

Ward: N/A

## **Joint Independent Remuneration Panel Report on the Scheme of Members Allowances for Adur District Council**

### **Report by the Director for Communities**

#### **1.0 Summary**

- 1.1 To receive a report from the Joint Independent Remuneration Panel (JIRP) on Members allowances for Adur District Council ("The Council"), for the municipal year 2017/18, which recommends that the Council (via this Joint Committee) consider two options as detailed in the attached report.

#### **2.0 Background**

- 2.1 The Local Authorities (Members' Allowances) Regulations 2001 requires local authorities to establish an Independent Remuneration Panel to make recommendations about the levels of allowances payable to Members.
- 2.2 The Adur and Worthing Joint Independent Remuneration Panel began their review of Adur Allowances at the end of July 2016. Panel Members were advised and supported by Officers from Finance and Democratic Services and have submitted a report that is attached as appendix A.
- 2.4 The Panel undertook a consultation exercise with Group Leaders of the Authority as well as considering other quantitative data.
- 2.5 The scheme of allowances for Worthing Borough Council is linked to the Officer's NJC National Pay Bargaining agreement for four years until 2020/21. The review of Worthing Members' allowances will begin in 2019.

#### **3.0 Proposals**

- 3.1 That the Joint Governance Committee consider the report of the JIRP and make recommendations to Adur District Council on the level of Members' Allowances for the municipal year 2017/18.
- 3.2 The Joint Independent Remuneration Panel has recommended that the Council adopts option 2 as outlined in the report.

## **4.0 Legal**

- 4.1 An Independent Remuneration Panel is a requirement of the Local Authorities (Members' Allowances) Regulations 2003 (The 2003 Regulations).
- 4.2 The 2003 Regulations states that before an authority makes or amends a scheme, the authority shall have regard to the recommendations made in relation to it by an independent remuneration panel
- 4.3 The 2003 Regulations sets out the role of the independent remuneration panel to make recommendations to the authority as to the amount of basic allowance which should be payable to its elected members. There is also the authority to make recommendations regarding special responsibility allowances (SRA) – and the roles and responsibilities for which the SRA applies, expenses or arranging the care of children and dependants.

## **5.0 Financial implications**

- 5.1 Option 1, a 2% increase over and above an assumed NJC 1%, would result in an increase in the budget of £2,865
- 5.2 Option 2, a 5% increase over and above an assumed NJC 1%, would result in the total Members Allowances increase in the budget of £8,600
- 5.3 A detailed financial breakdown of the two Options is included in the Appendix to the Joint Independent Remuneration Panel.

## **6.0 Recommendation**

- 6.1 The Committee is requested to consider the report and recommendations of the Joint Independent Remuneration Panel and to recommend to Adur District Council the level of Members' Allowances for the municipal year 2017/18.

## **Local Government Act 1972**

### **Background Papers:**

The Local Authorities (Members' Allowances) Regulations 2001

Local Authority (Members' Allowances) Regulations 2003

Guidance on members' allowances for local authorities in England available from

<https://www.gov.uk/government/organisations/department-for-communities-and-local-governments>

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## **Schedule of Other Matters**

### **1.0 Council Priority**

1.1 Matter considered and no issues identified.

### **2.0 Specific Action Plans**

2.1 Matter considered and no issues identified.

### **3.0 Sustainability Issues**

3.1 Matter considered and no issues identified.

### **4.0 Equality Issues**

4.1 Matter considered and no issues identified.

### **5.0 Community Safety Issues (Section 17)**

5.1 Matter considered and no issues identified.

### **6.0 Human Rights Issues**

6.1 Matter considered and no issues identified.

### **7.0 Reputation**

7.1 Matter considered and no issues identified.

### **8.0 Consultations**

8.1 There are no consultation implications as the Panel is the consultee, however the Council must arrange publication of the panel's recommendation, the council's response and at the end of the year the actual amounts paid to each councillor.

### **9.0 Risk Assessment**

9.1 Matter considered and no issues identified.

### **10.0 Health & Safety Issues**

10.1 Matter considered and no issues identified.

### **11.0 Procurement Strategy**

11.1 Matter considered and no issues identified.

## **12.0 Partnership Working**

- 12.1 The impact of partnership working has been considered previously with a Joint Panel for Adur and Worthing Councils producing independent reports for the specific council.

**REPORT OF ADUR AND WORTHING COUNCILS  
JOINT INDEPENDENT REMUNERATION PANEL  
ADUR DISTRICT COUNCIL  
September 2016**

**1.0 Introduction**

The Local Government Act 2000 and the Local Authority (Members' Allowances) (England) Regulations 2001 require local authorities to set up an independent panel to review Member Allowances. These regulations specifically abolished the payment of Attendance Allowances and also allowed for a dependent carers' allowance. These regulations have been subsequently updated by further acts and regulations.

