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“FILE ON 4”

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#### ACTUALITY FROM LABOUR PARTY CONFERENCE

DENHAM: The average pay of local government workers has gone up by about £6,000 in the last seven years. The average pay of local government chief executives has gone up by £40,000 ....

O’HALLORAN: At the Labour Party conference, a Government minister goes on the offensive against the rocketing pay rates of some local authority bosses.

DENHAM: It’s just all got out of hand at the top. And it’s just got to stop.

O’HALLORAN: Taxpayer campaigners have also been on the warpath in similar vein. And with cuts in council jobs and services on the way, the issue is becoming more acrimonious. But the chief executives reject the charge that they’ve stoked the fires of inflation by advising councils to pay them ever higher salaries.

CLARK: Rubbish is what I'd say. There is a market rate, we simply show people what that rate is at the moment, and if they want to pay it they can. But we will never recommend a huge pay increase is the way to get a better chief exec.

O'HALLORAN: File on 4 has examined the expanding pay packets of some town hall chiefs. We've been told there's no proof that higher pay rates paid to top experienced chief executives deliver any better council performance. And we find a system of rewards involving public money that are often shrouded in secrecy.

## SIGNATURE TUNE

## ACTUALITY IN IPSWICH

O'HALLORAN: I'm looking across the River Orwell towards Ipswich football ground, and just between here and there is the imposing, modern, six storey, steel and glass headquarters of Suffolk County Council. Suffolk is largely an attractive, tranquil area and the local authority certainly isn't among the most troubled or challenged in Britain. So there were some gasps of amazement here last year when the county recruited a new chief executive at a salary tens of thousands of pounds more than that of the Prime Minister himself.

WOMAN: I'm think that, is disgusting. It shouldn't be that amount of money. £100,000 at most.

O'HALLORAN: What about the salary level of the Chief Executive here in the county council?

MAN: Exorbitant.

O'HALLORAN: Exorbitant?

MAN: Absolutely.

WOMAN 2: Disgusting.

WOMAN 3: Yeah, I agree with everybody else, it's ridiculous.

MAN 2: No, it's too much.

O'HALLORAN: What do you think it should be?

MAN 2: Erm, a lot less than that.

O'HALLORAN: The salary of £218,000 for Suffolk Council's boss finds little support in our brief unscientific survey on the streets of Ipswich. This Conservative-run authority paid its last top official a lot less - £150,000. But at the start of last year it hired a recruitment firm to help it find a new one. That took about three months and in March a final selection panel of councillors sat to make their choice. The panel had a Tory majority, but included a Liberal Democrat councillor, Kathy Pollard. She recalls that the advert for the post had specified no pay level. Instead it said the salary was "negotiable".

POLLARD: From the perspective of someone like myself, who has been involved in many recruitment processes, it meant probably something related closely to the current salary of the Chief Executive, which was around at that time £150,000. What I didn't expect was that it would be almost a 50% increase on that, and I think that was what was so stunning when we were faced with the figures late on the day of the actual recruitment. The final figure was £218,000, and I think the reason why both I and really all the members of the public, I think, in the county of Suffolk were gobsmacked about it as well is that it is so much more than the previous Chief Executive. It's ten times the average salary in Suffolk. I think we were so stunned we just didn't know what to do, because the decision had already been made by a majority that the Conservatives had decided who they were going to appoint and ...

O'HALLORAN: Namely Andrea Hill.

POLLARD: Andrea Hill, and then they presented with the figure, and at that stage there was no room for negotiation.

O'HALLORAN: The appointment of Andrea Hill to that top job caused a wider furore, and in response the council sent out a briefing to parishes. It said Suffolk had, at first, expected to pay a new Chief Executive no more than £176,000. But councillors had been told by advisors that that figure was not nearly high enough.

