

**A Review  
Of  
Members' Allowances  
For  
Wigan Council**

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**A Report by the  
Independent  
Remuneration Panel**

**Marion Andrews  
Declan Hall (Chair)  
Martin Honor**

**October 2016**

**EXECUTIVE SUMMARY**

<b>Wigan MBC IRP Recommendations: Basic Allowance and Special Responsibility Allowances 1 April 2017</b>					
<b>Post</b>	<b>Max Nos SRAs Rec'd</b>	<b>Basic Allowance</b>	<b>SRAs</b>	<b>Total per Member</b>	<b>SRA Totals</b>
<b>Basic Allowance</b>					
All Members (75)		£12,179		£12,179	
<b>SRAs</b>					
Leader	1	£12,179	£36,540	£48,719	£36,540
Deputy Leader	1	£12,179	£23,540	£35,719	£23,540
Other Executive Members	6	£12,179	£16,464	£28,643	£98,784
Chairman Licensing & Regulation Committees	1	£12,179	£13,553	£25,732	£13,553
Vice-Chairman Licensing & Regulation Committees	1	£12,179	£3,388	£15,567	£3,388
Chairman Planning Committee	1	£12,179	£10,974	£23,153	£10,974
Vice-Chairman Planning Committee	1	£12,179	£2,856	£15,035	£2,856
Chairmen Overview & Scrutiny Committees	4	£12,179	£7,317	£19,496	£29,268
Chairman Audit & Governance Committee	1	£12,179	£5,481	£17,660	£5,481
Chairman Standards Committee	1	£12,179	£5,481	£17,660	£5,481
<i>Chairman merged Audit &amp; Governance &amp; Standards Committee</i>	<i>NA</i>	<i>£12,179</i>	<i>£7,317</i>	<i>£19,496</i>	<i>NA</i>
<b>Opposition SRAs</b>					
Leader Main Opposition Group	1	£12,179	£4,047	£16,226	£4,047
<i>Standard Element</i>			<i>£1,827</i>		
<i>Variable Element</i>	<i>£444 per Member</i>	<i>x 5</i>	<i>£2,220</i>		
Deputy Leader Main Opposition Group	NA	£12,179	<i>£50 per Member &gt; 14 Members</i>	NA	
<b>Sub Totals</b>	<b>19</b>	<b>£913,425</b>			<b>£233,912</b>
<b>TOTAL</b>					<b>£1,147,337</b>
<b>Co-optees' Allowances</b>		<b>Inclusive</b>			
Standards Committee Co-optees	3	£45 p/half day/£90 p/day			NA
Co-optees on Audit & Governance Committee	2	£1,098			£2,196

The Panel also recommends that:

### **Where there are Two Main Opposition Groups of Equal size**

If there are two Main Opposition Groups of equal size then each Main Opposition Group Leader should receive an Opposition Group Leader's SRA based on the current formula.

### **The Dependants' Carers' Allowance (DCA)**

The childcare element of the DCA is reset and reimbursements capped at the Government's National Living Wage, currently £7.20 per hour. The Allowances scheme should also be clarified to point out that the DCA is a contribution rather than full reimbursement of carers' expenses.

### **Travel and Subsistence Allowances - Within and Outwith the Authority**

The within-authority Travel Allowance for Members attending approved duties requiring a return journey of 10 miles or more is discontinued.

The current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained.

### **Recommendations under the GMCA Order 2011**

In accordance with GMCA Order 2011 as amended in March 2015 that payments to Wigan Members appointed to the GMCA Transport for Greater Manchester Committees (TfGMC) are maintained as follows:

- Ordinary Members £3,825
- If Wigan Member is Chair of TfGMC: £28,250
- If Wigan Member is a Vice Chair of TfGMC: £14,125
- If Wigan Member is a Deputy Chair of TfGMC: £5,050

The Panel further recommends that the SRA payable to the Leader under the amended GMCA Order is reset at £9,600 and implemented on 1 April 2017.

### **Issues arising - linking remuneration to performance**

When the Council publishes its annual statutory declaration of the allowances and expenses paid to and claimed by Members (including sub totals) that extra columns are added to show the number of meetings plus training sessions each member was scheduled to attend, how many they did attend and miss with the attendance record also expressed as a percentage.

## **Indexation**

The following indices are applied to the remuneration and allowances paid to Members of Wigan Council from 1 April 2017 for the full length of time permitted, namely four years which is up to 31 March 2021:

- A. **Basic Allowance, SRAs (including those paid in accordance with the GMCA Order) and Co-optees' Allowances:**
  - Indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council for Local Government Services; to be implemented from the start of the next financial year, for which it is applicable.
  
- B. **Mileage Allowance (Outwith only):**
  - Members' mileage allowances rates indexed to HMRC AMAP rates.
  
- C. **Subsistence Allowances (Outwith only):**
  - The subsistence allowances should continue to be indexed to the same rates that are applicable to Officers.
  
- D. **The Dependants' Carers' Allowance:**
  - Maximum hourly rate claimable indexed to the National Living Wage.

## **Implementation**

The new scheme of allowances based on the recommendations contained in this report is adopted from 1 April 2017 or any date before then as agreed by the Council.

# **Independent Remuneration Panel:**

## **Review of Members' Allowances**

**For**

**Wigan Council**

**October 2016**

### **The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel (the Panel) appointed to provide advice to Wigan Council on its Members' Allowances scheme.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations). These regulations, arising out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice to their respective councils on Members' allowances.
3. Councils retain powers to determine their own Members' allowances but they are required to convene their respective Panel and seek its advice before they make any changes or amendments to their Members' Allowances scheme. Councils must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances scheme.
4. In particular, the Panel has been reconvened under the 2003 Regulations [10. (5)], which states:

Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme.
5. It is this mechanism, known as the '4 year rule', that ensures Panels are convened at least every four years if a council wishes to continue indexing their allowances. It provides an opportunity for Panels to publicly scrutinise their Councils allowances schemes and enhance public accountability.

### **Terms of Reference**

6. In accordance with the Report to Council (25 May 2016) "Appointment to the Independent Remuneration Panel" from the Acting Assistant Director Legal the following terms of reference were given to the Panel:

- I. The Panel is to make recommendations to the Council, following a review of Leader, Elected and Co-opted Member remuneration as to the appropriate level of remuneration. In its deliberations the Panel is required to make recommendations regarding:
  - (a) The Basic Allowance to all Councillors and if applicable any expenses it should include;
  - (b) The scope and levels of Special Responsibility Allowances;
  - (c) The scope and level(s) of Co-optees' Allowances;
  - (d) The scope and levels of Travel and Subsistence Allowances, including applicable rates and terms and conditions by which they may be claimed;
  - (e) The scope and levels of the Dependants' Carers' Allowance, including applicable rates and terms and conditions by which they may be claimed;
  - (f) Any applicable indices for allowances and how long they are to run for; and
  - (g) Any other issues that are brought to the Panel's attention.
  
- II. The Panel has also been asked to consider any appropriate SRAs payable in accordance with the Greater Manchester Combined Authority Order 2011 (as amended 27 March 2015) which states (1.[2])
 

A constituent council may, in accordance with its own scheme of allowances, pay a special responsibility allowance to any member appointed by it to the GMCA in respect of duties and responsibilities undertaken as a member of the GMCA
  
- III. In reaching its recommendations, the Panel is asked to take the following in to account:
  - a. The size and standing of the Authority;
  - b. Remuneration of other Local Authorities and public bodies within the region or nationally which the Panel believes to be comparative;
  - c. Interviews with a cross section of Members via personal interviews;
  - d. Written views of Members; and
  - e. Factual briefings on the Council from appropriate Officers.

### **The Panel<sup>1</sup>**

7. The Panel for this review the same members who carried out the previous review in 2011 were reappointed. They are:
  - Marion Andrews: formerly employed at Halifax Plc, and community representative on the Wigan Borough Partnership and Borough resident, now retired

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<sup>1</sup> See Appendix 1 for non-prejudicial declarations of interest by Panel members

- Dr Declan Hall: an independent consultant specialising in members' allowances and support and a former academic at the Institute of Local Government, The University of Birmingham
  - Martin Honor: formerly Community Banking National Relationship Manager, the Co-Operative Bank PLC, now retired
8. The Panel was supported by Christine Charnock-Jones, Democratic Services Manager (Resources Directorate) and Peter Hassett, Chief Legal Officer, who were the organisational lead in facilitating the work of the Panel role and generally supporting the Panel proceedings.

