

# Ethical Standards Commissioner

## REPORT ON A SURVEY ON TIME COMMITMENT, REMUNERATION AND OTHER ASPECTS OF THE ROLE OF PUBLIC APPOINTEES 2020 (Summary Version)

FEBRUARY 2021

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**INTRODUCTION**

During the second half of 2020, the Ethical Standards Commissioner (ESC) conducted research into the roles of chairs and board members of regulated public bodies. The research sought to understand:

- the impact of certain aspects of these roles, such as time commitment, remuneration and expenses, and whether these can create barriers to taking up board positions for people from currently under-reflected groups
- if there are other barriers that are having an impact on the diversity of boards including in relation to sector worked in, disability and socio-economic background
- the extent to which the Commissioner’s statutory functions are understood.

The survey link was sent to all chairs and members to complete during August and September 2020 (and an extension was provided for late entries).

In total, 288 entries were made to the survey covering a range of body types and mainly from members, but also representing other positions on boards.

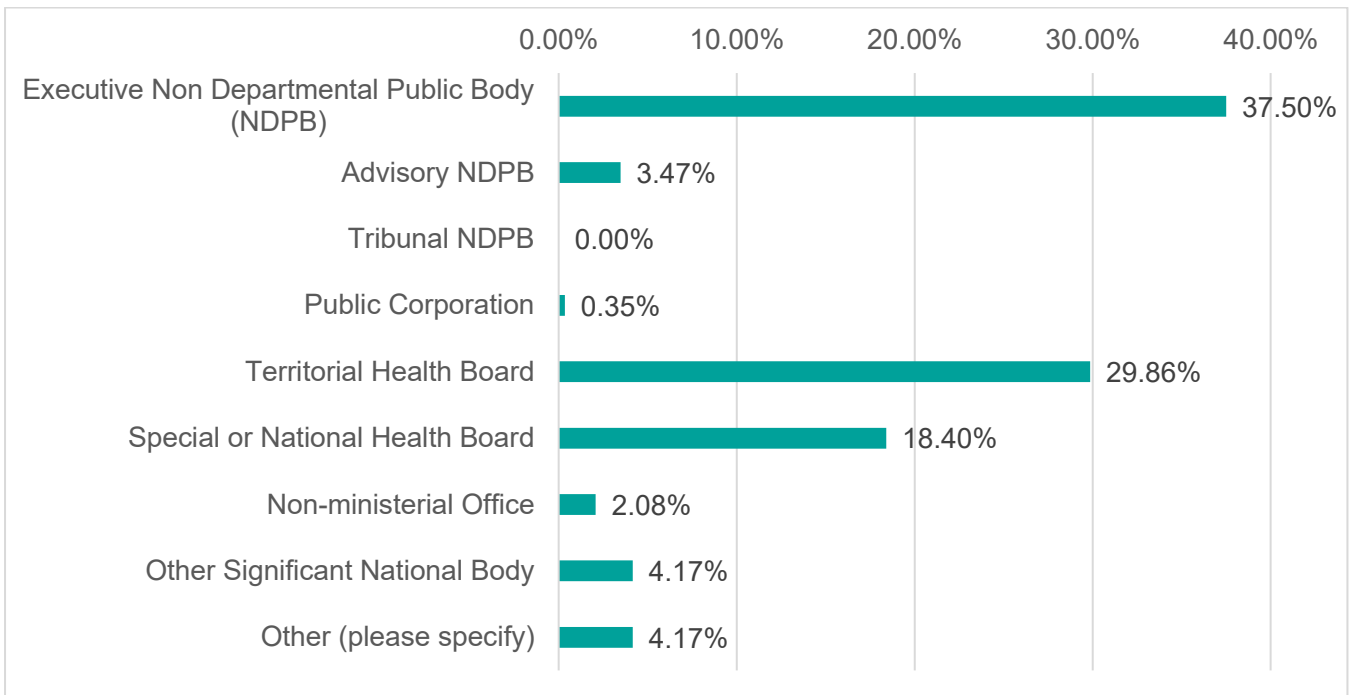


Figure 1 Percentage response rate to the question "What type of public body board do you serve on?"