READER IN STUDIO: We approached recruitment specialists with an original salary range of £154,000 to £176,000. Their very clear advice, based on what other authorities are already paying, is that we would not be able to attract the quality of person we were looking for at that level. Market forces meant that Suffolk's pay level had become uncompetitive and we had to offer more.

O'HALLORAN: The Tory majority ensured the salary of £218,000 was approved. But Labour councillors fought back. One of them, Kevan Lim, referred the issue to the District Auditor. He in turn ordered some changes in council procedures, but refused to overturn the appointment. The council had used a firm of head hunters, Odgers Ray and Berndston, in the recruitment process, and their role was one feature to which Kevan Lim objected.

LIM: They are they are one of the major recruitment consultants in local government, so it wasn't surprising that they were invited to actually seek to find candidates. But from all the evidence that we've been able to identify, they basically were the party who persuaded everybody that they had to pay this level of salary.

O'HALLORAN: On the basis of what?

LIM: It wasn't on the basis of what was being paid in other parts of local government, because Suffolk isn't one of the top local authorities. Suffolk was nowhere near number one, it was 18 or 19 in size. Salaries in local government are normally based on size and responsibility. So obviously, if you've got a very large authority like Essex, Essex is double the size of Suffolk, you would expect Essex to pay more than Suffolk for a similar job at a senior level.

O'HALLORAN: But what evidence have you seen that the recruitment consultants were forceful in sort of naming the salary required?

LIM: All the documentation identifies that it was they who were saying that the salary wasn't high enough to recruit the candidate. I've looked at the comparisons of that time of what Suffolk should have been paying, and it was no more than about £165,000, £170,000 max based on the size of the authority.

O'HALLORAN: The head hunters firm, now called Odgers Berndston, refused to be interviewed, but they said in a statement:

READER IN STUDIO: We advised Suffolk to undertake a review of remuneration for comparable positions, but we were not involved in that review. The remuneration package was, in our view, appropriate for the exceptionally high calibre of the candidate. Our fee was not linked to the successful candidate's remuneration.

O'HALLORAN: The ruling Conservative group on the council have also firmly defended the new Chief Executive's salary and the selection process. Tory deputy leader Jane Storey was herself on the final selection panel. Who did idea come from to pay the successful candidate £218,000?

STOREY: We had an appointments panel. We looked at all of the candidates, but we soon realised that the best candidates needed to have that level of salary. It was the market rate and it still is the market rate.

O'HALLORAN: You had market rate for where? For any county council or ...?

STOREY: For county councils of a similar size.

O'HALLORAN: Really? Have you evidence to support that?

STOREY: There's evidence on any county council website that you look at.

O'HALLORAN: Well, there are plenty of county councils round the country that weren't paying anything like that.

STOREY: Well, perhaps they have different aspirations for their council.

O'HALLORAN: Oh, it's about aspirations, is it? The salary increase?

STOREY: Well, we wanted to have the best county council Chief Executive that we could possibly get for the people of Suffolk.

O'HALLORAN: The candidate selected, Andrea Hill, had already been Chief Executive at another county council. While her competence hasn't been questioned, her £218,000 salary still rankles with some voters long after her appointment. When the council disclosed this year that it must find savings of £50,000 a day from its budget, some readers wrote to a local paper saying a sharp cut in the Chief Executive's salary would be a good place to start. In her defence, Andrea Hill says she's taken a voluntary pay freeze in her first two years. And she argues that Suffolk County Council is a complex body with 28,000 staff that requires rare skills to run it.

How do you justify the really whopping salary that you were awarded when you came to do this job here in Suffolk?

HILL: Well, Suffolk County Council is a high performing council. When I was appointed, it was a 4\* council and we are the only council in the region that's maintained that 4\* status in my time as Chief Executive, which means we're the highest performing council in the region and one of the best in the country.

O'HALLORAN: Why such a high salary, relative to others around the country, is required for an area that hasn't got a crisis, for an area that already had excellent ratings when you arrived?

