

**Buckinghamshire County Council  
Report of the Independent Panel on  
Members' Allowances**

**February 2001**

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## Summary of Main Recommendations

- Proposed increases to levels of allowances set out in this report to apply from 1 April 2001.
- Basic allowance to be increased to £8,500 per annum.
- All payments of attendance allowance to cease.
- Special responsibility allowances to be adjusted to the following levels:
  - Leader - £31,500
  - Deputy Leader - £21,000
  - Cabinet members – to be set within the range £14,000 to £18,000
  - Chairmen of select committees - £8,000
  - Chairman of Development Control Committee - £4,000
  - Chairman and Vice-Chairman of Fire Authority - £8,000 & £3,000 respectively
  - Chairman and Vice-Chairman of the Council - £10,000 & £2,500 respectively
- No change recommended to the current allowances paid in respect of political party group leaders.
- Only one special responsibility allowance to be drawn by an individual member.
- Allowances should be adjusted for inflation each year in line with the average increase for officers agreed under the local pay bargaining machinery.
- Full advantage should be taken of any forthcoming statutory powers to allocate pensions to members.
- Job descriptions should be prepared for each of the different roles performed by members. All office post holders should account for their activities, either through the setting and monitoring of performance targets or through the submission of regular reports on their activities and effectiveness and those of any committee they may chair. Non-executive members should report regularly on their activities to an appropriate local body.
- The Council should continue to maximise the use made of new technology and members individually should take responsibility for ensuring they derive maximum benefit from the availability of such technology.

## Introduction

- 1 This is the report to Buckinghamshire County Council from an Independent Panel appointed by the Council to undertake a review of members' allowances. The Panel comprised:

Mr Rodney Brooke, CBE (Chairman)  
Mr Roy Heape, OBE  
Mr John Ingold

- 2 The decision to establish an Independent Panel was taken by the Council's former Policy and Resources Committee in November 2000 and we were appointed by the Chief Officer of the Council in January 2001. The following terms of reference were established for the Panel:

- (1) To consider and make recommendations on the Scheme of Members Allowances, in relation to the new political arrangements under the Local Government Act 2000, based on an evaluation of:

- the various roles of members, and
- the responsibilities of members as compared to similar roles and responsibilities being discharged within a large public company, and
- taking account of the practice in other similar local authorities as well as any other relevant comparative information

Specifically to make recommendations on:

- appropriate levels of basic allowance
  - appropriate levels of special responsibility allowances
  - the executive posts which should be made pensionable
- (2) To suggest an appropriate method of revising the amounts payable each year, to ensure their value is retained.
- (3) The Panel is also asked to consider the payment of honoraria to members holding posts which attract a special responsibility allowance, to reflect the additional responsibilities carried out during the period of the interim pilot arrangements.

- 3 The Local Government Act 2000 requires local authorities to move from the old system of decisions taken in committees to a more streamlined system based on an executive decision making model. The Council has recently entered into a pilot period, in which it is testing out new political arrangements based on a cabinet structure. In this context the Panel was asked to carry out its review. All members of the County Council were invited to submit their views to the Panel and we received four written comments. The Panel met on five occasions during the period 25 January to 12 February and, on three of those days, interviewed eight members of the Council, representing all political groups, as well as the Chief Officer of the Council and the Head of Human Resources.

## **The County and Council of Buckinghamshire**

- 4 Buckinghamshire is an attractive rural county of some 600 square miles, which sweeps from the River Thames, directly to the west of London, half way to Birmingham in the north. It is some 40 miles from north to south, but only 28 miles west to east. It is an affluent county (third in the national league) reflected in higher than average house prices and wage levels above the mean for white-collar workers. It is also a diffuse county, with the market town of Aylesbury at its administrative centre and home to a number of large multi-national companies. High Wycombe is the most important industrial centre, where traditional industries operate alongside hightec and service industries. It is however a county not without its problems and there are some notable pockets of deprivation in High Wycombe and other major towns.
- 5 In the current year the County Council is spending some £340 million on delivering services to about 480,000 people. Capital spending in the year will be in the region of £25 million.
- 6 The County Council employs over 14,000 people. Approximately 50% work part-time and the full-time equivalent number of staff at the end of December 2000 was 8,820. Of these 44% are teachers. The Council is the biggest employer in the county. It has offices, schools and other facilities spread right throughout its geographical area.

### **The Political Environment**

- 7 The governance of the county is the responsibility of the elected members of the Council. There are 54 members, each covering a single county division. 38 seats are held by the Conservatives, 10 by the Liberal Democrats, 5 by Labour and there is 1 Independent seat. Elections are held every 4 years with the next due this year in May.
- 8 The County Council has been Conservative controlled over the whole of its 112 years. The loss of Milton Keynes can only encourage this one party domination, but of more interest to the Panel is the fact that the politics in Bucks are more benign and less adversarial than in many other areas. This relative lack of sharp political division means that the party groupings play a less significant role than elsewhere. Unlike most politically divided local authorities, there are no party whips. From the evidence we have received it also seems that, except in the pockets of deprivation, constituency work is likely to be less demanding than in authorities with more acute social pressures.
- 9 The age profile of current County Councillors, shown in the table below, is not untypical of shire counties. The average age of a Bucks member is 58. More significantly, perhaps, the median age is about 63. We understand that there was a turnover in excess of 30% at the last election and that this might increase to 50% this coming May.

