

Manchester City Council Report for Resolution

Report to: Council – 4 October 2023

Subject: Review of Members' Allowances

Report of: City Solicitor

Summary

To enable the Council to consider the report and recommendations of the Council's Independent Remuneration Panel (IRP) in relation to the remuneration of the members of the Greater Manchester Combined Authority (GMCA) Overview and Scrutiny Committee.

Recommendations:

That Council:

1. Accept the recommendations of the Council's Independent Remuneration Panel and agree payment of special responsibility allowances to the Manchester City Council Members appointed as Members, substitute Members, Chair and, where appointed, the vice-chair of the GMCA Overview and Scrutiny Committee as set out in the report, backdated to 1st April 2023;
 2. Agree the indexation of the special responsibility allowances as recommended by the Council's Independent Remuneration Panel;
 3. Instruct the City Solicitor to amend the Council's Members' Allowance Scheme set out in Part 7 of the Council's Constitution to give effect to the decision of Council.
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Wards Affected - All

Financial Consequences – Revenue

There are no financial implications for the Council arising as a result of the proposed changes to the Member Allowance Scheme. Allowances paid by the Council to its Members that are appointed to sit on the GMCA Overview and Scrutiny Committee will be reimbursed to the Council by the GMCA.

Financial Consequences – Capital - None.

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Background documents (available for public inspection):

The following document discloses important facts on which the report is based and has been relied upon in preparing the report. Copies of the background documents are available up to 4 years after the date of the meeting. The document is available on the Council's website www.manchester.gov.uk

- Report of the Council's Independent Remuneration Panel
- Statutory Guidance issued by the Secretary of State

1. Background

1.1 At its meeting held on 16 December 2022 the GMCA considered a report of its Independent Remuneration Panel in relation to special responsibility allowances (SRA's) for Members appointed to the GMCA Overview and Scrutiny Committee and recommended as follows:

- a) That the recommendations of the report of the GM IRP be noted and accepted;
- b) That it be noted that the levelling up bill is still proceeding through parliament and therefore the GMCA does not yet have legislative power to pay allowances directly to the GMCA Overview and Scrutiny Committee members;
- c) That it be recommended that the GM Districts consider paying such allowances to their appointees to the GMCA Overview and Scrutiny Committee in the interim;
- d) That a request be made to the GMCA Treasurer to ensure that appropriate arrangements be put in place with GM Districts to enable the payment of the allowances, subject to reimbursement from the GMCA;
- e) That it be recommended that any Special Responsibility Allowances for Members and Chair of the GMCA Overview and Scrutiny Committee be set as recommended in the report and be backdated to 24th June 2022 when the new scrutiny arrangements were put in place.

2. The Manchester City Council Independent Remuneration Panel

2.1 The Manchester City Council Independent Remuneration Panel consists of the following persons:

- Dr Declan Hall (Chair) - a former lecturer at the Institute of Local Government, the University of Birmingham, currently an independent consultant who specialises in Members Allowances and support;
- Vicky Knight – Regional Manager, UNISON North West
- Clive Memmott OBE - Chief Executive of Greater Manchester Chamber of Commerce.

2.2 The Council's IRP met on 27 June 2023 and interviewed a number of Members and Council staff. The IRP completed its review on 3 July 2023 and issued its report which is attached as Appendix 1.

2.3 Before the Council amends the Members' Allowances Scheme it must have regard to the report of the IRP and also the Statutory Guidance issued by the Secretary of State, a copy of which is attached at appendix 2.

2.4 The Council is not obliged to follow the proposals of the IRP.

3. Summary of the Panel's Recommendations

3.1 The IRP recommends that the Council sets out in its allowances scheme that it pays the following SRAs to the Members it appoints to the GMCA Overview & Scrutiny Committee (until the GMCA acquires to powers to pay the posts itself) as follows:

- The full Members: annual SRA of £3,228
- The Substitute Members: an annual standing SRA of £536 + a variable SRA of £134.52 for each meeting attended of the Overview & Scrutiny Committee and related Task & Finish Groups
- If a MCC Member is a Chair: an annual SRA of £9,684 only
- If a MCC Member is a Vice Chair (and GMCA appoints one): an annual SRA of £4,035 only

3.2 The IRP further recommends, in accordance with Council policy, that the SRAs paid to MCC Members appointed to the GMCA Overview and Scrutiny Committee are subject to the 1-SRA only rule. In that where a Member appointed to the GMCA Overview and Scrutiny Committee, who is already in receipt of another SRA, then they are only able to be paid 1-SRA only.

3.3 The IRP also recommends that the SRAs paid to MCC Members appointed to the GMCA Overview and Scrutiny Committee are updated each year in accordance with the annual percentage pay increase given to Manchester City Council employees at SCP 43 (and rounded to the nearest £) as agreed for each year by the National Joint Council for Local Government Staff. This index should continue to the end of March 2025, if the SRAs are still applicable at MCC.

3.4 The IRP recommended that the recommended SRAs for MCC Members appointed to the GMCA Overview and Scrutiny Committee including their indexation are implemented from 1st April 2023 or from any date before then as agreed by the Council.

4. Recommendations:

4.1 The recommendations appear at the front of this report.