



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 2018/19, 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 beginning of August 2017. 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 £89
- 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 £6,148
- 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 2018/19.

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-government>

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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 2017**

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
Mr Martin Phillips
2 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 31st January 2015 and thereafter by the 30th 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 Constitutions 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.

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 makeup of the District.

5.2 That the level of Basic Allowance paid to Adur Councillors is lower than that of other Authorities in the West Sussex Area and less than its close partner, Worthing Borough Council. This gap in basic allowance has been reduced over the past three years and both authorities maintain the same multipliers to determine special responsibility allowances.

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, this has been determined by looking at comparative data collected as part of a previous review.

- 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 over a period of time with the basic allowance of Worthing Borough Council.
- 6.3 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.
- 6.4 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.
- 6.5 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 to the Members Allowance budget for 2018/19, however on balance, the Panel felt Members of Adur should be paid the commensurate amount for the contribution that they make and it is hoped that if adopted, the proposals go some way to redressing an imbalance with Worthing Borough Council.
- 7.2 The Panel is aware that the Council is facing increasing financial pressure and is offering two costed options for the Council to consider.

8.0 Proposals

- 8.1 The Panel proposes two options for the Council's consideration as justified below:
- (i) The Panel believes that the current level of basic allowance is low in comparison with other West Sussex Authorities;
 - (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 level of basic allowance currently paid at Worthing Borough Council represents a fair recompense for the additional burden placed upon the time and obligation required to carry out those 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 £89.

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 £6,148

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 a previous review.

9.0 **Recommendation**

9.1 The Panel recommends that the Council adopts option 2 as the increased rate of increment

Mr Barry Hillman (Chairman)

Ms Verity Lockhart

Mr Andrew Murton

Mr Martin Phillips

Members' Allowances

2018/19 Option 1 = 1% NJC +2% catch up 2018/19 Option 2 = 1% NJC + 5% catch up 2017/18 Option 3 = Worthing (Inc 1% pay award)



1% NJC Pay Award **4,379.36**
 Plus additional 2%
 2% increase to SRA **4,466.95**

1% NJC Pay Award **4,379.36**
 Plus additional 5%
 5% increase to SRA **4,598.33**

Raise to Worthing level (with 1% pay award increase)

	Notes	Adur allowance 2017/18 (1% Pay Award + 5% increase) wef 1/4/17				Adur allowance 2018/19 Option 1				Adur allowance 2018/19 Option 2				Adur allowance 2018/19 Option 3			
		No.	Units	per Member £	Total £	No.	Units	per Member £	Total £	No.	Units	per Member £	Total £	No.	Units	per Member £	Total £
Basic Allowance		29	1	4,336	125,744	29	1	4,467.00	129,543	29	1	4,598.00	133,342	29	1	4,785.74	138,787
Special Responsibility Allowances																	
Leader of the Council		1	3	13,008	13,008	1	3	13,401.00	13,401	1	3	13,794.00	13,794	1	3	14,357.23	14,357
Deputy Leader		1	1.5	6,504	6,504	1	1.5	6,700.50	6,701	1	1.5	6,897.00	6,897	1	1.5	7,178.62	7,179
Executive Portfolio Holders																	
Environment		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Health and Wellbeing		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Customer Services		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Leader		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Regeneration		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Resources		1	1.25	5,420	5,420	1	1.25	5,583.75	5,584	1	1.25	5,747.50	5,748	1	1.25	5,982.18	5,982
Main Opposition Leader		1	0.5	2,168	2,168	1	0.5	2,233.50	2,234	1	0.5	2,299.00	2,299	1	0.5	2,392.87	2,393
Chairpersons																	
Council		1	0.5	2,168	2,168	1	0.5	2,233.50	2,234	1	0.5	2,299.00	2,299	1	0.5	2,392.87	2,393
Planning Committee		1	1	4,336	4,336	1	1	4,467.00	4,467	1	1	4,598.00	4,598	1	1	4,785.74	4,786
Joint Overview & Scrutiny		1	0.75	3,252	3,252	1	0.75	3,350.25	3,350	1	0.75	3,448.50	3,449	1	0.75	3,589.31	3,589
Licensing		1	0.75	3,252	3,252	1	0.75	3,350.25	3,350	1	0.75	3,448.50	3,449	1	0.75	3,589.31	3,589
Joint Governance Committee		1	0.5	2,168	2,168	1	0.5	2,233.50	2,234	1	0.5	2,299.00	2,299	1	0.5	2,392.87	2,393
Joint Staff Committee																	
Joint Senior Staff Committee																	
Joint Senior Staff Appeals Committee																	
Vice Chairpersons																	
Council		1	0.25	1,084	1,084	1	0.25	1,116.75	1,117	1	0.25	1,149.50	1,150	1	0.25	1,196.44	1,196
Planning Committee		1	0.25	1,084	1,084	1	0.25	1,116.75	1,117	1	0.25	1,149.50	1,150	1	0.25	1,196.44	1,196
Joint Overview & Scrutiny		1	0.25	1,084	1,084	1	0.25	1,116.75	1,117	1	0.25	1,149.50	1,150	1	0.25	1,196.44	1,196
Licensing		1	0.25	1,084	1,084	1	0.25	1,116.75	1,117	1	0.25	1,149.50	1,150	1	0.25	1,196.44	1,196
Joint Governance Committee		1	0.25	1,084	1,084	1	0.25	1,116.75	1,117	1	0.25	1,149.50	1,150	1	0.25	1,196.44	1,196
Joint Staff Committee																	
Joint Senior Staff Committee																	
Joint Senior Staff Appeals Committee																	
TOTAL					200,540				206,599				212,658				221,341

13000-1001-0

Approved Budget 17/18 £202,460

Growth / (Saving) against Budget (£1,920)

Approved Budget 17/18 (Plus 2% inflationary increase) £206,510

Growth / (Saving) against Budget £89

Approved Budget 17/18 (Plus 2% inflationary increase) £206,510

Growth / (Saving) against Budget £6,148

Approved Budget 17/18 (Plus 2% inflationary increase) £206,510

Growth / (Saving) against Budget £14,831