

# WIRRAL METROPOLITAN BOROUGH COUNCIL

## REPORT OF THE INDEPENDENT PANEL ON MEMBERS' ALLOWANCES - 7 JUNE 2016

### Introduction

1. It is good practice for the Scheme of Members Allowances to be benchmarked against those of neighbouring authorities, revised in the light of the evolving Committee Structure and to be kept under review due to the very challenging financial environment and need to make significant savings in a continuing time of austerity.
2. The Panel met on 7 June 2016 and comprised:  
  
Don Latham, Private Local Government Consultant (Chairman)  
Nunzia Bertali, Italian Consul  
Pauline Brown, Eclipse Executive Ltd  
Ray Allan, Solicitor (Retired)
3. The Leader of the Council – Councillor Phil Davies – attended the meeting and provided background to the financial position of the Council. He expressed the desire of Members to continue to give a lead and not to reinstate the 5% cut made (2011) to the Basic Allowance or subsequent potential increases for inflation. Councillors Jeff Green and Phil Gilchrist presented their views in writing. Councillor Green stated that because of reduced staffing and pay restraint ' I do not believe that it would be appropriate, at this stage, to increase any individual allowances or adjust the current scheme.'
4. We considered the comparisons with other Merseyside and Cheshire Councils. (See Appendix). Also the LGA Councillors' Guide for 2015/2016 and the Census of Local Authority Councillors 2013. In particular we noted that Councillors were on average spending 25.1 hours each week on Council and group/party business. The Panel recognises that the allowances awarded to Members in Wirral MBC are in the lower quartile and that some Special Responsibility Allowances (SRAs) should be increased when the financial climate allows.
5. We would particularly wish to thank Shirley Hudspeth (Committee and Civic Services Manager) for the comprehensive background papers supplied to the Panel and to Joe Blot (Strategic Director – Transformation and Resources) and Surjit Tour (Head of Legal and Member Services) who also attended to provide information and to answer our questions.

### Summary of Findings

6. The Panel's recommendations are as follows:
  - In the light of the continuing austerity no change be made to the basic allowance or SRAs.
  - No SRA be paid to the 4 Chairs of the Constituency Committees at this

- stage.
- No SRA be paid to the two representatives on the Merseyside Police and Crime Panel.
  - Members continue to be restricted to one SRA.
  - Councillors are not members of staff but the NJC pay award should be used for any future updating of allowances.
  - That the basis for travel should be increased from 40p per mile to the HMRC rate of 45p.
  - The Caring Allowance should continue to be kept in line with the minimum wage – £7.20

## **Key Issues**

### **Decrease in number of Cabinet Portfolio Holders**

7. Following the Local Government elections in May 2016, the Leader's newly appointed Cabinet has reduced to the Leader plus 8. Prior to the Elections, the Cabinet consisted of the Leader plus 9. (Saving £9,171).

### **Possible Decrease in number of Overview and Scrutiny Chairs**

8. The Cabinet will be recommending to Council on 27 June 2016 that the Council's Overview and Scrutiny arrangements could be better aligned to the effective delivery of the Wirral Plan by reducing the Committees from four to three concentrating on People, Business, and Environment. (Saving £4,585). Councillor Gilchrist says 'I am still assessing whether it provides the level of scrutiny required. The operation of panels and working parties might fill this gap.'

### **Option to pay Constituency Committee Chairs SRAs**

9. These Committees present a major step change in the involvement and engagement of local communities in the shaping of their neighbourhoods and the delivery of the Wirral Plan. Over time it is intended that the powers delegated to these, area based, Committees will increase along with their budgets to support and pump prime local initiatives. The aim is for the Chairs of Constituency Committees to help deliver the Council's ambitions; drive the improvement agenda and involve local people in the decisions that affect them and their communities. Councillor Green, who is a Constituency Chair, says 'I do not believe it would be appropriate to remunerate the role at this time.' The Panel agrees that the payment of SRAs for the Chairs is kept under review.

### **Option to pay the Two Members of the Merseyside Police and Crime Panel SRAs**

10. The Independent Remuneration Panel for the Merseyside Police and Crime Panel meeting in May concluded that having considered all the information available that 'there did not currently appear to be a justification for a separate scheme of Allowances for the Members of the Panel. Instead, the Panel felt that the decision on whether to pay Merseyside Police and Crime Panel Members should be a matter for decision by each nominating Authority and be funded from within the respective Authority's Scheme of Members' Allowances. This would allow each Authority to

take into account local issues including the role and responsibility placed on the Authority's representative on the Panel. Travel and subsistence to be paid by nominating Authorities.'

11. This organisation is still in its early stages of development and the Wirral Panel do not recommend the introduction of SRAs but will keep the matter under review.

### **Travel costs**

12. It is usual to charge the HMRC mileage rate of 45p for travel expenses and the Panel recommends that this should be applied in Wirral from a date to be agreed by the Council. Because of savings from reduced SRAs this could be done without increasing the overall budget for Members Allowances.

### **Comparisons with Merseyside and Cheshire Local Authorities**

13. A table comparing SRAs across the Councils in Merseyside and Cheshire is attached. **(Appendix 1)**