit Committee advise the Council;
- of the Treasury Management activities for 2012/13,
 - that no prudential limits were breached during 2012/13.

8. POST 2012/13 EVENTS UPDATE

- 8.1 During April and May 2013, two of the three main credit rating agencies, Fitch and Moody's, both revised down their credit ratings assigned to The Co-operative bank to that of sub investment grade. This downgrade was made in reaction of the bank needing to strengthen its long term funding position in response to enhanced regulatory requirements due to be implemented by the end of 2013.
- 8.2 The credit rating agencies took this action despite the bank having both a strong short and medium term funding profile, significantly above that required by the international regulatory requirements and recently, as highlighted in reports issued by YouGov and uSwitches receiving excellent levels of customer service.

- 8.3 In response to the credit rating agencies actions, The Co-operative bank has recognised these findings and has started to address the situation of strengthening its balance sheet.
- 8.4 For a number of years the Council has used the services of the bank for its day to day banking requirements and has, in accordance with the annual Treasury Management Strategy, together with information obtained from Sector the Council's advisers, placed limited investments with the bank. Whilst the credit ratings of the bank has not previously met the minimum required by the Council, special dispensation was offered to The Co-operative in the Strategy reflecting its status as the Council's banker.
- 8.5 In response to Fitch's downgrade in April, pro-active action was undertaken to (a) place no further investments with the bank, (b) remove the bank from the authorised lending list of institutions with whom investments could be placed, (this is the normal course of action adopted in this scenario) and (c) continue to use the bank for Council's transitional banking requirements (day to day activities).
- 8.6 At the time that this internal decision to remove the bank from its list of authorised investment institutions was made, the Council had £4.5m invested with the bank. Since then £1m was repaid on the due date 24 May 2013 with the balance of £3.5m being set to be repaid on maturity on 12 July 2013.
- 8.7 Whilst the Council will continue to have some exposure to the bank arising from its day to day activities, this is not foreseen to be a problem given the bank's strong short term liquidity position. The service the bank undertakes on behalf of the Council is subject to tender and currently options are being evaluated for when the current contract expires in March 2014.

Other Options

This report has been produced in order to comply with Financial Regulations and relevant legislation and provides an overview of transactions undertaken during 2012/13.

Consultation

Not applicable.

Reasons for Recommendation

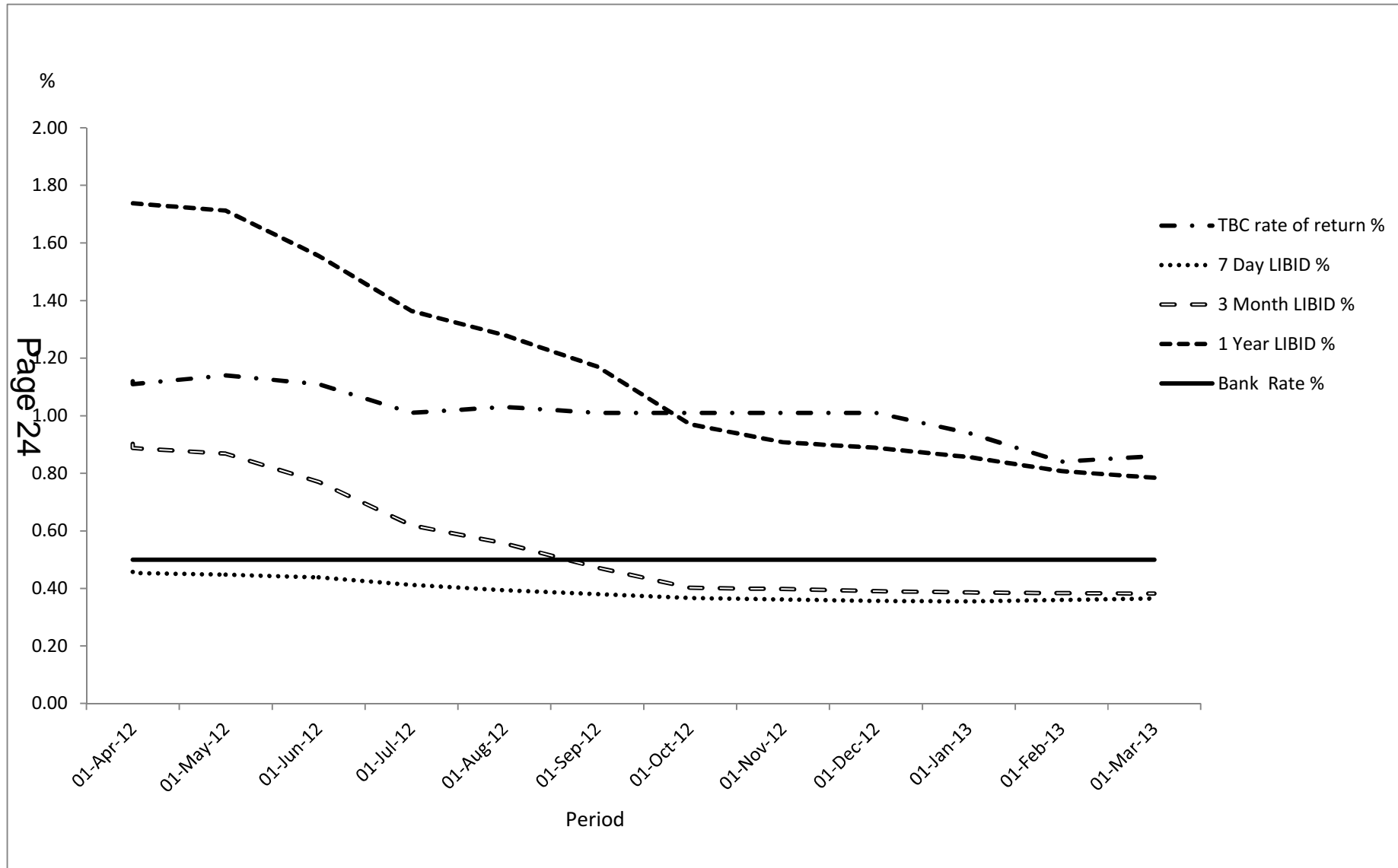
The report meets the requirements of both the CIPFA Code of Practice on Treasury Management and the CIPFA Prudential Code for Capital Finance in Local Authorities. The Council is required to comply with both Codes through Regulations issued under the Local Government Act 2003.

Finance Officer Clearance ...ID.....

Legal Officer Clearance ...MJ.....