**2.0 Composition of the Panel**

2.1 The current composition of the Council's Joint Independent Remuneration Panel (JIRP) is:-

Mr Barry Hillman (Chairman)  
Ms Verity Lockhart  
Mr Andrew Murton  
Ms Barbara Nye  
Mr Martin Phillips  
1 x Vacancy

**3.0 Terms of Reference**

3.1 The Panel's terms of reference are set out below:-

The Panel shall, unless a Council has adopted a scheme under (f) below which has been in place for less than 4 years, by 31<sup>st</sup> January 2015 and thereafter by the 30<sup>th</sup> November each year, including 2015, produce a Report making recommendations to each of the Borough, District and Parish Councils as to:

- a) the amount of the basic allowance which should be payable to its Elected and Co-opted Members;
- b) the responsibilities, roles or duties where special responsibility allowance should be payable and the amount of such allowances (District and Borough Councils only);
- c) the amount of any travelling and subsistence allowance which should be payable to its Elected and Co-opted Members
- d) whether dependants' carers' allowance should be payable and the amount of such allowance;
- e) whether payment of allowances may be backdated in cases where a scheme is amended at a time which would affect allowances payable in that year;

- f) whether adjustments to the level of allowances may be determined according to an index, and which index and for how long before its use is reviewed (subject to a maximum of 4 years);
- g) those items of expenditure that Elected and Co-opted Members may reclaim as expenses; and
- h) any other Members' allowances or reimbursement matters reasonably falling within the remit of the Panel; this may include to relevant bodies on matters of joint working and parity;
- i) such other functions as may be allocated to the Panels by Statute.

3.2 The Panel's Reports shall be submitted to the Councils by way of the Joint Governance Committee.

#### **4.0 Background Papers**

4.1 In preparing its recommendations the Panel considered the following research provided by the Council's Officers which detailed:-

- the current budget provision made for Members' Allowances;
- the current scheme of Members' Allowances paid to Members;
- the previous report of the joint independent remuneration panel;
- the current scheme of allowances paid to Members of Worthing Borough Council;
- Part 4 of the Consistutions of Adur District Council and Worthing Borough Council;

4.2 Group Leaders were canvassed on their views regarding levels of allowance and were invited to give their views to the Panel. The Panel would like to thank those Group Leaders who gave written submissions and those that attended Panel meetings to give evidence.

#### **5.0 General Principles**

5.1 The Members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government, whilst at the same time, it should aim to attract and retain Members who are representative of the demographic make-up of the District.

5.2 That the level of Basic Allowance paid to Adur Councillors is lower than that of Authorities in the South East and Neighbouring Authorities and lower than its close partner, Worthing Borough Council.

#### **6.0 Basic Allowance**

6.1 The Panel has noted that the basic allowance in Adur is less than its partner authority in Worthing. It had previously been argued that this difference was accounted for by the different sizes of the authorities, however, the Panel does not agree with this view and believes that the role carried out by members is similar

across both areas. Members noted that survey results indicated that members spent similar amounts of time on work associated with the Council.

- 6.2 The Panel is of the opinion that Adur Councillors are underpaid when compared to its partner authority to the West. The Panel as part of its previous report concluded that it would recommend to the Council introducing parity with the basic allowance of Worthing Borough Council.
- 6.2 Worthing Borough Council has tied its basic allowance to the Officer's NJC National Pay Bargaining agreement for four years from 2016/17 so to reach parity Adur District Council would need to approve a raise above that Agreement. The Agreement for 2016/17 was 1%.
- 6.3 As part of the previous review the Panel acknowledged that some expenditure would be needed to achieve this aim so is recommending a graduated increment with the aim to achieving near parity over a period of time depending upon the level of the increment. The level of increment should be reviewed annually.
- 6.4 The panel is of the continuing opinion that the basic allowance should be brought into line with the allowance afforded to members in Worthing

## **7.0 Consideration**

- 7.1 The Panel is aware that the following proposals before members represent an increase of note to the Members Allowance budget for 2017/18, however on balance, the Panel felt Members of Adur are being underpaid for the contribution that they make and it is hoped that if adopted, the proposals go some way to redressing that imbalance.

## **8.0 Proposals**

- 8.1 The Panel proposes two options for the Councils consideration as justified below
- (i) The Panel believes that the current level of basic allowance is low in comparison with neighbouring authorities and other similar authorities in the South East;
  - (ii) The Panel believes that as a result of joint working, the basic allowances of Adur and Worthing Councillors should be more closely aligned in the short term and have parity in the long term;
  - (iii) The Panel is satisfied that the levels currently paid at Worthing Borough Council represent a fair recompense for the additional burden placed upon the time and obligation required to carry out those Special Responsibilities by an individual.

### **8.2 Option 1**

- 8.2.1 This option is indexed to the Officer's NJC National Pay Bargaining agreement plus an increase of 2% which would mean an increase in the budget of £2,865

### **8.3 Option 2**

- 8.3.1 The panel is suggesting a second option with a larger increment that if approved would shorten the length of time it would take to reach parity.