HILL: I think that's a question that you'd have to ask councillors. I took the salary that was on offer, I didn't have a large pay rise, and I'm very focused on actually getting on and doing the job. This is a large organisation. It's a very complex organisation. Being a Chief Executive in local government means focusing on the really important things, and the problem with all of these questions about Chief Exec salaries

HILL cont: is we're really not focusing on the most important issue, which is the fact that we've got a public sector funding crisis coming. What people want to know is how we're going to deal with that. That's why it's important that I focus on the job.

O'HALLORAN: Doesn't your salary look even more extravagant and wasteful to some people in this county, given the cuts that you now accept are coming?

HILL: In my time as Chief Executive, you might be interested to know that actually we have saved every week, from efficiencies ....

O'HALLORAN: What is the answer to my question? Doesn't it look more ....?

HILL: .... £238,000. That's more than my annual salary every single week in efficiency savings, not front line service cuts.

O'HALLORAN: And what do you say to a writer to the paper who says, 'Perhaps Ms Hill could take a £50,000 pay cut'?

HILL: The figures that the council is looking at, in terms of a future funding gap, is actually £48 million. I think a cut in pay of £50,000 wouldn't make a great deal of difference.

O'HALLORAN: But was the big hike in the Chief Executive's pay in Suffolk just an isolated exception? Government ministers are convinced it's not, and they've begun to warn that a brake has to be put on what they've called the spiralling rises of the salaries of council bosses. Communities Secretary John Denham says that's especially true in the current economic climate.

DENHAM: I think it's very important that, particularly when times are tight, that there's real public confidence in the way that money is being used and we're getting real value for money for the taxpayer's pound. In a situation where the Chief Executives' salaries on average have gone up much much more than ordinary local

DENHAM cont: government workers - and some are now extremely high indeed - we've got to show that every penny is justified, and local authorities in particular, who are responsible for this, have got to show that every penny is justified.

O'HALLORAN: So you can't be that happy that sixteen local authority Chief Executives are being paid more than the Prime Minister himself?

DENHAM: Now local authorities are big businesses, they require real high levels of expertise to run them, and if people can say, 'Look, by spending this money, that means we get really good value for money services and thus services get better,' then you could see the case. The problem here is we seem to have a gap between the increase in pay and the real quality of performance.

O'HALLORAN: And to what extent has this really vexing pay issue for you about Chief Executives, to what extent is it going to damage attempts to get council workforces around the country to adhere to pay restraint, which seems definitely now on the cards?

DENHAM: One of my real worries is that public anger at what is seen as excess at the top could become pressure to drag down the pay and pensions right across local government.

O'HALLORAN: Ironically though, some experts reckon it's Government targets and star rating systems that have been sending top council salaries hurtling upwards. Average pay for Chief Executives on the bigger authorities has been climbing steeply for years, according to the market information firm, Incomes Data Services. Its analyst, Steve Tatton, suggests that, in trying to maintain good star ratings or improve on poor ones, too many councils have been trying to recruit from a small and limited pool of experienced Chief Executives.

TATTON: If you've got a local authority in which they've actually got poor performance, no star ratings on several services, what they will do, they'll be saying, 'Well, this Chief Executive has not really been able to perform, and in order to get a really good performer in, what we need to be doing is paying a lot more than we are,' and



RIDLEY: Yes, that was certainly an increasing tendency and that was particularly true of poorer performing authorities, they were much more likely to want a tried and tested candidate who'd already got some experience in the post from another authority. The better performers were happier to promote someone.

O'HALLORAN: Did you find any evidence that appointing an experienced Chief Executive from somewhere else, that that did produce results, it did improve performance?

RIDLEY: No, we didn't actually; we found that performance improved at approximately the same rate, whether you promoted somebody or whether you recruited an existing Chief Executive. But we didn't see any difference between promoting somebody or recruiting an experienced candidate from another authority.