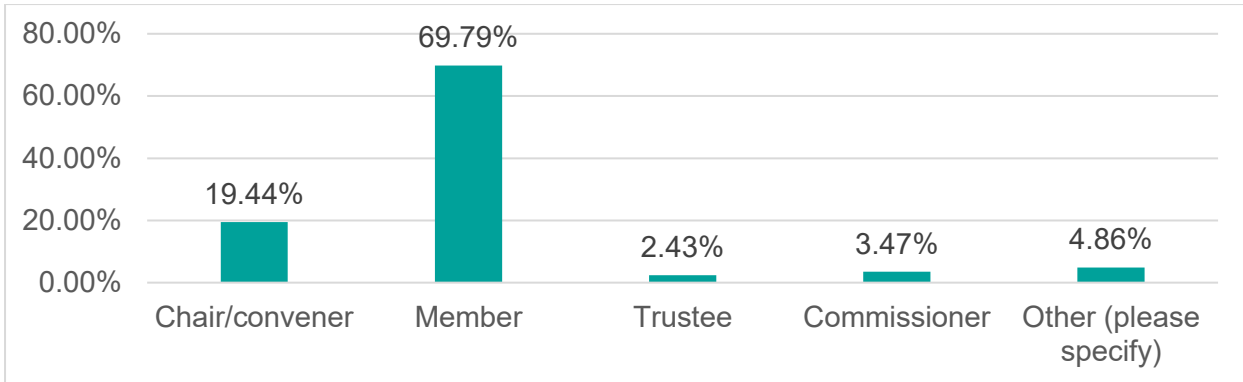


Figure 2 Percentage response rate to the question "What position do you hold on the board?"

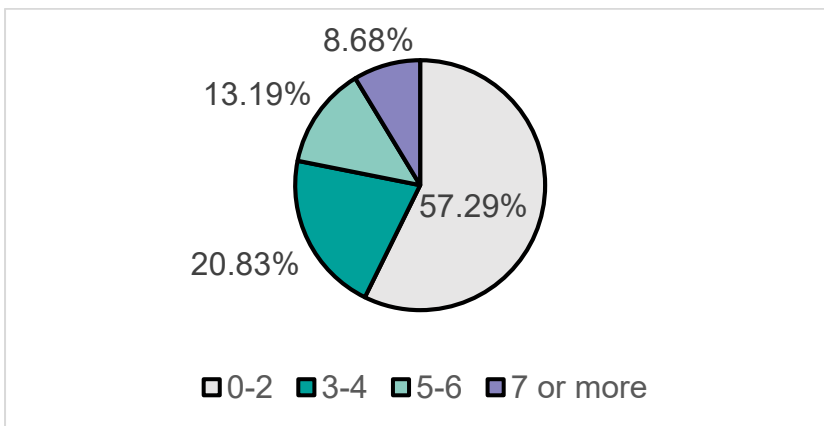


Figure 3 Years spent in current position

189 respondents agreed to provide demographic data and the details can be found in Appendix 1.

Further details about survey, including more detail about the reasons for the research, the diversity position and the role of the Commissioner and basis for conducting the research can be found on our website:

<https://www.ethicalstandards.org.uk/survey-board-chairs-and-members-2020>

A full report covering all findings and a large range of comments by respondents from the survey has been produced and is available on our website:

<https://www.ethicalstandards.org.uk/publication/report-survey-time-commitment-remuneration-and-other-aspects-role-public-appointees-2020>

This report aims to provide a summary of the full report highlighting the key findings from the research. These can be summarised under the headings of:

- Time commitment
- Expenses
- Remuneration
- Civil service pension scheme
- Understanding the Commissioner's role and
- Impact of the time commitment, remuneration and other aspects of the role on diversity

**TIME COMMITMENT**

The concerns that the Commissioner had heard anecdotally from board members and chairs that the time commitment stated in application packs was not a true reflection of the actual time commitment needed to undertake the role appears to be more than anecdotal and is in reality extremely concerning. Some 62.55% of respondents stated that the time commitment needed for the role is more than had been advertised. This included 20.16% of respondents stating that commitment to be at least double that advertised and 7.82% stating the commitment to be at least treble that advertised.

