



ADUR & WORTHING
COUNCILS

16 January 2023

Joint Audit and Governance Committee	
Date:	24 January 2023
Time:	6.30 pm
Venue:	The Gordon Room, Worthing Town Hall

Committee Membership:

Adur District Council: Councillors; Andy McGregor (Adur Chair), Rob Wilkinson (Adur Vice-Chair), Catherine Arnold, Tony Bellasis, Kevin Boram, Lee Cowen, Gabe Crisp and Jim Funnell

Worthing Borough Council: Councillors; Mike Barrett (Worthing Chairman), Dan Hermitage (Worthing Vice-Chairman), Ibsha Choudhury, Rita Garner, Charles James, Nigel Morgan, Steve Waight and Andy Whight

Agenda

Part A

1. Substitute Members

Any substitute members should declare their substitution.

2. Declarations of Interest

Members and officers must declare any disclosable pecuniary interests in relation to any business on the agenda. Declarations should also be made at any stage such an interest becomes apparent during the meeting.

If in doubt contact the Legal or Democratic Services representative for this meeting.

3. Minutes

To approve the minutes of the Joint Audit & Governance Committee meeting held on 29 November 2022, copies of which have been previously circulated.

4. Public Question Time

To receive any questions from members of the public.

In order for the Committee to provide the fullest answer, questions from the public should be submitted **on Thursday 19 January 2023**.

Where relevant notice of a question has not been given, the person presiding may either choose to give a response at the meeting or respond by undertaking to provide a written response within three working days.

Questions should be submitted to Democratic Services,
democratic.services@adur-worthing.gov.uk

(Note: Public Question Time will operate for a maximum of 30 minutes.)

5. Members' Questions Time

In order for the Committee to provide the fullest answer, questions from Members should be submitted by **noon on Thursday 19 January 2023**.

6. Items Raised under Urgency Provisions

To consider any items the Chairman of the meeting considers to be urgent.

7. Joint Treasury Management Strategy 2023-24 to 2025-26 (Pages 5 - 56)

To consider reports from the Director for Digital, Sustainability & Resources, copies 7 attached as item.

8. Scheme of Allowances for Adur District Council (Pages 57 - 120)

To consider reports from the Director for Digital, Sustainability & Resources, copies attached as item 8.

9. Scheme of Allowances for Worthing Borough Council (Pages 121 - 182)

To consider reports from the Director for Digital, Sustainability & Resources, copies attached as item 9.

Part B Exempt Reports - Not for Publication

None.

Recording of this meeting

Please note that this meeting is being live streamed and a recording of the meeting will be available on the Council's website. This meeting will remain on our website for one

year and will be deleted after that period. The Council will not be recording any discussions in Part B of the agenda (where the press and public have been excluded).

For Democratic Services enquiries relating to this meeting please contact:	For Legal Services enquiries relating to this meeting please contact:
Neil Terry Democratic Services Lead 01903 221073 neil.terry@adur-worthing.gov.uk	Joanne Lee Head of Legal Services and Monitoring Officer 01903 221134 joanne.lee@adur-worthing.gov.uk

The agenda and reports are available on the Councils website, please visit www.adur-worthing.gov.uk

Duration of the Meeting: Three hours after the commencement of the meeting the Chairperson will adjourn the meeting to consider if it wishes to continue. A vote will be taken and a simple majority in favour will be necessary for the meeting to continue.

This page is intentionally left blank



Joint Audit & Governance Committee
24 January 2023

Ward(s) Affected: All

JOINT TREASURY MANAGEMENT STRATEGY STATEMENT AND ANNUAL INVESTMENT STRATEGY 2023/24 to 2025/26, ADUR DISTRICT COUNCIL AND WORTHING BOROUGH COUNCIL

REPORT BY THE DIRECTOR FOR DIGITAL, SUSTAINABILITY AND RESOURCES

EXECUTIVE SUMMARY

1. PURPOSE

- 1.1 This report asks Members to approve and adopt the contents of the Treasury Management Strategy Statement and Annual Investment Strategy for 2023/24 to 2025/26 for Adur and Worthing Councils, as required by regulations issued under the Local Government Act 2003.

2. RECOMMENDATIONS

- 2.1 The Joint Audit & Governance Committee is recommended to:

- i) Note the report (including the Prudential Indicators and Limits, and MRP Statements) for 2023/24 to 2025/26
- ii) Refer any comments or suggestions to the next meeting of the Joint Strategic Committee on 7 February 2023.

- 2.2 The Joint Strategic Committee is recommended to:

- i) Approve and adopt the TMSS and AIS for 2023/24 to 2025/26, incorporating the Prudential Indicators and Limits, and MRP Statements
- ii) Forward the Prudential Indicators and Limits, and MRP Statements of the report for approval by Worthing Council at its meeting on 21 February 2023, and by Adur Council at its meeting on 23 February 2023.

3. INTRODUCTION

3.1 Background

The Councils are required to operate a balanced budget, which broadly means that cash raised during the year will meet cash expenditure. Part of the treasury management operation is to ensure that this cash flow is adequately planned, with cash being available when it is needed. Surplus monies are invested in high quality counterparties or instruments commensurate with the Councils' low risk appetite, providing adequate liquidity initially, before considering investment return. This is consistent with national guidance which promotes security and liquidity above yield.

The second main function of the treasury management service is the funding of the Councils' capital plans. These capital plans provide a guide to the borrowing needs of the Councils, essentially the longer term cash flow planning, to ensure that the Councils can meet their capital spending obligations. This management of longer term cash may involve arranging long or short term loans, or using longer term cash flow surpluses. On occasion, when it is prudent and economic, any debt previously drawn may be restructured to meet the Councils' risk or cost objectives.

The contribution the treasury management function makes to the authority is critical as the balance of debt and investment operations ensure liquidity or the ability to meet spending commitments as they fall due, either on day to day revenue or for larger capital projects. The treasury operations will see a balance of the interest costs of debt and the investment income arising from cash deposits affecting the available budget. Since cash balances generally result from reserves and balances, it is paramount to ensure adequate security of the sums invested, as a loss of principal will in effect result in a loss to the General Fund Balance.

CIPFA defines treasury management as:

“The management of the local authority’s borrowing, investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

Whilst any commercial initiatives or loans to third parties will impact on the treasury function, these activities are generally classed as non-treasury, (arising usually from capital expenditure), and are separate from the day to day treasury management activities.

3.2 Reporting requirements

3.2.1 Capital Strategy

The CIPFA 2021 Prudential and Treasury Management Codes require all local authorities to prepare a capital strategy report which will provide the following:

- a high-level long term overview of how capital expenditure, capital financing and treasury management activity contribute to the provision of services
- an overview of how the associated risk is managed
- the implications for future financial sustainability

The aim of this capital strategy is to ensure that all elected members on the full Councils fully understand the overall long-term policy objectives and resulting capital strategy requirements, governance procedures and risk appetite.

3.2.2 Treasury Management Reporting

The Councils are required to receive and approve, as a minimum, three main reports each year, which incorporate a variety of policies, estimates and actuals.

Prudential and treasury indicators and treasury strategy (this report), the first, and most important report is forward looking and covers:

- The capital plans (including prudential indicators);
- A minimum revenue provision (MRP) policy (how residual capital expenditure is charged to revenue over time);
- The Treasury Management Strategy (how the investments and borrowings are to be organised) including treasury indicators; and
- An Investment Strategy (the parameters on how investments are to be managed).