O'HALLORAN: But a national body representing and lobbying for the council bosses rejects the Audit Commission's findings. The Society of Local Authority Chief Executives, SOLACE for short, is headed by David Clark. He claims that, across all types of council, annual pay rises for Chief Executives have been lower than the Audit Commission would suggest.

CLARK: In fact, Chief Executives' pay has only gone up something like 4% to 5%, because of course the figure published by the Audit Commission was just of the top echelon of Chief Execs. And in those cases, many of them were brand new authorities where, for example, in Durham or Cornwall they'd gone from districts and counties into one unitary, so there was in fact now one Chief Exec where once there were seven. The pay went up, but now obviously the cost to the taxpayer went down. They're not comparing like with like. If you're abolishing seven jobs and then establishing one, it is likely that that one will be greater than any one of the previous ones, and that's actually what's happened. Now the average pay of a District Council Chief Exec is in fact £98,000.

O'HALLORAN: Yes, but the figure I'm talking about is a 34% rise for those in the other councils and that pay has, say the Audit Commission, gone up by 34%.

CLARK: Okay, well let's break it down. In some cases, when they've recruited a new Chief Executive, they found they had to pay a lot more than the old Chief Executive - that's quite common in a lot of areas and ...

O'HALLORAN: Had to pay or felt like paying?

CLARK: That's a matter for councillors - they are democratically elected and it's up to them to choose, but what we're seeing is that a large number of local authorities are finding it difficult to get a shortlist, because people don't want to become Chief Execs.

O'HALLORAN: But SOLACE is more than just a lobbying body for Chief Executives. It includes a division called SOLACE Enterprises. They act as recruitment consultants. They say they've helped councils to hire more than twenty Chief Executives in the last few years. And last year, when the Tory controlled Coventry City Council needed a new boss, Solace Enterprises played a key role. But the appointment sparked another row over pay. The old Chief Executive had earned £140,000. The new one was recruited at £175,000, rising up to £185,000. Socialist party councillor, Rob Windsor, was furious about the pay rise for that post. And he took issue with the role of Solace Enterprises as paid advisors, in particular.

WINDSOR: Here we have the very Chief Executives that are seeking appointment trying to push the pay bar up in this case up to a top level of £185,000 - that is the upper limit.

O'HALLORAN: How do you know Solace Enterprises were pushing up the bar, pushing up the pay package in that particular case?

WINDSOR: I think we definitely got the feeling that, you know, that in talking to other elected members that that was actually happening, that the idea of them being there was to very strongly put a case that Chief Executives weren't earning enough and the pay had to be ratcheted up.

O'HALLORAN: But what is wrong with a council hiring in the services of Solace Enterprises or any other recruitment advisors if they know what they're getting into and they're willing to pay the fees and they know the background?

WINDSOR: My concern with this, as I've said, is these are Chief Executives setting their own pay. You can't set your pay, neither can I. Again I come down to that these are council Chief Executives who run SOLACE, therefore I would have a worry about them going round the country doing this.

O'HALLORAN: But his strenuous opposition wasn't enough to derail the pay deal. Not least because the main opposition group, Labour, abstained on the vote. The salary hike was driven through by the ruling Tory group. And its leader, councillor Ken Taylor says he has no regrets, either about the pay or the use of Solace Enterprises in the recruitment.

TAYLOR: They didn't say Coventry needs to pay £175,000 or £180,000. They said they need to be, they couldn't find people to apply, they felt, with the range that we had put forward, which was £150,000 to £180,000.

O'HALLORAN: Would you accept that some Councillors see Solace Enterprises really as Chief Executives trying to push the pay bar up for themselves?

TAYLOR: I can see that, but when we were talking to other agencies, when they were tendering and when we were looking at what they were proposing, SOLACE was no different from anybody else.

O'HALLORAN: Do you think you should be careful in future to think very seriously about the role of SOLACE, given the appearance to some people that they may in some way be compromised, they may have a possible conflict of interest?