Considered the time commitment to be less than initially advertised	5.76%
Considered the time commitment to be the same as initially advertised	31.69%
Considered the time commitment to be more than initially advertised	34.57%
Considered the time commitment to be at least double that initially advertised	20.16%
Considered the time commitment to be at least treble that initially advertised	7.82%

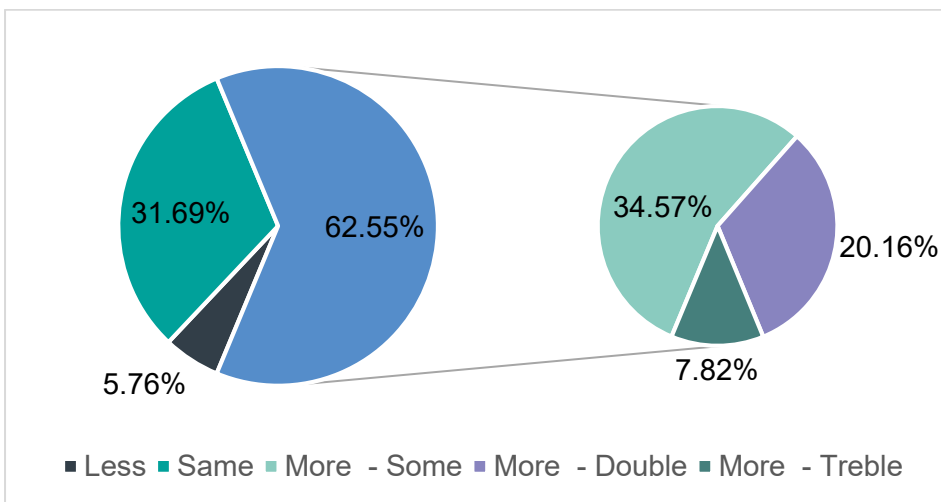


Figure 4 Percentage responses to time commitment in comparison to what had been advertised in the pack at time of applying

Four of the respondents who stated that the current time commitment was less than had been stated when they applied also made a comment to clarify that the reduction was due to the current circumstances of the Covid-19 pandemic. Similarly, another four who had stated that the current time commitment was the same as had been stated when they applied also made a comment to clarify that their current time commitment is not what they would otherwise consider to be normal, due to circumstances attributable to the pandemic.

The diversity implications of this are clear – those with health issues or disabilities which mean that they can only commit to a limited amount of time to undertake a role, those with caring responsibilities and those who are in paid employment and are hoping to undertake the appointment in addition to it (who usually tend to be in the younger age brackets and / or lower income bracket) will be reliant on accurate information when these roles are publicised about the time that they are required to commit. The comments provided by respondents reveal further detail of the implications of the inaccurate time commitment.

Some comments from those whose current time commitment is greater than had been stated when they applied:

“From the start I wanted to contribute more time. Early learning curve was steep and merited more time. More recently the challenges of Covid-19, lockdown and furlough have necessitated more time all of which has been very worthwhile.”

“because it was never as advertised, whilst on a territorial Board I was assigned to 17 committees although 2 were annual meetings.”

“It was not compulsory, but we were encouraged to attend and represent our NDPB at as many additional public meetings and events as we can, outside the two remunerated days each month.”

“The time commitment for both my appointments has always been more than advertised and the interviewing panels alluded that it would be at interview. The time commitment required is always under estimated.”

We asked respondents to indicate whether they claimed for all of the time spent (on board activities). This was intended to gauge whether the respondent claimed remuneration for any additional hours spent on board activities, although from some of the answers provided, it is clear that some respondents had misinterpreted this question as asking about expenses. Nevertheless the results to this question are interesting and revealing.

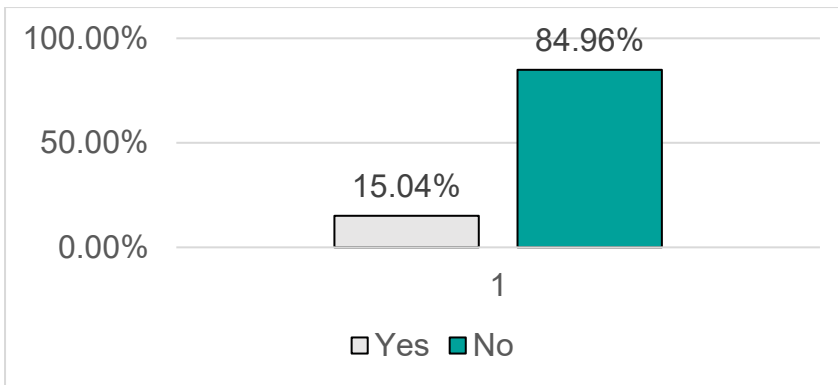


Figure 5 Percentage response to the question: "Do you claim for all of the time spent (on board activities)?"