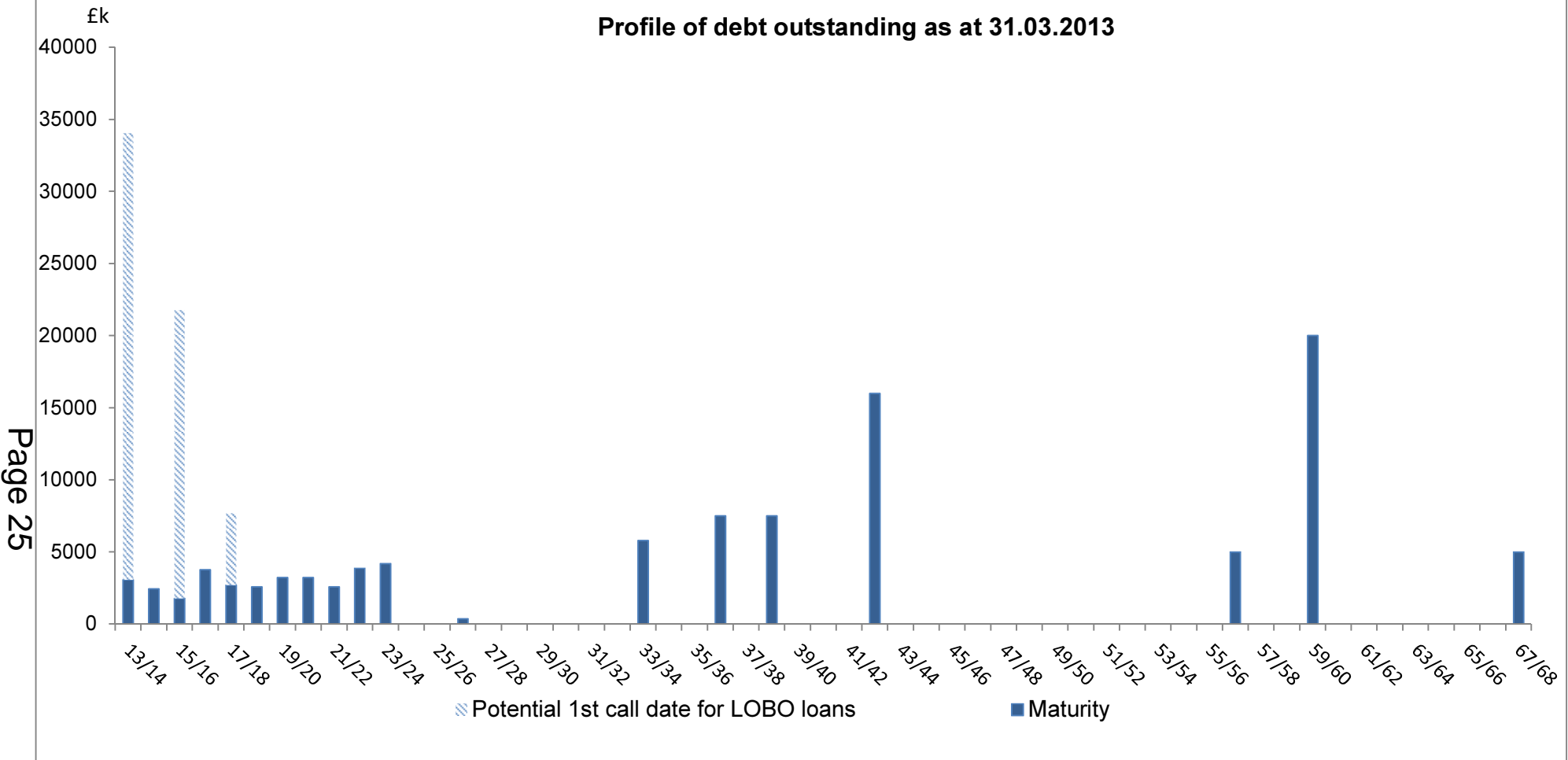
Director of Finance Signature Supplied in hard copy.

Investment Interest rate movements in 2012-13



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Profile of debt outstanding as at 31.03.2013



Breakdown of Investments as at 31 March 2013

Counterparty	Amount £	Amount £
UK Institution		
Building Societies		
Nationwide	2,000,000	2,000,000
UK Banks		
Barclays	1,500,000	
HSBC	2,000,000	
Lloyds	16,900,000	
Royal Bank of Scotland	11,500,000	
The Co-operative	1,000,000	32,900,000
Money Market Funds		
Invesco Aim	3,940,189	
Goldman Sachs	420,000	
Ignis	2,000,000	
Legal & General	1,000,000	
Morgan Stanley	2,500,000	
Primerate	2,400,000	12,260,189
Total UK Institutions		47,160,189
Non UK Institutions		
National Bank of Abu Dhabi	5,000,000	5,000,000
Total Non UK Institutions		5,000,000
Grand Total		52,160,189

Appendix D

Prudential Indicators for 2012/13

Figures are for the financial year	2012/13 Indicator (max)	2012/13 Actual (max)
<p style="text-align: center;">Authorised Borrowing Limit</p> <p>(This is the maximum level of external debt & other long term liabilities (PFI & leases) that the Council requires – this is a statutory limit under Section 3(1) of the Local Government Act 2003.</p>	£156m	£107m
<p style="text-align: center;">Operational Boundary</p> <p>(This is calculated on a similar basis as the authorised limit & represents the expected level of external debt & other long term liabilities (PFI & leases) may reach during the year, it is not a limit.</p>	£136m	£107m
<p style="text-align: center;">Upper limits on fixed interest rates</p> <p>(Maximum limit of fixed interest rate exposure - debt interest less investment interest)</p>	£4.0m	£3.6m
<p style="text-align: center;">Upper limits on variable interest rates</p> <p>(Maximum limit of variable interest rate exposure – debt interest less investment interest)</p>	£1.9m	£1.4m
<p style="text-align: center;">Maturity structure of fixed rate borrowing</p> <p>(These gross limits are set to reduce the Council's exposure to large fixed rate sums falling due for refinancing – these are required for upper, as shown and lower limits which were set at 0%).</p>		
Under 1 year (this includes the next call date for Market loans)	50%	33.9%
1 year to 2 years	50%	22.3%
2 years to 5 years	50%	13.1%
5 years to 10 years	75%	15.4%
10 years to 20 years	75%	4.5%
20 years to 30 years	75%	5.8%
30 years to 40 years	75%	0.0%
40 years and above	75%	5.0%
<p style="text-align: center;">Maximum principal funds invested exceeding 364 days (excluding Manchester International Airport shares)</p> <p>(These limits are set to reduce the need for early sale of an investment)</p>	£50.m	£0m

Performance Indicators for 2012/13

Indicator	Target	Actual
Security – potential default rate of the Council's investment portfolio based on current default rates provided from the 3 main credit rating agencies – its inclusion is recommended by CIPFA.	Max 0.08%	Max 0.02%
Liquidity – investments available within 1 week notice	£20m min.	Achieved
Liquidity – Weighted Average Life of investments	6 months max.	3 months
Yield – Investment interest return to exceed 7 day London Interbank BID rate	0.39%	0.88%
Origin of investments placed - maximum of the Council's investments to be directly placed with non-UK counterparties.	UK institutions 100%	Max 79%
	Non UK institutions 40%	Max 21%

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TRAFFORD COUNCIL

Report to: Council
Date: 10 July 2013
Report for: Information
Report of: Councillor Whetton and Councillor Mrs. Evans – Chairman and Vice-Chairman of Accounts and Audit Committee (2012/13)

Report Title

Accounts and Audit Committee Annual Report to Council 2012/13.