Political Party Representation:	Conservative Liberal Democrat Labour Independent	38 10 5 1
Gender	Men Women	36 17
Age	20 – 29 30 – 39 40 – 49 50 – 59 60 – 69 70 – 79 80 – 89 Age of one member is unknown	1 2 9 7 22 10 1
Also current members of a district council		18
Average time served by current members		8.4 years

NB: One seat is currently vacant

- 10 Buckinghamshire County Council has been relying on a core of long serving members. This is not untypical of the national scene, as the primary motivation of councillors is one of dedication to public service, rather than financial reward. Whilst some turnover of members is to be encouraged, the 50% turnover predicted in May could cause major difficulties in terms of loss of skills and experience. We received evidence from a number of members of financial loss incurred, including loss of pension. We were also told of younger members leaving to pursue full-time employment. Again this situation is replicated nationally added to which there is always a likelihood that many competent leaders of local authorities will leave local government to pursue more lucrative careers in Parliament as indeed was the case at the 1997 general election.

### **Demands of the Job**

- 11 We were impressed by the dedication and public spiritedness of the members who provided oral evidence to us. None were motivated to council service by pecuniary considerations. A number of members showed us their diaries, which had entries covering large parts of each day, and in some cases virtually “wall-to-wall”. Meetings at County Hall can also involve substantial travelling for those members who live well away from Aylesbury. Whilst it is probably generally accepted amongst members that private sector pay rewards cannot be expected, we agree with the premise that neither should it be acceptable for councillors to suffer unreasonable financial loss. Local government is now a high pressure activity in which the demands, even on non-executive members, often make it difficult to hold down a “normal” job and certainly inhibit

promotion opportunities. For many leading members, ie those holding senior posts, it is clear that the tasks and responsibilities they undertake now require full time attention.

- 12 There is now a national move to give better remuneration and recognition to councillors, both in terms of providing adequate compensation and as an inducement to a wider cross section of able people to stand for election. As this Authority's own Leader said, "if local government is to regain its place in the national esteem, it is essential to have able councillors". We agree with this statement.
- 13 There is also the perspective of increased responsibilities and influence. Government is providing local authorities with an expanding role, for instance by providing a power of scrutiny over the National Health Service. Local authorities are now expected to lead their communities. They must provide services that meet national standards. If they fail the Government has shown its willingness to step in.
- 14 All of this suggests to us that it is right for councillors to receive remuneration that more accurately reflects the time and effort they should put in, the skills and attributes they need to bring and the limiting impact all this has on their opportunities to be economically active.
- 15 Finally we should note that the Government itself is committed to proper remuneration being paid to Councillors.

*"The financial support for councillors must also reinforce the culture of the modern Council and address, as far as possible, any disincentive to serving in local politics. People do not enter public service to make their fortune, but neither should they pay a price for serving the public..... The Government will encourage councils to take a radical look at the way in which their remuneration and allowances structures can reinforce the new approach to local government".<sup>1</sup>*

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<sup>1</sup> Modern Local Government (CM4014), para 3.54

## Members' Allowances

### The Current System of Members' Allowances

- 16 Councils have for many years been entitled to pay allowances to their members. All principal local authorities in England are presently required by law (Local Government and Housing Act 1989, Section 18) to establish a scheme for this purpose. Formerly there was a nationally imposed ceiling and it was set at a low level. However, it was lifted in 1995, leaving local authorities free to set their own levels of allowances. Since then it has been the practice in many local authorities (now a statutory requirement) to appoint independent panels to review levels of allowances. Indeed Buckinghamshire County Council appointed its own Panel in 1997 to review the rates that then applied. Whilst generally uplifting rates, that Panel also recommended the abolition of the attendance allowance. We note that this recommendation was not immediately accepted by the Council, but that the allowance was eliminated last year in respect of most internal meetings in return for an increase in the basic allowance. We commend this decision and have been pleased to learn that it seems not to have made any appreciable difference to the dedication with which members attend meetings.
- 17 We note, however, that attendance allowances are still paid in respect of a few outside bodies deemed to be sufficiently important and indeed a few internal meetings as well. This policy will need to be reviewed in the light of the specific recommendations set out later in this report. In any event legislation will soon prohibit the payment of any attendance allowance.
- 18 The current rates of basic and special responsibility allowance that apply in the Authority are shown in the table below. The basic allowance was uplifted to £7,500 in April 2000 in line with a report of an Independent Panel submitted to the Association of London Government. Evidence from the Leader of the Council shows that this has already produced a wider choice of candidate for the forthcoming May elections.
- 19 The budget for members' allowances in the current year is £523,447. This was a substantial increase on the previous year due to the increase in the basic allowance that more than compensated for the loss of attendance allowance and some realignment of special responsibility allowances brought in during the course of last year, to better reflect the responsibilities of post holders. The current budget for members' allowances implies an average figure of £9,693 per member. It is also worth noting that the total budget for allowances to members equates to only 0.15% of the Authority's total revenue budget.