Some of the responses to the question: "What do you not claim for?"

"The post allows for on average a day per week. While this is invariably exceeded, I took the view that it would balance itself out - but this has not proved to be the case. If travelling to meetings was factored in, the time commitment would be significantly greater. None of the travel time is claimed for, nor is any of the excess time spent reading, researching or attending meetings."

"NHS commitment for all members seems to be well in excess of time required to do a sufficient job. Most members are paid 1 day/month - well below time required. Chair is full-time, members are typically 3-4 days/week even if only paid for 1 day. Rate of pay not great given political and public commitment to NHS - although this is not a factor for me.."

When asked later in the survey whether respondents considered aspects of the role (such as time commitment, remuneration etc) to have an effect on diversity, a number of respondents had strong views about the effect of inaccurate time commitment in this regard.

"Boards will remain largely white, middle class, heterosexual and for older / retired people unless changes are made. The time commitment also doesn't allow for training and mentoring time to be built in for new board members / those who face barriers, unless you're willing / able to do it in your voluntary time."

"Less about time commitment and more about not recognising that from some location travel constraints mean a 2 hour meeting requires a 3 day commitment."

"One thing I find frustrating is when papers are circulated late (which happens often) and when additional meetings are scheduled at short notice. Because I have limited time, due to working full-time and having young children, it is difficult for me to respond to these demands, although I feel pressure to do so."

**EXPENSES**

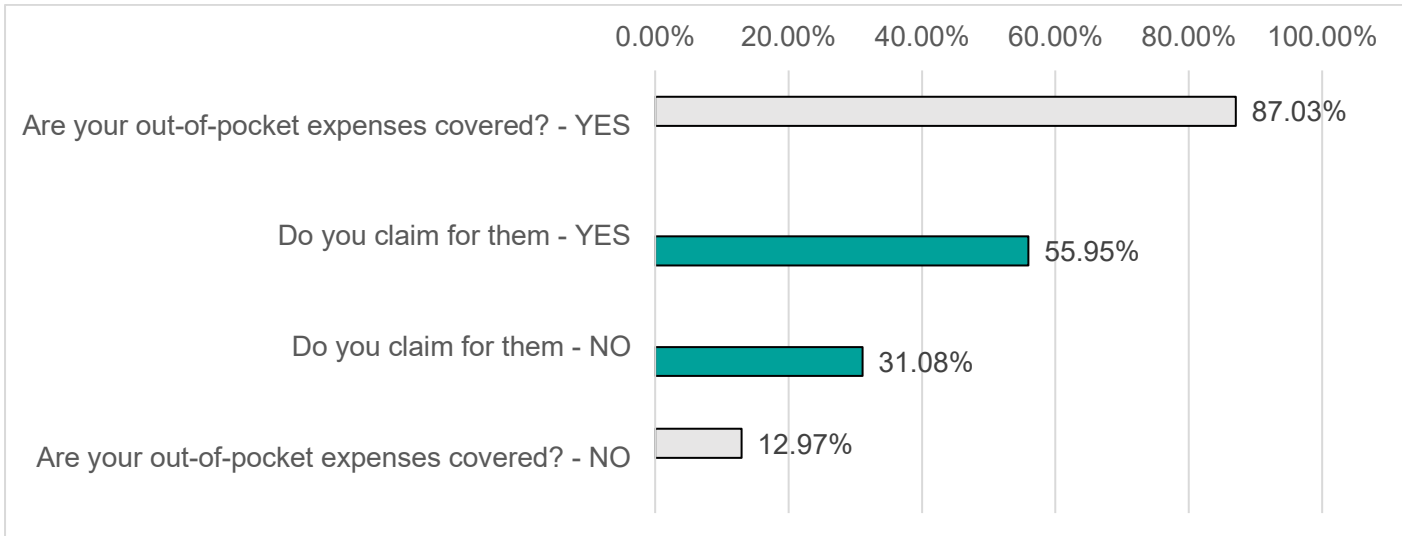


Figure 6 Responses to question about expenses

Only 55.95% of respondents stated that they claimed for expenses related to the role. Comments made were helpful in gaining an understanding of this, including some which were concerning, indicating a possible culture where individuals feel that they may be ostracised for making a claim.