A mid-year treasury management report – This is primarily a progress report and will update members on the capital position, amending prudential indicators as necessary, and whether any policies require revision.

An annual treasury report – This is a backward looking review document and provides details of a selection of actual prudential and treasury indicators and actual treasury operations compared to the estimates within the strategy.

Quarterly reports – In addition to the three major reports detailed above, from 2023/24 quarterly reporting (end of June/end of December) is also required. However, these additional reports do not have to be reported to Full Council but do require to be adequately scrutinised. It is intended to include this reporting as part of one of our existing capital reports.

Scrutiny - The above reports are required to be scrutinised by the Joint Governance Committee (JGC) which may make recommendations to the Joint Strategic Committee (JSC) regarding any aspects of Treasury Management policy and practices it considers appropriate in fulfilment of its scrutiny role. Such recommendations as may be made shall be incorporated within the above named reports and submitted to meetings of the JSC for consideration as soon after the meetings of the JGC as practically possible. The reports are approved by the JSC and recommended to the Councils for approval.

3.3 Treasury Management Strategy for 2023/24

The strategy for 2023/24 covers two main areas:

Capital issues

- the capital expenditure plans and the associated prudential indicators;
- the minimum revenue provision (MRP) policy.

Treasury management

- the current treasury position;
- treasury indicators which limit the treasury risk and activities of the Councils
- prospects for interest rates
- the borrowing strategy
- policy on borrowing in advance of need
- debt rescheduling
- the investment strategy
- creditworthiness policy; and
- the policy on use of external service providers

These elements cover the requirements of the Local Government Act 2003, the CIPFA Prudential Code, DLUHC MRP Guidance, the CIPFA Treasury Management Code and DLUHC Investment Guidance.

3.4 Training

The CIPFA Code requires the responsible officer to ensure that members with responsibility for treasury management receive adequate training in treasury management. This especially applies to members responsible for scrutiny. During the Covid 19 Pandemic provision of this training proved difficult, however work is underway to identify a suitable provider to deliver training in 2023.

The training needs of treasury management officers are periodically reviewed and officers attend courses provided by appropriate trainers such as Link and CIPFA in addition to internal training relevant to finance. As of 1st April 2023 a log of training undertaken will be maintained by the Group Accountant responsible for the treasury function in compliance with the revised 2021 CIPFA Treasury Management Code.

3.5 Treasury management consultants

The Authority uses Link Group, Link Treasury Services Limited as its external treasury management advisors.

The Authority recognises that responsibility for treasury management decisions remains with the organisation at all times and will ensure that undue reliance is not placed upon the services of our external service providers. All decisions will be undertaken with regards to all available information, including, but not solely, our treasury advisers.

It also recognises that there is value in employing external providers of treasury management services to acquire access to specialist skills and resources. The Authority will ensure that the terms of their appointment and the methods by which their value will be assessed are properly agreed and documented and subjected to regular review.

4. THE CAPITAL PRUDENTIAL INDICATORS 2022/23 – 2024/25

The Authority’s capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members’ overview and confirm capital expenditure plans.

4.1 Capital expenditure and financing

This prudential indicator is a summary of the Councils’ capital expenditure plans, both those agreed previously, and those forming part of this budget cycle. Members are asked to approve the capital expenditure forecasts. The tables below summarise the capital expenditure plans and how these plans are being financed by capital or revenue resources. Any shortfall of resources results in a financing or borrowing need.

ADUR DISTRICT COUNCIL

Capital expenditure	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	£m	£m	£m	£m	£m
Non-HRA	4.293	5.660	55.548	1.847	1.882
HRA	7.007	14.006	29.508	5.600	5.600
TOTAL	11.300	19.666	85.056	7.447	7.482
Financed by:					
Capital receipts	1.243	0.224	0.121	0.104	0.100
Capital grants and contributions	4.884	0.938	2.307	0.673	0.512
Revenue Reserves & contributions	4.895	8.402	7.007	7.075	7.094
Net financing need for the year	0.277	10.101	76.363	-0.405	-0.224

WORTHING BOROUGH COUNCIL

Capital expenditure	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	£m	£m	£m	£m	£m
Non-HRA	26.664	61.857	33.595	10.340	5.867
TOTAL	26.664	61.857	33.595	10.340	5.867
Financed by:					
Capital receipts	0.798	0.050	0.914	0.000	0.089
Capital grants and contributions	5.068	5.557	4.000	4.551	1.006
Revenue Reserves & contributions	1.823	1.802	2.327	3.711	3.997
Net financing need for the year	18.975	55.060	24.902	1.842	1.992

4.2 The Councils' borrowing need (the Capital Financing Requirement)

The second prudential indicator is the Councils' Capital Financing Requirement (CFR). The CFR is simply the total historic outstanding capital expenditure which has not yet been paid for from either revenue or capital resources. It is essentially a measure of each council's indebtedness and so its underlying borrowing needs. Any capital expenditure above, which has not immediately been paid for through a revenue or capital resource, will increase the CFR.

The CFR does not increase indefinitely, as the minimum revenue provision (MRP) is a statutory annual revenue charge which broadly reduces the indebtedness in line with each asset's life, and so charges the economic consumption of capital assets as they are used.

The CFR includes any other long term liabilities (e.g. finance leases). Whilst these increase the CFR, and therefore the Councils' borrowing requirement, these types of schemes include a borrowing facility and so the Councils are not required to separately borrow for these schemes. The Councils currently do not have any such schemes within the CFR. The Councils are asked to approve the CFR projections below:

ADUR DISTRICT COUNCIL

Capital Financing Requirement (£m)	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
CFR – non-HRA	28.566	32.026	83.309	82.498	81.894
CFR - HRA	61.802	69.608	94.816	96.116	97.416
CFR – strategic	78.405	77.556	76.685	75.790	74.873
Total CFR	168.773	179.190	254.810	254.406	254.181
Movement in CFR	0.277	10.417	75.620	-0.405	-0.224
Movement in CFR represented by					
Financing need for the year	2.499	12.414	78.359	2.385	2.581
Less: MRP/VRP and other financing movements	(2.222)	(1.997)	(2.739)	(2.790)	(2.805)
Movement in CFR	0.277	10.417	75.620	-0.405	-0.224

WORTHING BOROUGH COUNCIL

Capital Financing Requirement (£m)	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
CFR – non-HRA	85.318	139.851	161.833	160.557	163.850
CFR - strategic	69.552	68.791	68.010	67.209	66.387
Total CFR	154.870	208.641	229.844	227.766	230.237
Movement in CFR	19.238	53.771	21.202	(2.077)	2.472
Movement in CFR represented by					
Financing need for the year	20.774	55.940	24.796	1.754	5.882
Less: MRP/VRP and other financing movements	(1.536)	(2.169)	(3.594)	(3.831)	(3.410)
Movement in CFR	19.238	53.771	21.202	-2.077	2.472