Summary

The report sets out the 2012/13 Annual Report of the Accounts and Audit Committee to be submitted to Council.

Recommendation

The Council is asked to note the report.

Contact person for access to background papers and further information:

Name: Mark Foster – Audit and Assurance Manager
Extension: 1323

Background Papers:

2012/13 Accounts and Audit Committee minutes
Accounts and Audit Committee terms of reference

Accounts & Audit Committee
Annual Report
To Council
2012-2013



TRAFFORD
COUNCIL

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FOREWORD BY THE CHAIR AND VICE CHAIR OF THE ACCOUNTS & AUDIT COMMITTEE

Trafford Council's Accounts & Audit Committee has been operating since the start of the 2005-06 municipal year, the Council being one of the first Local Authorities to introduce such a committee.

We believe that the Committee should be and is central to the provision of effective corporate governance. It is independent of the Executive and has a key role in providing both challenge across the organisation, and independent assurance to the Council, and the public, on how well the Council is being managed. We believe this is fundamental to good corporate governance.

By the effective fulfilment of its role the Committee should help to ensure public confidence in the objectivity and fairness of financial and other reporting. It also helps to deliver improved services and ensure the Council aims to achieve better value for money, the importance of this being highlighted given the current national economic climate.

Continuous improvement is a focus for this Committee. This is both in supporting the ongoing improvement and transformation of the Council as a whole but also in being proactive in continually improving the way the Committee operates, and in developing the skills and knowledge of its members.



Councillor Michael Whetton
Chairman, Accounts & Audit Committee 2012-13



Councillor Mrs. Laura Evans
Vice-Chair, Accounts & Audit Committee 2012-13

INTRODUCTION

Role of the Committee

The role of the Accounts and Audit Committee is to:

- provide independent assurance on the adequacy of the risk management framework and the associated control environment,
- undertake independent scrutiny of the Authority’s financial and non financial performance to the extent that it affects the Authority’s exposure to risk and weakens the control environment, and
- oversee the financial reporting process.

Assurance is gathered by the Committee largely from the work of Finance Services (including the Audit and Assurance Service and Financial Management), and External Audit (provided by the Audit Commission for the first part of 2012/13 and then by Grant Thornton for the latter part). Relevant officers within these areas attended meetings through the year. This was supplemented by assurance from other sources where this was considered appropriate, for example direct from the Council’s managers.

Purpose of the Report

The purpose of this report to Council is to:

- Summarise the work undertaken by the Accounts & Audit Committee during 2012/13 and the impact it has had.
- Provide assurance to the Council on the fulfilment of the Committee’s responsibilities.

Membership of the Committee

The Accounts & Audit Committee’s terms of reference state that its membership shall comprise seven members, be politically balanced within the Council’s current system, and shall not include any members of the Executive.

Accounts & Audit Committee Membership	
2012/13	2013/14
Cllr Michael Whetton (Chair)	Cllr Michael Whetton (Chair)
Cllr Laura Evans (Vice Chair)	Cllr Laura Evans (Vice Chair)
Cllr Barry Brotherton	Cllr Barry Brotherton
Cllr Jane Baugh	Cllr Jane Baugh
Cllr Chris Boyes	Cllr Chris Boyes
Cllr Paul Lally	Cllr Tom Ross
Cllr Tom Ross	Cllr Patrick Myers

ACCOUNTS & AUDIT COMMITTEE – SUMMARY OF ASSURANCES TO COUNCIL

The Committee derives its independent assurance from the work of External Audit, Finance (including Internal Audit and Financial Management), Council managers and external inspection agencies.

During the year, these sources of assurance were reported to the Committee on a regular basis across a wide spectrum of the work of the Council encompassing all the themes identified in the Committee's Terms of Reference. The Committee was able to both receive information and provide challenge and feedback to officers and external auditors. The Committee has therefore effectively fulfilled its responsibilities during 2012/13.

The Committee can provide the Council with assurance that its arrangements for:

- Internal and External Audit;
 - Risk management;
 - Corporate Governance, Internal Control and the Annual Governance Statement;
 - Anti fraud and corruption, and;
 - The production of the Statement of Accounts;
- are operating effectively.

The above areas were covered through the Committee's meetings during the year. A work programme was agreed by the Committee at the start of the year to ensure it met its responsibilities. This included reviewing regular updates on the work of internal audit, external audit, approval of draft and final accounts, updates of the Council's strategic risk register, review of anti-fraud and corruption arrangements, and regular updates on treasury management activity.

Through the year a number of further items were added to the programme at the request of the Committee which included updates / presentations on the use of Council reserves, insurance arrangements and developments in governance arrangement relating to the Trafford Partnership.

The current economic climate and associated pressures to achieve savings highlights the need for organisations to ensure effective systems and controls are in place to ensure value for money is achieved and the risk of fraud or error is minimised. The Committee has gained assurance that the governance framework, and within that the internal control environment, of the Council is considered to be operating effectively, providing assurance that principal risks to the achievement of the authority's policies, aims and objectives are adequately managed. Where areas for improvement / development have been identified, action plans to address these have been established.

Further assurance in terms of the outcome of the 2012/13 External Audit of the Council's Financial Statements and a conclusion on the Council's Value for Money arrangements will be reported later in 2013 to the Committee in the External Auditor's 2012/13 Annual Audit Letter. In November 2012, the Committee had gained assurance through the 2011/12 Annual Audit Letter that an unqualified opinion was given on the 2011/12 financial statements and the report also confirmed that the Council has proper arrangements in place to secure economy, efficiency and effectiveness in its use of resources.

Details of the work undertaken by the Committee are detailed in the rest of this report.

Accounts and Audit Committee – Work Completed During 2012/13

Internal Audit

Role of the Committee in relation to Internal Audit:

- Review and approve (but not direct) the terms of reference for Internal Audit, an Internal Audit Strategy and internal audit resourcing.
- Review and approve (but not direct) the annual Internal Audit work programme. Consider the proposed and actual audit coverage and whether this provides adequate assurance on the organisation’s main business risks. Review the performance of Internal Audit.
- Receive summary internal audit reports and seek assurance on the adequacy of management response to internal audit advice, recommendations and actions plans.
- Review arrangements for co-operation between Internal Audit, External Audit and other review bodies, and ensure that there are effective relationships which actively promote the value of the audit process.
- Receive the annual internal audit report and opinion.