## Schedule of Current Allowances

	<b>Allowance £(pa)</b>
<b>Basic Allowance</b>	7,500
<b>Special Responsibility Allowance</b>	
Chairman of Council	13,260
Vice-Chairman of Council	5,300
Leader	13,260
Deputy Leader	9,116
<i>Portfolio Holders</i>	
Schools	6,900
Children and Young People	6,900
Care Services for Adults	6,900
Community Services	6,900
Planning and Transportation	6,900
Resources	6,900
<i>Chairmen of Select Committees</i>	
Buckinghamshire Environment	4,000
Corporate Performance	4,000
Lifelong Learning	4,000
Partnership	4,000
Personal Care	4,000
<i>Chairman of Committees</i>	
Senior Appointments & Bucks Pay Award	0
Appeals and Complaints	0
Development Control	2,120
Regulatory	0
Rights of Way	0
Standards	2,120
<i>Policy Advisory Groups</i>	
Care Services for Adults (Spokesman)	2,000
Children and Young People	0
Community Services	0
Planning and Transportation (Spokesman)	2,000
Resources	0
Schools	0
<i>Group Leaders</i>	
Conservative	9,116
Liberal Democrats	3,180
Labour	2,120
<i>Combined Fire Authority</i>	
Chairman	6,900
Vice-Chairman } (When Bucks CC)	2,650

## Internal Political Management

- 20 The new management system adopted for a pilot period from 1 December 2000 introduces the concept of individual accountability of members of the Executive. In the Panel's view there is no question that these new roles are more demanding than the previous committee chairmen roles and executive members now must take personal responsibility for their decision making. Success under the new arrangements depends even more on the ability of the Authority to attract and retain members of high calibre. Out of a total Council of 54 members, it seems to us that the Authority needs a pool of 20 to 25 members with excellent skills to fill its key positions and provide for some succession planning, notwithstanding the vagaries of the ballot box. This means that somewhat more than half the Council may be expected to play a predominantly constituency role (in addition to serving on scrutiny bodies, policy advisory groups etc). This may entail a different mix of skills, eg listening rather than chairing meetings, but nonetheless the requirement for high calibre people is in our view self-evident, and unless it is met, the quality of local democracy will suffer.
- 21 Whilst it seems to us that the new (interim) arrangements have got off to a good start, it comes as no surprise to learn that some members are less than enamoured with them. We find it particularly encouraging therefore that a number of the Executive members we interviewed, laid particular importance on the role of non-executive members in the new arrangements. We are aware that the Council wishes to develop its community infrastructure through the opportunities provided by local committees, supported by area based staff, and we commend this as a further way of strengthening grass roots democracy which is the life blood of the non executive member.
- 22 We also welcome the Council's intention to streamline its policy making and decision making processes. The estimated reduction in the number of formal meetings from 230 to some 220 does not, however, represent a significant step in this direction. Although financial disincentives deter many from seeking election as councillors, the time commitment required is equally, if not more, important.
- 23 In our view the role of scrutiny, which in the Council's new political arrangements is embodied in the select committee system, is crucial to a healthy and vibrant local democracy. It is the job of scrutiny to assist in the evolution and evaluation of policy. The benign political environment in Bucks provides a golden opportunity for the scrutiny role to flourish in a supportive and positive fashion to the benefit of the Authority as a whole. In support of this objective the Panel would want to see the chairmen of select committees receiving remuneration appropriate to the significance which we attach to these posts.
- 24 The non executive members have hitherto spent much of their time in formal committees. There is now an expectation that they will be spending a heavy proportion of their time dealing with constituency matters in their divisions. One of the issues this throws up is the need to find different ways of gauging performance, always accepting that attendance at meetings was never anything but a very crude measure of accountability. The need for performance measures for both executive and non executive members is an important matter, and one to which we return later.

## **The Panel's Approach to Determining Levels of Allowance**

### **Principle of Public Service**

- 25 Our fundamental premise is that it is contrary to any valid concept of local democracy that recruitment of councillors should be limited to a restricted group who can afford to provide an almost open-ended time commitment, with only the most modest remuneration. That is not to say that there is no room for altruism, or a sense of public service, nor that all councillors should be paid on a full time basis.
- 26 Altruism is not, however, a solid basis upon which to build equality of opportunity. The historic reluctance of councillors to increase their allowances has damaged local government. Coupled with an increase in the burdens of the job, inadequate allowances have reduced the willingness of able people to serve as councillors.
- 27 We accept that money is not the reason why people become, or should in the future become, councillors, and that serving councillors do not find it easy to vote themselves increases. They can, of course, endorse a general increase to a more appropriate level, but then renounce any part of their own entitlement<sup>2</sup>, or they may ask that it be paid directly to a charitable organisation. However, to continue to pay inadequate allowances is to continue to restrict the opportunity to become a councillor to the retired, the unemployed, the self-employed or those with some other sort of income provision. This cannot be considered a suitable base for recruitment to a major public service organisation.
- 28 Notions of altruism and public service need to be built into the assumptions on which reward is calculated and we do so in the approach we adopt in this report. We believe, however, it would be wrong for a strong sense of public service to inhibit those who do not themselves seek further remuneration, from encouraging others to serve as councillors.