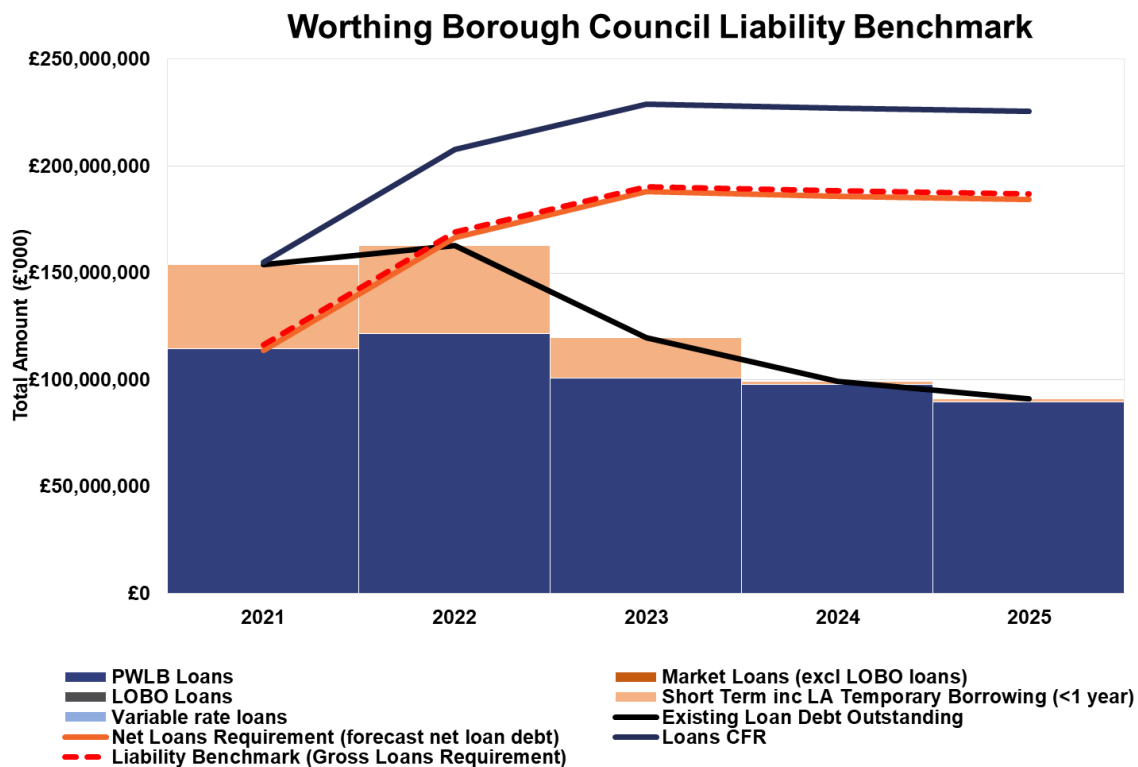
4.3 Liability Benchmark

A third and new prudential indicator for 2023/24 is the Liability Benchmark (LB). The Authority is required to estimate and measure the LB for the forthcoming financial year and the following two financial years, as a minimum.

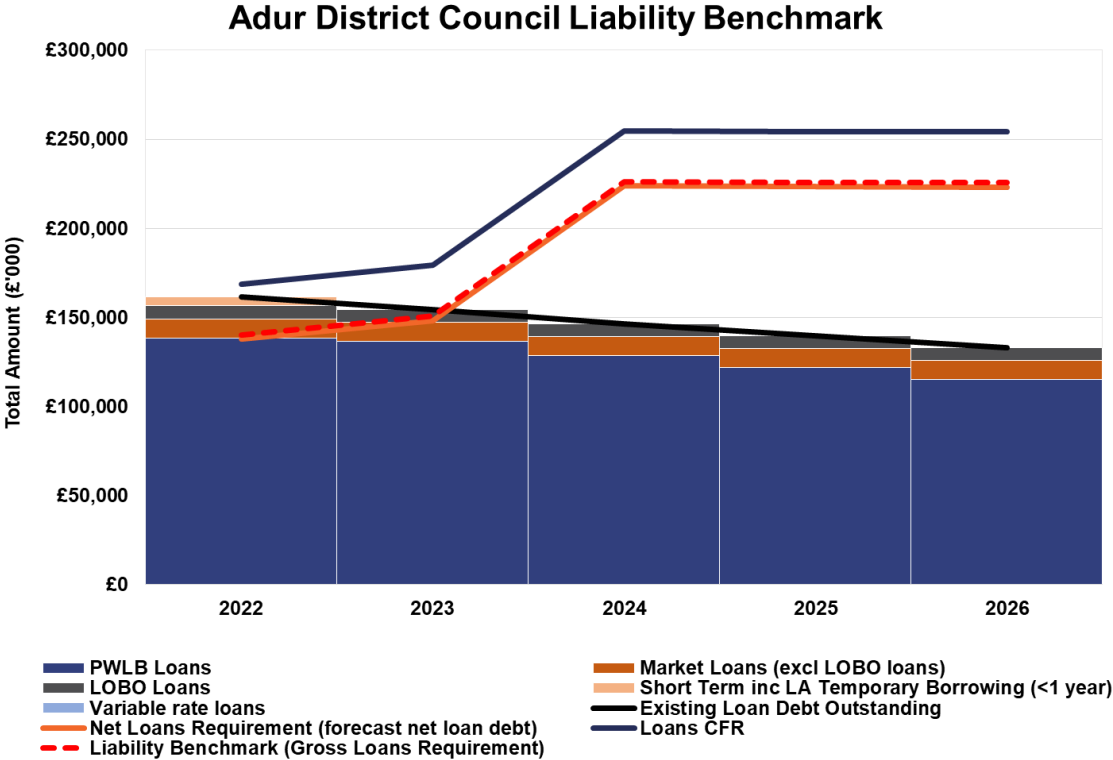
There are four components to the LB: -

1. Existing loan debt outstanding: the Authority's existing loans that are still outstanding in future years.
2. Loans CFR: this is calculated in accordance with the loans CFR definition in the Prudential Code and projected into the future based on approved prudential borrowing and planned MRP.
3. Net loans requirement: this will show the Authority's gross loan debt less treasury management investments at the last financial year-end, projected into the future and based on its approved prudential borrowing, planned MRP and any other major cash flows forecast.
4. Liability benchmark (or gross loans requirement): this equals net loans requirement plus short-term liquidity allowance.

Worthing Borough Council



Adur District Council



The above charts show the liability benchmark for Adur District Council and Worthing Borough Council for the year ended 2022 through to the year ended March 2026. An analysis of what is shown is given below:

- The black line represents existing loan debt outstanding which tracks the existing debt balance closely as repayments are made on the opening debt position as at the year ended March 2022.
- The red dashed line and Orange line represent the additional borrowing requirement which is driven by the amount of the Council’s forecast capital expenditure which will be funded through prudential borrowing.
- The Blue line sitting at the top of the graph represents the Loans CFR, the gap between this and the liability benchmark line represents in part the treasury management investments held by the council which are required for management of liquidity and cash flow.

Though further periods of forecast are possible, as there is no capital programme set for years beyond 2026 the models data beyond that point is not indicative of the likely movement and has therefore not been included in this report.

4.5 Minimum revenue provision (MRP) policy statement

The Councils are required to pay off an element of the accumulated General Fund capital spend each year (the CFR) through a revenue charge (the minimum revenue provision - MRP), although they are also allowed to undertake additional voluntary payments (voluntary revenue provision - VRP).

DLUHC regulations have been issued which require the full Councils to approve an MRP Statement in advance of each year. A variety of options are provided to councils, so long as there is a prudent provision.

For both Councils, the MRP relating to built assets under construction will be set aside once the asset is completed. If any finance leases are entered into, the repayments are applied as MRP.

The Councils are recommended to approve the following MRP Statements:

ADUR DISTRICT COUNCIL

For Adur District Council it was approved by the Joint Strategic Committee on 2nd June 2016 that for borrowing incurred before 1st April 2008, the MRP will be set aside in equal instalments over the life of the associated debt.