### The Review Process and Methodology

9. The Panel met at Wigan Town Hall on 28<sup>th</sup>-29<sup>th</sup> September 2016. The meetings were in closed session to enable the Panel to meet with Members and Officers and conduct its deliberations in confidence.
10. The Panel invited a representative range of Members<sup>2</sup> to meet with the Panel and any Member not invited, but who wanted to meet with the Panel was accommodated. In addition every Member was sent a short questionnaire through which they could make their views known and raise any concerns directly with the Panel. The questionnaire also had the methodological advantage of ensuring that all Members were being asked a common set of questions. The main point being was that all Members had at least one opportunity to exercise their voice during the review.
11. In compliance with the terms of reference the Panel met with a number of Officers for factual briefings on the Council and constitutional changes since the last review and to obtain an overview on the challenges facing the Council. For benchmarking purposes the Panel was cognizant of the range and levels of allowances paid in comparable local authorities, namely the other Greater Manchester Councils and Wigan's 10 'Nearest Neighbours' as defined by CIPFA<sup>3</sup>.
12. The full range of written information received and considered by the Panel is listed in the appendices as follows:
- **Appendix 1:** Personal declarations of interest
  - **Appendix 2:** List of information and evidence that was included in the Information Pack for Panel Members
  - **Appendix 3:** Members who met with the Panel
  - **Appendix 4:** Members who made written submissions to the Panel
  - **Appendix 5:** Officers who briefed the Panel

<sup>2</sup> All Members invited to meet with the Panel took up the invite, the exception was Cllr R Brierley (Independent) who was not available, as he was on holiday.

<sup>3</sup> This produced a benchmarking group of 16 Councils (including Wigan) rather than 20 as Bolton, Bury, Rochdale and Tameside fell into both benchmarking sub groups.

- **Appendix 6:** Summary of benchmarking of Wigan Council Allowances against other GM Councils and Wigan's 10 CIPFA Nearest Neighbour Councils

### **Key Message: Scheme still broadly fit for purpose**

13. Representations were made that argued that the current Basic Allowance and SRAs were too high. The main reason for this view was that allowances were not a consideration for them in being an Elected Member; they were either financially self sufficient or were prepared to make the necessary financial sacrifices to be a Member. The Panel is not convinced there is a case to significantly cut allowances - it cannot make recommendations based on personal circumstances and choices. The Panel reminds these individuals that they have the option of renouncing all or part of their allowances if they feel they are too high.<sup>4</sup>
14. Conversely, representations were also received suggesting the opposite was true. In particular the Basic Allowance is not at a level that enables most people to be a Member without incurring personal sacrifice nor is it sufficient to attract a wider range of people to stand for Council.
15. The Panel was not convinced of this argument either. The Panel recognises that where a Member is in full time employment they either have to have a very understanding and flexible employer or work reduced hours. The Basic Allowance is not a substitute for a full time salary. The prime function of an allowances scheme is to provide support to Members (current and prospective) to enable them to fulfil their roles and responsibilities.
16. Nor does the Panel accept that allowances should be at such a level that they "attract" candidates for Council. Aside from the ethical issue of whether it is appropriate to attract people to be Members of the Council for the money, the reality is that if allowances did 'attract' people to stand and remain on the Council they would be at such a level that not only would they be difficult for the public to accept, but for Members themselves to accept.
17. Regardless, the majority of the representations and other evidence received supported the view that the current level and scope of allowances paid to Members of Wigan Council is broadly fit for purpose. Two representative comments were that the allowances in the main "seemed fair" and "were not unreasonable." Thus, the main function of this review has been to address anomalies arising since the previous review rather than undertake a fundamental revision of the allowances scheme. Consequently, the financial impact of the recommendations if accepted in full will be broadly cost neutral.

### **The evidence considered: arriving at recommendations - the Basic Allowance**

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<sup>4</sup> See the 2003 Regulations (paragraph 13)



18. The methodology used to arrive at the Basic Allowance is that set out in the 2006 Statutory Guidance (paragraphs 67-69) which draws Panel's attention to the three variables that they are required to be considered in arriving at a recommended Basic Allowance, namely:
- Time required to fulfil the roles associated with the Basic Allowance
  - The voluntary element of that time as not all work as a Member is remunerated
  - The rate for remuneration, in other words the worth of a Member's time.

### **Recalibrating the Basic Allowance for 2015/16**

19. The Panel did not receive any strong evidence supporting a revisiting of the Basic Allowance, but as a further check it 'recalibrated' the Basic Allowance by using the most recent data<sup>5</sup> available in assigning a value to the 3 variables utilised in arriving at the Basic Allowance.
20. The current Basic Allowance is based on an expected time input of 130 days per year. This is now out of date. The most recent data available, from the Councillors' Census 2013 by the LGA shows that Members of metropolitan councils who hold no positions of responsibility put in on average 21.8 hours per week. The Panel has translated this into 162 days per year based on a 35 hour working week. This increase in time estimation is in line with the upward trend in Members' reported average workload in the periodical Councillor's Census since time assessment was last revisited in 2006.
21. The applicable 'public service discount' (or PSD) was assessed at 35% in 2006; in other words 35% of the expected annual workload is not paid. For a metropolitan council a 35% PSD is at the top end of the normal range which is 30% - 35%. The most common level of PSD is one third, largely on the grounds that it is conceptualised as the work that Members do on behalf of their ward and representing local communities and citizens. On this basis, and partly to offset the significant decrease in the rate for remuneration (see below) the Panel has reset the PSD at one third. Thus of the 162 days per year expected workload one third (or 54 days) is deemed voluntary leaving 108 remunerated days per year.
22. In deciding the rate of remuneration the Panel always adopted what was known as the 'Local Government Association (LGA) daily session' rate. Each year the LGA sent out an advisory circular to all council Chief Executives and Panel Chairs that put a monetary value to the rate of remuneration. It had no legal standing but was issued as guidance to Panels by the LGA as part of their wider services and support to councils. The LGA day rate at the time of the last review was £152.77.<sup>6</sup>
23. However, for reasons primarily relating to changes in how average earnings are published and the fact that many Panels felt it was too high, the LGA

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<sup>5</sup> The Basic Allowance is being recalibrated for 2015/16 rather than for 2016/17 as the most recent data available is no later than November 2015.

<sup>6</sup> See LGalert 62/10 "Members Allowances" 23 June 2010.

discontinued publishing the LGA day in 2012. In lieu of this advice Panels have turned to a local rate for remuneration, typically the mean earnings of the residents of a council. In other words, the common approach is now to base the calculation of the Basic Allowance on the mean earnings of those whom Members represent. For the purposes of recalibration the Panel has done the same and adopted £112.44 per day as the rate for remuneration, which is the mean gross daily earnings wage of all full time employees resident within Wigan.<sup>7</sup>

24. By applying the values at which the 3 variable have been assessed it produces a 'recalibrated' Basic Allowance as follows:
- 162 days per year workload minus 54 voluntary days X £112.44 per day  
= £12,144
25. The recalibrated Basic Allowance suggests that the current Basic Allowance (£12,179) is not in need of significant revision. If anything it might be slightly on the low side with the publication of 2016 average earnings by the ONS in November 2016 and the next Councillors Census due in April 2017

### **Benchmarking the Basic Allowance**

26. Benchmarking shows the current Wigan Council Basic Allowance (£12,179) is somewhat above the mean Basic Allowance (£10,616) in the comparator councils. As might be expected from the largest council out of the 16 councils in the benchmarking group Manchester pays the highest Basic Allowance (£16,307). The Wigan Basic Allowance although the 2nd highest is broadly on a par the larger benchmarked councils that includes Bolton, Doncaster, Rotherham, Stoke-on-Trent, Tameside and Wakefield.
27. It has long been the case that the benchmarking group mean Basic Allowance is somewhat lower than that paid in Wigan, although that difference has narrowed over the years to where the Wigan Basic Allowance is now less than 15% higher than the mean Basic Allowance. Benchmarking does not present a compelling case to marginally reduce the Wigan Basic Allowance so it is on nearer to the mean for the following reasons:
- Wigan is the ninth largest metropolitan council.
  - Wigan pays few SRAs (a maximum of 20 out of 75 Members) compared to other councils. The Wigan Basic Allowance includes duties for which an SRA is often paid elsewhere. Where a comparator councils pays a 'low' Basic Allowance more SRAs are typically paid, e.g., all Committee or Panel Vice-Chairmen, sitting on licensing sub committees and adoption panels, Lead Members, Assistant Executives, Opposition Spokespersons and party group posts, thus enabling Members (up to 80% in at least one case) to 'top up' their Basic Allowance for marginal additional workload and responsibilities.

