

**A Review  
Of  
Members' Allowances  
For  
Manchester City Council**

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**A Report**

**By the**

**Independent Remuneration Panel**

**Dr Declan Hall (Chair)  
Vicky Knight  
Clive Memmott OBE**

**July 2023**

## **Executive Summary: Recommendations**

**The IRP recommends that:**

### **MCC Members appointed to the GMCA Overview and Scrutiny Committee**

- 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

### **Applying 1-SRA rule to the GMCA Overview and Scrutiny SRAs**

The SRAs paid to MCC Members appointed to the GMCA Overview and Scrutiny Committee is subject to the 1-SRA only rule.

### **Indexation of Allowances**

The SRAs paid to MCC Members appointed the GMCA Overview and Scrutiny Committee are also 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.

### **Special Responsibility Allowances**

Any recommendations on other SRAs are to be deferred at the request of MCC for further consideration.

### **Implementation of Recommendations**

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

## **A Review of Members' Allowances**

**For**

**Manchester City Council**

**By the**

**Independent Remuneration Panel**

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### **Introduction: The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (the IRP) for Manchester City Council to advise the Council on its Members' Allowances scheme. The IRP was convened under *The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021)* ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory Independent [Members] Remuneration Panel to review and provide advice on Members' allowances on a periodic basis. All Councils are required to convene their IRP and seek its advice before they make any changes or amendments to their members' allowances scheme. They must 'pay regard' to their IRPs recommendations before setting a new or amended Members' Allowances Scheme (2003 Regulations paragraph 19)
2. On this particular occasion, as the Council was primarily seeking to adopt some new SRAs, namely for Members appointed to the GMCA Overview and Scrutiny Committee, the IRP was reconvened under the 2003 Regulations (paragraph 19).

### **The IRP**

3. Manchester City Council reconvened its Independent Remuneration Panel, constituted of the following members:
  - 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

- Clive Memmott (OBE):<sup>1</sup> Chief Executive of Greater Manchester Chamber of Commerce
  - Vicky Knight: Regional Manager UNISON North West
4. The IRP was supported by:
- Fiona Ledden: City Solicitor
  - Peter Hassett: Senior Lawyer, who took the organisational Lead in facilitating the work of the IRP

### Terms of Reference

5. In accordance with the 2003 Regulations (21.1) and 2006 Statutory Guidance on Regulation for Local Authority Allowances (61) the IRP was asked to produce a report to make recommendations on the following:
- I. The payment of SRAs to those Manchester City Council (MCC) Members appointed as members of the Greater Manchester Combined Authority (GMCA), including as members, substitute members or the Chair to the GMCA Overview and Scrutiny Committee and the amount of such allowances
  - II. The responsibilities or duties which should lead to the payment of a Special Responsibility Allowance (SRA) and as to the amount of such an allowance
  - III. As to whether annual adjustments of allowance levels may be made by reference to an index, and, if so, which index should apply, subject to a maximum of four years, before its application is reviewed
  - IV. The implementation date for the new Scheme of Members' Allowances and as to whether, in the event that the scheme is amended, any such amendments should be backdated to the beginning of the financial year

In undertaking the review, the IRP is expected to:

- A. To take into account allowances paid in comparable councils, namely the other Greater Manchester Metropolitan Councils
- B. To take into account the recommendations of the GMCA IRP report dated November 2022, on SRAs payable to members appointed to the GMCA Overview and Scrutiny Committee
- C. To take into account the views of Members
- D. Any other consideration that the Council obliges the IRP to take into account

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<sup>1</sup> Clive Memmott took part in the view virtually

## Process and Methodology

6. The IRP met in person at Manchester Town Hall Extension on 27<sup>th</sup> June 2023. These meetings were in private session to enable the IRP to meet with Members and receive factual briefings from relevant Officers and conduct deliberations in confidence.
7. In accordance with the terms of reference, in arriving at its recommendations, the IRP also reviewed a wide range of written data and evidence, which included but was not limited to Council and committee meetings schedules and terms of reference, relevant reports and information on the Council's governance arrangements, the 2006 Statutory Guidance on Members' Allowances, etc.
8. For full details of the written evidence received and reviewed by the IRP see:
  - Appendix 1: Details of Members interviewed and Officers who provided a factual briefing to the IRP
  - Appendix 2: for a list of the full range of evidence considered by the IRP
  - Appendix 3: Benchmarking data, namely the Basic and Special Responsibility Allowances (2022/23) paid across all 10 Greater Manchester Metropolitan Councils