4.5.1 General Fund

For non-HRA capital expenditure after 1st April 2008 the MRP will be calculated as the annual amount required to repay borrowing based on the annuity method: equal annual payments of principal and interest are calculated, with the interest element reducing and the principal element increasing over the life of the asset as the principal is repaid. The interest is based on the rate available to the Council at the beginning of the year in which payments start and the MRP is calculated as the amount of principal, so that by the end of the asset's estimated life the principal is fully repaid (the Asset Life Method). The option remains to use additional revenue contributions or capital receipts to repay debt earlier.

An exception was agreed in the 2015/16 Treasury Management Strategy Statement: the Chief Financial Officer has discretion to defer MRP relating to debt arising from loans to Registered Social Landlords (RSLs) to match the profile of debt repayments from the RSL and other public bodies. RSLs normally prefer a maturity type loan as it matches the onset of income streams emanating from capital investment with the timing of the principal debt repayment. The deferral of MRP to the maturity date would therefore mean that MRP is matched at the same point as the debt is repaid, and is therefore cash (and revenue cost) neutral to the Council.

If concerns arise about the ability of the borrower to repay the loan, the Chief Financial Officer will use the approved discretion to make MRP as a "prudent provision" from the earliest point to ensure that sufficient funds are set aside from revenue to repay the debt at maturity if the RSL defaults.

It is proposed to use the same policy for 2023/24.

4.5.2 Housing Revenue Account

Unlike the General Fund, the HRA is not required to set aside funds to repay debt. There is a requirement for a charge for depreciation to be made but there are transitional arrangements in place. The Council's MRP policy

previously applied the financially prudent option of voluntary MRP for the repayment of HRA debt, to facilitate new borrowing in future for capital investment. However in order to provide additional capital funding to address the maintenance backlog identified by the condition survey, the payment of voluntary MRP was suspended for a period of 9 years from 2017/18 whilst the Council invests in its current housing stock and manages the impact of rent limitation.

WORTHING BOROUGH COUNCIL

- 4.5.3 Worthing had no debt prior to 1 April 2008. Worthing applies the same MRP policy as Adur for capital expenditure funded from borrowing from 1 April 2008. Worthing also has discretion in the application of MRP in respect of capital loans to approved Counterparties (currently Worthing Homes and GB Met College).
- 4.5.4 In addition to the above policy, it is also recommended that where the Council purchases a property to facilitate a development whether via a Compulsory Purchase Order or via a negotiated arrangement with the intention of disposing of the property to a development partner, no MRP shall be provided for the first three years. Any capital receipt received for the land shall be used to repay the associated debt. This change to the policy was initially approved by Council in July 2021.
- 4.5.5 It is proposed to retain this policy for 2023/24.

ADUR and WORTHING COUNCILS - VOLUNTARY REVENUE PROVISION

- 4.5.4 **MRP Overpayments** – A change introduced by the revised DLUHC MRP Guidance was the allowance that any charges made over the statutory MRP, which are designated as voluntary revenue provision or overpayments, can, if needed, be reclaimed in later years if deemed necessary or prudent. In order for these sums to be reclaimed for use in the budget, this policy must disclose the cumulative overpayments made each year. Up until the 31st March 2023 Adur has a net VRP overpayment of £20k and Worthing has a cumulative net £310k VRP overpayment which will be reclaimed over the five years following each voluntary overpayment.

5. BORROWING

The capital expenditure plans set out in Section 2 provide details of the service activity of the Authority. The treasury management function ensures that the Authority's cash is organised in accordance with the relevant professional codes, so that sufficient cash is available to meet this service activity and the Authority's Capital Strategy. This will involve both the organisation of the cash flow and, where capital plans require, the organisation of appropriate borrowing facilities. The strategy covers the relevant treasury / prudential indicators, the current and projected debt positions, and the Annual Investment Strategy.

5.1 Current portfolio position

The Councils' treasury portfolio positions at 31st March 2022 and at 31st December 2022 are shown below.

Adur District Council

	Principal at 31.03.22 £m	Actual 31.03.2022 %	Principal at 31.12.22 £m	Actual 31.12.2022 %
External Borrowing				
PWLB	(138.527)	86%	(140.655)	88%
Other Borrowing	(22.990)	14%	(19.627)	12%
Finance lease	(0.000)		(0.000)	
TOTAL BORROWING	(161.517)	100%	(160.282)	100%
Treasury Investments:				
Local Authority Property Fund	3.232	13%	3.258	16%
In-house:				
Banks	9.025	36%	10.005	49%
Building societies	1.000	4%	1.000	5%
Debt Management Office	8.000	32%	1.000	5%
Local authorities	0.000	0%	0.000	0%
Money market funds	3.940	16%	5.010	25%
TOTAL INVESTMENTS	25.197	100%	20.273	100%
NET DEBT	(136.320)		(140.009)	

Worthing Borough Council

	Principal at 31.03.22 £m	Actual 31.03.2022 %	Principal at 31.12.22 £m	Actual 31.12.2022 %
External Borrowing				
PWLB	(114.376)	74%	(139.286)	75%
Other Borrowing	(39.375)	26%	(45.375)	25%
Finance lease	(0.000)		(0.000)	
TOTAL BORROWING	(153.751)	100%	(184.661)	100%
Treasury Investments:				
Local Authority Property Fund	1.616	4%	1.629	6%
In-house:				
Banks	9.045	24%	9.005	31%
Building societies	1.000	3%	3.000	10%
Debt Management Office	11.700	32%	2.000	7%
Local authorities	2.500	7%	3.000	10%
Money market funds	11.125	30%	10.215	35%
TOTAL INVESTMENTS	36.986	100%	28.849	100%
NET DEBT	(116.765)		(155.812)	

Worthing Borough Council has also made two loans which are categorised as capital rather than treasury investments, these detailed below showing balances as at 31st December 2022:

- a £10m loan to Worthing Homes
- a £5m repayment loan to GBMet College, with £4.605m remaining

Both of these loans are secured on assets of these bodies.

The Councils' forward projections for borrowing are summarised below. The tables show the actual external debt against the underlying capital borrowing need (the Capital Financing Requirement - CFR), highlighting any over or under borrowing.

ADUR DISTRICT COUNCIL

Adur District Council External Debt £m	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt at 1 April	(158.936)	(161.517)	(174.036)	(249.656)	(249.252)
Expected change in Debt	(2.581)	(12.519)	(75.620)	0.405	0.224
Other long-term liabilities (OLTL)	0.000	0.000	0.000	0.000	0.000
Actual gross debt at 31 March	(161.517)	(174.036)	(249.656)	(249.252)	(249.027)
The Capital Financing Requirement	168.773	179.190	254.810	254.406	254.181
Under/(over) borrowing	7.256	5.154	5.154	5.154	5.154

Within the above figures the level of debt relating to commercial property is:

Adur District Council	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
External Debt for commercial activities / non-financial investments					
Actual debt at 31 March £m	(78.405)	(77.556)	(76.685)	(75.790)	(74.873)
Percentage of total external debt %	49%	45%	31%	31%	30%

Worthing Borough Council

Worthing BC External Debt £m	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt at 1 April	(135.632)	(153.751)	(203.510)	(224.713)	(222.635)
Expected change in Debt	(18.119)	(49.759)	(21.202)	2.077	(2.472)
Other long-term liabilities (OLTL)	0.000	0.000	0.000	0.000	0.000
Actual gross debt at 31 March	(153.751)	(203.510)	(224.713)	(222.635)	(225.106)
The Capital Financing Requirement	154.870	208.641	229.844	227.766	230.237
Under/(over) borrowing	1.119	5.131	5.131	5.131	5.131

Within the above figures the level of debt relating to commercial property is:

Worthing BC	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
External Debt for commercial activities / non-financial investments					
Actual debt at 31 March £m	(69.552)	(68.791)	(68.010)	(67.209)	(66.387)
Percentage of total external debt %	45%	34%	30%	30%	29%

Within the range of prudential indicators there are a number of key indicators to ensure that the Councils operate their activities within well-defined limits. One of these is that the Councils need to ensure that their gross debt does not, except in the short term, exceed the total of the CFR in the preceding year plus the estimates of any additional CFR for 2023/24 and the following two financial years. This allows some flexibility for limited early borrowing for future years, but ensures that borrowing is not undertaken for revenue or speculative purposes.