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<sup>7</sup> Based on mean gross weekly salary for all full time employees resident in Wigan of £562.20, Annual Survey of Hourly Earnings (ASHE), Table 8.1a, Home Geography November 2015

- The Panel has recommended that the current Basic Allowance should be inclusive of all in-authority travel (see below)
  - From 1 April 2014 all Members of English councils were no longer permitted to join the Local Government Pension Scheme (LGPS), which is in effect a small pay cut for those elected Members who had joined the LGPS.<sup>8</sup>
28. Moreover looking forward the Panel notes the increasing demands put on all Wigan Members as it responds to the financial pressures faced by all councils. Wigan has consciously adopted a particular way forward, known as the Wigan Deal and often known as the 'co-producer' model elsewhere, which will require all Members to work in different and more innovative ways. Rather than retreat from providing services as some councils have done the Wigan Deal has asked Members amongst others to step up to the plate to seek to fill some gaps left by council retrenchment.
29. In brief the Deal is an informal agreement between the Council and all who live or work in the borough to 'create a better borough.' enhance the quality of life. It involves such things as Councillors in their community leadership role seeking out and helping to organise local volunteers to do litter picks or promote local recycling schemes in response to reduced environmental services by the Council Environment. Another recent example is the Deal Ambassadors Pilot Programme where seven Members have been appointed "Deal Ambassadors" who will undertake relevant training and assessments to enable them to be more self reliant Ward Councillors and generally promote the Wigan Deal across the Borough and within their local communities. Amongst other expectations the Deal Ambassadors will be expected to work with community groups, local businesses and charities and Council Officers to, for instance, head up or provide relevant advice to funding applications for local projects. They are expected to hold street surgeries and attend 'Market Place Events' to make connections with and between local communities and Council Officers so they can work more closely together to identify local priorities and how best to address those priorities by drawing on the skills, knowledge, expertise and resources of the stakeholders. The relevant point for the Panel is that the Wigan Deal as it rolls out will require more from all Members if it is to be successful.
30. As a final check the Panel sought to benchmark the Wigan Basic Allowance against remuneration paid to non-executive directors (NED) of the Wrightington, Wigan and Leigh Foundation (WWL) NHS Trust. Although the roles of an NHS NED and an elected Member are not strictly analogous the Panel felt there was enough commonality to make a comparison. The WWL NHS Foundation Trust NEDs are public appointments to bodies that have at least a Borough wide remit and a budget in the millions where the actual delivery of their services is delivered by professional staff with the NEDs concentrating on policy and performance. Just as importantly NHS NEDs have an expected minimum time commitment for which they are remunerated. The NEDs of the WWL NHS Foundation Trust have an express time commitment of 3-4 days per month for which they are remunerated approximately £13,000 per

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<sup>8</sup> Ironically by devolving the local government function to the Scottish Parliament and Northern Irish and Welsh Assemblies councillors in these other UK nations continue to be members of the LGPS.

year<sup>9</sup> although it is recognised that this time expectation is often an understatement but the same applies to Councillors. In non-foundation trusts NEDs are paid £6,157 per year for a time commitment of 3 days per month.

31. Taking into account comparative budgets, (WWL NHS Foundation Trust annual revenue budget is £272 million and Wigan Council gross annual budget is £864 million), differences in workloads and the fact that being a Member of Wigan Council entails greater public accountability and scrutiny than any NHS NED is ever subject to, then the Wigan Basic Allowance represents good value for money.

### **A Basic Allowance inclusive of in-authority Travel and Subsistence**

32. As well as being "intended to recognise the time commitment of all councillors" the Basic Allowance is also to "cover incidental costs"<sup>10</sup>. To a large extent this inclusive Basic Allowance already exists in Wigan as it includes the costs of all in-authority return journeys under 10 miles as well as all in-authority subsistence costs. Since the last review it has been increasingly common for English urban councils to discontinue all travel and subsistence allowances for in-authority duties. This is the case in Bury, Manchester, Oldham, St Helens and Trafford just to highlight a few where the Basic Allowance is deemed to be inclusive of all in-authority travel and subsistence costs.
33. The Panel considers the 10 mile or more return journey exemption to the rule of no in-authority travel claims to be outmoded. It was a statutory allowance at rates prescribed by the Secretary of State up to 2003, but the Basic Allowance was less than half of what it is now. It is more difficult to justify paying a mileage allowance for journeys 10-15 miles return. Moreover, if the Wigan Deal does roll out as envisaged Members will be undertaking more journeys and even where such a journey is over 10 miles they would not qualify for a mileage allowance as they will be in the main outside the definition of approved duties. It is simpler and fairer to all Members to retain a higher Basic Allowance and discontinue the mileage allowance for all in-authority travel. It is recognised that senior Members are required to undertake more across borough travel that currently qualify for a travel allowance but they are paid at levels in excess of the Wigan average.
34. **Consequently the Panel recommends that the current Basic Allowance (£12,179) remains unchanged going forward subject to any annual indexation applied from 1 April 2017 for the next 4 years.**
35. **The Panel further recommends that it is specified in the scheme of Members' Allowances that the Basic Allowance is deemed to include all in-authority travel and subsistence costs incurred while carrying out approved duties. This recommendation is to be implemented from 1 April 2017.**

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<sup>9</sup> See WWL NHS Foundation Trust Annual Report 2015/16 p.93, [http://www.wwl.nhs.uk/Library/Trust\\_Board/Annual\\_Report/WWL\\_AnnualReport1516\\_Web.pdf](http://www.wwl.nhs.uk/Library/Trust_Board/Annual_Report/WWL_AnnualReport1516_Web.pdf)

<sup>10</sup> 2006 Statutory Guidance paragraph 10

## The Leader's SRA

36. The Panel has always been clear that being Leader of Wigan Council requires a full time commitment and certainly precludes employment in the normal sense. The Leader attends the Town Hall most days and even when not at the Council Offices the Leader has to be available to talk to or email Officers and other Members from early morning until late evening. Then there are all the external demands on the Leader's time which increased particularly at the regional and sub regional level with a Combined Authority and devolution rolling out, which is only set to grow larger over the next few years.
37. The Leader's role has also grown in responsibility since the previous review. The Localism Act 2011 enhanced the powers of Leaders by the requirement for all Councils operating the executive model of governance to adopt the strong Leader model. Consequently the Leader now has all executive powers investing in his post and is responsible for the discharge of all executive functions. In particular the Leader is now appointed for 4 years and in turn appoints the Deputy Leader and Executive Portfolio Holders, (previously a Council function) and determines each of the remits of the executive members<sup>11</sup>. In effect the Leader now has the same level of responsibility as an elected Mayor - it is their method of appointment and tenure that differs. In Wigan the Leader now has responsibility for:
- Chairing the Cabinet;
  - Chairing other Boards and Working Groups as appropriate, such as the Health and Wellbeing Board and the Constitution Working Group;
  - Policy Direction and Finance;
  - Partnership Working; and
  - External relations within Greater Manchester and at a national level
38. The Leader's SRA (£36,540) is set at a multiple of three times the Basic Allowance in accordance with a methodology set out in the 2006 Statutory Guidance (paragraph 76). Benchmarking shows great variation in Leaders' SRAs, ranging from £23,412 in Rochdale to £58,595 in Salford (elected mayor) with a mean SRA of £33,732, which is 3.2 times the mean Basic Allowance. The Panel is not unduly worried that the Leader's SRA is higher than the mean SRA for Leaders in the benchmarking group; the size of the authority, the additional powers given to the Leader since the last review and the national dimension that the Leader brings to the role does more than justify such a marginal difference.
39. Again as another check the Panel extended benchmarking to a non-councillor role once more, in this case comparing role and remuneration of the Leader to that of the non-executive Chair of the WWL NHS Foundation, who receives an annual remuneration of approximately £47,500, compared to the Leader's total remuneration (under the 2003 Regulations) of £48,719. Moreover the expressed time commitment for the non-executive Chair of the WWL NHS Foundation Trust is 3 days per week. In this context the Leader's remuneration

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<sup>11</sup> See Wigan Council Constitution, Part 2, Article 8 - The Executive

package as a Member and Leader of Wigan Council represents value for money. Aside from having a larger public accountability, a wider role across a number of service areas with executive powers and responsibility for a larger budget the Wigan Leader is full time.