Work Completed	Outcome/ Impact
<p>The progress of internal audit work conducted by the Audit and Assurance Service is reported to the Committee on a quarterly basis. This includes the results of individual reviews, responses to audit reports, progress in implementing the annual audit plan and performance of the Audit and Assurance Service. Update reports were presented in September 2012, November 2012 and February 2013.</p> <p>June 2012 The Annual Internal Audit Report was submitted, providing an opinion on the standard of internal controls during 2011/12 and a summary of work undertaken during the period.</p>	<p>The Committee maintained an effective overview of the control environment through 2012/13 and also obtained assurance that internal audit coverage and performance was satisfactory.</p> <p>The Committee gained assurance that based on Internal Audit work undertaken in 2011/12, overall, the Council’s control environment was deemed to be operating to a satisfactory standard. Improvement plans were produced for those areas where improvements were recommended and will be followed up as part of future internal audit work.</p>
<p>March 2013</p> <p>A report was submitted incorporating the 2013/14 annual internal audit plan.</p>	<p>Assurance that internal audit coverage for the coming year was satisfactory, that key business risks are considered and adequate internal audit resources were available.</p>

<p>March 2013 (continued)</p> <p>The Committee was provided with findings from the annual review of the effectiveness of the Council's internal audit.</p> <p>In addition, a briefing was provided in respect of the new Public Sector Internal Audit Standards, to be introduced from April 2013. This stated that the Audit and Assurance Service will be reviewing existing procedures and protocols to report to the Committee on adherence to the Standards as required by June 2014.</p>	<p>The report, based on information provided to the Committee through the year, together with details of the self assessment undertaken of Internal Audit against the Chartered Institute for Public Finance and Accountancy (CIPFA) best practice, concluded that Trafford Council operates an effective internal audit function in line with the CIPFA Code of Practice.</p> <p>(It should be noted that future annual reviews will be undertaken against the new Public Sector Internal Audit Standards).</p>
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External Audit

The role of the Committee in relation to external audit is:

- To review and consider proposed and actual External Audit coverage and its adequacy, and consider the reports of External Audit and other inspection agencies.
- To receive updates from External Audit on findings and opinions, and assurance as to the adequacy of management’s response to External Audit advice, recommendations and action plans.
- To review arrangements made for co-operation between External Audit, Internal Audit and other review bodies.

Work Completed	Outcome/ Impact
<p>June 2012 The Committee received a report from the Audit Commission on the progress made against planned work in its role as the Authority’s external auditor. The report, which included an update on the externalisation of the Audit Practice, also highlighted key emerging national issues and developments which could be of interest to members of the Committee.</p>	<p>The Committee was able to monitor progress in respect of Audit Commission work.</p>
<p>September 2012 The Audit Commission submitted the Annual Governance Report for the Council summarising the findings from the 2011/12 audit. It includes the audit of the Council’s financial statements for 2011/12 and an assessment of how well the Council uses and manages its resources to secure value for money.</p> <p>The Audit Commission also gave a presentation to the Committee on the role of External Audit.</p>	<p>An unqualified opinion on the financial statements was expected per the draft report presented. An unqualified conclusion was also expected in relation to arrangements for securing economy, efficiency and effectiveness in the use of resources. Some areas for improvement in controls within the payroll system were identified, which the external auditor confirmed (in its Annual Audit Letter of November 2012) that the Council were addressing.</p> <p>The Committee was able to gain information on the role and responsibilities of the external auditor.</p>
<p>November 2012 The Committee received the Audit Commission’s Annual Audit Letter summarising the findings from the 2011/12 audit of the Council, broadly comprising the audit of financial statements and an assessment of arrangements to achieve value for money in the use of resources. (In line with arrangements following the planned abolition of the Audit Commission, future external audit activity is to be provided by Grant Thornton – See February 2013).</p>	<p>It was reported that the Authority presented to the external auditors a good set of financial statements and supporting working papers. The report confirmed that an unqualified opinion was given on the financial statements.</p> <p>The report also confirmed that overall the Council has adequate arrangements to secure economy, efficiency and effectiveness in its use of resources.</p>

<p>February 2013 The Council's new External Auditor, Grant Thornton, submitted a progress report detailing external audit work completed and planned and also details of its audit fee for 2012/13. It also included reference to a number of national publications and issues for the Accounts and Audit Committee to consider.</p> <p>March 2013 A report was received from the external auditors summarising the findings from the certification of the Council's 2011/12 claims for funding from government grant-paying departments.</p> <p>The Committee received the External Audit Plan which sets out the work Grant Thornton plans to undertake for the audit of financial statements and the value for money conclusion for 2012/13.</p>	<p>The Committee was able to monitor progress in respect of external audit work and was also provided with guidance to assist in it undertaking its role.</p> <p>The Committee noted the findings which overall had proven positive. Some recommendations have been made which the Authority has considered and agreed to implement.</p> <p>The report provided the Committee with details of work Grant Thornton is required to undertake as the council's external auditor.</p>
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Risk Management

The role of the Committee in relation to risk management:

- Review the adequacy of arrangements for identifying and managing the organisation’s business risks – including the Council’s risk management policy and strategy and their implementation.
- Review the robustness of the strategic risk register and the adequacy of associated risk management arrangements.
- Receive and consider regular reports on the risk environment and associated management action.

Work Completed	Outcome/ Impact
<p>September 2012 The Committee was provided with a report setting out the Council’s Strategic Risk Register. The report provided an update on the strategic risk environment and identified further improvement actions to manage the strategic risks.</p>	<p>The Committee received assurance on the arrangements for managing key strategic risks and provided comments to be taken into account for future updates of the Strategic Risk Register.</p>
<p>March 2013 The Committee was provided with a further update report on the Strategic Risk Register.</p> <p>The Committee was also presented with the Council’s updated Risk Management Policy Statement and Strategy and were advised of ongoing work to further develop existing risk management guidance available to officers and members.</p>	<p>The Committee received assurance that there is ongoing monitoring of strategic risks with details provided for each risk of control / monitoring arrangements in place and where applicable further improvements planned.</p> <p>The Committee approved the Council’s Risk Management Policy Statement and Strategy.</p>

Corporate Governance, Internal Control and the Annual Governance Statement

The role of the Committee in relation to the above is to:

- Conduct a critical review of the proposed Annual Governance Statement, the procedures followed in its completion and supporting evidence to provide assurance to the Leader of the Council and the Chief Executive of its meaningfulness and robustness.
- Review effectiveness of corporate governance and internal control across the organisation and the adequacy of action taken to address any weaknesses or control failures.