## Introductory Observation – Not time to make revisions to the wider scheme

9. While the IRP did identify some anomalies in the current scheme, aside from the SRAs for members appointed to the GMCA Overview and Scrutiny Committee, the IRP considered, based on the representation received it is reasonable in the circumstances to defer any recommendations regarding other SRAs.
10. The IRP does feel that some of the main allowances payable are not sustainable in the longer term. To encourage a wide range of candidates to run for and remain on Council the allowances will need addressing in the future.

## The IRPs Recommendations – Recommended SRAs for MCC Members appointed to the GMCA Overview & Scrutiny Committee

24. The trigger for this review was a report received by the Council from the GMCA (dated 16 December 2022) that also contained a report (November 2022) from the GMCA IRP setting out its recommendations regarding the payment of SRAs of GM council Members appointed to the GMCA Overview & Scrutiny

Committee. All GM councils are required to appoint Members to the GMCA Overview & Scrutiny Committees and it is a statutory committee.

25. The GMCA IRP reviewed these SRAs in anticipation of the enacting of the Levelling Up Bill which will give the GMCA the authority to remunerate GM council Members appointed to its Overview & Scrutiny Committee. However, the Levelling Up Bill is still proceeding through Parliament and therefore the GMCA does not yet have the legislative power to pay an SRA directly to the GMCA Overview & Scrutiny Committee Members. As an interim arrangement, the GMCA has asked all GM councils to adopt the recommendations of the GMCA IRP regarding GM council Members appointed to its Overview & Scrutiny Committee. Moreover, there will be no financial impact for Manchester City Council, as the payment of these SRAs will be reimbursed by the GMCA.
26. The MCC IRP received no evidence to deviate from the recommendations of the GMCA IRP regarding the payment of SRAs for MCC Members appointed to the GMCA Overview and Scrutiny Committee. These SRAs were supported in the representation received and it is noted that where considered all other GM Council have adopted the same recommendations.
27. As such, 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**

11. 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.

## **Indexation of Allowances**

12. The 2003 Regulations permit allowances to be indexed on an annual basis but for no longer than a period of 4 years before a Council is required to reconvene and seek a view from their IRP before it can be renewed for another four years. Most Councils now index their allowances, it helps to prevent them losing value over time. Currently, MCC indexes the Basic Allowance, SRAs, Co-optees' Allowances and payments to Members of the

Independent Education Appeals Panels to the annual percentage increase (at SCP 43) given to Manchester City Council employees (and rounded to the nearest £) as agreed for each year by the National Joint Council (NJC) for Local Government, known as the NJC index. Authority for this indexation runs until the end of March 2025, implemented from the 1<sup>st</sup> of April 2021, a period of four years, the maximum period allowed before the Council is required to seek further advice on the issue from the IRP.

13. In the representation received there was overall support to continue this indexing for the SRAs paid to MCC Members appointed to the GMCA Overview and Scrutiny Committee. It is also noted that all other GM Councils apply the NJC index to their relevant allowances.
14. Thus the IRP recommends that the SRAs paid to MCC Members appointed to the GMCA Overview and Scrutiny Committee are also 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.

### **Special Responsibility Allowances**

15. While as previously indicated, the IRP did consider that there was a case to revisit some of the current SRAs payable any recommendations on other SRAs have been deferred at the request of MCC for further consideration.

### **Implementation of Recommendations**

16. It is recommended that the recommended SRAs for MCC Members appointed to the GMCA Overview and Scrutiny Committee including their indexation are implemented from 1<sup>st</sup> April 2023 or from any date before then as agreed by the Council.