### **The Job and the Time Commitment**

- 29 Buckinghamshire County Council does not currently have its own job descriptions for the different roles of members, but that is not an impediment to understanding the different functions. In addition, various local authority organisations and members' allowances panels have drawn up standard profiles for the core work of a councillor, which differ very little between them – as might be expected. An example of this, produced by the Panel who reported to the Association of Local Government, is attached as Appendix 1.
- 30 The Panel has not itself attempted to accurately determine what the job requirement of the average member implies in terms of time commitment. This will always vary enormously between any group of members, depending on their precise role, the area they represent, their enthusiasm and commitment and the time they have available. We note however the analysis carried out by the previous Independent Panel in Bucks which

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<sup>2</sup> Local Authorities (Members' Allowances) Regulations 1991, Regulation 14

indicated that backbenchers spend approximately 850 to 900 hours a year on work for the Council. This is consistent with national research.

- 31 We take this as a reasonable starting point for determining the basic allowance. However, we believe that a proportion should be deducted to reflect the public service element. It does not seem to us reasonable that the public should be expected to pay for every hour which a councillor spends on Council service. Much of this work is similar in character to voluntary work undertaken throughout local communities without reward. We believe that it is not unreasonable to base a remuneration scheme on the assumption that about one third of what each councillor contributes should be on a voluntary basis. This would offer a fair comparison between for instance, the contribution of a councillor and an unpaid school governor, or Saturday morning football coach. If we apply this reduction of 1/3 to the lower figure in the range of hours mentioned above, we arrive at a figure of about 570 hours for the year. If this is then multiplied by the mean white-collar wage for male workers in the southeast region (£553.7 per week) it implies a basic annual allowance of about £8,500 p.a. Although we have not detected any groundswell of opinion among members that the current basic allowance of £7,500 is too low, we recommend that it be uplifted by a further £1,000, on the basis that it better reflects the average time commitment reduced by the public service element.

### **Beyond the Basic Allowance**

- 32 We move now to consider the approach to remuneration for the leading councillors who undertake special responsibilities. Councils' remuneration schemes are currently permitted<sup>3</sup> to provide for special responsibility allowances for the following types of post:
- (a) Acting as Leader, or Deputy Leader, of a political group within the Authority;
  - (b) Presiding at meetings of a committee, or a sub-committee, of the Authority, or a joint committee of the Authority and one or more other authorities or a sub-committee of such a joint committee;
  - (c) Representing the Authority at meetings of, or arranged by, any other body;
  - (d) Membership of a committee or a sub-committee of the Authority, which meets with exceptional frequency, or for exceptionally long periods;
  - (e) Acting as the spokesman of a political group on a committee, or a sub-committee, of the Authority;
  - (f) Such other functions in relation to the discharge of the Authority's functions, that require of the member an amount of time and effort equal to, or greater than would be required of him by any one of the activities mentioned in sub-paragraphs (a) to (e) (whether or not that activity is specified in the Scheme)
- 33 The Regulations are geared primarily to the conduct of business through committee, rather than through executive models of governance, yet para (f) provides the flexibility

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<sup>3</sup> Local Authorities (Members' Allowances) Regulations 1991 (SI 1991, No. 351)

that allows different approaches to be recognised in the remuneration scheme. As with non-executive members, it is important that levels of allowances are fixed to reflect particular responsibilities. As well as clarifying for councillors the role, purposes and key tasks for which remuneration is payable, this also provides for transparency, accountability and equality of treatment. It is our strong recommendation that detailed job descriptions be drawn up as quickly as possible and we return to this later in our detailed recommendations.

- 34 Our assessment of what the various roles imply in Buckinghamshire is based on our appreciation of the core responsibilities. Having first established what we believe to be an appropriate level for the Council's most senior post, the Leader, we fix all other rates as a percentage of the value of that post. If the Leader's rate represents 100% then the relative responsibilities we believe to be appropriate are as follows:

Deputy Leader – 67%  
Cabinet Member – 50%  
Select Committee Chairmen – 25%  
Fire Authority Chairman – 25%  
Statutory Committee Chairman (Development Control only) – 12½%

- 35 The justification for this split is further elaborated in the recommendation section in paragraph 44 et seq.