TAYLOR: Well, no, I'm conscious that they've got an interest in their overall success or failure in terms of their Chief Executives that they operate with, and that's something which one has to take into consideration, and I think they will confer with the individuals concerned and look to see what salary the people are getting, and it's negotiable. If we didn't want to pay it, at the end of the day, we would not have done so.



CLARK: Rubbish is what I'd say. The market rates, no one consultant could possibly do that, since there are so many consultants out there, so it wouldn't be possible for any one organisation to get close to that.

O'HALLORAN: Councillors in Coventry suggest to us that Solace Enterprises helped persuade councillors there to raise the pay of the top job by over 20%.

CLARK: Well they may say that. It would certainly be the case that what we would do is show them what similar Chief Executives were earning, but the decision is one for councillors. That's a councillors' decision. It is not a decision of a consultant.

O'HALLORAN: But is it right that your representative would be in there, effectively pushing up the salary of the person appointed?

CLARK: Well, if it was happening it wouldn't be right, but it isn't, so it is. The way it works is this. If you are a local authority, like Coventry, one of the things that any consultant will do is look at similar size local authorities, local authorities in the region, and look at average pay rates. That's precisely what happened in that case and is perfectly normal.

O'HALLORAN: And what about this criticism that you're being paid effectively in that situation by employers, not just to recruit but effectively to help set the salaries of people who are your own members?

CLARK: Well, as I explained, that's rubbish. There is a market rate, we simply show people what that rate is at the moment, and if they want to pay it they can. But we will never recommend a huge pay increase is the way to get a better Chief Exec.

O'HALLORAN: Isn't SOLACE compromised by the huge stake its leading people have in obtaining higher salaries?

CLARK: No. Everybody who hires Solace Enterprises – and it's always councillors that do it – know where it comes from and what they value is the experience of an organisation like ours. It is a matter for them whether they recruit SOLACE or not and we compete competitively with other head hunters and that's the way it is. So no, I don't think there's a compromise at all.

O'HALLORAN: But aside from the use of head hunters, have some councils been too ready to pay big money to bid farewell to Chief Executives when they want to see a new face in the job? Where a Chief Executive leaves a council by "mutual agreement", and there is no suggestion of wrongdoing or incompetence, a council may decide to shell out a large sum of money in severance pay. And some such deals are almost totally hidden from public view.

#### ACTUALITY AT WAKEFIELD TOWN HALL

O'HALLORAN: Here at Wakefield Town Hall in West Yorkshire, the metropolitan district council takes great pride in all it's doing for local people. I've got its free paper here, The Citizen, trumpeting on the front page: crime – lowest for twenty years. A new push on childhood obesity, and support for major events like the Pontefract Liquorice Festival. But the council has been rather more reticent about the huge boost it gave to the bank balance of its departing Chief Executive last year. It turns out he took home a whopping half a million pounds in his last twelve months here. But that didn't make the front page of The Citizen. In fact, it took a campaign group nearly a year to discover it. Wakefield is a Labour run council. And this time it was the Tory opposition who were furious about alleged extravagance with public money. The departing Chief Executive, John Foster, had been on a salary of about £220,000. But when his departure became known, councillors were left in the dark over the severance terms, says Tory group deputy leader Nadim Ahmed.

AHMED: He was leaving because there had been an issue between him and the leadership of the council.

O'HALLORAN: What did you learn at that time about severance pay, if anything?

AHMED: Nothing at all.

O'HALLORAN: Nothing whatsoever?

AHMED: No, there was no mention of severance pay at that point.

O'HALLORAN: Because it didn't become public knowledge, his payout?

AHMED: That's right. It wasn't public knowledge and I believe all of us in the opposition heard it through the local press. The shocking thing for people that it was the amount of money that it was, which was, you know, half a million pounds, and that's what surprises people like us and shocks us. People hit the roof when they hear stuff like that and, you know, when you've got a tuned-in electorate, they're absolutely really really angry, and all they're seeing is the fact that they're writing these cheques every month or paying direct debits of council tax, and where's this council tax going?