The Chief Financial Officer reports that the Councils complied with this prudential indicator in the current year and does not envisage difficulties for the future. This view takes into account current commitments, existing plans, and the proposals in this budget report.

5.2 Treasury Indicators: limits to borrowing activity

The operational boundary - This is the limit which external debt is not normally expected to exceed. In most cases, this would be a similar figure to the CFR, but may be lower or higher depending on the levels of actual debt and the ability to fund under-borrowing by other cash resources.

ADUR DISTRICT COUNCIL

Operational boundary £m	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt	185.0	258.0	260.0	258.0
Other long term liabilities	1.0	1.0	1.0	1.0
Total	186.0	259.0	261.0	259.0

WORTHING BOROUGH COUNCIL

Operational boundary £m	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt re Worthing Homes	10.0	10.0	10.0	10.0
Debt re GB Met	5.0	4.5	4.3	4.0
Other Debt	167.0	229.5	231.5	232.0
Other long term liabilities	1.0	1.0	1.0	1.0
Total	183.0	245.0	246.8	247.0

The authorised limit for external debt - This is a key prudential indicator and represents a control on the maximum level of borrowing. This represents a legal limit beyond which external debt is prohibited, and this limit needs to be set or revised by the full Councils. It reflects the level of external debt which, while not desired, could be afforded in the short term, but is not sustainable in the longer term.

1. This is the statutory limit determined under section 3 (1) of the Local Government Act 2003. The Government retains an option to control either the total of all councils' plans, or those of a specific council, although this power has not yet been exercised.
2. The Councils are asked to approve the following authorised limits:

ADUR DISTRICT COUNCIL

Authorised limit £m	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt	253.0	255.0	257.0	259.0
Other long term liabilities	1.0	1.0	1.0	1.0
Total	253.0	255.0	258.0	260.0

WORTHING BOROUGH COUNCIL

Authorised limit £m	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
Debt re Worthing Homes	10.0	10.0	10.0	10.0
Debt re GB Met	4.5	4.3	4.0	4.0
Other Debt	233.0	233.0	233.0	233.0
Other long term liabilities	1.0	1.0	1.0	1.0
Total	248.5	248.3	248.0	248.0

5.3 Prospects for interest rates

The Council has appointed Link Group as its treasury advisor and part of their service is to assist the Council to formulate a view on interest rates. Link

provided the following forecasts on 08.11.22. These are forecasts for certainty rates, gilt yields plus 80 bps.

Link Group Interest Rate View	08.11.22												
	Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE	3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave eamings	3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave eamings	4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings	4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB	4.30	4.30	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB	4.50	4.50	4.40	4.30	4.20	4.00	3.90	3.70	3.60	3.50	3.40	3.30	3.20
25 yr PWLB	4.70	4.70	4.60	4.50	4.40	4.30	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB	4.30	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.40	3.30	3.20	3.20

In the 3 years prior to this report, the persistence of Covid-19 has continued to have some impact both in the UK economy and in economies around the World. Geo-political tensions in Asia and energy supply pressures, as a result of sanctions on Russian economic drivers following their invasion of Ukrainian territory in 2022, have also weighed heavily on the UK economy. These factors combined to stagnate economic growth whilst increasing inflationary pressures.

Prior to the above issues, the Bank Rate was expected to peak at 1.25% in quarter 1 of 2025. However, as of quarter 4 of 2022 the rate is 3.50% and anticipated to increase further in the first half of 2023 reaching a peak of 4.5% before decreasing steadily over the coming 2 years. Some more recent data suggests that the bank rate may be nearing its peak at or possibly below 4%, though there is still a significant amount of uncertainty and potential for volatility both in the UK and in world economies. This means it is difficult to predict which level of Bank Rate will be deemed sufficient by the Monetary Policy Committee across their 2023 meetings.

Additional information about interest rates and the risks to the forecasts are contained in Appendix E.

Borrowing for capital expenditure Link's long-term forecast (beyond 10 years) for Bank Rate is 2.50%. As PWLB certainty rates are now above this level, the borrowing strategies of both councils are continually under review and both have favoured shorter term borrowing, in particular from other Local Authorities in order to minimise exposure to current interest rates and allow refinancing sooner when rates fall.

While the Councils will not be able to avoid borrowing to finance new capital expenditure and to replace maturing debt, there will be a cost of carry, (the difference between higher borrowing costs and lower investment returns), to any new borrowing that causes a temporary increase in cash balances as this position will, most likely, incur a revenue cost.

5.4 Borrowing Strategy

The Councils are both currently maintaining an under-borrowed position. This means that the capital borrowing need (the Capital Financing Requirement), has not been fully funded with loan debt, as cash supporting the Councils' reserves, balances and cash flow has been used as a temporary measure. This strategy is prudent as borrowing costs remain high, this strategy extends, for as long as possible, the periods between borrowing need, and therefore reduces exposure to current interest rates.

Against this background and the risks within the economic forecast, caution will continue to be applied within the 2023/24 treasury operations. The Chief Financial Officer will monitor interest rates in financial markets and adopt a pragmatic approach to changing circumstances:

- *If it was felt that there was a significant risk of a sharp FALL borrowing rates, then borrowing will be postponed.*
- *If it was felt that there was a significant risk of a much sharper RISE in borrowing rates than that currently forecast, Most likely, fixed rate funding will be drawn whilst interest rates are lower than they are projected to be in the next few years.*

Any decisions will be reported to the appropriate decision making body at the next available opportunity.

- 5.5 In prior years, both Councils have referred in the first instance to the Public Works Loan Board (PWLB) for sourcing their borrowing needs, given that they are eligible to access the PWLB “Certainty” rate of interest, being 20 basis points below the normal prevailing PWLB rates. However, borrowing from other sources, including other Local Authorities and the Local Government Association Municipal Bonds Agency, can from time to time offer options to borrow at advantageous rates comparative to the PWLB, and therefore will be considered alongside the PWLB during the current period of interest rate pressure.

Where appropriate, the Councils will investigate the possibility of using “ethical” or “green” borrowing options eg “green bonds.” Such borrowing is usually only available for significant amounts e.g. over £20m and takes time to arrange because the lender and the Council needs to undertake due diligence. PWLB rates have now been reduced meaning that other options are less likely to be economically viable. Local Climate Bonds may offer another alternative for funding carbon reduction projects.