### **Remuneration in Comparable Public and Private Bodies**

- 36 We have included as Appendix 2 the levels of remuneration proposed by Independent Panels elsewhere. We have had regard to these figures as general indicators, but bearing in mind that not all recommendations have yet been fully adopted by the local authorities concerned, and that circumstances and cultures vary significantly between local authorities, we do not carry such recommendations across without qualification to the Buckinghamshire context.
- 37 Useful comparisons can also be made with other public bodies. In Appendix 2 we also quote examples ranging from the Scottish Parliament and National Assembly for Wales to Chairmen of the Regional Development Agencies and National Health Trusts.
- 38 Comparisons with the private sector are more difficult and generally less reliable because payment tends to be made on a different basis and overall remuneration will include bonuses, share options etc. However, insofar as comparison can be made, our view is that a similar position to that of Council Leader in a large public company would probably attract remuneration of around £100,000 per annum.
- 39 Buckinghamshire County Council employs around 14,000 people and has a budget of some £350M. The dimensions of its Leader's job are large. Nonetheless, there are important differences between jobs in the public and private sector which account for differences in their remuneration.
- 40 Large companies have continually to grow profits to meet the expectations of share holders, employees and other stakeholders and for many companies growth is a survival issue. Growth in competitive markets requires continuous change and risk taking. The

consequence of making wrong decisions is substantial financial loss. The consequence of adopting the wrong strategy could jeopardise the entire business.

- 41 Running a large company is highly complex and decisions have to take account of available funding, return on investment, competitors, market trends, regulators, the environment, uncertainty, risk and much more. Jobs where decisions have a significant impact (both positive and negative) are highly rewarded.
- 42 A Council Leader is primarily responsible for the provision of defined monopoly services. Risk tends to be associated with incremental change. The role of Council Leader requires choices on how resources should be allocated and which services should be cut or increased. The wrong decision results in an unsatisfactory service and dissatisfied customers. Whilst this does not jeopardise the future of the organisation, it might result in the transfer of that service to another body. The requirement of Council Leader to operate within defined guidelines and under scrutiny, discourages risk taking.
- 43 Of particular interest to the Panel is this Authority's own evaluation of the role and responsibility of Leader of the Council. We were informed by the Head of HR of a "desk top" evaluation he and colleagues undertook, using the Hay evaluation scheme which is applied to officers of the County Council. It was made clear that there were some undoubted shortcomings in the way the evaluation had to be undertaken, not least because they had doubts as to whether the Hay approach was wholly relevant to the evaluation of the job of an elected member. We nonetheless felt that it was a useful guide to the Leader's role, as compared with the most senior officers of the County Council. As this country has a tradition of paying its politicians less than its officials, it came as no surprise that the Leader's post was evaluated below the Chief Officer of the Council, more or less on a par with the new roles of General Managers within this Council. The actual salary range indicated by this evaluation came out at £61,000 to £68,000. Applying the 1/3 public service discount factor referred to earlier, implies a total allowance for the Leader in excess of £40,000 per annum. This is in the range paid to parliamentarians (£49,000) to members of the Scottish Parliament and the National Assembly for Wales (£34,000 to £40,000) and the Greater London Authority (£34,000).

## **Conclusions and Recommendations**

44 As we have already indicated, we are in no doubt that proper remuneration needs to be paid if an adequate cross section of the general public with the appropriate levels of skills is to be attracted to and retained within the elected membership of the Authority. There is no doubt in our minds that executive post holders now carry significant workloads and major responsibilities. We also feel that the chairmen of select committees play a crucial role in the democratic process, which must be supported by the payment of adequate remuneration sufficient to match the importance of the posts. Other non-executive members must look to the basic allowance when coming to a view as to whether they can "afford" to become a councillor. It is within this overall context that the detailed recommendations which follow have been framed.

### **Basic Allowance**

45 Little evidence has been presented to us to suggest that members feel that their current basic allowance of £7,500 is inadequate. Given that we attach great importance to the adequacy of the basic allowance for new councillors, we recommend an uplift to £8,500 based on the workload assessment set out in paragraph 31 and using as a base the average male white collar wage for the southeast region.

### **Attendance Allowance**

46 We are aware that the Council has retained attendance allowances for some external, and indeed, some internal meetings. We believe that the allowances we are recommending are adequate to cover such duties and that therefore they should cease. In any case it will shortly no longer be possible for any authority to pay attendance allowances as a consequence of the Local Government Act 2000.

### **The Leader**

47 The role of the Leader under the Cabinet system is one of great importance. It requires a full time commitment. A particular strain is imposed on the Leader in guiding the Council through the process of change and in implementing and leading the Cabinet system of governance. These responsibilities call for qualities of the highest order. Given the high level of responsibility that the Leader must bear for the effective conduct of the Council's affairs, and for its future strategy, it is appropriate that the allowance reflects the importance of the role.

48 Although we have attempted – as our terms of reference so dictated – to make comparison with the private sector, we think such direct comparison must be treated with the utmost caution. However, having regard to the Council's own evaluation of the post, other comparable public sector posts and our views on the level of public service discount to be applied, we recommend that the Leader should be paid a special responsibility allowance of £31,500, which provides a total package (together with the basic allowance) of £40,000.

49 Such a high level and high profile post requires the post holder to be very active in regional and national affairs. We believe the County Council should make no additional payment for work of this nature.