{In answer to “what do you NOT claim for} “Home internet access (although this is not really a problem). Attendance at a number of events including leaving functions, annual staff social, social events related to nominated charities etc. This is a bit of a cost, and could disadvantage any appointee with little other income. I do wonder if this is a reasonable expectation. I do not claim for any printing at home, but this probably could be covered if required.”

“I tend to be out of pocket for phone use, home printing and refreshments when travelling to meetings. I also have to get additional care hours to help me get ready and prepare for travel and to stabilise my condition when home. I occasionally need support from a PA or Carer to get to meetings and I need to pay for this myself.”

“No one else seems to and it seems a bit mean to claim since I can afford it. But some colleagues are less fortunate but probably feel peer pressure to not claim either.”



Again, the diversity implications of this are clear – those with health issues or disabilities or those with caring responsibilities who rely on expenses as an additional aspect of the role, must be able to do so easily and without fear of being made to feel uncomfortable in any way about doing so. If Scottish ministers are in any way hopeful of attracting applicants with lived experience of services provided by the public body, then this is a fundamental issue which must be addressed. When respondents were asked about the effect that they thought that some aspects of the role might have on diversity on the board, some of the comments that they provided on the issues of expenses were useful to highlight this point.

“Yes. I had a 4-month old child when I was appointed and although the immediate staff involved were very supportive, it took a long time to organise payments for childcare to enable me to fulfil this position. There was no policy in place (as far as I am aware) for how to ensure childcare (or other caring responsibilities) needs are dealt with and this has continued to be an issue. Furthermore, I am lucky that my household can afford for me to undertake additional days for this role without remuneration. Both the lack of policies or systems for providing for childcare and other caring responsibilities for appointees and the expectation that the role will involve working more than the days remunerated, are barriers against Board diversity..”

“I have to {claim expenses}, to allow it to be feasible for me to undertake my role. In the past 2 years, 2 of my children have been pre school age. The cost to put them into a private nursery to allow me to undertake my duties is around £120 per day. I receive remuneration of £170 per day so it would not have been worth me undertaking the role.”

**REMUNERATION**

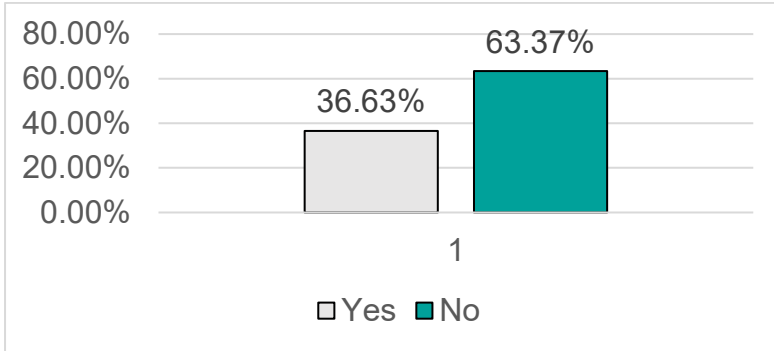


Figure 7 Percentage response to the question: "Was Remuneration an important factor for you when you applied for the position?"

Respondents were asked whether remuneration was important to them at the time of applying for the position. Only 36.63% confirmed that it was. However, when asked whether (for those who did receive remuneration) they considered it to be appropriate to the role and attendant responsibilities, only 38.44% considered that it was.

