

INDEPENDENT REMUNERATION PANEL

PORTFOLIO HOLDER: Councillor Mike Ashbrook

REPORT AUTHOR: Councillor Mike Ashbrook

Summary: This report considers the recommendations of the Independent Remuneration Panel.

Recommendation:

1. That the Leader's Special Responsibility Allowance is increased to £17450 with effect from the 2006 Annual Meeting.
2. That all the other recommendations of the Independent Remuneration Panel are agreed

Impact on delivering the Corporate Plan: None

Impact on other statutory objectives and Health and Safety None

Financial and human resource implications: An allowance was included in the 2006/7 Budget to take account of possible changes arising out of the work of the Independent Remuneration Panel. There are therefore no further budgetary implications arising from this report.

Project & Risk Management: None

1. INTRODUCTION

1.1 The Independent Remuneration Panel was asked to carry out an interim review of members' allowances, prior to a full review being carried out later this year. Their report is attached. Under the 2003 Regulations, Council has a duty to have regard to the recommendations made by the Independent Panel when making or amending a scheme for members' allowances.

2. SUMMARY OF RECOMMENDATIONS OF THE PANEL

2.1 The Panel recommends no further changes in the Basic Allowance or to Special Responsibility Allowances (other than the Leader's) at this time.

2.2 With regard to the Leader's Special Responsibility Allowance, the Panel acknowledges that there is a need to catch up with other Cumbrian local authorities. The approach

adopted was to average the Leaders' Allowances across Cumbria excluding that for Allerdale which they see as an anomaly. The figure arrived at by this method is £13982.

2.3 Looking at the payments made to other Leaders it is considered that the Panel has not arrived at an amount which takes fully into account the particular complexity of the role of the Leader at Copeland, which includes in particular the nuclear agenda and the work of the Strategic Forum.

2.4 There is also concern at the approach adopted, which is based on an average excluding the highest allowance. Alternatives might have been either to average all allowances or take out both the highest and the lowest payments and average the remainder. Had the former been undertaken the average would have been £16379, or using the latter method it would have been £15183.

2.5 Information for other councils indicates that the total package paid to Leaders (special responsibility plus basic) is as follows:

- Allerdale - £31,748
- Barrow - £15,018
- Carlisle - £20,274
- Eden - does not operate Executive arrangements
- S Lakes - £11,997
- County - £28,566
- NW avr - £22,283

2.6 An alternative to an averaging of allowances, which might as indicated above be considered flawed, is to look for job comparators, as we do when considering grades for officer posts. Following the advice of the Panel to exclude Allerdale from any comparison because it is out of line with other payments, it is suggested that the role of Leader at Copeland is most comparable with the role at Carlisle where there are similar regeneration issues and like the Strategic Forum there is a special Governmental task force following the flooding which the City experienced. Few of us would argue that the job of Leader at Copeland is less arduous than the job at Carlisle, and yet the gap in remuneration (even taking into account the proposed increase recommended by the Panel) would still be in excess of £3000. It is therefore recommended that the Special Responsibility Allowance for the Leader is increased sufficiently to give the same total package as at Carlisle (£20,274 less Basic Allowance for 2006/7 for Copeland of £2824 = £17450)

3. CONCLUSIONS

3.1 I am sure members will wish to join with me in thanking the Independent Remuneration Panel for carrying out their difficult task in a relatively short timescale. It is recommended that we follow all of their recommendations apart from the proposed increase for the Leader's Special Responsibility Allowance. However, even here it is recommended that we follow the advice of the Panel and exclude Allerdale's payments from our consideration. Averages as we all know can be a good guide but they can also present difficulties, particularly when some information is excluded even with the best intentions. It is therefore suggested that pending the full review of allowances later this year, the Leader's Special Responsibility Allowance is increased to bring it in line with Carlisle's which is considered to be a suitable comparator.

Councillor Mike Ashbrook

List of Appendices

Appendix A – Report of the Independent Remuneration Panel

List of Background Documents:

List of Consultees:

Chief Executive, Head of Finance & Business
Development, Tim Capper