Work Completed	Outcome/ Impact
<p>June 2012 A report of the Committee’s review of the 2011/12 draft Annual Governance Statement was presented.</p>	<p>The Committee noted that the Members were satisfied with the robustness of the process followed in generating the Annual Governance Statement and were satisfied that the statement itself is robust.</p>
<p>September 2012 The final version of the Annual Governance Statement, signed by the Chief Executive and Leader, was submitted to the Committee.</p>	<p>The Committee approved the 2011/12 Annual Governance Statement.</p>
<p>February 2013 A report setting out a proposed action plan to ensure compliance with the production of an Annual Governance Statement for 2012/13 was presented.</p> <p>A report was submitted to provide an update on work undertaken to date and further work planned in respect of the introduction of an effective electronic records management solution across the Council, as identified as an ongoing development action in the 2011/12 Annual Governance Statement.</p>	<p>Procedures and responsibilities of members and officers in the process for producing and approving the 2012/13 Annual Governance Statement were agreed.</p> <p>Assurance was provided that the organisation is taking action to strengthen areas highlighted for further development in the previous year’s Annual Governance Statement.</p>
<p>March 2013 A report was presented by Human Resources to provide an update on progress in delivering planned improvements, referred to in the 2011/12 Annual Governance Statement, in respect of workforce planning and development. The report covered an overview of current projects and a range of initiatives that are underway or in development.</p> <p>A presentation was given by the Partnerships and Performance Service covering governance arrangements for the Trafford Partnership.</p>	<p>Assurance was provided that the organisation is taking action to strengthen areas highlighted for further development in the previous year’s Annual Governance Statement.</p> <p>Following a request by the Committee, members were able to gain information to understand arrangements in place / planned developments.</p>

Anti - Fraud & Corruption Arrangements

The role of the Committee is to:

- Review and ensure the adequacy of the organisation’s Anti - Fraud & Corruption policy and strategy and the effectiveness of their application throughout the Authority.
- Review and ensure that adequate arrangements are established and operating to deal with situations of suspected or actual fraud and corruption.

Work Completed	Outcome/ Impact
<p>September 2012 The Fraud Investigation Team 2011/12 Annual Report was presented outlining the Council’s responsibilities towards tackling benefit fraud and detailing the team’s performance during the period and plans for the year ahead.</p>	<p>In respect of benefit fraud, assurance was obtained through the year on the adequacy of the Council’s anti-fraud and corruption arrangements and ongoing developments.</p>
<p>November 2012 The Committee received a report which set out the Council’s proposed updated Anti-Fraud and Corruption Strategy, including associated policies and guidance and plans to raise awareness of anti-fraud measures.</p>	<p>The Committee provided feedback on the content of the Anti-Fraud and Corruption Strategy and Policy documentation and this was taken into account in finalising the Strategy and Policy.</p> <p>The Committee gained assurance that updated anti-fraud guidance will be shared across the Council.</p>
<p>March 2013 The Audit and Assurance Service provided a report on anti-fraud and corruption work undertaken during the year. This included a summary of fraud investigation work undertaken by the Service, anti-fraud awareness raising activity completed and an update on work undertaken to support the National Fraud Initiative.</p>	<p>The Committee was provided with assurance that anti-fraud work by the Audit and Assurance Service continues to include both investigative work and awareness raising activity to aim to reduce the risk of possible fraud.</p>

Accounts

The role of the Committee is to:

- Approve the Council’s Annual Statement of Accounts including subsequent amendments.
- Consider the External Auditor’s report on the audit of the Council’s annual financial statements.
- Be responsible for any matters arising from the audit of the Council’s accounts.

Work Completed	Outcome/ Impact
<p>June 2012 The pre-audited Annual Statement of Accounts for 2011-12 was presented along with copies of the 2011-12 Revenue Budget Outturn and Capital Investment Programme Outturn reports.</p> <p>A report was submitted on the outcome of the review of treasury management activities for the past financial year. (In addition, in November 2012, a report was presented which provided an update on the progress of the treasury management activities undertaken for the first half of 2012/13).</p>	<p>In accordance with best practice, the Committee was able to review the accounts prior to submission to the external auditor and public inspection.</p> <p>Assurance was obtained that treasury management activities adhere to the CIPFA Code of Practice on Treasury Management and CIPFA Prudential Code for Capital Finance.</p> <p>It was also agreed at the June 2012 meeting that a Treasury Management training session was to be held for members. This was held as a separate session from the Committee meetings (in October 2012) and assisted members in gaining knowledge and understanding their role).</p>
<p>September 2012 The final accounts were presented following the audit of the 2011-12 draft accounts.</p>	<p>The Committee reviewed and approved the changes to the accounts that had been agreed with the external auditor (the Audit Commission) following its audit. (A further amendment to the accounts was subsequently agreed by the Chairman, Vice-Chairman and Opposition Spokesperson).</p> <p>The Committee thanked Finance Services for the work undertaken in preparing the accounts and also the external auditors for their input.</p>
<p>November 2012 The Committee was provided with a report providing background to the Council’s arrangements for the creation and use of provisions and reserves. The report provided details of the Council’s current reserves, estimated value at the end of 2012/13 and an estimate of future commitments. It also provided definitions for different categories of</p>	<p>In addition to the work programme established at the start of the year, during the year the Committee added further items to planned work. This included requesting and receiving assurance in respect of arrangements in respect of the use of reserves and also arrangements for insurance.</p>

<p>reserves to clarify their purpose.</p> <p>A report was submitted providing a summary of insurance performance for 2011/12 for all non-school activity. This covered activity relating to claims; the insurance budget and premium costs; future issues and further planned work. It was noted that a number of savings have been made, including reduced premium costs through greater self insurance.</p>	
<p>February 2013</p> <p>A Treasury Management report was submitted setting out the Council's strategy for 2013/14 – 2015/16. This included the debt strategy, minimum revenue provision (amounts set aside for debt repayment) and investment strategy.</p>	<p>The Audit Committee recommended that the Council approve the various elements of the Strategy.</p>

DEVELOPMENT OF THE ACCOUNTS & AUDIT COMMITTEE

Training and development

The members of the Accounts & Audit Committee are all very aware of the important role they have as the Council's members charged with responsibility for governance.

Discussions on training and development needs have taken place through the year, and to support members in effectively delivering their role, the Committee have embraced an ongoing programme of training and awareness raising. This has included presentations at Committee meetings and separate sessions.