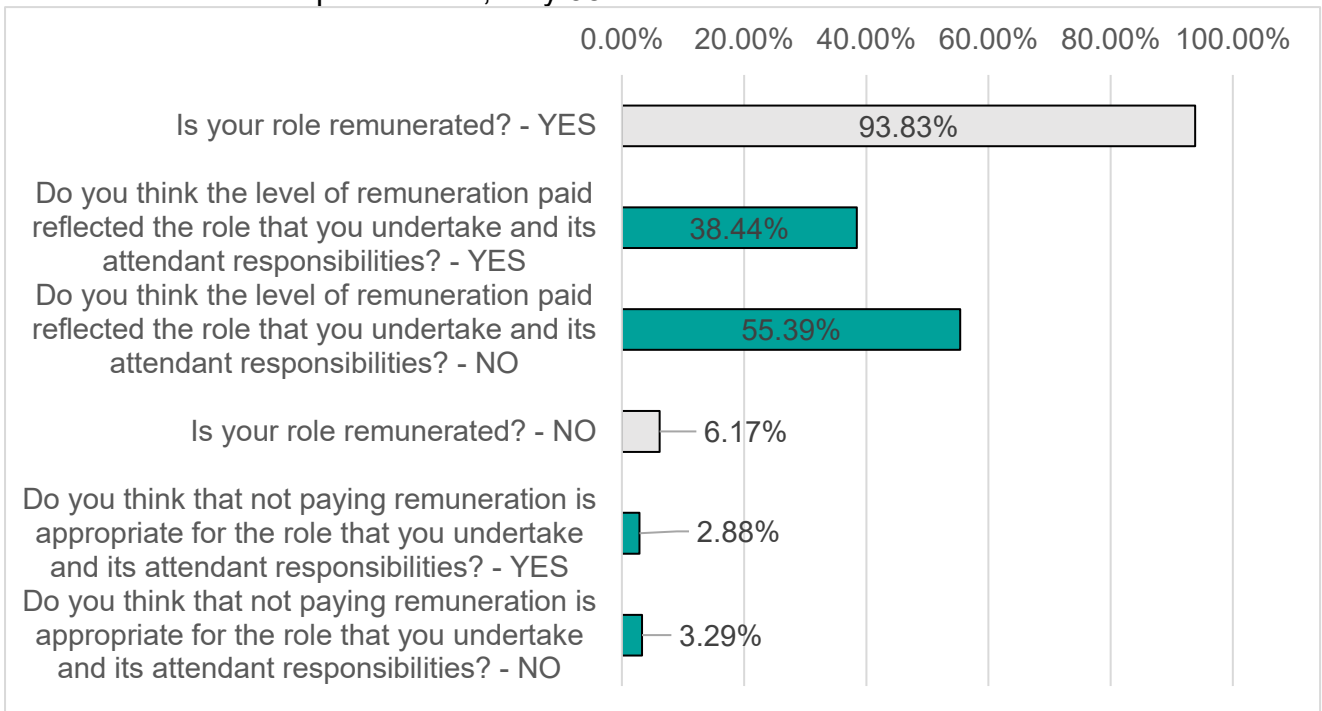


Figure 8 Responses to questions around whether remuneration (and the level of remuneration paid) are appropriate to the role and attendant responsibilities

Comments around this topic provided a great deal of further insight to the views of respondents. It is clear that views on this aspect of the role have provided a mixed range of views.

"I had to consider that I would not have any annual leave or sickness entitlement in the role and no pension entitlement. The daily rate had to be good enough to compensate for loss of earnings as a paid employee, as I had to resign from my employed role to be able to offer the commitment required of the position, which was 4 days per week"

"The remuneration is very low for the risk it exposes me to."

“I think the level is right for Board members. I think that Board members who chair committees are a different issue, as are Chairs. While I think people should be remunerated fairly I also feel that serving on a statutory board is also a service you decide to take on for the common good and to deliver more broadly within our society [although it is a privileged position to be able to access the role and be paid for it - many will find access to these kinds of roles a challenge].”

“I have no way of giving an appropriate response reflecting public sector norms. In the private sector, the remuneration for a similar type of role with a similar type of organisation would be £250,000.”

“It might be better to be unremunerated. The current rate does not reflect the responsibility but the cost of doing so would be very high.”

“Remuneration should reflect time commitment, otherwise applicants will predominantly come from affluent (semi) retired professionals.”

“If you wish to recruit younger Board members, pension provision should also be considered. I feel I am not only suffering financially now, but am being let down for my future security too. I have been a Board member for 7.5 years, but it is difficult to raise these issues as the culture is led by existing members who are frequently retired, have a comfortable public sector pension and are doing this to 'keep themselves busy'. When I have raised concerns about fair remuneration I have heard 'we don't do it for the money' on multiple occasions from multiple sources. I have to do it for the money, as well as the reward of public service. My executive work life was truncated due to health reasons, I need to make a living and save for my future, I still have a young family to provide for and parents to care for..”

### CIVIL SERVICE PENSION SCHEME

We asked respondents whether they are in receipt of a Civil Service Pension and if so, whether they consider it appropriate to receive remuneration for the role that they fulfil in addition to this pension income. For those who do not receive a Civil Service Pension, we asked whether they had any views about board members receiving remuneration in addition to a pension income.

