

MEMBER SCHEME OF ALLOWANCES 2015/16 and INDICATIVE SALARY FOR THE DIRECTLY ELECTED MAYOR

EXECUTIVE MEMBER: Councillor Gillian Troughton
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Why has this report come to the Council?

The Council's Independent Remuneration Panel has reviewed the scheme of allowances in preparation for the new Council's term of office commencing May 2015. In addition, in line with the decision of Council of 19 June 2014, the IRP was asked to recommend an indicative salary for the Directly Elected Mayor with the salary to be finalised by Council on 1 June 2015.

Recommendation: That

1. subject to final approval by Council in June
 - a) Elected Mayor Salary – Indicative salary of £50,000.00 for elected Mayor;
 - b) Deputy Mayor allowance of £15,000.00. No opportunity to accrue additional special responsibility allowances as part of the executive, regardless of portfolio holding;
 - c) a pot of £38,152.08 for the executive membership responsible for portfolios; the terms of division to be determined;be approved in principle.
2. Allowances
 - a) Basic Allowance – 1% increase for 2015/16 (£3,093.87);
 - b) Group leaders – sliding scale dependent upon group size:

5 - 9 members	£2,000.00
10 - 14 members	£3,000.00
15 or more members	£4,000.00;
 - c) Chair of Audit & Governance committee - £400.00
 - d) Chair of Council (formerly the civic mayor) £2,000.00
 - e) Deputy Chair of Council (formerly deputy mayor) £500.00be approved.
3.
 - a) Travel and Subsistence (Appendix A)

- b) Children and Dependents Allowance (Appendix A)
- c) Pension Arrangements (Appendix A)
- d) Co-optee Allowances (Appendix A)
- e) Allowances (Appendix A);

be approved

4. That a review of the Mayor's salary be undertaken by the Independent Remuneration Panel during early 2016 and a report be presented to Council; and

5. That a "light touch" annual review of the Scheme of Allowances be undertaken and presented to Council each year up to and including 2018/19.

1 Introduction

- 1.1 In June 2014 Council gave the Chief Executive authority to appoint new members to its Independent Remuneration Panel. A recruitment exercise was undertaken in autumn 2014 which rigorously sought members who were totally independent of the Council and who had the skills and expertise necessary to complete the task. As a result three new Panel members were appointed:

Mr Richard Askew

Mr Phillip Robinson

Rev. Keith Teasdale

- 1.2 The Panel met regularly during December 2014 and January and February 2015 and interviewed a number of councillors during that time. The Panel also met with the Member Allowances Working Group to present the draft report and discuss any matters of accuracy.

2 Member Scheme of Allowances 2015/16

- 2.1 In coming to its recommendation the Panel looked at the current scheme of member allowances and previous schemes going back over a number of years. They also considered the current and anticipated future financial position of the Council. The schemes of allowances of other comparable authorities were studied in a benchmarking exercise.

The Panel has concluded that an increase to the basic allowance of 1% is appropriate given that there has been no increase to the basic allowance since 2008/09 and in reflection of the work necessarily undertaken by elected members.

- 2.2 Special Responsibility Allowances

The Panel has proposed that the allowances for the Chairman and Deputy Chairman of Council (currently the civic Mayor and Deputy Mayor) remain at £4,000 and £500 respectively and that an allowance of £400 continue to be paid to the Independent Chairman of the Audit and Governance Committee.

Currently the leader of the main political opposition group receives an allowance of £4000. No other group leaders receive a specific group leader allowance. Because of the changes that are likely to be brought about by the introduction of the elected mayor, the panel has suggested that a sliding scale of allowances for group leaders be introduced, with allowances dependant on the numbers within their groups. Therefore group leaders with between 5 and 9 members would receive £2000, those with 10 to 14 members would receive £3000 and those with 15 members or more would receive £4000.

2.3 Executive Responsibilities

The Panel recommends a flat rate allowance for the Deputy Mayor of £15,000, with no other Executive responsibility allowance to be awarded. The “pot” for the remaining Executive members, who could total up to 8, is recommended at £38,000 and it is proposed that if Council agree this “pot” a decision will be brought back to the Annual Meeting, once the Executive numbers and responsibilities are known, to agree the individual Executive allowances payable.

2.4 Travel and Subsistence

The Panel has recommended some changes to the travel and subsistence allowances, including that the HMRC mileage rates be adopted and that the allowances payable for conference attendance and Broadband provision be deleted.

3 Indicative Salary for the Directly Elected Mayor

The Panel has admitted that it was a difficult task to agree an indicative salary for the Mayor; of the local authorities that currently have elected Mayors the majority are unitary, metropolitan or large city councils with wider functions and much larger financial and other resources than Copeland. However there are currently two “second tier” district authorities with an elected Mayor, Watford and Mansfield, and the details of both of these authorities’ mayoral salaries were studied in detail. It was noted that Mansfield’s Mayor currently has the lowest salary of all the country’s elected mayors at £54,000.

In recommending a salary of £50,000 the Panel were mindful of the expectation that will be placed on the new Mayor, and the responsibility that will lie with the role. The Panel met with the current Leader of the Council to gain an understanding of the role of Leader and the workload and level of responsibility and decision making involved, and how this would translate into an elected mayor model of governance.

4 Budgetary Context

The recommendations made in this paper can be funded for 2015/16 through the existing revenue budget for members’ allowances and through utilisation of the reserve for costs associated with the new mayoral arrangement.

At the point of approval the final allocations at Council on 1 June, the exact amounts required will be determined and built into the base budget 2016/17 onwards

5 Conclusions

- 3.1 The Independent Remuneration Panel has undertaken a rigorous review of the Member Allowance Scheme, having undertaken an extensive benchmarking exercise and interviewed a number of member and officers. In addition the Panel has taken on the challenging task of recommending an indicative salary for the elected Mayor, by researching the role of the Mayor and scrutinising the salary details of elected Mayors in a range of authorities. The Panel is keen to continue its work going forward, with a review of the Mayor's salary in February 2016 and an annual "light touch" review of the Member Allowance Scheme.

Consultees: Chief Executive; Section 151 Officer; Lead Executive Member

Monitoring Officer comments: Included in report

S151 Officer comments: Included in the report

EIA comments: No comments

Appendix A – Independent Remuneration Panel Report