40. Yet the Panel has not chosen to increase the Leader's SRA in Wigan. In practical terms the Leader has always taken the lead executive powers only now they are underpinned by legislation. The real change has been at the Greater Manchester Combined Authority (the GMCA) which the Panel has addressed below.
41. **As such the Panel recommends that the Leader's SRA remains at £36,540 subject to any annual indexation applied from 1 April 2017 for the next 4 years.**

### Arriving at other SRAs - the Deputy Leader

42. In recommending SRAs the Panel has always followed the approach laid out in the 2006 Statutory Guidance (paragraph 76) which states:

A good starting point in determining special responsibility allowances may be to agree the allowance which should be attached to the most time consuming post on the Council (this maybe the elected mayor or the leader) and pro rata downwards for the other roles which it has agreed ought to receive an extra allowance.

43. This is known as the 'pro rata' approach. The Panel has chosen to maintain this approach and adjusted the ratio for SRAs where there is a demonstrable case to do so.
44. The SRA (£21,952) for the Deputy Leader was originally set (and remains) at 60% of the Leader's SRA<sup>12</sup>. Benchmarking shows that the mean SRA paid to Deputy Leaders in comparator councils is £18,675. The Deputy Leader retains a portfolio (Regeneration) that includes planning, environmental and housing strategy as well as economic development, housing and physical regeneration, and the transport plan and youth unemployment. The Deputy Leader has all the powers of the Leader in his absence - a role that has increased in recent years, such as deputizing for the Leader at regular meetings held across the Council with staff.
45. The Deputy Leader is also the Leader's Deputy at the GMCA. No evidence was received to suggest the Deputy Leader's role at the GMCA merits remuneration under the GMCA Order. But as the Leader has had to concentrate on his policy remit at the GMCA and the devolution agenda in general the Deputy Leader has had to step in to fill the gaps more than in the past. For instance, the Deputy Leader now has more external appointments such as now being appointed to the Board of the Manchester Airport Group (MAG) Board, representing the 29% share owned by the 9 GM councils, Manchester as a 35.5% shareholder makes

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<sup>12</sup> There is slight variation in current ratios from the original ratios due to the rounding up and down after the application of indexation over the years.

an additional Member appointment for which they receive an additional SRA of £10,287. This is not to say that the workload and responsibility of the Leader has diminished in the Wigan context rather that between Wigan, the GMCA and the broader Northern devolution agenda the demands on the Leader have increased to the extent so the Deputy Leader has had to handle some of the 'overflow.'

46. To recognise the enhanced workload and responsibility of the Deputy Leader both in Wigan and through more external appointments as a Council representative the Panel has marginally increased the ratio used to calculate his SRA from 60% to 65% of the Leader's SRA, which equates to £23,751.
47. **The Panel recommends that the Deputy Leader's SRA is reset at 65% of the Leader's SRA (£36,540) and paid at £23,751 subject to any annual indexation applied from 1 April 2017 for the next 4 years.**

### **The Executive Portfolio Holders (6)**

48. The Panel considered whether there was merit in differentiating between Portfolio Holders according to the size of their portfolios. In other words pay a higher SRA to those with the larger remits. As a general rule Panels do not make this distinction and in the main Executive Portfolio Holders are paid an equal SRA. The reasons are both two-fold; first, is the problem of meaningful metrics - how to measure distinctions in responsibility between portfolios? A portfolio may have a large budgetary responsibility to deliver services but much of the spend could be routine while another portfolio may have a smaller budgetary responsibility but that spend may be more driven local priorities rather than national directive which gives the 'smaller' Portfolio Holder greater discretion within their remit. Secondly, there is now a mechanism to even out glaring distinctions between portfolios. The remit of a particular portfolio is now the responsibility of the Leader and he can rebalance portfolios if it was felt necessary. Consequently the Panel is not making a recommendation to pay differential SRAs to Executive Portfolio Holders.
49. The SRA (£16,464) for the Executive Portfolio Holders was originally set at 45% of the Leader's SRA. There has been an increase of an extra Cabinet Member since the last review but there is a limit on executive members with a legislative cap of 10 in total (including Leader and Deputy Leader). Benchmarking shows that the mean SRA paid to other executive members in the comparator councils to be somewhat lower at £13,975. However, this does not take into account those councils that pay the maximum number of other executive members which is 8 thus paying a higher total for the other executive Leaders than is the case in Wigan. Similarly, in 11 out of 16 councils in the benchmarking group also remunerate Executive Assistants or Deputies, with a mean SRA of £5,738 which further increases the total bill for the other executive function.
50. **Consequently the Panel recommends that the Executive Portfolio Holders' SRA remains at £16,464 subject to any indexation that may be applicable from 1 April 2017 for the next 4 years.**

**Regulatory Committees: Chairman of the Licensing & Regulation Committees**

51. The Licensing and Regulation Committees are two separate committees each with their own remit and schedule of meetings but the membership of each committee is the same, they also have the same Chairman and Vice-Chairman. This would be the case regardless of the individuals who were Chairman and Vice-Chairman.
52. The Licensing Committee deals with matters relating to the Licensing Act 2003 (which came into force on 24 November 2005) and essentially deals with the sale of alcohol and premises from which alcohol is sold, including any appeals against applications to vary licensing conditions, etc., e.g., extended licensing hours. The Regulation Committee deals with other regulatory issues, entertainment, and other general licensing issues. Each committee meets 12 times per year and they are also day time meetings.
53. In addition both the Licensing and Regulation Committees have sub committees where a great deal of work is carried out. The Licensing Sub-Committee is scheduled to meet 12 times per year (although at least 3-4 are cancelled due to lack of business) plus any ad hoc meetings required due to time constraints. Its prime function is to determine applications or variations in licenses under the 2003 Act. The Regulation Sub-Committee has not met since September 2013, but it is primarily responsible for appeals against licensing (general), regulation and public safety decisions, with appeals against taxi licensing decisions being a big piece of this work. It is expected that the Chairman will also chair the relevant sub-committees, with the Vice Chairman stepping in when required.
54. Consequently the Chairman of the Licensing and Regulation Committees is paid an SRA to recognise this dual role both at full and sub-committee level. The current SRA (£13,553) for the Chairman of the Licensing and Regulation Committees (the highest non-executive SRA payable) was arrived at by amalgamating the previous SRAs paid the respective Chairmen of each committee with an efficiency or synergy discount applied, this explains the anomalous ratio of the SRA being 37% of the Leader's SRA.
55. Benchmarking shows that the mean SRA paid to Chairmen of Licensing Committees is substantially less at £8,587. Again this needs to be put into context as it does not take into account those councils where a separate SRA is paid for another regulation chair or where some of the regulatory functions might lie with Officers or another committee. While the Vice Chairman of the Licensing and the Regulation Committees in Wigan does receive an SRA, which also occurs in six out of 16 councils in the benchmarking group councils, there are 5 that also remunerate the Chairs of their Licensing Sub-Committees and 4 that remunerate Members of their Licensing Sub Committees and one that remunerates the Vice Chairman of its Licensing Sub-Committee. In effect the SRA for the Chairman of the Licensing and Regulation Committee in Wigan recognises the concentration of responsibilities that may be more dispersed elsewhere.