O'HALLORAN: It eventually emerged that in his final year with Wakefield, the Chief Executive received severance of £340,000 plus salary of £220,000. Wakefield Council refused our request for an interview. It simply said that John Foster had moved on from his job after five years at the top of one of the country's most improved councils. But how difficult is it to get top salary and pay-off details from councils generally? I asked Steve Tatton of the market information firm, Incomes Data Services.

TATTON: I've been monitoring executive pay for something like twenty years now from various different sources and using annual accounts, and of all those bodies we've looked at I would say local authorities are actually the worst, they do rank the lowest in terms of the amount of information and the quality of information they disclose.

O'HALLORAN: The worst in what way, what are the difficulties?

TATTON: The real difficulty is they don't actually give a full breakdown of exactly what the Chief Executive earns and the chief officers, they don't tell you what the actual salary is, what the incentives are, by name, which is quite a common practice over in the private sector and the rest of the public sector, and all they do is actually give you how much is earned in £10,000 bands by the number of people falling within those bands. And often they actually just mix different parts of the package up, so sometimes it can actually include two people in one year – so you get a huge figure of say £200,000 which is just not accurate.

O'HALLORAN: To try and unearth more facts, a campaign group, the Taxpayers Alliance, has for the last five years been busy researching top council pay. It's made scores of Freedom of Information requests and it compiles an annual list of those it believes are the top paid local officials, says its political director, Susie Squire.

SQUIRE: Some councils publish their Chief Executive's remuneration in their accounts, but some don't specifically do that. Now at the Taxpayers' Alliance every year we compile our Town Hall Rich List, and the reason that we started doing that was to get more visibility on what top people at council are getting paid. Now this is a list of everyone working in councils across the country on over £100,000. That list is getting longer and longer every year. The reason we do that list is because we are lucky enough, because we are a campaign group and because we care a lot about it, to sift through council accounts and try and get out the information.

O'HALLORAN: Have you needed to use Freedom of Information requests in virtually all cases when you look into the details of salary and other remuneration you're trying to find?

SQUIRE: There are many cases in which we need to use the Freedom of Information Act in order to get the information out of councils, and it's not just salary importantly. We like to see the entire remuneration package of Chief Executives – what they're getting in pension, what they're getting in perks, indeed in severance pay too, if that applies. So we have to use the Freedom of Information Act to get that out. It's simply not in all council accounts, and in many cases actually we struggle to get those Freedom of Information requests back truthfully, because councils will fight the transparency that taxpayers deserve.

O'HALLORAN: Inevitably the Alliance followed events in the Wakefield case with interest. After being awarded his large pay-off, the Chief Executive there, within months re-emerged as Chief of the London Borough of Islington on a salary of £210,000. He had become, in the view of some critics, one of the boomerang bosses. To recruit him, Islington had upped the pay for that post by over £60,000 – a rise of around 40%. The hike had been decided by the ruling group - this time the Liberal Democrats - with no open resistance from the Labour opposition. Islington Council refused to be interviewed but said in a statement:

READER IN STUDIO: You need to pay good money to get good people. John Foster is a hugely experienced Chief Executive. This wage now reflects the going rate for Chief Executives in central London, and the fact we no longer have a deputy chief executive role.

O'HALLORAN: But that claim about the going rate for central London is disputed by Susie Squire of the Taxpayers' Alliance. She says many council taxpayers in Islington found the scale of the pay rise there unacceptable.

SQUIRE: The outgoing Chief Executive received an amount, presumably he or she did a decent job and that was the level at which Chief Executive salary was agreed, so they just put that up arbitrarily almost, by £60,000. There's no evidence that you would then get a proportionately better candidate.

