

**Review of Financial Support for
County Councillors**

**Report of the Independent Remuneration Panel
commissioned by Worcestershire County Council**

June 2005

Section One

Contents

Section	Heading	Page No
One	Contents	1
Two	Membership of the Panel	2
Three	Introduction	3
Four	Special Responsibility Allowances	4 – 5
Five	Recommendations	6

Section Two

Membership of the Panel

2.1 The Independent Remuneration Panel comprises the following members:-

Professor Michael Clarke	Vice-Principal and Pro Vice-Chancellor – University of Birmingham
Jacqui Cravos	Former Chairman, Worcestershire Health Authority
Christine Jones	Chief Executive – Herefordshire and Worcestershire Chamber of Commerce
Richard Quallington	Chief Executive – Community First

2.2 Administrative support was provided by John Jordan, Democratic Services Manager, Corporate Services Directorate.

Section Three

Introduction

- 3.1 The Council will be aware of our last report which was accepted by the Council on 26 May 2005. At that time we stated that whilst we felt able to make recommendations in relation to the Basic Allowance, we were aware of considerable change in the Council's political structures and the way in which these structures were likely to operate in practice. We felt therefore that it would be inappropriate for us to make recommendations in relation to the level and nature of Special Responsibility Allowances without first discussing our emerging thoughts.
- 3.2 In order to formulate our recommendations in relation to the level and nature of Special Responsibility Allowances payable, we met again on 3 June 2005. For part of our meeting we were joined by Dr George Lord (Leader of the Council) and John Buckley (Leader of the Labour Group) in order that we could discuss with them individually, any issues they felt needed to be considered by us. In addition, we also received written comments from Tom Wells (Leader of the Liberal Democrat Group) who was unable to attend.
- 3.3 We are grateful to all for sparing the time to either meet with us or submit their views.

Section Four

Special Responsibility Allowances

- 4.1 Having met with Group Leaders and in the light of the information available to us we have now formulated our recommendations for consideration by the Council.
- 4.2 We recognise that following the recent elections there has been substantial change in the Council's political structures. Key aspects include:-
- A single party Cabinet with other Group Leaders not now serving on the Cabinet.
 - An increase in the number of Cabinet Members with Responsibility from 4 to 6.
 - A substantially different distribution of areas of responsibility between the Cabinet Members, some of which may not be the same in terms of responsibility and accountability.
 - The same number of advisers.
 - A revised Overview and Scrutiny Structure.
- 4.3 We do not wish to take hasty decisions on the basis of speculation as to how the new structure and roles within it would develop. We, therefore wish to take the opportunity in the autumn to reassess the level and nature of special responsibility allowances payable in the light of some evidence of the extent of the accountability and responsibility held by office holders respectively carrying out Executive and Scrutiny functions, the operation of the revised structures more generally and the interplay between the various roles. Such an approach would also allow time for us to have the benefit of comparator information emerging from other authorities.
- 4.3 Pending that review, we consider that it will not be detrimental in the immediate term to recommend interim payments in keeping with the current structure of the allowances. The effect of inflationary increases over time has produced some anomalous figures and the opportunity should be taken to round these up.
- 4.4 The Council's revised structures makes the following immediate changes to the allowances currently payable necessary:-
- Following the changes in the political groups' complexion on the Council, allowances should only be payable to the Labour and Liberal Democrat Group Leaders
 - The allowance previously payable to other standing members of the Cabinet is clearly no longer now payable.

- The Council has created a new Audit Committee. The allowance payable to the Chairman of this Committee should be on a par with that payable to the Chairman of the Planning and Regulatory Committee.
- Following changes to the Overview and Scrutiny structure, the allowance previously payable to Panel Chairmen should now be made to Overview and Scrutiny Lead members.

4.5 In summary, the following table draws together our conclusions in relation to the level and nature of Special Responsibility Allowances:-

Band	Amount of Allowance	Role	No.	Total payable
1	£26,500	Leader of the Council	1	£26,500
2	£17,500	Leader of the Labour Group	1	£17,500
3	£13,250	Chairman of the County Council	1	£13,250
		Cabinet Members with Responsibility	6	£79,500
	£10,590	Chairman of the Overview and Scrutiny Steering Group	1	£10,590
4	£8,850	Leader of the Liberal Democrat Group	1	£8,850
		Lead Scrutiny Members (inc. Health Overview and Scrutiny Committee Chairman)	6	£53,100
		Chairman of the Planning and Regulatory Committee	1	£8,850
		Chairman of the Audit Committee	1	£8,850
5	£5,300	Vice-Chairman of the County Council	1	£5,300
		Advisers to Cabinet Members with Responsibility	4	£21,200
			24	£253,490

4.6 We have recognised that the Leader of the Labour Group also holds the position of Chairman of the Overview and Scrutiny Steering Group. In the event of this not being the case in the future, then the Leader of the Labour Group's allowance should reduce to Band 3 (£13,250) and the Councillor holding the position of Chairman of the Overview and Scrutiny Steering Group would receive the payment of £10,590 in Band 3.

4.7 As part of our deliberations, we have also identified a questionability about the appropriateness of the Special Responsibility Allowance payable to the Vice Chairman of the Council. We would wish to consider the justification for continuing to pay this allowance in time to make recommendations to the annual meeting of the Council in 2006 and would welcome any views about this in the meantime.

Section Five

Recommendations

5.1 In conclusion, we recommend:-

Special Responsibility Allowance

5.2 that with effect from the respective dates of appointment, the following Councillor positions be deemed as carrying additional special responsibilities and in addition to the basic allowance receive the following interim payments:-

Band	Amount	Role
Band 1	£26,500	Leader of the Council
Band 2	£17,500	Leader of the Labour Group
Band 3	£13,250	Chairman of the County Council Cabinet Members with Responsibility
	£10,590	Chairman of the Overview and Scrutiny Steering Group
Band 4	£8,850	Leader of the Liberal Democrat Group Lead Scrutiny Members (inc. Health Chairman) Chairman of the Planning and Regulatory Committee Chairman of the Audit Committee
Band 5	£5,300	Vice-Chairman of the County Council Advisers to Cabinet Members with Responsibility

5.3 In determining the level of allowances payable to Group Leaders we have recognised that the Leader of the Labour Group also holds the position of Chairman of the Overview and Scrutiny Steering Group. In the event of this not being the case in the future, then the allowance payable to that particular Group Leader should reduce to Band 3 (£13,250) and the Councillor holding the position of Chairman of the Overview and Scrutiny Steering Group should receive the payment of £10,590 in Band 3.

5.4 That we should take the opportunity in the autumn to reassess the level and nature of special responsibility allowances payable in the light of comparator information and some evidence of the extent of the accountability and responsibility held by office holders respectively carrying out Executive and Scrutiny functions, the operation of the revised structures more generally and the interplay between the various roles.