

REPORT OF THE INDEPENDENT REMUNERATION PANEL

1. PURPOSE

1.1 To consider outstanding issues following approval of the scheme for Members' Allowances for 2003/4.

2. BACKGROUND

2.1 The Panel's Terms of Reference for 2002/3 are set out below:

- To make recommendations on Basic Allowance and Special Responsibility Allowance (SRA).
- To make recommendations on whether the Scheme should include provision for carers.
- To consider an allowance for the Deputy Mayor.
- To consider the payment of SRA to Executive Members without Portfolio.
- To look at support for Members with taxation, National Insurance and Benefit issues.
- To consider the inclusion of travel expenses and telephone costs within the basic allowance.

2.2 The Panel's recommendations in regard to Members' Allowances for 2002/3 were as follows:

- Basic Allowance of £6,630
- Special Responsibility Allowances as follows:

○ Leader	£21,000
○ Deputy Leader (60%)	£12,600
○ Executive Member with Portfolio(40%)	£8,400
○ Executive Member without Portfolio(25%)	£5,250
○ Leader – Main Opposition (33%)	£6,930
○ Deputy Leader – Main Opp.(40% of LMO)	£2,772
○ Leader – Smaller Opposition(16.5%)	£3,465
○ Deputy Leader – Smaller Opp.(40% of LSO)	£1,386
○ Chairs – Panels, Boards and Committees(25%)	£5,250
- Travelling expenses should be paid at the appropriate mileage rate for journeys on approved duties within the Borough in addition to journeys out of the Borough.
- Telephone Allowances should be paid at a fixed level per month of rental to take advantage of inclusive charge to cover free local (and national) calls in the evenings and at weekends.
- An advice facility should be available to members covering taxation, benefits and national insurance.
- An allowance should be paid to the Deputy Mayor to cover out of pocket and other expenses. This should be fixed at 25% of the Mayor's Allowance at £3,000.

- To agree arrangements for the Chief Executive to recover payments of basic allowance if a member fails to attend at least 60% of meetings.
- To make available a child care and dependent carers allowance up to £1200 per annum. The allowance may be claimed in respect of children aged 16 years or under or in respect of other dependants where there is medical or social evidence that care is required.

2.3 The Standards Committee on 16th July 2002 agreed the recommendations of the Panel to be implemented in 2003/4 and that the indexation of Special Responsibility Allowances be not applied, and the Independent Remuneration Panel be requested to consider the most appropriate way of indexing the level of Special Responsibility Allowances for future years.

2.4 The above decision was endorsed by Council.

3. ISSUES FOR CONSIDERATION

3.1 Following revisions to the Council's Constitution, it was agreed that the terms of reference of the Appointment and Appeal Committee should be extended to include non executive personnel management functions. As a result, the Committee was re-named the Human Resources and Appeals Panel and the role of the Chair has been referred to the Panel for review.

3.2 The Association of Greater Manchester Authorities agreed the broad principle of recommending payment of allowances for Members who represent individual Authority's on the Waste Disposal Authority. The recommended allowance is £1,728 and the Council is represented by two Members.

3.3 As indicated in Paragraph 2.3, the Panel has been asked to consider an appropriate means of indexing the level of Special Responsibility Allowance for future years.

3.4 The Panel has been asked to consider the current Mayor's Allowance of £12,000 per annum. The Deputy Mayor's Allowance has been set at 25% of the Mayor's Allowance.

4 FINDINGS

The Panel gave further consideration to its previous findings and decided to make the following recommendations:-

4.1 The Panel finds that the level of responsibility of the Chair of the

- Human Resources and Appeals Committee is such as to justify the payment of a Special Responsibility Allowance and recommends that an Allowance of £5,250 is paid.
- 4.2** The Panel recommends that a payment of £1,728 is paid to the Council's representatives on the Greater Manchester Waste Disposal Authority in accordance with the recommendation of the Association of Greater Manchester Authorities.
- 4.3** The Panel has considered carefully the indexation of Special Responsibility Allowances and has taken advice on the mechanisms applied in other local authorities. The Panel considers that there is a clear relationship between the Basic Allowance and Special Responsibility Allowance and it is important that these are seen as a package. A demonstrable means of applying to each a fair and equitable method of review is therefore essential. It therefore recommends that its position is re-affirmed whereby the level of allowances payable in respect of the Special Responsibility Allowance should be increased annually at the same rate as the pay award agreed by the Joint Council for Local Government Services. In light of this, it is recommended that the April 2003 pay award of 3.5% be applied to the allowances set out in Paragraph 2.2, whilst recognising that the 3% award backdated to July 2002 and the 1% from October 2002 has not been applied to the initial recommendations.
- 4.4** The Panel recommends that the Mayor's Allowance be increased from £12,000 to £12,800 which is the average of allowances paid within Greater Manchester and thereafter increased in line with local authority pay awards, with effect from the new Municipal Year.