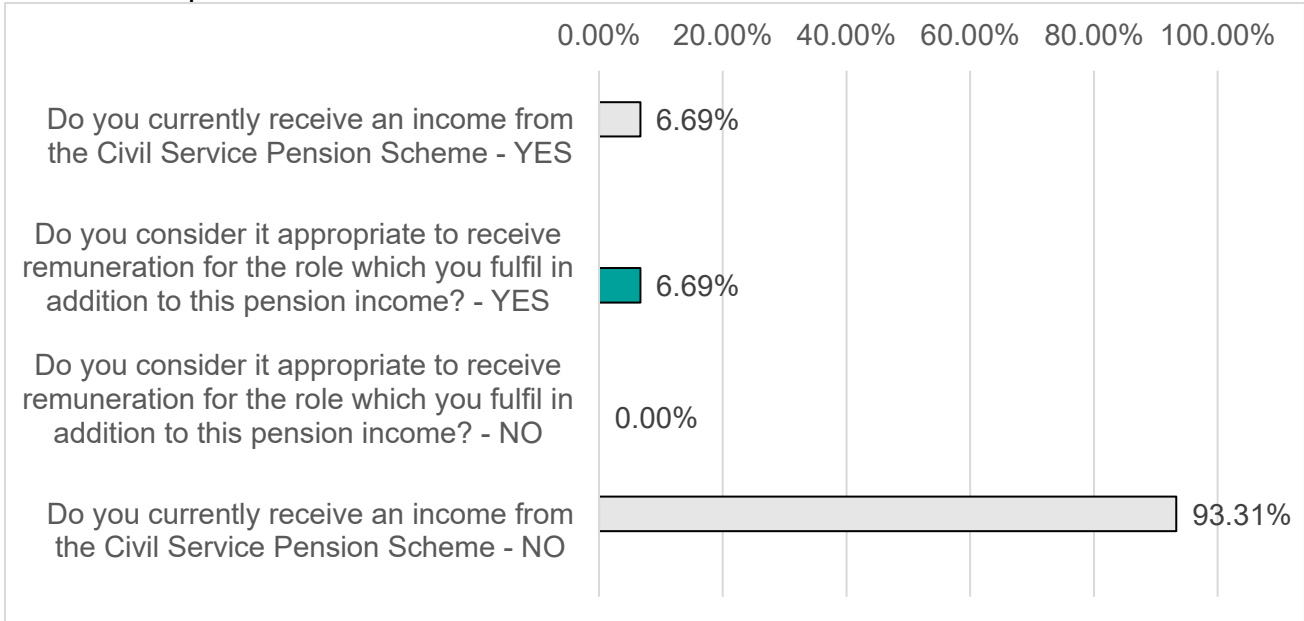


Figure 9 Responses to questions related to the Civil Service Pension Scheme

only 6.69% of respondents receive a Civil Service Pension and from the comments made it seems that most respondents (whether in receipt of a Civil Service Pension Scheme or not) believed that it was fair for those in receipt of such a pension to also receive remuneration for their board role as well. We note that not asking a broader question about receipt of a public sector pension may have skewed the results in this case

“A perfectly acceptable thing to do. A pension reflects part of a previous employment agreement and should have no bearing on being paid for a new/subsequent job of work. Of course this question wouldn’t arise as often as it does if more working age people were able to fulfil public roles.”

“I am dismayed that those who have worked in the Civil Service, are then appointed to positions as paid non - executives. My reasoning is that there is an abundance of civil service contributions and support in the formal day to day relationships between public appointment agencies, their sponsoring departments, the secretariat etc. An alternative perspective is a benefit provided by non - executives. The perception is that those who are retired and indeed current Civil Servants over populate Boards. In my view this perpetuates the lack of diversity and the opportunities available. I do not think those in receipt of employment related remuneration from the Civil Service should then be re-employed as non - executive directors. Frankly, the perception appears as an entitled "club".”

“If they have skills to offer - however, I am keen to see a much more diverse range of people on boards and that board membership is not seen as an easy ride for 'those and such as those'.”