8.3.2 This option is indexed to the Officer's NJC National Pay Bargaining agreement plus an increase of 5% to the basic allowance for 2017/18 which would mean an increase in the budget of £8,600

**8.4 Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance (applicable to both option 1 and option 2)**

8.4.1 The panel is satisfied that the current scheme is satisfactory and is therefore not proposing any changes.

**8.5 Special Responsibility Allowances**

8.5.1 The panel is satisfied that no changes need to be made to the levels of special responsibility allowances as set as part of the previous review.

**9.0 Recommendation**

9.1 The Panel recommends that the Council adopts option 2 as the increased rate of increment would mean that Adur District Council would be on track to meet parity by 2020/21, at which point Worthing Borough Council's allowances will be due for review.

**Mr Barry Hillman (Chairman)**

**Ms Verity Lockhart**

**Mr Andrew Murton**

**Ms Barbara Nye**

**Mr Martin Phillips**



# Members' Allowances

2016/17 ACTUAL = 1% NJC + 2% catch up

2017/18 Option 1 = 1% NJC + 2% catch up

2017/18 Option 2 = 1% NJC + 5% catch up



Notes

<b>Basic Allowance</b>
<b>Special Responsibility Allowances</b>
Leader of the Council
Deputy Leader
Executive Portfolio Holders
Environment
Health and Wellbeing
Customer Services
Leader
Regeneration
Resources
Main Opposition Leader
<b>Chairpersons</b>
Council
Planning Committee
Joint Overview & Scrutiny
Licensing
Joint Governance Committee
Joint Staff Committee
Joint Senior Staff Committee
Joint Senior Staff Appeals Committee
<b>Vice Chairpersons</b>
Council
Planning Committee
Joint Overview & Scrutiny
Licensing
Joint Governance Committee
Joint Staff Committee
Joint Senior Staff Committee
Joint Senior Staff Appeals Committee
<b>TOTAL</b>

Adur allowance 2016/17 ACTUAL			
No.	Units	per Member	Total
		£	£
29	1	4,089	118,581
1	3	12,267	12,267
1	1.5	6,134	6,134
1	1.25	5,111	5,111
1	1.25	5,111	5,111
1	1.25	5,111	5,111
1	1.25	5,111	5,111
1	1.25	5,111	5,111
1	1.25	5,111	5,111
1	0.5	2,045	2,045
1	0.5	2,045	2,045
1	1	4,089	4,089
1	0.75	3,067	3,067
1	0.75	3,067	3,067
1	0.5	2,045	2,045
1	0.25	1,022	1,022
1	0.25	1,022	1,022
1	0.25	1,022	1,022
1	0.25	1,022	1,022
1	0.25	1,022	1,022
1	0.25	1,022	1,022
1	0.25	1,022	1,022
<b>TOTAL</b>			<b>189,116</b>

Adur allowance 2017/18 Option 2			
No.	Units	per Member	Total
		£	£
29	1	4,212	122,148
1	3	12,636	12,636
1	1.5	6,318	6,318
1	1.25	5,265	5,265
1	1.25	5,265	5,265
1	1.25	5,265	5,265
1	1.25	5,265	5,265
1	1.25	5,265	5,265
1	1.25	5,265	5,265
1	0.5	2,106	2,106
1	0.5	2,106	2,106
1	1	4,212	4,212
1	0.75	3,159	3,159
1	0.75	3,159	3,159
1	0.5	2,106	2,106
1	0.25	1,053	1,053
1	0.25	1,053	1,053
1	0.25	1,053	1,053
1	0.25	1,053	1,053
1	0.25	1,053	1,053
1	0.25	1,053	1,053
<b>TOTAL</b>			<b>194,805</b>

Adur allowance 2017/18 Option 3			
No.	Units	per Member	Total
		£	£
29	1	4,336	125,744
1	3	13,008	13,008
1	1.5	6,504	6,504
1	1.25	5,420	5,420
1	1.25	5,420	5,420
1	1.25	5,420	5,420
1	1.25	5,420	5,420
1	1.25	5,420	5,420
1	1.25	5,420	5,420
1	0.5	2,168	2,168
1	0.5	2,168	2,168
1	1	4,336	4,336
1	0.75	3,252	3,252
1	0.75	3,252	3,252
1	0.5	2,168	2,168
1	0.25	1,084	1,084
1	0.25	1,084	1,084
1	0.25	1,084	1,084
1	0.25	1,084	1,084
1	0.25	1,084	1,084
1	0.25	1,084	1,084
<b>TOTAL</b>			<b>200,540</b>

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Budget 2016/17 £191,940

Budget 2016/17 £191,940

Budget 2016/17 £191,940

Growth / (Saving) against Budget (£2,824)

Growth / (Saving) against Budget £2,865

Growth / (Saving) against Budget £8,600