## **Appendix One: Members interviewed by IRP and Officers who provided a factual briefing to the IRP**

### **Members interviewed by the IRP**

Cllr B. Craig	Leader of the Council and Labour Group, Executive Lead for Governance & Devolution, External Relationships and Strategic Policy Coordination and GMCA Portfolio Holder for Economy, Business & Inclusive Growth
Cllr A. Johnson	Leader of Green Opposition Group
Cllr P. Karney	Labour Group Secretary
Cllr J. Leech	Leader of Liberal Democrat Opposition Group
Cllr J. Midgley	Deputy Leader and Executive Lead for Reducing Poverty & tackling inequalities, Homeless, Voluntary & Community Sector, Domestic Violence & Abuse. Advice Services, Refugees & Asylum Seekers and Member Development
Cllr L. Rahman	Deputy Leader (statutory) and Executive Lead for Crime & Safety, Our Manchester Strategy Performance, Civil contingencies & Emergency Planning, Corporate & Property & Estates, Cultural Strategy, Future Council Programme Oversight, Capital Project and Lord Mayor's Office

### **Officer who provided a factual briefing to the IRP**

Joanne Roney	Chief Executive
Fiona Ledden	City Solicitor & Monitoring Officer



## Appendix Two: Papers and other Written Material Received by the IRP

1. IRP Terms of Reference
2. Review of Members Allowances for MCC, Report of the IRP, February 2022
3. Report to Council on Report of the IRP, February 2022, 18<sup>th</sup> May 2022
4. Extract minutes of Council meeting 18<sup>th</sup> May 2022
5. Manchester City Council Members' Allowances Scheme 2022/23 including full schedule of SRAs payable, travel and subsistence rates and approved duties, including the support provided to Members
6. Schedule of payments, support and other allowances provided to Members appointed to the MCC Independent Education Appeals Panels
7. Manchester City Council annual statutory publication of Members' allowances and expenses received by each Member, 2021/22
8. Manchester City Council Constitution, Articles 6-7, The Council, Council, Chair, Scrutiny Committees, The Executive, Regulatory & other Committees and Standards Committee
9. Manchester City Council Constitution, Part 3, Section C, Terms of Reference for Committees
10. Manchester City Council and committees, meetings timetable 2022/23
11. Membership, including Chair and Deputy Chair of Manchester City Council Committees and Executive
12. Executive Member roles, 2022/23
13. Portfolio of MCC Council Leader on the GMCA
14. National Employers for Local Government Services, Local Government Pay Offer, 27<sup>rd</sup> February 2023
15. The Greater Manchester Combined Authority Order 2011, Schedule 1, SI2011/908
16. Benchmarking (BM1-3) - summary of allowances paid across the GM Councils 2022/23 or the latest data available
17. Hard copies of allowances schemes from all GM Councils
18. New Council Constitutions: (Statutory) Guidance on Regulation for Local Authority Allowances, May 2006 (extract)
19. The Local Authorities (Members' Allowances) (England) Regulations 2003, SI 2003/1021