## **Deputy Leader**

- 50 The Deputy Leader has an important role of understudy and support to the Leader and we note that it also carries a substantial portfolio in its own right. Because of the Leader's inevitable involvement in external affairs, we can also recognise that the Deputy Leader will need to "hold the fort" on many occasions and get involved in many, if not all, aspects of the Council's work. We believe that this aggregated responsibility equates to 2/3 of the Leader's remuneration. We therefore recommend a special responsibility allowance of £21,000 for this post.

## **Cabinet Members**

- 51 Cabinet members carry large individual responsibility, reflected by their substantial portfolios. They also share collective responsibility for the actions of the Cabinet. We accept that they should be rewarded by equally substantial levels of remuneration. We also accept that there can be significant disparity of workload, complexity and responsibility between portfolios. We do not have sufficient evidence, however, to recommend differential levels, but we do recommend that the Council itself should consider the matter further. We can see that, whilst it would be possible to transfer some functions from one portfolio to another, this may not result in equality of workload. We would therefore recommend that, on the advice of the Leader, the Council should consider setting differential rates for cabinet members in the range £14,000 to £18,000. If the Council feels that the inequality of workloads is balanced by collective responsibility, we recommend that each post holder be paid £16,000, which represents about 50% of the Leader's remuneration.

## **Chairmen of Select Committees**

- 52 The Panel places great store in the scrutiny process, which must be seen as one of the keys to success or failure of the new system of governance. The select committees work will need to be conducted with scrupulous fairness and fearlessness – particularly the case where the chairmen come from the majority party. The Panel sees the role of the chairmen as vital in retaining the balance between executive decision making and its accountability and in ensuring that non-executive councillors have an effective role to play in holding the Cabinet to account and in promoting policy development within the Council. We therefore recommend a special responsibility allowance of £8,000, which represents 25% of the Leader's remuneration.
- 53 We do not feel that vice-chairmen of select committees should receive a special responsibility allowance at present. If, however, their role grows in importance then we would recommend that the Council should review the matter.

## **Other Committee Chairmen**

- 54 We note that the Council has so far chosen not to pay a special responsibility allowance, other than in two cases. We agree with this approach in respect of the Development Control Committee and further recommend that the allowance be increased to £4,000. We would not however, recommend any special responsibility allowance be paid for any other committee chairmen, including the Standards Committee, because we are not



convinced that the workload would justify it. We certainly agree that chairing the Standards Committee is an appropriate role for the Chairman of the Council, who already draws a special responsibility allowance. If the Council were minded to accept our view on this it would nonetheless be reasonable to keep the matter under review in case our current judgement about the likely workload proves to be inaccurate.

### **Policy Advisory Groups**

- 55 Since these are chaired by cabinet members, there is no requirement for special responsibility allowances to be paid.
- 56 We notice, as part of the interim arrangements, two of the PAG spokesmen are receiving allowances. We accept that this may be necessary as the Council moves through the transitional period, but would recommend that the Council discontinues these allowances after May 2001.

### **Group Leaders**

- 57 We support the Council's approach to fixing appropriate allowances by way of a formula which reflects the size of the political groups. We have already made the point that party groups play a less significant role in the Council than in many other local authorities and we see no case therefore, to increase the current rates.

### **Chairman of Combined Fire Authority**

- 58 We note that the Council has previously taken the view that the workload of the chairman is comparable with that of a committee chairman. Whilst this may be the case, the workload and level of responsibility would, in our view, fall well short of a member of the Cabinet and our recommendation is that, when the chairman is a nominee of Buckinghamshire County Council, a special responsibility allowance of £8,000 should be payable. Similarly with the vice-chairman, when that post is filled by a member of Buckinghamshire County Council we would recommend a special responsibility allowance of £3,000.

### **Chairman and Vice-Chairman of the Council**

- 59 Historically, the Chairman of a County Council (and to some extent the Vice-Chairman) played a key role in its operations. The Chairman had three functions. He presided at Council meetings. He embodied the Council's civic dignity. He was also in charge of the organisation of its members. Only the first two of these roles remain to be carried out by the Chairman. Leadership of the County Council is now firmly transferred to the Leader. Given this situation we believe it right to propose a reduction in the Chairman's allowance to £10,000 per annum and that £2,500 per annum would be a fair reflection of the duties of the Vice-Chairman.

## Table of Recommendations

Post	Basic Allowance (pa)	SR Allowance (pa)
All Members	£8,500	
Leader		£31,500
Deputy Leader		£21,000
Cabinet Member		£14,000 - £18,000
Select Committee (Ch)		£8,000
Development Control (Ch)		£4,000
<i>Group Leaders *</i>		
Conservative		£9,116
Liberal Democrat		£3,180
Labour		£2,120
<i>Fire Authority</i>		
Chairman		£8,000
Vice-Chairman		£3,000
Chairman		£10,000
Vice-Chairman		£2,500

\* allowances derived from formula: £1,060 basic plus £212 per member

- 60 In a full year the implementation of the proposals set out above, based on current appointments, would add a further £133,000 to the Council's expenditure on members' allowances. This would mean that the revised total budget for allowances to members would equate to 0.185% of the Authority's total revenue budget.