### UNDERSTANDING THE COMMISSIONER'S ROLE

We were keen to understand to what extent respondents understood the role of the Commissioner and were reassured to find that the majority seemed to understand that their appointment to the board (and any subsequent reappointment) was regulated by the Commissioner (90.28%) and also that they could make a complaint to the Commissioner about a board member if they believed that the body code of conduct had been breached (84.84%). Respondents provided a good number of comments and suggestions which will be particularly helpful to the Commissioner in understanding how to make her role even more clear and accessible to board chairs and members in the future. Further details of these are outlined in the [full report](#).

## IMPACT OF TIME COMMITMENT, REMUNERATION AND OTHER ASPECTS OF THE ROLE ON DIVERSITY

Respondents were asked if they wished to make any comments in relation to the Commissioner's concerns that these aspects of the role were having an impact on diversity. Most respondents made some comment which gave a vast array of views and opinions on the subject and very many interesting, useful and helpful ideas. A wide range of these comments is provided in the full report and we have included just a few of them to illustrate the range of views expressed here:

"I'd absolutely agree with this. It'd be impossible to work full or even part time (depending on role) and be a NEM. That's even more true given the ACTUAL time commitment required. I'm under 50 and only applied because I've been very ill and can only really work a day a week due to my ongoing illness. I've had to give up my NHS career. The digital take-up should arguably make it easier for disabled people to be part of a Board but often they are affected by poverty too so it's a double whammy. Absolute clarity on time commitment, how arrangements work and how the board itself works shared as part of the recruitment process would be a helpful start. Demystifying the function."

"I share the view and this is why I think accurate time commitments are paramount for the role as well as proper remuneration. As a parent of young children, a day job, lots of bills and responsibilities and little spare time I would not have applied to the job if it hadn't been remunerated. Time commitment accuracy is important as I can only give more hours than advertised to the role if I take off some from my other job. As a minority ethnic member with English as a second language here are some thoughts. When English is not your first language then you would spend more time reading, understanding, writing and finding ways to clearly express yourself. If you come from a different area of expertise than much of the language used in the board papers would be new and need additional time for research. There are cultural differences and language barriers which might impact the confidence or ways of working on a board and these could put a lot of people off applying to such roles unless the benefits are clearly striking. BME representation has improved significantly in certain areas, but top level has always been challenging in all sectors. It is also worth analysing the ways we try to reach them. For lower income applications and perhaps to some extent BME the barriers are the nature of the job and perhaps a misunderstanding or misconceptions of the role. A clearer understanding of who can apply and encouragements for these applicants might help.."

“Yes. I had a 4-month old child when I was appointed and although the immediate staff involved were very supportive, it took a long time to organise payments for childcare to enable me to fulfil this position. There was no policy in place (as far as I am aware) for how to ensure childcare (or other caring responsibilities) needs are dealt with and this has continued to be an issue. Furthermore, I am lucky that my household can afford for me to undertake additional days for this role without remuneration. Both the lack of policies or systems for providing for childcare and other caring responsibilities for appointees and the expectation that the role will involve working more than the days remunerated, are barriers against Board diversity..”

“I am under 50 with genetic conditions that cause disruptive and unpredictable health implications. The commitment, expertise and capacity required for this role is as significant as for any of my Executive Team. There is little tolerance or understanding nationally of the needs of someone with mostly invisible health challenges. There is an unwritten expectation to work and travel extensively beyond the stated hours without recognition of health, family or financial capacity (most other appointees receive a pension- this is my only income and not pensionable). You are judged for not performing if you do not commit to these additional responsibilities and hours. I stepped down from full time executive employment to find flexibility, rebalance my health and family life whilst acknowledging it would be a financial hit. I am now working just as hard for a quarter of my previous salary and no pension. If you are serious about driving innovation in the public sector it would be useful to remunerate and recruit in a way that doesn't rely so heavily on public sector pensioners.”

The Commissioner is extremely grateful to all the respondents who took the time and made the effort to provide their views when completing the survey. It is her intention to make use of the results when considering forthcoming changes to the current Code of Practice and accompanying Statutory guidance. In addition, she will be sharing this report with the Scottish Government and Scottish Parliament and publishing it on her website for access by the general public. This is with a view to making public appointments open to everyone in society. Her one recommendation to the Scottish Government as a result of this report is:

**Recommendation** : That the Scottish Government read the report, including all comments made by current board chairs and members and provide a public response to these comments, including any actions that it intends to take as a result.

**APPENDIX 1**