56. **The Panel recommends that the SRA for the Chairman of the Licensing and Regulation Committees remains at £13,553 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **Chairman of the Planning Committee**

57. The current SRA (£10,974) for the Chairman of the Planning Committee has been set at 30% of the Leader's SRA. The mean SRA for Chairmen of Planning Committees in the benchmarking group is £8,428. Although Wigan is the highest paid Chairman of Planning it is broadly on a par with that paid to Chairmen of Planning in the other large GM Councils: Trafford (£10,388), Manchester (£10,287) and Tameside (£9,581). As always the benchmarking needs treating with a degree of caution - these figures do not take into account the handful of councils where there are additional area planning arrangements which dramatically increases their total spend on the planning function.
58. Nonetheless, the Planning Committee remains an active one with 12 scheduled meetings per year. It is a statutory committee exercising a quasi judicial function that deals with what are often sensitive and occasionally high profile issues. The Chairman needs to understand planning legislation and be able to chair what can be raucous meetings. They are also subject to a much higher degree of public accountability and exposure than most other Chairmen and can be subject to a great deal of lobbying. The Panel received no evidence to suggest the current SRA required revisiting.
59. **The Panel recommends that the Chairman of the Planning Committees' SRA remains at £10,974 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **Vice- Chairmen of the Licensing and Regulation and Planning Committees (2)**

60. Currently the Vice Chairman of the Licensing and Regulation Committees and Vice Chairman of the Planning Committee each receive an SRA of £3,388 and £2,762 respectively, being set at 25% of their own Chairman's SRA. Benchmarking shows a mean SRA of £2,627 for Licensing Chairmen and £2,856 for Planning Chairmen although in each case only 7 out of 15 councils remunerate their Licensing Vice-Chairmen.
61. Indeed, since the previous review these are the only Vice Chairmen in Wigan to retain an SRA. The Panel was content that they did merit an SRA - regulatory committees timetables are driven by statute and in the main cannot be postponed or cancelled and the Vice Chairman is required to step in the absence of or where a conflict of interest arises for the Chairman. It is why the highest incidence of Vice-Chairman's SRA in the benchmarking group is for the regulatory committees. Moreover the Panel received no evidence to suggest that their current SRAs required revisiting.
62. **The Panel recommends that the SRAs for the Vice-Chairman of the Licensing and Regulation Committee and the Vice-Chairman of the**

**Planning Committee remain at £3,388 and £2,856 respectively subject to any indexation applied from 1 April 2017 for the next 4 years.**

#### **Chairmen of the Scrutiny Committees (4)**

63. The current SRA (£7,317) for the Chairman of the four Overview and Scrutiny Committees has been set at 20% of the Leader's SRA. Benchmarking shows that the mean SRA for equivalent posts is £7,515. Since the last review there has been a reconfiguration of the overview and scrutiny function, reducing the number of committees by one, resulting in one less SRA being paid. Overview and scrutiny remains a statutory function that has to be discharged by 1 or more committees. The Panel received no evidence to suggest that their current SRAs required revisiting.
64. **The Panel recommends that the SRA for the Chairman of the four Overview and Scrutiny Committees remains at £7,317 subject to any indexation applied from 1 April 2017 for the next 4 years.**

#### **The Governance Committees - Chairman of the Standards Committee**

65. The SRA (£7,317) for the Chairman of the Standards Committee is set at 20% of the Leader's SRA. The benchmarked mean SRA for this post is £3,386. This SRA has always been above the mean due to particular circumstances in Wigan that generated a lot of complaints against Councillors. In assessing the merit of a complaint, and if relevant making a decision on the complaint and any subsequent appeals against that decision the Standards Committee and Chairman played the pivotal role.
66. However there has been a material change in the powers and remit of the Standards Committee since the implementation of the relevant provisions of the Localism Act 2011 in July 2013. The assessment process is now in the first instance carried out by the Monitoring Officer in conjunction with a new statutory post of 'Independent Person' who is appointed for their expertise and knowledge. The Standards Committee no longer has a formal role in assessing complaints unless the Monitoring Officer and Deputy are conflicted. Where a complaint has been determined to have merit the presumption now is that it is resolved informally without involving the Standards Committee, if possible. Where a complaint now comes before the Standards Committee the range of sanctions available is now more limited, most significantly the Standards Committee can no longer suspend a Member. While the Standards function remains a statutory duty the Standards Committee is no longer a required statutory committee. A concrete example of how this has affected the work of the Standards Committee is the substantial reduction in the number of Standards Sub Committee meetings from 2014 when there was a total of 15 to a total of 3 since then.
67. The Chairman of the Standards Committee still merits an SRA due to the comparatively high number of complaints in Wigan but not at the current level. The Panel has reset this SRA at 15% of the Leader's SRA (£36,540), which

equates to £5,481. **The Panel recommends that the SRA for the Chairman of the Standards Committee is reset at 15% of the Leader's SRA (£36,540) and paid at £5,481 from 1 April 2017 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **Chairman of the Audit and Governance Committee**

68. The Chairman of the Audit and Governance Committee currently receives an SRA of £3,658, being set at 10% of the Leader's SRA. The mean SRA in the benchmarking councils for equivalent posts is £7,290. The remit of the Audit and Governance Committee has been enhanced since the last review particularly in relation to risk management, commissioning external audit work and annual reporting to Council providing an assessment of the performance of the committee. Based on this enhanced remit and the fact that it is logical to see this committee as on a par with the other governance committee - Standards. Thus, the Panel has reset this SRA at 15% of the Leader's SRA which equates to £5,481.
69. **The Panel recommends that the SRA for the Chairman of the Audit and Governance Committee is reset at 15% of the Leader's SRA (£36,540) and paid at £5,481 from 1 April 2017 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **Chairman of a merged Audit and Governance and Standards Committee**

70. The Panel was informed that the merger of the Audit and Governance and Standards Committees is under consideration. To future proof the scheme the Panel has been asked to provide a recommendation in such an event. While it is difficult to assess what the workload and responsibility of a Chairman of a merged Audit and Governance and Standards Committee may be it is reasonable to assume that further efficiencies can be found and the sum of the two parts will be less than the whole. Consequently, at this stage the Panel recommends that the SRA for the Chairman of a merged Audit and Governance and Standards Committee should be set at 20% of the Leader's SRA which is on a par with the Chairmen of the Overview and Scrutiny Committees or £7,317
71. **The Panel recommends that the SRA for the Chairman of a merged Audit and Governance and Standards Committee be paid at 20% of the Leader's SRA at £7,317 subject to any indexation that may be applicable from 1 April 2017 for the next 4 years**

### **Main Opposition Group Leader**

72. The SRA for the Main Opposition Group Leader is based on two elements. A standard SRA of £1,827 (5% of the Leader's SRA) plus £444 per Group Member. At present the Main Opposition Group has five members so the variable element is £2,220, which when added to the standard element equates to the current SRA (£4,047) that is paid to the Leader of the Main Opposition.

Benchmarking shows that the mean SRA paid to Main Opposition Leaders is £10,512. The higher mean SRA is a function of larger Main Opposition Groups elsewhere. This scenario is catered for in Wigan by having the variable element in calculating the Main Opposition Leader's SRA and if the Main Opposition Group increases in size so does their SRA.

73. **The Panel recommends that the method used in arriving at the SRA for the Leader of the Main Opposition Group is maintained; namely having a standard element set at 5% of the Leader's SRA plus £444 per Group Member. As such the Panel recommends no change to the current SRA (£4,047) paid to the Leader of the Main Opposition subject to any indexation applied from 1 April 2017 for the next 4 years.**

#### **Where there are Two Main Opposition Groups of Equal size**

74. **The Panel further recommends that if there are two Main Opposition Groups of equal size then each Main Opposition Group Leader should be able to receive an Opposition SRA based on current formula subject to any indexation applied from 1 April 2017 for the next 4 years.**

#### **Deputy Leader of the Main Opposition Group**

75. Currently the Deputy Leader of the Main Opposition Group does not receive an SRA, largely on the grounds that their Opposition Group is of insufficient size. To future proof the scheme the Panel is recommending that if the size of the Main Opposition Group was to dramatically increase in size, set at a minimum of 20% of the Council membership or 15 Members, then the Main Deputy Opposition Deputy Group should receive an SRA. At this point the group management and council business roles become significantly larger rather than the Deputy Leader of the Main Opposition simply supporting their Group Leader.
76. **The Panel recommends that the allowances scheme is amended to include provision for an SRA for the Deputy Leader of the Main Opposition Group if the Group has a minimum of 15 Members. The SRA is to be paid at £50 per Group Member subject to any indexation that would be applicable from 1 April 2017 for the next 4 years.**

#### **Leaders of Other Opposition Groups**

77. Currently there are two Other Opposition Groups each consisting of two Members but they are not paid an SRA. No evidence was received for the Panel to alter this situation.