Given the expected under borrowing position of the Councils, the borrowing strategy will give consideration to the most appropriate sources of funding from the following list given in no particular order:

- i) Internal borrowing, by running down cash balances and foregoing interest earned at historically low rates, as this is the cheapest form of borrowing;
- ii) Weighing the short term advantage of internal borrowing against potential long term borrowing costs, in view of the overall forecast for long term borrowing rates to increase over the next few years;
- iii) PWLB fixed rate loans for up to 50 years;
- iv) Long term fixed rate market loans at rates significantly below PWLB rates for the equivalent maturity period (where available) and to

maintaining an appropriate balance between PWLB, market debt and loans from other councils in the debt portfolio;

- v) PWLB borrowing for periods under 5 years where rates are expected to be significantly lower than rates for longer periods. This offers a range of options for new borrowing which will spread debt maturities away from a concentration in longer dated debt.
- vi) Short term loans from other Councils where appropriate;
- vii) Other forms of borrowing where appropriate e.g. green bonds or the Municipal Bonds Agency where these offer better value than the PWLB.

5.6 Preference may be given to PWLB borrowing by annuity and EIP loans instead of maturity loans, as this may result in lower interest payments over the life of the loans. However debt maturity must be spread appropriately in order to reduce refinancing risk.

5.7 **Policy on borrowing in advance of need**

The Councils will not borrow more than or in advance of their needs purely in order to profit from the investment of the extra sums borrowed. Any decision to borrow in advance will be within forward approved Capital Financing Requirement estimates, and will be considered carefully to ensure that value for money can be demonstrated and that the Councils can ensure the security of such funds.

Risks associated with any borrowing in advance activity will be subject to prior appraisal and subsequent reporting through the mid-year or annual reporting mechanism.

5.8 **Debt rescheduling**

Rescheduling of current borrowing in our debt portfolio is unlikely to occur as there is still a large difference between premature redemption rates and new borrowing rates.

If rescheduling is done, it will be reported to the Councils at the earliest meeting following its action.

5.9 **New financial institutions as a source of borrowing**

Currently the PWLB Certainty Rate is set at gilts + 80 basis points for both HRA and non-HRA borrowing. However, consideration will also need to be given to sourcing funding at cheaper rates from the following:

- Local authorities (primarily shorter dated maturities out to 3 years or so - still cheaper than the Certainty Rate)

- Financial institutions (primarily insurance companies and pension funds but also some banks, out of forward dates where the objective is to avoid a “cost of carry” or to achieve refinancing certainty over the next few years)
- Municipal Bonds Agency (possibly still a viable alternative depending on market circumstances prevailing at the time)
- “Green Bonds” or “Local Climate Bonds” or the local Credit Union, Boom

Our advisors will keep us informed as to the relative merits of each of these alternative funding sources.

6.1.2 The Councils’ investment policy has regard to the following:

- DLUHC’s Guidance on Local Government Investments (“the Guidance”)
- CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes 2021 (“the Code”)
- CIPFA Treasury Management Guidance Notes 2021

The Councils’ investment priorities will be security first, portfolio liquidity second and then yield, (return). The Councils will aim to achieve the maximum yield on investments commensurate with proper levels of security and liquidity and with the Councils’ risk appetite. In the current economic climate it is considered appropriate to keep investments short term to cover cash flow needs. However, where appropriate (from an internal as well as external perspective), the Councils will also consider the value available in periods up to 24 months with high credit rated financial institutions, as well as wider range fund options.

6.1.3 The Chief Financial Officer, under delegated powers, will undertake the most appropriate form of investments in keeping with the investment objectives, income and risk management requirements, and Prudential Indicators. As conditions in the financial markets remain uncertain, the proposed maximum limits for specified and unspecified investments for 2023/24 are the same as for 2022/23. The Mid Year Review added the UK bank Standard Chartered (currently A+ rated) to the specified investments and increased the limit for investment with the Local Authorities’ Property Fund from £3m to £5m per Council for the purpose of setting aside long term funds for the repayment of debt. Counterparties’ “sustainability”, “ethical” or “climate change” policies will be reviewed to ensure that the Council invests funds appropriately.

6.1.4 Investment instruments identified for use in the financial year are listed in Appendix B under the ‘specified’ and ‘non-specified’ investments categories. Counterparty limits will be as set through the Councils’ treasury management practices.

6.1.5 The guidance from the DLUHC and CIPFA places a high priority on the management of risk. The Councils have adopted a prudent approach to managing risk and define risk appetite by the following means: -

- a) Minimum acceptable **credit criteria** are applied in order to generate a list of highly creditworthy counterparties. This also enables diversification and thus avoidance of concentration risk. The key ratings used to monitor counterparties are the short term and long-term ratings.
- b) **Other information:** ratings will not be the sole determinant of the quality of an institution; it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets. To achieve this consideration the Councils will engage with the advisors to maintain a monitor on market pricing such as “credit default swaps” (a financial derivative or contract that allows an investor to “swap” or offset his or her credit risk with that of another investor) and overlay that information on top of the credit ratings.
- c) **Other information sources** used will include the financial press, share price and other such information pertaining to the financial sector in order to establish the most robust scrutiny process on the suitability of potential investment counterparties.
- d) The Councils have defined the list of **types of investment instruments** that the treasury management team is authorised to use. There are two lists in Appendix B under the categories of ‘specified’ and ‘non-specified’ investments.
- **Specified investments** are those with a high level of credit quality and subject to a maturity limit of one year or have less than a year left to run to maturity if originally they were classified as being non-specified investments solely due to the maturity period exceeding one year.
 - **Non-specified investments** are those with less high credit quality, may be for periods in excess of one year, and/or are more complex instruments which require greater consideration by members and officers before being authorised for use.
- e) **Lending limits**, (amounts and maturity), for each counterparty will be set through applying the matrix table in Appendix B.
- f) The Councils will set a limit for the amount of its investments which are invested for **longer than 365 days**, (see paragraph 6.8).
- g) Investments will only be placed with counterparties from countries with a specified minimum **sovereign rating** (see paragraph 6.4). The UK is excluded from this limit because it will be necessary to invest in UK banks and other institutions even if the sovereign rating is cut.
- h) The Councils have engaged **external consultants**, (see paragraph 3.5), to provide expert advice on how to optimise an appropriate balance of security, liquidity and yield, given the risk appetite of the

Councils in the context of the expected level of cash balances and need for liquidity throughout the year.

- i) All investments will be denominated in **sterling**.
- j) As a result of the change in accounting standards for 2022/23 under IFRS 9, this Authority will consider the implications of investment instruments which could result in an adverse movement in the value of the amount invested and resultant charges at the end of the year to the General Fund. (In November 2018, the MHCLG, concluded a consultation for a temporary override to allow English local authorities time to adjust their portfolio of all pooled investments by announcing a statutory override to delay implementation of IFRS 9 for five years ending 31.3.23, in December 2022 as a result of further consultation the implementation was further delayed until 31st of March 2025.

6.1.6 However, the Councils will also pursue value for money in treasury management and will monitor the yield from investment income against appropriate benchmarks for investment performance, (see paragraph 6.15). Regular monitoring of investment performance will be carried out during the year.

6.2 Creditworthiness Policy

6.2.1 The primary principle governing the Councils' joint treasury management service investment criteria is the security of investments, although the yield or return on the investment is also a key consideration. After this main principle, the service will ensure that:

- It maintains a policy covering the categories of investment types it will invest in, criteria for choosing investment counterparties with adequate security, and monitoring their security. This is set out in the specified and non-specified investment sections below; and
- It has sufficient liquidity in its investments. For this purpose it will set out procedures for determining the maximum periods for which funds may prudently be committed. These procedures also apply to the Councils' prudential indicators covering the maximum principal sums invested.

