

CITY OF BRADFORD METROPOLITAN COUNCIL

Report of Panel on Members' Allowances

4th November 2016

1. Introduction

- 1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require each local authority to establish an Independent Remuneration Panel to advise the Council on its scheme of members' allowances, having regard to the Regulations and the Government's statutory guidance. Before making or amending a scheme the Council must have regard to the advice of the Panel. No payment may be made to Council members otherwise than in accordance with the Council's Scheme.
- 1.2 In accordance with the Regulations the Council has appointed an Independent Remuneration Panel. In making (and subsequently amending) its scheme of members' allowances the Council has had regard to the advice of the Panel. The Panel now consists of Sir Rodney Brooke CBE DL (Chair), Lorraine Clarke and Christopher Ing. The Panel last reported to the Council in September 2015 making recommendations regarding the Special Responsibility Allowances (SRA) payable to 6 Executive Assistants.
- 1.3 The Council has reduced from seven to six the number of Executive Members with portfolios. The Council also created the posts of six Executive Assistants to work with the Executive Members with portfolios. The Council agreed to the Panel recommendation to set a Special Responsibility Allowance for these six posts of 12.5% and then 15% of the Leader's SRA.
- 1.4 The Council has now reduced the number of Executive Assistants from six to three with effect from the Annual Meeting in May 2016. The Panel have now considered the appropriate SRA for these Executive Assistants.
- 1.5 In considering this issue the Panel met Councillor Susan Hinchcliffe (Leader of the Council) and Ms Parveen Akhtar (City Solicitor). After a discussion with Councillors Hinchcliffe on the matter, she left the meeting to allow the Panel to debate the issue. The conclusions of the Panel are entirely its own.
- 1.6 In addition to the issue of Executive Assistants, the Panel was asked to consider whether to increase Members' Allowances in line with the annual pay settlement for local government staff (the annual uprating having come to an end in October 2015), and to consider when any uprating should next be reviewed.

2. Background

- 2.1 For the 2016-17 municipal year the Council's Executive consists of the Leader of the Council, the Deputy Leader of the Council and four Portfolio Holders. Their respective portfolios are:

Leader (Corporate Matters)

Deputy Leader (Health and Wellbeing)

Portfolio Holder for Education, Employment & Skills

Portfolio Holder for Regeneration, Planning and Transport

Portfolio Holder for Environment, Sport & Culture

Portfolio Holder for Neighbourhoods & Community Safety

- 2.2 The three Executive Assistants each have an area of responsibility which corresponds to a Portfolio. They are not members of the Executive. They cannot vote at meetings of the Executive but may speak at the discretion of the Leader. They do not have responsibilities for the media. The position of Executive Assistant is to provide practical and policy support to the Leader and Portfolio Holders. It is also a developmental role providing members with direct experience of working with the Executive and assisting Portfolio Holders in developing and delivering strategic policy, informing decision making and the political management of the Authority. Their specific responsibilities are:

- (a) supporting Portfolio Holders actively to review performance and resources and develop policy in specific areas identified by the Portfolio Holders.
- (b) supporting Portfolio Holders and/or the Leader by progressing casework and actions as specified by the Leader/Portfolio Holder.
- (c) attending policy briefings in their areas of responsibility.
- (d) deputising for the Portfolio Holders at meetings relating to the Assistant's areas of responsibility and/or participating in meetings with the Portfolio Holders.
- (e) attending meetings of Executive members and the Council's Joint Political and Managerial Leadership as determined to be appropriate, in consultation with the Portfolio Holders and Leader.
- (f) attending meetings and developing relationships with relevant local and regional partners as determined to be appropriate through consultation with the Portfolio Holders.
- (g) attending public meetings as appropriate.

- (h) developing knowledge in areas related to their responsibilities as Executive Assistants and keeping abreast of local and national developments in those areas.
- (i) working on specific projects as assigned by Portfolio Holders/ Leader.

Items (b) and (i) have been added to the role profile for 2016/17.

3. Consideration

3.1 While appreciating that the cost of members' allowances is by no means excessive in relation to the responsibilities of the Council and its members, both the Panel and the Council recognise the severe financial climate currently affecting local authorities. The Panel wish to avoid any significant increase in the overall cost of members' allowances. The reduction within the 2015/16 financial year of the number of Portfolio Holders reduced the cost of members' allowances by £25,939.

3.2 The workload on councillors continues to increase: budgetary reductions increase the pressure on them. They have growing demands from their constituents. Specifically the prospect of the devolution of powers from central government and the creation of a combined West Yorkshire or larger authority increases the pressures on and workload of the Leader, Deputy Leader and Portfolio Holders. The Executive Assistants can be asked to assist the Leader and Portfolio Holders with these matters, present issues to the Executive and to Overview and Scrutiny Committees and to represent the Portfolio Holders at meetings with outside bodies. While the Panel appreciates the developmental role of the Executive Assistants, it can see that their presence and involvement in the work of their respective Portfolios has been significant and will continue to grow as they gain experience.