#### **The Co-optees' Allowance - Audit and Governance Committee Co-optees (3)**

78. There is provision for 3 Co-opted Members on the Audit and Governance Committee, each eligible for a Co-optees' Allowance of £1,098 per year. They are full members of the committee and are appointed for their knowledge and expertise. No evidence was received to change this allowance. **Thus, the Panel recommends no change to the Co-optees' Allowance for the Co-opted Members of the Audit and Governance Committee, which is currently £1,098 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **The Standards Committee Co-optees (2)**

79. There is no longer a statutory requirement to have co-opted members appointed to the Standards Committee. However, the Council has chosen to retain 2 co-opted Members on Standards to represent the Parish Councils. They are paid a standard Co-optees Allowance of £547 plus £45 per half day or £90 per day when sitting on a Standards Sub-Committee
80. As noted the Localism Act 2011 has changed the nature and work of the Standards Committee. The logic for the standard Co-optees Allowance is not as strong as it once was as there are fewer actual meetings of the Standards Committee and the main focus of the 2 Parish Council Co-optees is when they sit on a Standards Sub-Committee in hearing complaints against other Parish Councillors - an area of work that can be variable.
81. **Consequently the Panel recommends that the standard Co-optees Allowance of £547 per year currently paid to the 2 Parish Council Co-optees on the Standards Committee is discontinued from 1 April 2017.**
82. **The Panel further recommends that the 2 Parish Council Co-optees continue to receive a variable Co-optees' Allowance for when they sit on a Standards Committee Sub-Committee to determine complaints but reset it at the Wigan mean daily salary for all full time employees resident in Wigan at £114 per day or £57 per half day with effect from 1 April 2017 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### **The Dependants' Carers' Allowance (DCA)**

83. While no issues were raised with the Panel regarding the DCA it is noted that it has not been claimed for the few years despite a number of Members being eligible to claim it. The Panel understands that there may be reluctance on the part of eligible Members to claim the DCA as it appears as a published expense against a Members' name in the annual statutory publication of remuneration and reimbursements received by each Member.
84. The Panel takes this opportunity to point out that this allowance was given recognition in statute and is specifically designed to reduce a potential barrier to being an elected Member for those with caring responsibilities. The Panel suggests that if it is known that a Member has caring responsibilities then the DCA is specifically brought to their attention. It should be also pointed out that

the approved duties for which this allowance may be claimed is governed by statute.

85. The only other issue arising is a minor one, namely the maximum hourly rate that can be claimed under the scheme for childcare. To reflect changes in the national minimum wage the applicable hourly rate should be based on the National Minimum Wage, currently £7.20 per hour.
86. **The Panel also recommends that the childcare element of the DCA is reset and reimbursements capped at the Government's National Living Wage, currently £7.20 per hour. The Allowances scheme should also be clarified to point out that the DCA is a contribution rather than full reimbursement of carers' expenses.**

### **Travel and Subsistence Allowances - Outwith the Authority**

87. The Panel has already recommended that the within-authority Travel Allowance for Members attending approved duties requiring a return journey of 10 miles or more be discontinued. It is a different context when a Member has to travel outwith the Authority to represent the Council at regional and national meetings or attend conferences. In these cases Members are incurring expenses that are beyond 'incidental' and are not typically incurred through a Member's routine work. The Panel received no evidence to change the current rates and conditions by which the Travel and Subsistence Allowances may be claimed outwith the Authority.
88. **The Panel recommends that the current rates and terms and conditions for claiming Travel and Subsistence Allowances outwith the Authority are maintained.**

### **Recommendations under the GMCA Order 2011**

89. In accordance with GMCA Order 2011 as amended in March 2015 the Panel considered whether SRAs should be recommended to any Wigan Members appointed to the GMCA or its committees. As with all Members' Allowances schemes of the GM councils the Wigan scheme contains provision for the payment of Members it is required to appoint to the GMCA Transport for Greater Manchester Committees (TfGMC) as follows:
- Ordinary Members £3,825
  - If Wigan Member is Chair of TfGMC: £28,250
  - If Wigan Member is a Vice Chair of TfGMC: £14,125
  - If Wigan Member is a Deputy Chair of TfGMC: £5,050
90. Through the agreement of the GMCA and 10 GM Councils the SRAs for these posts has been reviewed at a GM wide level by a joint GM IRP so a common payment across the GM councils may be paid. The joint GM Panel has no statutory basis but its recommendations are sent to each GM Council for their own Panel to consider and make recommendations to the Council. As far as is

known all the GM IRPs and Councils agreed and adopted the recommendations of the Joint GM IRP.

91. At this stage it appears the GMCA and GM Councils are content to maintain a GM wide approach for SRAs paid to the Councils' appointments to the TfGMC so for the purposes of this review it is not within the Panel's terms of reference. Moreover, the intention behind the amended GMCA Order was for constituent Councils and their IRPs to specifically consider the merits of paying an additional SRA to the Leaders who with the interim mayor constitute the GMCA.
92. To a large extent the Panel anticipated the development of the GMCA through the payment, since 2011 of an SRA (currently at £6,100) to the Leader for being Chair of AGMA/Chair of GMCA. The full rolling out of the GMCA now means the Leader is no longer of Chair of the GMCA (post held by appointed interim Mayor) nor is he any longer Chairman of AGMA which still functions as the association to represent all 10 GM Council. The Leader of Wigan continues to receive the SRA of £6,100 but it is now paid "in respect of duties and responsibilities undertaken as a member of the GMCA". The question for the Panel is therefore whether the duties undertaken by the Leader on the GMCA still merit a SRA and if so at what level?
93. While the Leader is no longer Chair of the GMCA the rolling implementation of devolution has created a different set of challenges for all GM Council Leaders and the Wigan Leader in particular. Each Leader at the GMCA has a particular policy remit; the Leader of Wigan is the GMCA and AGMA portfolio lead for Health and Social Care. The GM region is the only region thus far to take control of its combined health and social care budgets, which is more than £6 billion. As GMCA/AGMA portfolio lead in this area the Wigan Leader is Chair of the Health and Social Care Partnership Board, made up of the 37 NHS bodies and councils in GM plus representatives from relevant stakeholders, which oversees the £6bn health and social care budget. The Leader is also Chair of the Health and Social Care Partnership Executive, which together with the Board, oversees decisions on the entirety of GMs programme and its implementation.
94. The Panel has no doubt the additional workload of the Leader has grown significantly at the GM level and the current SRA requires revising. The problem where to pitch this SRA in what is an evolving context. Benchmarking is of limited value. As the GMCA is the pathfinder for all English Combined Authorities it has the only CA Order that specifically refers remuneration of its Members back to their Councils remuneration panels. In effect it is an issue that has yet to be addressed in other CAs. An obvious comparison within the GMCA is the SRA (£28,250) paid to the Chair of the TfGMC but whereas the Chair of TfGMC is expected to devote the majority of their time to TfGMC duties the Leader of Wigan is still expected to devote the majority of his time to Wigan duties.
95. Seeking guidance by looking at how other GM Councils have addressed the issue is undermined by having so few other examples. Although two GM councils are or will shortly be specifically reviewing their allowances including whether provision is to be made for their Leader under the GMCA Order the only

other GM Councils that pay their Leader an additional SRA for their GMCA duties are:

- Oldham: £5,543
- Trafford: £9,591

96. The Panel has decided that the additional SRA for the Leader for his GMCA duties should be on a broadly on a par with the SRA under the amended Order paid to the Leader of Trafford for their GMCA role as this is the latest GM Council to consider the issue.
97. **The Panel recommends that the SRA payable to the Leader under the amended GMCA Order is reset at £9,600 and implemented on 1 April 2017 subject to any indexation applied from 1 April 2017 for the next 4 years.**

### Issues arising - linking remuneration to performance

98. The Panel received representation expressing disquiet that the flat rate Basic Allowances is paid to all Members regardless of their workloads. While by no means pervasive there is there is a sense of inequity arising from the perception that the vast majority of Members work hard for their Basic Allowance while some Members demonstrate few signs of carrying out the duties for which they are paid.
99. The simple fact is that the Panel is unable to vary the Basic Allowance to differentiate between the work loads of Members. Under the 2003 Regulations a Member by virtue of being elected is entitled to the full Basic Allowance. Apart from resigning the only way not to pay the Basic Allowance is for a Member to be in breach of the 'six month' rule. If a Member does not attend an approved duty at least once every six months then they cease to be a Councillor. This lengthy period between attending approved duties had more logic when Members were more focused on attending meetings, in a context where they had fewer to attend 40 years ago, and the principal remuneration was through an attendance allowance which meant if a Member did not attend their scheduled meetings they did not get paid. Nonetheless, it is the legal framework in which the Panel and Council have to operate.
100. Nonetheless, the Panel took the opportunity to deliberate on the representations received and consider how remuneration may be more closely linked to attending meetings. However, it concluded that any potential way forward was simply unsustainable. Even if the Panel could find flexibility within the legislation the practical problems remained problematic. The simplest metric by which to gauge additional effort is attendance at meetings which in theory can be recognised through an SRA. While attending meetings is not the sole focus of a Members' work it is an important one that can be measured. If a Member is not attending the majority of their scheduled meetings and training events they are not representing the interests of their constituents and the Council in general to the best of their ability. Yet some Members might not attend all their scheduled meetings as they feel their efforts are best focused in their ward or representing their constituents to the council. Furthermore, a



variation of remuneration that is linked to the percentage of meetings attended does not take into account the number of committees a particular Member are scheduled to attend each year. A handful of Members only have 4 meetings per year to attend while others may have over 20; it is easier for former to have a 100% attendance record than the latter even though the latter may actually attend many more meetings.