During the year the following training areas were covered:

- **June 2012 - Financial Accounts**
Training session on the draft accounts, held in advance of the June Committee meeting.
- **September 2012 - Treasury Management**
Training session on Treasury Management, held outside of the Committee meetings.
- **September 2012 – Role of External Audit**
Presentation at the September Committee meeting.
- **November 2012 - Insurance**
Presentation at the November Committee meeting
- **February 2013 - Benefit Fraud Investigation**
Presentation at the February Committee meeting
- **March 2013 – Partnership Working**
Presentation at the March Committee meeting

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TRAFFORD COUNCIL

Report to: Council
Date: 10th July 2013
Report for: Decision
Report of: Chief Executive

Report Title

Report of the Independent Remuneration Panel

Summary

<p>In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 the Panel was convened to make recommendations to the Council in relation to amendments to the Scheme of Members' allowances.</p>
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<p>The recommendations of the Panel and revised scheme are appended at appendix 1 and Appendix 2 to this report for consideration by the Council.</p>

Recommendation(s)

- | |
|---|
| <ol style="list-style-type: none"> 1. The Council is asked to consider the recommendations of the Panel as set out in the report at Appendix 1 and the updated scheme at Appendix 2.
 2. That the Acting Director of Legal and Democratic Services be authorised to make any revisions to Part 6 of the Constitution (Members Allowances Scheme) as a consequence of the decisions of the Council. |
|---|

Contact person for access to background papers and further information:

Name: Peter Forrester
Extension: 1815

Background Papers:

Email to IRP Members – 24th April 2013
 Email to IRP Members - 14th May 2013
 Email to IRP Members - 11th June 2013
 Email to IRP Members – 14th June 2013

Implications

Relationship to Policy Framework/Corporate Priorities	N/A
Financial	The report recommends the Members' Allowances annual indexation link to staff pay is reintroduced.

	The Council's approved budget includes provision for this.
Legal Implications:	The Council is required to request an Independent Remuneration Panel to make recommendations about allowances for Members. The Council is required to give notice of a receipt of a report from a Panel and that it is about to make or amend a scheme. Notice of the receipt of a report was given on the 27 th June 2013.
Equality/Diversity Implications	None
Sustainability Implications	None
Staffing/E-Government/Asset Management Implications	None
Risk Management Implications	None
Health and Safety Implications	None

Report

In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 the Panel was convened to make recommendations to the Council in relation to amendments to the Scheme of Members' allowances.

The independent panel comprised:

- Mr Bernard Knight, Chairman Trafford Housing Trust
- Sir Bill Moorcroft, Principal, Trafford College; and
- Mr Ralph Rudden, Chairman of Trafford Neighbourhood Partnership.

The Panel were informed that the current Members' Allowances Scheme came into effect on 1st April 2007 following a recommendation from the Independent Remuneration Panel (IRP). The scheme is based on an alignment of adjustments to Members' Allowances to any annual adjustment to staff pay.

The regulations around Members' Allowances state that Councils can rely on this annual adjustment of allowances for no longer than a period of four years before seeking a further recommendation from the IRP. However, as there has been no pay award since 2010, the index rule became dormant and there has been no need to call the panel to review the scheme since that date.

The position changed this year. The Council's budget report referred to a pay award of 1% being awarded for staff. The Council's current scheme which linked members' allowances to the annual NJC pay award has expired so if there was a pay award for staff this year, the members' allowances would remain fixed at current levels with no mechanism for their review for this and future years unless a review was carried out.

Given this the IRP was asked to review the matter and make recommendations to Council.

The initial stage was to establish if the Panel considered the matter and felt they could deal with the matter electronically as they are due to meet again in the early autumn to review the arrangements for Scrutiny Topic Group Chairmen. They concluded that:

- there is no reason to undertake a full review of the scheme at this time. To do so properly would be a lot of work and very time consuming.

- the link between the scheme and the NJC award is sensible and reasonable as it plays into a national view about what the sector can and should afford.
- the link was previously in the scheme and has simply become time expired.

The Panel has made recommendations to reinstate the annual adjustment for this year and for the period up to 2016/17. The report of the Panel is contained at Appendix A and the revised scheme has been updated to reflect the recommendations of the Panel.

The recommendation allows for an automatic uplift to the Scheme in accordance with national agreements as has been the practice in previous years. This saves the Council having to consider the matter on an annual basis. However, Members may still determine whether they wish to accept any rise regardless of this.

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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 was convened in April 2013 to make recommendations to the Council in relation to amendments to the Scheme of Members' allowances.

The independent panel comprised:

- Mr Bernard Knight, Chairman Trafford Housing Trust
- Sir Bill Moorcroft, Principal, Trafford College; and
- Mr. Ralph Rudden, Chairman of Trafford Neighbourhood Partnership.

The Panel were informed that the current Members' Allowances Scheme came into effect on 1st April 2007 following a recommendation from the Independent Remuneration Panel (IRP). The scheme is based on an alignment of adjustments to Members' Allowances to any annual adjustment to staff pay as set out below:-

Annual Adjustment

10 (1) The Members' Allowance scheme, including the Dependants' Carers' Allowance, will be adjusted annually before the start of each year and the allowances (excluding travelling and subsistence allowance) will be increased by the amount of the annual pay award by the National Joint Council for Local Government Service

(2) The annual adjustment in 10(1) shall take place for the years commencing 1st April 2008, 2009 and 2010.

The regulations around Members' Allowances state that Councils can rely on this annual adjustment of allowances for no longer than a period of four years before seeking a further recommendation from the IRP. However, as there has been no pay award since 2010, the index rule became dormant and there has been no need to call the panel to review the scheme since that date.

The position changed this year. The Council's budget report referred to a pay award of 1% being awarded for staff. The Council's current scheme which linked members' allowances to the annual NJC pay award has expired so if there was a pay award for staff this year, the members' allowances would remain fixed at current levels with no mechanism for their review for this and future years unless a review was carried out.

Given this the IRP was asked to review the matter and make recommendations to Council.

2. The Panel's Findings

The initial stage was to establish if the Panel wished to meet in person to carry out a review or whether they felt they could deal with the matter electronically. The Panel are due to meet again in the early autumn to review the arrangements for Scrutiny Topic Group Chairmen. They concluded that:

- there is no reason to undertake a full review of the scheme at this time. To do so properly would be a lot of work and very time consuming.
- the link between the scheme and the NJC award is sensible and reasonable as it plays into a national view about what the sector can and should afford.
- the link was previously in the scheme and has simply become time expired.

3. Recommendations

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

Paragraph 1 be amended to read

1 This Scheme may be cited as the Trafford Metropolitan Borough Council Members' Allowances Scheme and shall take effect on 1st July 2013.

And that paragraph 10 be amended to read

Annual Adjustment

10 (1) The Members' Allowance scheme, including the Dependants' Carers' Allowance, will be adjusted annually before the start of each year and the allowances (excluding travelling and subsistence allowance) will be increased by the amount of the annual pay award by the National Joint Council for Local Government Service

(2) The annual adjustment in 10(1) shall take place for the years commencing 1st April 2014, 2015 and 2016.