O'HALLORAN: And how do you respond to Islington Council's claim that £210,000 is actually the going rate now for Chief Executives in central London councils?

SQUIRE: £210,000 is simply not the going rate for Chief Executives at London councils. I mean, let's get some perspective on this debate. You know, that is a good deal more than the Prime Minister is paid. So to say that, you know, it's a stressful job, well of course it is and of course you want good public services, but it's not more stressful than the Prime Minister or the Foreign Secretary or any other public sector post, so it's not the going rate – I would say it's far above the going rate, and I think that would show that Islington Council are rather out of touch with the people they're supposed to be representing.

O'HALLORAN: The issue of hefty pay-offs for council Chief Executives who soon go back to work elsewhere is one that also troubles the Communities Secretary, John Denham. But what's he planning to do to stop it happening?

DENHAM: We're not going to centrally regulate and legislate for it, no, but we can also focus attention, I think, on some particular areas of concern. One of these is the so-called boomerang bosses, that's where people walk out of one place, allegedly – and it's hard to get the facts of these cases sometimes - because they've fallen out with the leadership, have a big pay off and then go into the next job. Now I've asked the Audit Commission to look at how local councils handle those situations because it may be some much clearer guidance about what is and what is not a legitimate use of public money would be useful.

O'HALLORAN: Now Government ministers have been saying that a break has got to be put on these what they call spiralling pay deals, but what have you actually done to put a brake on them? Have you done anything?

DENHAM: By the end of this month, for implementation by the end of the year, we will bring complete transparency into this, so that senior posts - and that's those over £50,000 a year - people will know the types of pay that people get, the bonuses, the perks, the allowances, details of compensation payments. At the end of the day central Government doesn't pay these salaries, local councils do. What we can do is create transparency and openness so that people can judge what is going on and the pressure can be put on local authorities at local level.

O'HALLORAN: David Clark of the Society of Local Government Chief Executives, insists it is not against publication of salary details, provided it's all handled carefully.

CLARK: I'm making the point that it can be intrusive, that it's all very well and good to say this is public money, we deserve to know, but it has to be dealt with in a mature way. And all too often the media will focus on the money and won't even mention the job.

O'HALLORAN: Why is it that there is such obscurity around these figures, that a lot of them can only be obtained, these pay details, by Freedom of Information requests from people like the Taxpayers' Alliance?

CLARK: All I can say is we've recommended that people publish it on the website how much they earn and what it is that they do to earn it.

O'HALLORAN: In the senior positions?

CLARK: Yes, all of them. What's actually interesting is there are a few councillors who don't want that to happen, not Chief Execs.

O'HALLORAN: So would be the result of the Government's move to change the disclosure regulations in such a way as to have all these details published?

CLARK: Well my own view is that they're trying to play catch up as usual and I think it's perfectly reasonable. The issue is, if they're saying they will clamp down, they've been saying it for eighteen months and haven't, isn't it a sound byte?

O'HALLORAN: Right. So when they say put a brake on the spiralling salaries, you're saying, show us the colour of your money?

CLARK: I'm saying it's not an issue in the way that they say it is, and if it were an issue, surely they would have done something about it. I sometimes wonder whether it's simply because they can't get their hands on bankers and their much bigger payouts that they have a pop at councillor Chief Execs.

O'HALLORAN: But for now it seems it is more than a few Government ministers who may want to take a pop at Chief Executives as, each year, more figures are revealed about their pay deals. Although public annoyance over their pay hasn't approached the fury over MPs expenses, the town and county hall bosses may well have to rein in their pay ambitions. The Government is now more or less on the same side as the Taxpayers' Alliance, and forcing fuller disclosure. That means an even stronger searchlight

O'HALLORAN cont: is being trained on this whole area. And before long, there may be little hiding place for top salary and severance deals which fly in the face of likely cutbacks lower down; and which risk real danger at the ballot box for councillors who sign up to them.

SIGNATURE TUNE

Total – 36.33