101. On the recommendation of the Panel from the previous review the Council now maintains and publishes on its website the number of meetings each Member is scheduled to attend and how many they do attend which is no longer expressed as a percentage, due to the inconsistency in the number of meetings they attend, which did not give a true reflection of workloads. The Panel believes that enhancing transparency on the formal workloads and attendance records of individual Members would provide a better means by which electors can judge the performance of their own Members and by knowing that 'bad records' will given a wider airing it might prod the handful of Councillors with 'iffy' attendance records to try harder.
102. **Consequently, the Panel suggests that when the Council publishes its annual statutory declaration of the allowances and expenses paid to and claimed by Members (including sub totals) that extra columns are added to show the number of meetings plus training sessions each member was scheduled to attend, how many they did attend and miss with the attendance record also expressed as a percentage.**

## Indexation

103. **The Panel recommends that the following indices are applied to the remuneration and allowances paid to Members of Wigan Council from 1 April 2017 for the full length of time permitted, namely four years which is up to 31 March 2021:**
- E. Basic Allowance, SRAs (including those paid in accordance with the GMCA Order) and Co-optees' Allowances:**
- Indexed to the annual percentage salary increase for local government staff (at spinal column 49) as agreed each year by the National Joint Council for Local Government Services; to be implemented from the start of the next financial year, for which it is applicable.
- F. Mileage Allowance (Outwith only):**
- Members' mileage allowances rates indexed to HMRC AMAP rates.
- G. Subsistence Allowances (Outwith only):**
- The subsistence allowances should continue to be indexed to the same rates that are applicable to Officers.
- H. The Dependants' Carers' Allowance:**
- Maximum hourly rate claimable indexed to the National Living Wage.

## **Implementation**

104. **The Panel recommends that the new scheme of allowances based on the recommendations contained in this report is adopted from 1 April 2017 or any date before then as agreed by the Council.**

## **APPENDIX ONE - Personal Declarations of Interest**

### **Marion Andrews:**

- Member of Standish Forum
- Secretary of Borough-wide Community Network

### **Declan Hall:**

- Chair of the Joint Greater Manchester Combined Authority/Association Greater Manchester Authorities/Greater Manchester Councils Independent Remuneration Panel

### **Martin Honor:**

- Board member, Wigan Metropolitan Development Co Ltd
- Board member, Wigan Metropolitan Development Property Co Ltd
- Board member, Wigan Metropolitan Development Investment Co Ltd
- Board member, Douglas Valley Community Ltd

**APPENDIX TWO - Information reviewed by the Panel**

1. Terms of Reference
2. Wigan Council Members' Members Allowances Scheme 2015/16
3. Wigan Council Statutory Publication of Members' Allowances & Expenses received 2015/16
4. Independent Remuneration Panel, Review of Allowances, May 2012 Report
5. Council Minutes relating to IRP May 2012 Report, Council Minutes 26 July 2012
6. Wigan Council Committee Structure Diagram including political makeup of Council
7. Schedule of Council Meetings 2015/16
8. Committee Membership
9. Paper outlining summary of main changes to the Constitution since May 2012
10. Copy of Questionnaire sent to all Councillors
11. New Council Constitution: Guidance on Regulation for Local Authority Allowances, Department of Communities and Local Government, May 2006
12. Local Government Association, summary of hours worked (Mean Per Week/Type of Council) by Councillors, Census of Councillors 2013
13. NJC for Local Government Services Pay Increase 2016/17 and 2017/18
14. Members Attendance Records 1 April 2015 to 31 March 2016
15. Statutory Instrument 2003 No. 1021, *The Local Authorities (Members' Allowances) (England) Regulations* 1st May 2003
16. Office of National Statistics (ONS), Annual Survey of Hours and Earnings, Wigan Mean Weekly Pay - Gross (£) - for all full time employees November 2015, (£562.20), Table 8.1a Home Geography
17. Benchmarking data - NHS, Useful Information for Non-executive Directors, 23 April 2013, includes remuneration for NEDs and Chairs
18. Benchmarking data - for illustrative purposes only, Allowance Schemes from comparator authorities in Nottinghamshire and selected schemes from adjacent counties
19. Copy of presentation by Declan Hall (Chair of Panel): Reviewing Allowances: The Wigan Council remuneration model, regulatory requirements, issues and approaches

### **APPENDIX THREE - Members who met with the Panel**

Cllr K. Cunliffe:	Portfolio Holder – Adult & Social Care (Labour)
Cllr G. Fairhurst:	Leader of the Standish Independent Group (Standish Independent)
Cllr J. Grundy:	Deputy Leader of the Main Opposition Group (Conservative)
Cllr J. Harding	Member of the Planning and the Confident Council Scrutiny Committees and a Wigan Deal Ambassador (Labour)
Cllr K. Houlton:	Member of the Children & Young People Scrutiny Committee and a Wigan Deal Ambassador (Conservative)
Cllr J. Hodgkinson:	Leader of the Independent Network Group (Independent)
Cllr S. Keane:	Member of the Standards and the Confident Council Scrutiny Committees (Labour)
Cllr D.T. Molyneux:	Deputy Leader of the Council and Portfolio Holder for Regeneration (Labour)
Cllr J. Moodie:	Chairman of Confident Council Scrutiny Committee (Labour)
Cllr J.D O'Brien:	Chairman Confident Places Scrutiny Committee (Labour)
Cllr J. Platt:	Executive Member and Portfolio Holder for Children & Young Peoples Services (Labour)
Cllr P. Prescott:	Chairman of the Licensing & Regulation Committees and Planning Committee (Labour)
Cllr C Rigby:	Chairman of the Standards Committee and a Wigan Deal Ambassador (Labour)
Lord P Smith: (Cllr)	Executive Leader of the Council, Labour Group Leader and GMCA Portfolio Lead for Health and Social Care (Labour)
Cllr C. Sweeny:	Chairman of the Audit & Governance Committee (Labour)
Cllr F.B Walker:	Member of the Children & Young People Scrutiny and Planning Committees (Labour)

### **APPENDIX THREE - Members who made written submissions**

Cllr P. Prescott:	Chairman of the Licensing & Regulation Committees and Planning Committee (Labour)
Lord P Smith: (Cllr)	Executive Leader of the Council, Labour Group Leader and GMCA Portfolio Lead for Health and Social Care
Cllr M.W Winstanley:	Opposition Group Leader (Conservative)

### **APPENDIX FOUR - Officers who briefed the Panel**

Donna Hall	Chief Executive
Peter Hassett:	Strategic Manager – Chief Legal Officer
Christine Charnock-Jones:	Democratic Services Manager
Paul McKeivitt:	Director of Resources & Contracts (Deputy Chief Executive)