4. Declarations

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

- Ralph Rudden is a member of the Diverse Communities Board of which elected Councillors are members.
- Mr Bernard Knight is Chairman of Trafford Housing Trust Board of which elected Councillors are members.
- Sir Bill Moorcroft is Principal of Trafford College of which one Councillor is on the Board. He is also Director of the Learning Strategic Partnership and is also Chair of the Children's Partnership Board of which elected Councillors are members

Ralph Rudden
Sir Bill Moorcroft
Bernard Knight

Panel Members – June 2013

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PART 6

MEMBERS' ALLOWANCES SCHEME

MEMBERS' ALLOWANCES SCHEME

The Trafford Metropolitan Borough Council ("the Authority"), in exercise of the powers conferred by the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) hereby makes the following Scheme:

1 This Scheme may be cited as the Trafford Metropolitan Borough Council Members' Allowances Scheme and shall take effect on 1st July 2013.

2 In this Scheme

"councillor" means an elected member of the Trafford Metropolitan Borough Council;

"co-optee" means a person who is not an elected member of Trafford Metropolitan Borough Council but is a voting member of a committee or sub-committee of the Authority;

"year" means the period from 1st July 2013 to 31st March 2014 and each 12 month period thereafter from 1st April until 31st March.

Basic Allowance

3 (1) Subject to paragraphs 8 and 9, for each year the basic allowance specified in Schedule 1 hereto shall be paid to each councillor.

(2) The basic allowance referred to in paragraph 3 shall be inclusive of all travelling expenses, whether by public or private transport except in the following circumstances:

(a) Councillors who are members of the Planning Development Control Committee who are required to visit sites which are the subject of planning applications shall be paid the amount specified in the schedule to reflect the additional travelling expenses resulting from those visits. Substitute Members of the Planning Development Control Committee should not be eligible for an additional travelling allowance given that the basic allowance includes an element towards travelling expenses within the borough.

(b) Councillors and co-optees who are required to travel on Council business outside the boundaries of the Borough shall be paid travelling and subsistence allowances as set out in Schedule 2 hereto. All car allowance will be paid at the minimum rate.

(c) Councillors who are registered disabled shall be reimbursed taxi fares or have the fares otherwise paid for provided that

(i) public transport is not reasonably available; and

- (ii) the journey is necessary in order to attend or return from an approved duty which includes duties necessarily undertaken as part of any special responsibility.

Special Responsibility Allowances

- 4
- (1) For each year a special responsibility allowance shall be paid to those councillors who hold special responsibilities in relation to the Authority that are specified in Schedule 1 to this scheme.
 - (2) Subject to paragraphs 8 and 9, the amount of each such allowance shall be the amount specified against that special responsibility in that Schedule.
 - (3) If any councillor is entitled to receive more than one special responsibility allowance payment shall be restricted to the highest of the relevant special responsibility allowances to which the councillor is entitled and one half of the second highest. This restriction shall not apply to the Transport for Greater Manchester Committee allowance, Greater Manchester Waste Disposal Authority allowance and Social Services Visits allowance which shall be paid in addition to any other special responsibility allowance to which a councillor may be entitled.
 - (4) To be eligible for special responsibility payments, the Main Opposition Leader, Deputy Opposition Leader and Shadow Cabinet Members must represent a group holding at least 25% of the seats on the Council. Shadow Executive arrangements should reflect the composition of the Council's Executive and as such the special responsibility allowance for the Deputy Opposition Leader should only be applicable to a shadow executive member appointed as Deputy Opposition Leader.
 - (5) To be eligible for the special responsibility allowance for Social Services Visits a nominated councillor must meet the following conditions:-
 - (i) be cleared under the CRB checking procedure
 - (ii) carry out the monthly visits as assigned by the Social Services Central Support Unit and adhere to any agreed procedures relating to visits to social services establishments

If a councillor, without good cause, fails to carry out any of his/her assigned visits for a period of two consecutive months that councillor shall cease to be eligible to receive the allowance and shall repay any instalments of the allowance paid for any month when he/she failed to carry out the assigned visits.

If a councillor is unable, for any reason, to carry out visits for a period of time that councillor will, for that period of time, cease to be eligible to receive the allowance.

- (6) A special responsibility allowance is allocated to Licensing Sub-Committee Chairmen on a pro-rata basis in accordance with the number of meetings chaired and is to be paid 12 months in arrears. The Chairman of the Licensing Committee has responsibility to ensure that the chairing of Licensing Sub-Committee meetings is shared equally amongst the Licensing Sub-Committee Chairmen.

Childcare and Dependants' Carers' Allowances

- 5 The Authority has agreed that a childcare and dependant carers' allowance should be paid. This allowance will be paid based on actual costs incurred, on production of receipts, up to a maximum as detailed in Schedule 1 of this Scheme, for attendance on approved duties as set out in Schedule 3 hereto. This allowance cannot be claimed where the carer is another member of the councillor's household.

Co-optees' Allowances

- 6 (1) Subject to paragraphs 6(2), 8 and 9, for each year the relevant allowances specified in Schedule 1 hereto shall be paid to each relevant co-optee.
- (2) Allowances shall not be paid to co-optees under 6(1) if they are already being paid by any employer or other organisation to attend the committee or sub-committee on which they are a co-optee.
- (3) The amount of any allowance paid to a co-optee who chairs an Overview and Scrutiny Committee shall not be less than the minimum amount of any Special Responsibility Allowance payable under the Council's Scheme to a person who chairs any other committees or sub-committees of the Council.

Renunciation

- 7 A councillor or co-optee may, by notice in writing given to the Chief Executive, elect to forgo any part of his/her entitlement to an allowance under this Scheme.

Part Year Entitlements

- 8 (1) the provisions of this paragraph shall have effect to regulate the entitlements of a councillor to basic and special responsibility allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a special responsibility allowance is payable.
- (2) If an amendment to this scheme changes the amount to which a councillor is entitled by way of basic allowance or a special responsibility allowance, then in relation to each of the periods

- (a) beginning with the year ending with the day before that on which the first amendment in that year takes effect, or
- (b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year.

the entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.

- (3) Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to basic allowance shall be to the payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his or her term of office subsists bears to the number of days in that year.
- (4) Where this scheme is amended as mentioned in sub-paragraph (2), and the term of office of a councillor does not subsist throughout the period mentioned in sub-paragraph (2)(a), the part entitlement of any such councillor to a basic allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his or her term of office as a councillor subsists bears to the number of days in that period.
- (5) Where a councillor has during part of, but not throughout a year such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to the payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he or she has such special responsibilities bears to the number of days in that year.
- (6) Where this scheme is amended as mentioned in sub-paragraph (2), and a councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph (2)(a) of that paragraph any such special responsibilities as entitle him or her to a special responsibility allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.
- (7) this paragraph also applies to co-optees in respect of the allowances to which they are entitled.