20. GMCA IRP Report, Review of SRAs for Members appointed to GMCA Overview and Scrutiny Committee, November 2022

### Appendix Three: Benchmarking Data Summary

<b>BM1 Manchester City Council BM Group - Other GM Mets: BA + Exec + Scrutiny SRAs (22/23)</b>									
Comparator Council	Basic Allowance	Leader or Elected Mayor	Leader or Mayor Total	Deputy Leader	Executive Cabinet Members	Assistant or Deputy Execs	Chairs or Lead Scrutiny	V/Chairs Scrutiny	Chairs Scrutiny Subs/WGs
<b>Bolton</b>	£11,848	£31,989	£43,837	£19,104	£7,265		£5,189		
<b>Bury*</b>	£11,227	£39,681	£50,908	£20,209	£15,157	£2,273	£8,420		
<b>Oldham*</b>	£10,514	£37,848	£48,362	£22,079	£18,272	£7,885	£9,462		
<b>Rochdale*</b>	£11,172	£39,395	£50,567	£16,758	£15,082	£3,016	£8,379		
<b>Salford**</b>	£12,012	£59,817	£71,829	£24,930	£15,932	£11,626	£9,432	£3,141	
<b>Stockport</b>	£10,717	£32,151	£42,868	£17,683	£16,075		£6,430		£1,286
<b>Tameside</b>	£14,712	£39,588	£54,300	£25,812	£22,081	£9,176	£10,526	£3,509	£2,601
<b>Trafford*</b>	£10,076	£41,473	£51,549	£20,303	£15,618	£7,809	£8,590	£2,577	
<b>Wigan*</b>	£13,920	£52,737	£66,657	£27,147	£18,818	£6,210	£8,364		
<b>Manchester</b>	£18,841	£47,016	£65,857	£19,775	£19,775	£7,913	£11,877		
<b>Mean</b>	<b>£12,504</b>	<b>£42,170</b>	<b>£54,673</b>	<b>£21,380</b>	<b>£16,408</b>	<b>£6,989</b>	<b>£8,667</b>	<b>£3,076</b>	
<b>Median</b>	<b>£11,538</b>	<b>£39,635</b>	<b>£51,229</b>	<b>£20,256</b>	<b>£16,004</b>	<b>£7,847</b>	<b>£8,505</b>	<b>£3,141</b>	
<b>Highest</b>	<b>£18,841</b>	<b>£59,817</b>	<b>£71,829</b>	<b>£27,147</b>	<b>£22,081</b>	<b>£11,626</b>	<b>£11,877</b>	<b>£3,509</b>	
<b>Lowest</b>	<b>£10,076</b>	<b>£31,989</b>	<b>£42,868</b>	<b>£16,758</b>	<b>£7,265</b>	<b>£2,273</b>	<b>£5,189</b>	<b>£2,577</b>	
<b>Mean Ratios</b>		Mean Leaders SRA = 3.73 X Mean BA		<b>51%</b>	<b>39%</b>	<b>43%</b>	<b>21%</b>	<b>35%</b>	
<b>MCC Ratios</b>		2.5 X MCC BA		<b>42%</b>	<b>42%</b>	<b>40%</b>	<b>25%</b>	<b>NA</b>	
* Leaders SRAs include where 2nd GMCA Leaders additional SRA is also payable					** Salford has 2 Deputy Mayors				

BM2 Manchester City Council BM Group Other GM Mets : Regulatory SRAs (22/23)										
Comparator Council	Chair of Planning	V/Chair Planning	Chair of Licensing	V/Chair Licensing	Chairs Licensing Panels/Subs	Mbrs Licensing	Chair Audit &/or Governance	V/Chair Audit	Chair Standards	Chair Employment
<b>Bolton</b>	£8,321	£2,863	£7,875	£2,565						
<b>Bury</b>	£8,420		£8,420			£106 p/mtng > 4 hours/£53 < 4 hours	£8,420			
<b>Oldham</b>	£9,462		£9,462				£2,325		£734	
<b>Rochdale</b>	£11,172		Inc in Planning				£8,379			£8,379
<b>Salford</b>	£9,432	£3,141	£9,432	£3,141			£9,432	£3,141		
<b>Stockport</b>	£8,038		£4,823		£3,858		£3,858			
<b>Tameside</b>	£10,526	£3,509	£6,809	£2,536	£6,809		£10,526	£3,509	£6,809	
<b>Trafford</b>	£10,933	£3,280	£10,933	£3,280			£8,590	£4,236	£2,343	£7,809
<b>Wigan</b>	£12,543	£3,265	£15,491	£3,873			£8,364			
<b>Manchester</b>	£11,877	£3,961	£11,877	£3,961		£596				
<b>Mean</b>	<b>£10,072</b>	<b>£3,337</b>	<b>£9,458</b>	<b>£3,226</b>			<b>£7,487</b>	<b>£3,629</b>	<b>£3,295</b>	
<b>Median</b>	<b>£9,994</b>	<b>£3,273</b>	<b>£9,432</b>	<b>£3,211</b>			<b>£8,400</b>	<b>£3,509</b>	<b>£2,343</b>	
<b>Highest</b>	<b>£12,543</b>	<b>£3,961</b>	<b>£15,491</b>	<b>£3,961</b>			<b>£10,526</b>	<b>£4,236</b>	<b>£6,809</b>	
<b>Lowest</b>	<b>£8,038</b>	<b>£2,863</b>	<b>£4,823</b>	<b>£2,536</b>			<b>£2,325</b>	<b>£3,141</b>	<b>£734</b>	
Mean Ratios Leaders' or Chairs' SRA	<b>24%</b>	<b>33%</b>	<b>22%</b>	<b>34%</b>			<b>18%</b>	<b>48%</b>	<b>8%</b>	
MCC Ratios	<b>25%</b>	<b>33%</b>	<b>25%</b>	<b>33%</b>						