6.2.2 The Chief Financial Officer will maintain a counterparty list in compliance with the following criteria and will revise the criteria and submit them to the Councils for approval as necessary. These criteria are separate to that which determines which types of investment instrument are either specified or non-specified as it provides an overall pool of counterparties considered high quality which the service may use, rather than defining what types of investment instruments are to be used.

6.2.3 Credit rating information is supplied by Link Group, our treasury advisors, on all active counterparties that comply with our criteria. Any counterparty failing to meet the criteria would be omitted from the counterparty (dealing) list. Any rating changes, rating Watches (notification of a likely change), rating Outlooks

(notification of the longer term bias outside the central rating view) are provided to officers almost immediately after they occur and this information is considered before dealing. For instance, a negative rating Watch applying to a counterparty at the minimum Council criteria will be suspended from use, with all others being reviewed in light of market conditions.

6.2.4 In accordance with the Code, Link Group's creditworthiness service uses a wider array of information other than just primary ratings. Furthermore, by using a risk weighted scoring system, it does not give undue preponderance to just one agency's ratings.

6.2.5 The result is a series of colour coded bands for counterparties indicating the relative creditworthiness of each as they are categorised by durational bands. These bands are used by the Councils to form a view of the duration for investments by each counterparty. The Councils are satisfied that this service gives a robust level of analysis for determining the security of its investments. It is also a service which the Councils would not be able to replicate using its own in-house resources.

6.2.6 Using Link's ratings service, potential counterparty ratings are monitored on a real time basis with knowledge of any changes notified electronically as the agencies notify modifications. The effect of a change in ratings may prompt the following responses:

- If a downgrade results in the counterparty/investment scheme no longer meeting the Councils' minimum criteria, its further use as a new investment will be withdrawn immediately.
- In addition to the use of Credit Ratings the Councils will be advised by Link of movements in Credit Default Swaps and other market data on a weekly basis. Extreme market movements may result in downgrade of an institution or removal from the Councils' lending lists.

6.2.7 The Councils' officers recognise that ratings should not be the sole determinant of the quality of an institution and that it is important to continually assess and monitor the financial sector on both a micro and macro basis and in relation to the economic and political environments in which institutions operate. The assessment will also take account of information that reflects the opinion of the markets, the government support for banks, and the credit ratings of that government support.

6.2.8 Accordingly, the Councils may exercise discretion to deviate from Link's suggested durational bands for counterparties where circumstances warrant a more flexible approach being taken.

6.3 The Councils' Minimum Investment Creditworthiness Criteria

6.3.1 The minimum credit ratings criteria used by the Councils generally will be a short term rating (Fitch or equivalents) of F1, and long term rating A-. There may be occasions when the counterparty ratings from one or more of the three Ratings Agencies are marginally lower than the minimum requirements of F1

Short term, A- Long term (or equivalent). Where this arises, the counterparties to which the ratings apply may still be used with discretion, but in these instances consideration will be given to the whole range of topical market information available, not just ratings.

The Councils include the top five **building society** names in the specified investments. It is recognised that they may carry a lower credit rating than the Councils' other counterparties, therefore the lending limits for the building societies shall be £2m each, excepting that for Nationwide (the top building society) the lending limit shall be £4m.

6.4 **Country Limits and Proposed Monitoring Arrangements**

Due care will be taken to consider the country, group and sector exposure of the Councils' investments.

The Councils have determined that they will only use approved counterparties from countries (other than the UK) with a minimum sovereign credit rating of AA- from Fitch Ratings (or equivalent from other agencies if Fitch does not provide one). The list of countries that qualify using these credit criteria as at the date of this report is reflected in the counterparty approved lending list shown at Appendix B. This list will be added to, or deducted from, by officers should ratings change, in accordance with this policy. No more than 25% of investments shall be placed in non-UK financial institutions for more than 7 days.

6.5 **Creditworthiness**

Significant levels of downgrades to Short and Long-Term credit ratings have not materialised since the crisis in March 2020. In the main, where they did change, any alterations were limited to Outlooks. However, more recently the UK sovereign debt rating has been placed on Negative Outlook by the three major rating agencies in the wake of the September 2022 mini budget. Although the Sunak government has calmed markets, the outcome of the rating agency reviews is unknown at present, but it is possible the UK sovereign debt rating will be downgraded. Accordingly, when setting minimum sovereign debt ratings, this Authority will not set a minimum rating for the UK.

CDS prices - Credit Default Swaps

Although bank CDS prices, (these are market indicators of credit risk), spiked upwards during the days of the Truss/Kwarteng government, they have returned to more average levels since then. However, sentiment can easily shift, so it will remain important to undertake continual monitoring of all aspects of risk and return in the current circumstances. Link monitor CDS prices as part of their creditworthiness service to local authorities and the Authority has access to this information via its Link-provided Passport portal.

Investment Strategy

6.6 In-house funds

Investments will be made with reference to the core balance and cash flow requirements and the outlook for short-term interest rates (i.e. rates for investments up to 12 months). Greater returns are usually obtainable by investing for longer periods. While most cash balances are required in order to manage the ups and downs of cash flow, where cash sums can be identified that could be invested for longer periods, the value to be obtained from longer term investments will be carefully assessed. For cash flow balances, the Councils will seek to use notice accounts, money market funds, call accounts and short-dated deposits to benefit from the compounding of interest.

- If it is thought that Bank Rate is likely to rise significantly within the time horizon being considered, then consideration will be given to keeping most investments as being short term or variable.
- Conversely, if it is thought that Bank Rate is likely to fall within that time period, consideration will be given to locking in higher rates currently obtainable, for longer periods.

The Chief Financial Officer, under delegated powers, will undertake the most appropriate form of investments in keeping with the investment objectives, income and risk management requirements and Prudential Indicators. Decisions taken on the core investment portfolio will be reported to the meetings of the JGC and JSC in accordance with the reporting arrangements contained in the Treasury Management Practices Statement.

6.7 Investment returns expectations

The suggested budgeted investment earnings rates for returns on investments placed for periods up to about three months during each financial year are as follows:

2023/24	3.92%
2024/25	3.35%
2025/26	2.60%
2026/27	2.50%
Later years	2.80%

- 6.8 Investment treasury indicator and limit** - total principal funds invested for greater than 365 days. These limits are set with regard to the Councils' liquidity requirements and to reduce the need for early sale of an investment, and are based on the availability of funds after each year-end.

The Councils are asked to approve the following treasury indicators and limits:

ADUR DISTRICT COUNCIL

MAXIMUM PROPORTION OF PRINCIPAL SUMS INVESTED > 365 DAYS			
	2023/24	2024/25	2025/26
Principal sums invested > 365 days	50%	50%	50%

WORTHING BOROUGH COUNCIL

MAXIMUM PROPORTION OF PRINCIPAL SUMS INVESTED > 365 DAYS			
	2023/24	2024/25	2025/26
Principal sums invested > 365 days	50%	50%	50%

Both Councils are currently holding investments in the Local Authorities' Property Fund (£3m for Adur and £1.5m for Worthing) and other small bonds in the local credit union (£50k for Worthing and £25k for Adur) which are expected to be invested for more than 365 days. Worthing holds long term investments with Worthing Homes and GB Met College.