3.3 The Executive Assistants cover the following Portfolios:-

- Health & Wellbeing
- Education, Employment & Skills
- Environment, Sport & Culture

Given that they now have new additional responsibilities in relation to casework and projects, as specified at paragraph 2.2 above, the time commitment for the role has increased significantly. Examples of the specific projects to be assigned to the Executive Assistants relate to cohesion and community leadership development, the Council's youth offer, and the Council's relationships with the business community. Tasks within these projects may include but are not limited to:

- (i) Community leadership and cohesion: a review of best practice of councillors' role in these key areas

- (ii) Youth offer: a review of how the Council can optimise services for young people and enhance 'youth voice' in the District including through close working with partners
 - (iii) Business relations: assessing new opportunities for the Council to provide fertile ground to promote business growth; assessing new opportunities for the business community's corporate social responsibility activities to complement the Council's work and benefit the District
 - (iv) Supporting the Leader: providing practical and casework support including following up actions from meetings and liaising with officers.
- 3.4 Special Responsibility Allowances in the Bradford Members' Allowances Scheme are largely based on a percentage of the Leader's Special Responsibility Allowance.
- 3.5 Bearing in mind that the roles were in the early stages of development, the Panel recommended in 2015 that an appropriate Special Responsibility Allowance for the six Executive Assistants' posts would be £4,488, i.e. 12.5% of the Leader's Special Responsibility Allowance. However, it was clear that the roles of the Executive Assistants would evolve and develop. With that in mind, the Panel recommended that, from the date of the 2016 Annual Council Meeting, the Special Responsibility Allowance for the Executive Assistants be increased to £5,385, i.e. 15% of the Leader's Special Responsibility Allowance. We also recommended that their Special Responsibility Allowances should be kept under review, bearing in mind the evolving nature of the role, especially in the context of devolution and the development of a combined West Yorkshire or larger Authority.
- 3.6 In the interim, the Council's budget position has worsened. Over the next 4 years savings of £100m will have to be found. The Council will have to transform from a service providing body to one which influences, commissions services and leads or is a member of various partnerships. Its scope of direct operations may reduce but its role will be increasingly complex.
- 3.7 With the reduction in the number of Executive Assistants from 6 to 3, the post holders will assume new responsibilities as shown in paragraph 3.3 above if their SRA is increased. The reduction in the number of posts achieves a saving of £16,155. Having regard to their expanded role profile, the increase in their time commitment, the potential addition of significant new responsibilities, and the type of specific projects to be assigned to them, the Panel believe an increase in the SRA to 30% of the Leader's SRA is appropriate. Because of the reduction in the number of Executive Assistants an increase in the SRA from 15% to 30% is cost neutral. Parts of the Executive Assistants' roles are new and the Panel believe that the recommended SRAs should be reviewed after two years.

Uprating of Allowances in the Members' Scheme

- 3.8 The Scheme currently provides at paragraph 8.1 as follows: "All rates of allowances payable under this scheme shall be increased on 1 October in each year up to and including 1 October 2015 by the index." The "index" means "the percentage increase provided for by the local government pay settlement for the year in question." We understand the pay settlement in 2016 involves an increase of 1%.
- 3.9 The Regulations do not allow inflation-linked increases in members' allowances to continue for more than four years without further consideration by the Independent Review Panel. The current uprating ended in October 2015. The Panel believes that it is sensible to continue to link members' allowances to the annual pay settlement and other allowances for local government staff. The national negotiating machinery balances the affordability of the settlement with the need to recruit and retain staff. The same considerations apply to members. The Panel therefore recommend that the updating of members' allowances should continue for a further two years but (because of the substantial changes affecting local government) be reviewed in October 2018.

RECOMMENDATION

- 4.1 The Special Responsibility Allowance payable to the Executive Assistants should be 30% of the Special Responsibility Allowance payable to the Leader of the Council with effect from the December 2016 meeting of the Council.**
- 4.2 The level of the Special Responsibility Allowances payable to the Executive Assistants should be reviewed in two years' time.**
- 4.3 The basic, special responsibility and co-optees' allowances should be uprated in accordance with the headline pay increase negotiated through the National Joint Committee for Local Government Employees (or equivalent); and travel and subsistence allowances should be updated annually in accordance with the rates claimable by officers. The indexation should continue for two years.**

Rodney Brooke (Chair)
Lorraine Clarke
Christopher Ing

4 November 2016