## **Other Matters**

### **Carer's Allowance**

61 We note that the Council decided, last year, to introduce a carer's allowance. We commend such arrangements because they make service as a councillor more attractive to those who have family responsibilities, who otherwise would find it difficult, or impossible, to serve. The rate currently being paid seems reasonable at present, but should be kept under review.

### **Only One Allowance**

62 Councillors may undertake more than one job in the Council. We therefore support the Council's existing policy that only one special responsibility allowance can be drawn by an individual member. We did consider the situation of group leaders who are appointed to be Chairmen of Select Committees. The appointment is, however, not automatic and the duties of the two posts are very distinct. There is a case for allowing them to retain both allowances. In the interests of transparency, however, and to avoid plurality, we believe that only one special responsibility allowance should be payable and that office holders should be entitled to elect which they receive.

### **Uplift for Inflation**

63 The proposals for increases in allowances set out in this report are recommended to take effect from 1 April 2001. Once set however, it is important that adequate levels of remuneration are maintained. Most panels have recommended an annual uplift in accordance with the National Pay Settlement. This approach takes into account, not only inflation, but what local authorities are able to afford. It also ensures that councillors receive the same annual uplift as officers. Buckinghamshire uses its own local pay bargaining machinery and we recommend that the average increase, settled by that process, is applied to members' remuneration annually from April 2002.

### **Timing of Meetings**

64 It does seem to us that the tradition of holding meetings during the day acts as a significant deterrent to potential councillors, who otherwise might be interested in standing for election. We would strongly recommend that the Council reviews its ways of working in this respect with a view to operating over a wider span of day time hours. We accept that evening meetings may not be a practical proposition because County Councillors have many other commitments, many of which need to be discharged in the evenings (attendance at district council meetings for instance). However, we do feel that a move towards commencing more meetings in the late afternoon would be a more attractive proposition to a much wider cross-section of the local populous and act as a positive incentive for some at least to stand for election.

### **Pension Provisions**

65 Our view is that all post holders (executive and non-executive) should have the opportunity to join the pension scheme if they so wish. However, the relevant

Section (99) of the Local Government Act 2000, dealing with pensions, has not yet been brought in to force, so we do not know how far the power will extend. It could embrace just the Leader, cover the whole Executive and chairmen of scrutiny committees. It may be a decision that is left to councils themselves to decide. We recommend the Council to take full advantage of any powers to allocate pensions. We can see no grounds for local politicians being deprived of a benefit that has been firmly established at Westminster for many years.

## **Honoraria**

- 66 Our terms of reference asked us to consider the payment of honoraria to members holding posts which attract a special responsibility allowance, to reflect the additional responsibilities carried out during the period of the interim pilot arrangements. Whilst we support the notion of honoraria in these circumstances, we are advised that there is no statutory authority for such payments to be made.

## **Accountability**

- 67 We have made the point that it is important that both the Council and the electorate have ways of judging the performance of councillors, particularly in the light of the payment of higher levels of remuneration. The starting point for this will be the preparation and publication of detailed job descriptions for each post holder as well as a more general one which covers the core responsibilities of each councillor. We strongly recommend that this exercise is undertaken by the Council as soon as possible.
- 68 We have been informed by the Leader that it is the intention to set specific performance targets, both for himself and for cabinet members, an objective we entirely support. We believe that select committee chairmen should be required to produce an annual report, setting out the achievements of their committees, the ways in which their actions have improved the efficiency, or effectiveness, of the Council, and their plans for future activities. These reports should be staggered so that only one select committee's annual report is considered at any one time at a Council meeting, to enable it to be fully discussed.
- 69 Non-executive members should not escape this process either. Again, our view is that they should be required to make a regular report on their activities, perhaps to a meeting of a local committee, or a joint meeting of appropriate local fora, covering the member's area. In the past a crude measure of performance has been available through members' records of attendance at meetings. In our view the new political arrangements provide an opportunity to put in place a more meaningful measure of a councillor's effectiveness.
- 70 We are aware that members can neglect their duties. This can happen, for instance, when a member moves out of the area. In these circumstances we believe that the matter should be referred to the Standards Committee, who should be prepared to bring pressure to bear on the member concerned to forego their allowance.

## **Information and Support**

- 71 We have been pleased to note that the Council is committed to finding ways of providing more support to its members, particularly in their constituencies and through the

infrastructure of the local committees and the officer support attached to them. We also note, and applaud, the Council's policy of providing all members with pc's or laptops and assisting them in making the best use of this technology. We would urge the Council to develop this concept, in keeping with the Government's targets for universal electronic communication. We would also urge all members to take individual responsibility for making maximum use of the facilities offered to them in the interest of the overall efficiency of the Council.

## Job Profile for Non-Executive Councillor

### Purposes:

1. To participate constructively in the good governance of the area.
2. To contribute actively to the formation and scrutiny of the Authority's policies, budget, strategies and service delivery.
3. To represent effectively the interests of the division for which the councillor was elected, and deal with constituents' enquiries and representations.
4. To champion the causes which best relate to the interests and sustainability of the community and campaign for the improvement of the quality of life of the community in terms of equity, economy and environment.
5. To represent the Council on an outside body, such as a charitable trust or neighbourhood association.

