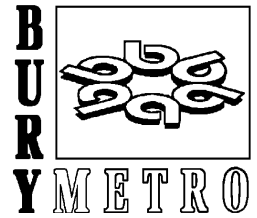


**REPORT OF THE INDEPENDENT REMUNERATION PANEL
TO THE MEETING OF THE COUNCIL TO BE HELD ON
WEDNESDAY, 31 OCTOBER 2007**



1.0 INTRODUCTION

- 1.1 Under the Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities must establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the Local Authority about the allowances to be paid to Members.
- 1.2 The Regulations require that Independent Remuneration Panels should have at least three members. Members of Panels cannot be Members of any Local Authority in respect of which the Panel makes recommendations and must be independent of the Council.
- 1.3 Bury MBC has appointed an Independent Remuneration Panel which currently consists of the following members:-

Colin Smith OBE (Chair) Retired Local Authority Chief Executive.

Gloria Oates OBE DL : Resident of Bury and former Chief Executive of Oldham NHS Trust

Ronald Schwarz : Resident of Bury and retired Head Teacher.

Colin Nichol : Millgate Shopping Centre Manager.

2. BACKGROUND

- 2.1 The Panel carried out a review of the current Members' Allowances Scheme for Bury and presented a report to Council on 27 June 2007.
- 2.2 The Panel has held a further meeting on 18 October 2007 in order to consider the current level of allowance paid to the Council's representatives on the Greater Manchester Waste Disposal Authority and the current level of allowance paid to the Mayor and Deputy Mayor.
- 2.2 Present on 18 October were Colin Smith (Chair), Gloria Oates and Ronald Schwarz. An apology for absence was received from Colin Nichol.

3. GREATER MANCHESTER WASTE DISPOSAL AUTHORITY (GMWDA)

- 3.1 Currently, allowances to the Council's representatives on the Joint Authorities are as follows:-
 - Police Authority – Basic Allowance of £10,200

- Fire and Rescue Authority – Basic Allowance of £3,635 and SRA of £2,832.
- GMPTA – Basic Allowance of £3,525.
- Greater Manchester Waste Disposal Authority - £1,728.

3.2 Payments are made directly by the Police Authority and the Fire and Rescue Authority. The Council invoices the GMPTA for allowances paid and those are reimbursed.

3.3 Greater Manchester Waste Disposal Authority does not have the power to pay an allowance directly and has, therefore, asked individual authorities to meet the cost of the allowance.

3.4 The payment made by Bury of £1,728 is the second lowest in Greater Manchester. The level of allowance was comparable with that paid by Oldham, which administered the GMWDA (£1,764), but Oldham had written into its Member Allowances Scheme the following:

“That in view of the additional workload arising from the 25 year PFI contract for the disposal of the conurbation waste, the Council’s representative on the WDA be paid an additional hourly rate of £15 with a maximum of 2 hours preparation time per meeting, in relation to any work carried out on the procurement process.”

3.5 The Panel took into consideration that the PFI contract referred to is the largest public sector contract ever issued in Europe. The payment agreed by Oldham MBC, on the recommendation of its Independent Remuneration Panel, reflected the demands placed upon Members during the onset of the contract when Evaluation Panels were established in order to deal with procurement issues.

3.6 The Panel came to the following conclusions:

- § The degree of work associated with procurement issues, which commenced in March 2005, had now receded. However, the GMWDA has now to address issues around the delivery of facilities and consultation through the local authorities. The GMWDA has indicated that the number of meetings generally will continue to be higher than when the Authority was established, even though the evaluation work is drawing to a close.
- § The Panel did not favour the payment of hourly rates as it considered that this was against the spirit of the Local Authorities (Members’ Allowances) Regulations 2003.
- § The Panel was persuaded that the level of allowance paid to representatives on the GMWDA should be increased as it was inconsistent with the level of allowances paid by other joint authorities and that it was in need of review in light of the demands made upon the Members.

3.7 The Panel decided to recommend to Council that representatives on the GMWDA should be in receipt of an allowance of £2,500.

4. MAYORAL ALLOWANCES

4.1 Currently, £12,500 is made available annually to support the Mayoralty comprising £9,375 for the Mayor and £3,125 for the Deputy Mayor.

- 4.2 Of the nine other Greater Manchester Authorities, only one had a Mayoral Allowance less than that paid in Bury. If the Mayor and Deputy Mayor's Allowances are combined, two of those pay less than Bury.
- 4.3 In considering the level of Mayoral Allowances, the Panel took into account the following information:
- § Expectations of the Council as to what expenses should be met by Mayor and Deputy Mayor in carrying out their duties.
 - § An average Mayoral Allowance across Greater Manchester of £14,169 if taking out the lowest and highest rates.
 - § The Deputy Mayor's Allowance in Bury had been set at 25% of the Mayor's Allowance.
- 4.4 The Panel concluded that the Mayoral Allowance should be adjusted in order to equate more closely with allowances paid across Greater Manchester and that the Mayor's Allowance should be increased to £14,100 and the Deputy Mayor's Allowance to £3,525.

5. ANNUAL INCREASES FOR ALLOWANCES

- 5.1 The Panel considered that this matter should be the subject of consideration at a future meeting.

6. RECOMMENDATIONS

- 6.1 **That the Council's representatives on the GMWDA be in receipt of a special responsibility allowance of £2,500, with effect from 16 May 2007, and that the Allowance be the subject of further review by this Panel.**
- 6.2 **That the Mayor's Allowance be set at £14,100 with effect from 16 May 2007.**
- 6.3 **That the Deputy Mayor's Allowance be set at £3,525 with effect from 16 May 2007.**

**COLIN SMITH
CHAIR OF THE INDEPENDENT REMUNERATION PANEL**