<b>BM3 Manchester City Council BM Group - Other GM Mets: Opposition, Group &amp; Other SRAs (22/23)</b>						
<b>Comparator Council</b>	<b>Main Opposition Leader</b>	<b>Main Opposition Deputy Leader</b>	<b>Other Opposition Group Leaders</b>	<b>Other Opposition Group Deputy Leaders</b>	<b>Area Chairs</b>	<b>Other/Political/Group SRAs</b>
<b>Bolton</b>	£10,683	£4,273	£2,671	£1,870		Chair Bolton Cares £8,199, Bolton at Home £5,500, HM Pension Fund Member £1,460
<b>Bury</b>	£11,115	£4,446	£5,558	£1,946		Mbrs appointed to GMCA Waste Committee £1,500, Mbrs appointed to GMTCC £3,000, Licensing Mbrs only paid if attend > 6 licensing hearings
<b>Oldham</b>	£15,771	£6,309	£4,568		£6,624	Shadow Execs £3,154, Deputy District Leads £1,302, "Additional SRA" £1,577, GMTCC Mbrs £4,288, GM O&S Mbr £3,228, GM O&S Substitutes £536 + £135 p/mtnng
<b>Rochdale</b>	£11,731		£1,676		£8,379	Member Adoption + Fostering Panels £1,676, Mbrs GMTCC + GMCA Waste Committee £4,182
<b>Salford</b>	£9,432		£9,432			Opposition Group Leaders SRA only payable with 3 Mbrs, Council Chair £11,04, Mbrs GMTCC £5,629
<b>Stockport</b>	£9,645		£1,101 + £330 p/Mbr		£4,823	
<b>Tameside</b>	£12,381		£2,536		£10,526	Chair Council Business £12,381, Dep Chairs Licensing Subs £2,536, Dep Area Chairs £3,509, Dep Chair Standards £2,536, Member Standards £1,665 + if attend .5 Standards, Mbr GM Waste Disposal £2,100 + GMTCC £3,825, Chair + Dep Chair + Mbr GM Pension Fund £17,525/£8,762/£1,486
<b>Trafford</b>	£10,933	£3,280	£3,142			Shadow Execs £2,187, Dep Chair Employment £2,343
<b>Wigan</b>	£5,641	£50 p/Member if > 15 Members	£5,641			
<b>Manchester</b>	£11,877	£4,752	£4,752			Opposition Lead Mbr Finance £1,188, City Centre Spokesperson + Member on Fostering Panel £7,913, Member on Adoption Panel £6,372. Members of Licensing only paid if attend >12 meetings
<b>Mean</b>	<b>£10,921</b>	<b>£4,612</b>	<b>£4,442</b>		<b>£7,588</b>	
<b>Median</b>	<b>£11,024</b>	<b>£4,446</b>	<b>£4,568</b>		<b>£7,502</b>	
<b>Highest</b>	<b>£15,771</b>	<b>£6,309</b>	<b>£9,432</b>		<b>£10,526</b>	
<b>Lowest</b>	<b>£5,641</b>	<b>£3,280</b>	<b>£1,676</b>		<b>£4,823</b>	
<b>Mean Ratios to Leaders' SRA</b>	26%	42%	11%		18%	
<b>MCC Ratios</b>	<b>25%</b>	<b>40%</b>	<b>10%</b>			