### Key Tasks:

1. To fulfil the statutory and locally determined requirements of an elected member of a local authority and the authority itself, including compliance with all relevant codes of conduct, and participation in those decisions and activities reserved to the full Council (eg setting budget, overall priorities, strategy)
2. To participate effectively as a member of any committee or panel to which the councillor is appointed, including related responsibilities for the services falling within the committee's (or panel's) terms of reference, human resource issues, staff appointments, fees and charges, and liaison with other public bodies to promote better understanding and partnership working.
3. To participate in the activities of an outside body to which the councillor is appointed, providing two-way communication between the organisations. Also, for the purpose, to develop and maintain a working knowledge of the Authority's policies and practices in relation to that body and of the community's needs and aspirations in respect of that body's role and functions.
4. To participate in the scrutiny or performance review of the services of the Authority including where the Authority so decides, the scrutiny of policies and budget, and their effectiveness in achieving the strategic objectives of the Authority.
5. To participate, as appointed, in the area- and service-based consultative processes with the community and with other organisations.
6. To represent the Authority to the community, and the community to the Authority, through the various fora available.

7. To develop and maintain a working knowledge of the Authority's services, management arrangements, powers/duties, and constraints, and to develop good working relationships with relevant officers of the Authority.
8. To develop and maintain a working knowledge of the organisation, its services, activities and other factors which impact upon the community's well-being and identity.
9. To contribute constructively to open government and democratic renewal through active encouragement to the community to participate generally in the government of the area.
10. To participate in the activities of any political group of which the councillor is a member.

***Source: Remuneration of Councillors in London. The Report of the Independent Panel. Association of London Government, February 1999.***

## ALLOWANCES PROPOSED BY INDEPENDENT PANELS

Authority	Pop 6/99 '000	Rev Budg. 99/00 £m	Basic (P.A)	Special Responsibility Allowance		
				Leader	Portfolio Holders/ Cabinet	Select/Scrutiny Committee (Ch)
<b>County Councils</b>						
Devon	686.100	469.849	£5,500	£12,500	£5,000 – £10,000	NK
Dorset	389.2	255.437	£5,300	£13,250	£5,300	£4,000
East Sussex	494.200	341.657	£6,000	£10,000	£5,000	£2,000
Essex	1,285.00	916.299	£5,100	£20,400	£13,600	£6,800
Hampshire	1,251.200	781.601	£10,000	£25,000	£15,000	£10,000
Kent	1,325.900	977.375	£3,000	£11,000	£5,000 – £9,000	£2,500
Lancashire	1,146.400	863.658	£5,000	£22,500	£9,000 – £11,000	£4,500
Leicestershire	606.8	393.022	£4,481	£24,803	Rest of Cabinet waiting to be reviewed by Independent Panel	
Norfolk	796.5	525.715	£5,000	£14,000	£900 - £4,500	
Nottinghamshire	750.500	539.058	£10,000	£22,500	£15,000	£7,500
Shropshire	382.5	188.950	£5,500	£10,000	£6,000	£3,000
Surrey	1,057.100	658.843	£7,500	£12,000	£6,000	£6,000



Authority	Pop 6/99 '000	Rev Budg. 99/00 £m	Basic (P.A)	Special Responsibility Allowance		
				Leader	Portfolio Holders/ Cabinet	Select/Scrutiny Committee (Ch)
Warwickshire	507.9	335.3	£7,000	£16,000	£8,000	£4,000
West Sussex	757.400	483.228	£5,000	£10,000	£5,000	Independent Panel reviewed Leader & Cabinet only
<b>Unitary Authorities</b>						
Leeds	729.600	519.973	£7,500	£22,000	£16,000	£14,000
Manchester	427.700	485.498	£10,065	£29,936	£12,582	NK
Milton Keynes	208.800	172.923	£4,000	£18,000	£2,500	Does not operate cabinet structure yet
Nottingham City	289.000	268.605	£4,285	£35,000	£17,500	NK
<b>Greater London Councils</b>	7,122.200	9,547.151	£7,500	£37,500	£15,000 - £25,000	£15,000 - £25,000

### Remuneration of members of new authorities and assemblies

	Leader	Cabinet Member	Member
Scottish Parliament	£104,400	£73,452	£40,092
National Assembly for Wales	£98,746	£67,7989	£34,438
Greater London Authority	£84,385	£51,742 (Deputy Mayor)	£34,438

### Remuneration in other public bodies

	Chairman (up to 2 or 3 days per week)	Member (1-4 days per month)
Housing Action Trust	£30,828	£6,120
Regional Development Agencies	£66,000	£7,000
English Nature	£42,780	£7,648
NHS: Health Authorities and Trusts	£15,550 - £19,825	£5,140

### *Acknowledgement*

We are greatly indebted to the assistance given to us by Nigel Chambers in the work of the Panel and in the compilation of this report for the Members of Buckinghamshire County Council.