## APPENDIX FIVE - Benchmarking

BM1 Wigan BM Group - Other GM Mets + 10 CIPFA Nearest Neighbours: BA + Exec + Scrutiny SRAs (October 2016)										
Comparator Council	Basic Allowance	Leader or Elected Mayor	Leader Total	Deputy Leader	Executive Members	Assistant or Deputy Execs	Chair Main O&S	Chairs/Lead Scrutiny	V/Chairs Scrutiny	Chairs Scrutiny Panels/WGs
Barnsley	£10,665	£25,681	£36,346	£16,692	£12,840	£2,966		£8,213		£2,054
Bolton	£11,416	£30,681	£42,097	£18,407	£12,011	£5,151		£5,151		
Bury	£8,205	£25,985	£34,190	£15,597	£10,395	£1,226		£6,500		
Doncaster	£12,120	£48,480	£60,600	£15,150	£12,120		£12,120	£3,030		
Manchester	£16,307	£40,725	£57,032	£17,128	£17,128	£6,852		£10,287		
Oldham#	£9,239	£27,717	£36,956	£19,402	£16,630	£6,929		£8,325		
Rochdale*	£7,812	£23,412	£31,224	£12,888	£10,536	£2,616	£7,812	£7,812	£2,616	
Rotherham	£11,605	£26,152	£37,757	£14,383	£13,076		£13,076	£8,717	£1,234	
Salford	£10,405	£58,595	£69,000	£34,445	£13,430	£10,073		£8,395		
St Helens	£7,701	£33,366	£41,067	£18,609	£15,399		£7,701	£4,878		
Stockport	£9,926	£29,778	£39,704	£16,374	£14,889			£5,956		£1,191
Stoke-on-Trent	£12,000	£36,000	£48,000	£18,000	£12,000	£6,000		£9,000		
Tameside	£11,640	£36,036	£47,676	£23,495	£20,099	£8,352		£9,581	£3,194	
Trafford#	£6,492	£25,968	£32,460	£18,176	£12,983	£7,789		£7,789	£3,859	
Wakefield	£12,143	£34,599	£46,742	£18,099	£13,592	£5,161		£9,086		
<b>Wigan#</b>	<b>£12,179</b>	<b>£36,540</b>	<b>£48,719</b>	<b>£21,952</b>	<b>£16,464</b>			<b>£7,317</b>		
<b>Mean</b>	<b>£10,616</b>	<b>£33,732</b>	<b>£44,348</b>	<b>£18,675</b>	<b>£13,975</b>	<b>£5,738</b>	<b>£10,177</b>	<b>£7,502</b>	<b>£2,726</b>	
<b>Highest</b>	<b>£16,307</b>	<b>£58,595</b>	<b>£69,000</b>	<b>£34,445</b>	<b>£20,099</b>	<b>£10,073</b>	<b>£13,076</b>	<b>£10,287</b>	<b>£3,859</b>	
<b>Lowest</b>	<b>£6,492</b>	<b>£23,412</b>	<b>£31,224</b>	<b>£12,888</b>	<b>£10,395</b>	<b>£1,226</b>	<b>£7,701</b>	<b>£3,030</b>	<b>£1,234</b>	
# Receives additional GMCA SRA: Oldham £5,543, Trafford £9,591 & Wigan £6,038						* Rochdale figure reflects extra marginal cost for 2 Deputy Leaders @ £11,712 SRA apiece				

BM2 Wigan BM Group - Other GM Mets + 10 CIPFA Nearest Neighbours September 2016: Regulatory SRAs										
Comparator Council	Chair of Planning	V/Chair of Planning	Chair of Licensing	V/Chair Licensing	Chairs Licensing Panels/Subs	Chair of Audit &/or Governance	V/Chair Audit	Chair HR or Employment Appeals	Chair Standards	V/Chair Standards
Barnsley	£8,218		£8,218			£8,218		£124 p 1/2 day		
Bolton	£8,017	£2,758	£7,589	£2,472						
Bury	£6,500		£6,500			£6,500				
Doncaster	£6,060	£2,424	£6,060	£2,424		£6,060				
Manchester	£10,287	£3,431	£10,287	£3,431					£1,716	
Oldham	£8,315		£8,315						£646	
Rochdale	£7,812		Inc in planning			£7,812	£2,616	£7,812		
Rotherham	£8,717	£1,234	£8,717	£1,234		£8,717	£1,234		£3,500	£1,750
Salford	£8,395		£8,395			£8,395				
St Helens	£7,701		£7,701							
Stockport	£8,338		£8,338		£3,573	£5,956			£1,191	
Stoke-on-Trent	£9,000		£6,000		£3,000	£6,000		£6,000	£3,000	
Tameside	£9,581	£3,194	£6,198	£2,307	£6,198	£9,581	£3,194		£6,198	£2,307
Trafford	£10,388	£3,895	£10,388	£3,895	£3,246	£7,789	£3,895	£7,789	£2,295	
Wakefield	£9,086	£3,053	£8,544		£5,161	£5,161			£8,544	
<b>Wigan</b>	<b>£10,974</b>	<b>£2,762</b>	<b>£13,553</b>	<b>£3,388</b>		<b>£3,658</b>			<b>£7,317</b>	
<b>Mean</b>	<b>£8,587</b>	<b>£2,844</b>	<b>£8,320</b>	<b>£2,736</b>	<b>£4,236</b>	<b>£6,987</b>	<b>£2,735</b>	<b>£7,200</b>	<b>£3,823</b>	
<b>Highest</b>	<b>£10,974</b>	<b>£3,895</b>	<b>£13,553</b>	<b>£3,895</b>	<b>£6,198</b>	<b>£9,581</b>	<b>£3,895</b>	<b>£7,812</b>	<b>£8,544</b>	
<b>Lowest</b>	<b>£6,060</b>	<b>£1,234</b>	<b>£6,000</b>	<b>£1,234</b>	<b>£3,000</b>	<b>£3,658</b>	<b>£1,234</b>	<b>£6,000</b>	<b>£646</b>	



BM3 Wigan BM Group - Other GM Mets + 10 CIPFA Nearest Neighbours September 2016: Opposition & Other SRAs & Co-optees								
Comparator Council	Main Opposition Leader	Main Opposition Dep Leader	Opposition Leads or Shadow	Other Opposition Group Leaders	Area Chairs	Other Co-optees	Standards inc. Parish Co-optees	Other SRAs/Comments
Barnsley	£4,003			£4,003	£8,218	£1,140	£750	Chair Safeguarding Scrutiny £2,966, Mbrs Appeals £42 p 1/2 day
Bolton	£10,349	£6,209		£2,883			£515	Execs w/o portfolio £6,500
Bury	£8,578	£3,428		£4,290		£606	Up to £250 per hearing	2nd Opposition Group Deputy Leader £1,716, Licensing Panel Members £25 p/dy > first 10 meetings
Doncaster	£6,060			£2,424				Main O&S V/Chair £3,030, Audit Sub Mbrs £150 p/hearing
Manchester	£17,128	£6,852	£1,715			£892	£892	Airport Board Mbr £10,287, Spokesperson City Centre + Mbr Fostering Panel £6,852, Mbr Adoption Panel £5,519, Standards Co-optee Chair £159 & £106 Mbr Licensing Mbrs £516 p/hearing
Oldham	£13,859	£5,543	£2,771		£4,989 - £6,652			Chairs Care & Support + Unity Partnership £8,315
Rochdale	£9,372		£768		£7,812			V/Chairs Townships £2,616, Lead Member Armed Forces £7,812
Rotherham	£8,717				£4,358		£710	
Salford	£8,395			£8,395			£396	If Standards Chair is Co-optee £564
St Helens	£4,878	£1,539		£1,539				
Stockport	£8,933			£1,020 + £306 p/mbr	£5,956	£298	£596	
Stoke-on-Trent	NA					£500	£250	
Tameside	£11,269			£2,307	£9,581		£1,515	V/Chairs Licensing Panels £,2,307, V/Chairs Area Assemblies £3,194, If > 5 Standards Hearings Panels p/yr £100 p/hearing, Chair Council Business £11,269. 1 1/2 SRAs per member
Trafford	£12,983	£2,595	£2,595	£2,595		£1,148	£767	V/Chair Employment £3,895, Shadow Scrutiny Lead Mbrs £1,590, Opposition Spokespersons on Planning + Licensing £2,595
Wakefield	£6,869							Chair Town & Parish Liaison Group £3,053, Chair WY Joint Services £9,709, BA inc Basic Supplement £804
<b>Wigan</b>	<b>£4,047</b>					<b>£1,098</b>	<b>£547</b>	<i>Standards Co-optees also paid £45 per half day or £90 per day when sitting on a Standards Sub-Committee</i>
<b>Mean</b>	<b>£9,029</b>	<b>£4,361</b>	<b>£1,962</b>	<b>£3,555</b>	<b>£7,185</b>	<b>£812</b>	<b>£694</b>	
<b>Median</b>	<b>£8,717</b>	<b>£4,486</b>	<b>£2,155</b>	<b>£2,739</b>	<b>£7,812</b>	<b>£892</b>	<b>£653</b>	
<b>Highest</b>	<b>£17,128</b>	<b>£6,852</b>	<b>£2,771</b>	<b>£8,395</b>	<b>£9,581</b>	<b>£1,148</b>	<b>£1,515</b>	

<b>Lowest</b>	<b>£4,003</b>	<b>£1,539</b>	<b>£768</b>	<b>£1,539</b>	<b>£4,358</b>	<b>£298</b>	<b>£250</b>	
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