

8 REPORT OF THE INDEPENDENT PANEL ON MEMBERS' ALLOWANCES

Report of the Chief Officer of the Council to the County Council meeting of 22 February 2001

- 1 At its meeting in November 2000, the former Policy and Resources Committee took the decision to establish an Independent Panel to consider and make recommendations on the Scheme of Members' Allowances, in relation to the new political arrangements under the Local Government Act 2000. The responsibility for establishing the Independent Panel was delegated to me.
- 2 I duly appointed a three member panel in January under the chairmanship of Rodney Brooke, CBE. The Panel has now produced its report which was informally presented to members on 15 February 2001. It is now a matter for the County Council to formally receive the report and decide whether or not to accept it, either in part or in full.
- 3 The Panel made the point early on in their report that demands on councillors have grown enormously over the years and for those holding senior posts the tasks and responsibilities undertaken now require full time attention. They further made the point that there is now a national trend towards recognising the need for higher remuneration for local authority members, and that the Government is encouraging all councils to ensure that their remuneration and allowances structures will reinforce the move to a more vibrant local democracy as envisaged under its Modernising Agenda.
- 4 I entirely agree with the Panel's assertion that it will not be possible for this, or any other authority, to attract and retain high calibre councillors drawn from a wide cross-section of the populous unless levels of remuneration are at a level which substantially cushion the financial loss that would otherwise be felt. The report, however, also makes it clear that, whilst the allowances paid should bear comparison with like responsibilities undertaken in similar sized public organisations, it is not appropriate to pay the sort of remuneration that applies in the private sector. They take the view that a substantial public sector discount needs to be applied to preserve the important public service ethos, which I am sure is a view held by all members serving on this County Council.
- 5 There is some evidence that the increase to the basic allowance agreed last year by the Council, has increased the number of people putting themselves forward for election this year, a situation which must be considered healthy for local democracy. To now increase further that allowance, and those paid to individual post holders would, in my view, be a further step in the right direction of encouraging even more people to consider standing.
- 6 As the report sets out, the budgetary impact of accepting the Panel's proposals would be to add a further £133,000 to the existing members' allowances budget. Clearly this is a substantial sum but, in the context of the Council's overall revenue budget, its importance should not be exaggerated as the revised budget would still only represent 0.185% of this authority's total revenue budget. Furthermore the Council has made sufficient provision in its revenue budget proposals for 2001/02, to cover the cost of all known aspects of modernising, so as to avoid any impact on service provision.

RECOMMENDATIONS

The County Council is recommended to

- 1** thank the Panel for their report;
- 2** accept in full the following specific recommendations set out in the report:
 - **Basic allowance to be increased to £8,500;**
 - **All remaining attendance allowances still being paid to cease;**
 - **Special responsibility allowances to be adjusted to the new rates given on page 16 of the report;**
 - **In the case of Cabinet members, differential rates within the recommended range be set on the advice of the Leader of the Council to reflect the relative workload and complexity of each portfolio;**
 - **The practice of only paying one special responsibility allowance to an individual member to be continued;**
 - **Allowances to be adjusted for inflation each year, in line with the average increase for officers agreed under the local pay bargaining machinery;**
 - **Job descriptions to be prepared for each of the different roles performed by members as soon as possible;**
 - **Performance targets to be set for members of the Cabinet. All other members to be required to account for their activities through a reporting mechanism to be agreed by the Cabinet.**
- 3** keep under review the question of special responsibility allowances being paid to the Vice-Chairmen of Select Committees.
- 4** introduce the basic allowance, as set out above, as soon as the new Council has been appointed after 3 May elections, with the special responsibility allowances taking effect as soon as each post holder is appointed at, or following, the first meeting of the new Council on 24 May 2001.
- 5** refer all remaining recommendations set out in the report (concerning the timing of meetings and information and support to members etc) to the Cabinet to consider and bring forward recommendations on how each of these might be implemented.

**Chris M Williams
Chief Officer of the Council**