

**Review of Financial Support for
County Councillors**

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

June 2005

Section One

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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 We have been commissioned by the County Council on a number of occasions to consider and make recommendations in relation to the level and nature of allowances payable to Councillors.
- 3.2 As part of our last report which was accepted by the Council in July 2004, we undertook to revisit the level and nature of allowances payable following the May 2005 elections.
- 3.3 In pursuance of this undertaking, we have met on two occasions. Whilst we feel able to make recommendations in relation to the Basic Allowance, we are aware of the considerable change in the council's political structures and the way in which these structures are likely to operate in practice. We feel, therefore, that it would be inappropriate for us to make recommendations in respect of the level and nature of Special Responsibility allowances without first discussing our emerging thoughts with the Leaders of the main political groups.
- 3.4 We intend to do this during the early part of June 2005 and propose to bring any recommendations to the Council for consideration at its meeting on 30 June 2005.
- 3.5 As part of previous reports we have also given an undertaking that we will keep the issue of Admission into the Local Government Pension Scheme and the payment of a Co-optees allowance under review. There is undoubtedly going to be a need for the Panel to meet again during the course of the year and we will review these matters at that time.

Section Four

Basic Allowance

- 4.1 A Basic Allowance of £7741.00 is currently payable to all Councillors. This allowance was set in December 2001 and has since been uplifted annually in line with the Retail Price Index.
- 4.2 This Allowance is payable to all Councillors and is intended to recognise the time devoted by them to their work, including such inevitable calls on their time as meetings (whether Council meetings or meetings with constituents and political group meetings) and also cover incidental costs (such as the use of their home and telephone) for which other provision is not made.
- 4.3 The Council has previously accepted the Panel's view that a proportion of any time commitment should be regarded as a voluntary commitment, a principle which has underpinned the traditional approach to local government. The Panel would wish to re-affirm its commitment to this principle early in the life of the new Council.
- 4.4 Whilst we believe the level of Basic Allowance to be broadly appropriate, the advent of ICT has brought forward an apparent anomaly which it would be opportune to resolve.
- 4.5 Currently, the Council provides Councillors with an opportunity to have a laptop pc, printer and connection to email and the Internet. This provision, including the supply of consumables, is supported and paid for by the Council.
- 4.6 Some Councillors, however, prefer either to use their own equipment or equipment provided by another authority. In these circumstances, the Council makes no financial contribution, nor does it offer any support
- 4.7 Clearly, it is inappropriate to differentiate in this way and the most important factor is to facilitate Councillors' use of these advances in technology. Therefore, in order to bring all arrangements into line, we consider that the Basic Allowance should be uplifted by £459 to £8,200 per annum.
- 4.8 This increase would compensate for the fact that Councillors would, in future be responsible for the costs of connecting to the Internet together with all ICT consumables used by them. The cost of a Broadband connection for these purposes via British Telecom is in the region of £25 per month. The remaining £159 should be used for the purchase of ICT consumables.
- 4.9 A move in this direction would ensure that all Councillors are treated equally regardless of whether they utilise Council provided or privately supplied equipment.

Section Five

Special Responsibility Allowances

- 5.1 As indicated in our introduction we have also given some preliminary thought to the level and nature of Special Responsibility Allowances currently payable.
- 5.2 It appears that the Council intends to move from the previous cross party Cabinet arrangement to a single party Cabinet comprising the Leader plus six Cabinet Members with Responsibility.
- 5.3 Clearly this is a significant change and we will need to satisfy ourselves as to the impact of this on the level and nature of the Special Responsibility Allowances currently payable. We are mindful, in the immediate term, of the need to:-
- be assured of the level of responsibility now to be carried by Cabinet Members with Responsibility (and Advisers) given that there has been an overall increase in number
 - consider the level of allowances payable to the political group leaders given that they will no longer serve on the Cabinet
 - .consider whether any other immediate adjustments need to be made in the light of the changes now proposed.
- 5.4 We feel that it would be inappropriate for us to make any recommendations without having first had the opportunity to discuss our emerging thoughts with the Leaders of the main political groups.
- 5.5 We intend, therefore, to meet with the Leaders of the main political parties during the early part of June in order that we may bring forward to the Council on 30 June 2005, any recommendations in relation to the nature and level of Special Responsibility Allowances payable in the future.

Section Six

Recommendations

6.1 We recommend that:-

- (a) with effect from 1 June 2005, the Basic Allowance be uplifted to £8,200 per annum to reflect the need for Councillors to meet the cost of internet connection and ICT consumables
- (b) recommendations in respect of the level and nature of Special Responsibility Allowances payable be brought forward for consideration by the Council on 30 June 2005.