Withholding Repayment of Allowances

- 9 (1) In the following circumstances the specified allowances will be withheld:
- (i) where a councillor is fully or partially suspended from their duties, their basic allowance may be fully or partially withheld.
 - (ii) where a councillor is fully or partially suspended from any duties or responsibilities which attach special responsibility allowance, those allowances may be withheld.
 - (iii) travel and subsistence allowances may be withheld where a councillor has been suspended from duties or responsibilities which attract these allowances.
 - (iv) co-optees' allowances may be withheld where a co-optee is partially or fully suspended from their duties.
- (2) If any of the above allowances have already been paid to a councillor or co-optee in respect of a period during which they have been suspended then the councillor or co-optee shall repay that part of the allowance.

Annual Adjustment

- 10 (1) The Members' Allowance scheme, including the Dependants' Carers' Allowance, will be adjusted annually before the start of each year and the allowances (excluding travelling and subsistence allowance) will be increased by the amount of the annual pay award by the National Joint Council for Local Government Service
- (2) The annual adjustment in 10(1) shall take place for the years commencing 1st April 2014, 2015 and 2016.

Claims and Payments

- 11 (1) Claims for travelling and subsistence and Dependants' Carers' allowances under this Scheme shall:
- (i) be made in writing to the Director of Finance within two months of the date of the approved duty in respect of which the entitlement to the allowance arises; and
 - (ii) specify the duty in respect of which the claim is submitted and shall be accompanied by any receipt for the expenditure incurred.
- (2) Payments shall be made in respect of basic, special responsibility and other allowances (except as set out in 11(1) in instalments of one-

twelfth of the amount specified in this scheme on the fifteenth day of each month and shall be subject to taxation and national insurance contributions.

Other Authorities

- 12 If a councillor or co-optee is also a member of another authority, that councillor or co-optee must not receive allowances from more than one authority in respect of the same duties.

Revocation of Previous Allowances Scheme

- 13 The previous Members' Allowances Scheme is hereby revoked, without prejudice to a Councillor's entitlement to payments under that scheme becoming due and payable on or before 31st May 2007.

Pensions

- 14 (1) All qualifying councillors are entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972.
- (2) Both the basic allowance and any special responsibility allowances received by a councillor are to be treated as amounts in respect of which such pensions are payable.

SCHEDULE 1

MEMBERS' ALLOWANCES 2013/14

(The allowances (excluding travelling and subsistence allowance) will be increased by the amount of the annual pay award by the National Joint Council for Local Government Service when this is agreed

	Annual Allowance £
Basic Allowance	6,352
Special Responsibilities	
Leader of the Council	25,409
Deputy Leader of the Council	17,785
Main Opposition Leader	12,704
Minority Opposition Leader	2,539
Cabinet members (except Deputy Leader)	12,704
Shadow Cabinet members (including Deputy Opposition Leader)	2,539
Planning Development Control Committee Chairman	10,164
Licensing Committee Chairman	10,164
Committee Chairmen	7,621
Committee Vice-Chairmen	3,811
Scrutiny Topic Group Chairmen #	5,716
Chairman of Standards Committee #	2,246
Opposition Spokespersons (Planning Development Control and Licensing)	2,539
*Transport for Greater Manchester Committee (TfGMC): Trafford Members	
§ TfGMC Members Allowance (Paid to all those not holding other remunerated TfGMC post)	*3,825
§ Responsibility Allowances:	
• The Chair of TfGMC	*28,250
• 3 Vice Chairs of TfGMC / Chairs of the Sub-Committees	*14,125
• 3 Deputy Chairs of the Sub-Committees	*5,050

**Greater Manchester Waste Disposal Authority	
(GMWDA): Trafford Members	
§ TfGMC Members Allowance (Paid to all those not holding other remunerated TfGMC post)	**2,100
§ Responsibility Allowances:	
• The Chair of GMWDA	**12,000
• 3 Vice Chairs of GMWDA	**5,400
• 3 Deputy Chairs of GMWDA	**2,600
Neighbourhood Forum Chairmen	1,556
Licensing Sub-Committee Chairmen	3,176
	(pro rata to Number of meetings chaired)

Co-optees' Allowances:

Other co-optees	1,123
Standards Committee #	750

Other Allowances:

Social Services Visits (subject to confirmation)	420
Planning Development Control Travel Allowance	381
Childcare/Dependant Carers' Allowance	Up to £81 per week
Independent Person *	£1000

An additional rate of £30 per hour should be paid for any work that is required in excess of five days input.

* Amended by Council on 24th May 2011

** Amended by Council on 13th July 2011

Amended by Council on 19th September 2012

SCHEDULE 2

TRAVELLING AND SUBSISTENCE ALLOWANCES

Car Allowance

46.9p per mile (if used outside the Borough)

Bicycle Allowance

30p per day (if used outside the Borough)

Subsistence Rates

Breakfast	£4.48
Lunch	£6.17
Tea	£2.43
Evening Meal	£7.64

Out of Pocket Allowances (Residential Training Courses)

Per night	£3.63
Per week	£14.55

SCHEDULE 3

APPROVED DUTIES

1. A meeting of the Executive
2. A meeting of a Committee of the Executive
3. A meeting of the Authority
4. A meeting of a Committee or Sub-Committee of the Authority
5. A meeting of any other body to which the Authority makes appointments or nominations
6. A meeting of a committee or Sub-committee or any other body to which the Authority makes appointments or nominations
7. A meeting which has both been authorised by the Authority, a committee or Sub-Committee of the authority or a Joint Committee of the Authority and one or more other Authorities, or a Sub-committee of a Joint Committee and to which representatives of more than one political group have been invited (if the Authority is divided into political groups) or to which two or more Councillors have been invited (if the Authority is not divided into political groups).
8. A meeting of the Local Authority Association of which the Authority is a member.
9. Duties undertaken on behalf of the Authority in pursuance of any standing order made under Section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened.
10. Duties undertaken on behalf of the Authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
11. Duties undertaken on behalf of the Authority in connection with arrangements made by the Authority for the attendance of pupils at a school approved for the purposes of Section 342 of the Education Act 1996.
12. Panels and Working Parties
13. Joint Briefings
14. Visiting teams/Committee visits.

15. Any other duty approved by the Council for the purposes of, or in connection with, the discharge of the functions of the Council, or of any of its Committees or Sub-Committees.
16. Any duty for the purpose of, or in connection with, the discharge of the functions of the Executive.
17. Mayoral duties undertaken by the Mayor and Deputy Mayor of Trafford.