- 6.9 In any sustained period of significant stress in the financial markets, the default position is for investments to be placed with the Debt Management Account Deposit Facility of the UK central government. The rates of interest may be below equivalent money market rates, however, if necessary, the returns are an acceptable trade-off for the guarantee that the Councils' capital is secure.
- 6.10 The Councils' proposed investment activity for placing cash deposits in 2022/23 will be to use: (given in no particular order)
- AAA rated Money Market Funds with a Constant Net Asset Value (CNAV) or a Low Volatility Net Asset Value (LVNAV) under the new money market fund regulations
 - other local authorities, parish councils etc.
 - business reserve accounts and term deposits, primarily restricted to UK institutions that are rated at least A- long term.
 - the top five building societies by asset size

Other Options for Longer Term Investments

- 6.11 To provide the Councils with options to enhance returns above those available for short term durations, it is proposed to retain the option to use the following for longer term investments, as an alternative to cash deposits:

- a) **Supranational bonds greater than 1 year to maturity**
- b) **Gilt edged securities** with a maturity of greater than one year. These are Government bonds and so provide the highest security of interest and the repayment of principal on maturity. Similar to category (a) above, the value of the bond may rise or fall before maturity and losses may accrue if the bond is sold before maturity.
- c) **The Councils' own banker** (currently Lloyds) if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as is possible.
- d) **Building societies not meeting the basic security requirements under the specified investments.** The operation of some building societies does not require a credit rating, although in every other respect the security of the society would match similarly sized societies with ratings. The Council may use the top five building societies by asset size up to £2m, (£4m Nationwide).
- e) Any **bank or building society** that has a minimum long term credit rating of A- for deposits with a maturity of greater than one year (including forward deals in excess of one year from inception to repayment).
- f) Any **non-rated subsidiary** of a credit rated institution included in the specified investment category. These institutions will be included as an investment category subject to a guarantee from the parent company, and total exposure up to the limit applicable to the parent.
- g) **Registered Social Landlords** (Housing Associations) **and other public sector bodies** - subject to confirming that the Councils have appropriate powers, consideration will be given to lending to Registered Social Landlords and other public sector bodies. Such lending may either be as an investment for treasury management purposes, or for the provision of "social policy or service investment", that would not normally feature within the Treasury Management Strategy.
- h) **Property Investment Funds** for example the Local Authorities' Property Fund. The Councils will consult the Treasury Management Advisors and undertake appropriate due diligence before investment of this type is undertaken. Some of these funds are deemed capital expenditure – the Councils will seek guidance on the status of any fund considered for investment. The Councils may invest up to £5m in Property Investment Funds - this reflects the request from Adur members to invest more in the CCLA Local Authorities' Property Fund.
- i) **Other local authorities**, parish councils etc.
- j) **Loan capital** in a body corporate.
- k) **Share capital** in a body corporate – *The use of these instruments will*

be deemed to be capital expenditure, and as such will be an application (spending) of capital resources. Revenue resources will not be invested in corporate bodies.

(Note: For (j) and (k) above the Councils will seek further advice on the appropriateness and associated risks with investments in these categories as and when an opportunity presents itself).

6.12 **The accounting treatment** may differ from the underlying cash transactions arising from investment decisions made by the Councils. To ensure that the Councils are protected from any adverse revenue impact, which may arise from these differences, the accounting implications of new transactions will be reviewed before they are undertaken.

6.13 The Councils will not transact in any investment that may be deemed to constitute **capital expenditure** (e.g. Share Capital, or pooled investment funds other than Money Market Funds), without the resource implications being approved as part of the consideration of the Capital Programme or other appropriate Committee report.

6.14 **Investment risk benchmarking** – the Councils will subscribe to Link’s Investment Benchmarking Club to review the investment performance and risk of the portfolios.

6.15 **End of year investment report** – at the end of the financial year the Councils will report on investment activity as part of the Annual Treasury Report.

6.16 **Local Authorities’ Property Fund** – both Councils hold investments in the Fund (Adur DC - £3m and Worthing BC £1.5m). The treasury service receives regular reports and quarterly dividends. Representatives of the Fund gave a presentation on current and forecast performance to the Councils in October 2021.

7. OTHER MATTERS

7.1 **2021 revised CIPFA Treasury Management Code and Prudential Code – changes which has changed TMSS/AIS reports and the risk management framework**

CIPFA published the revised codes on 20th December 2021 and formal adoption is required for the 2023/24 financial year. The Councils have to have regard to these codes of practice when they prepare the Treasury Management Strategy Statement and Annual Investment Strategy, and also related reports during the financial year, which are taken to the Full Councils for approval.

Following the revised codes the following adaptations have been made in this report:

- Inclusion of the liability benchmark in the strategy as shown in 4.3.

- An amendment to the Treasury Management Practices to address Environmental, Social and Governance policy within the treasury management risk framework; as included in Appendix B.

- Maintenance of the knowledge and skills register for individuals involved in the treasury management function as addressed in 3.4.

- The adoption of Quarterly reporting for the year 2023/24 as detailed in 3.2.2

7.2 **Balanced budget requirement** - the Councils comply with the provisions of S32 of the Local Government Finance Act 1992 to set a balanced budget.

7.3 For social policy purposes, the Councils both hold deferred shares in the local Credit Union, Boom. Boom approached the Councils with a request to hold and invest some of Boom's funds in order to mitigate their treasury management investment risk. The Councils approved this through the Mid Year Review of Treasury Management. Boom's management has indicated that there is likely to be a request to lend around £1.2m to £1.5m to Worthing Borough Council, on mutually beneficial terms.

8. ENGAGEMENT AND COMMUNICATION

8.1 The Adur and Worthing Councils' treasury management team provides treasury services to Mid Sussex District Council through a shared services arrangement (SSA). The SSA is provided under a Service Level Agreement that was renewed from 18th October 2022, and which defines the respective roles of the client and provider authorities for a period of three years.

8.2 The Adur and Worthing Councils' treasury management team also provides treasury services to Arun District Council through a shared services arrangement (SSA). The SSA is provided under a Service Level Agreement that was renewed from 18th October 2022, and which defines the respective roles of the client and provider authorities for a period of three years.

8.3 Information and advice is supplied throughout the year by Link Group, the professional consultants for the Councils' shared treasury management service.

9. FINANCIAL IMPLICATIONS

9.1 This report has no quantifiable additional financial implications to those outlined above. Interest payable and interest receivable arising from treasury management operations, and annual revenue provisions for repayment of debt, form part of the revenue budget.

10. LEGAL IMPLICATIONS

10.1 The approval and adoption of the Treasury Management Strategy Statement, Annual Investment Strategy, Minimum Revenue Provision Policy and

Prudential Indicators is required by regulations issued under the Local Government Act 2003.

Background Papers

Joint Treasury Management Strategy Statement and Annual Investment Strategy Report 2022/23 to 24/25 – Adur Council 24 February 2022 and Worthing Council 22 February 2022

Annual Joint In-House Treasury Management Operations Report 1 April 2021 – 31 March 2022 for Adur District Council and Worthing Borough Council – Joint Governance Committee, 28 July 2022 and Joint Strategic Committee, 11 October 2022

Overall Budget Estimates 2023/24 and Setting of 2023/24 Council Tax Report

Link Asset Services Ltd TMSS Template 2023/24

Treasury Management in the Public Services: Code of Practice and Cross Sectoral Guidance Notes (CIPFA, December 2021) and CIPFA Treasury Management Guidance Notes 2021

The Prudential Code for Capital Finance in Local Authorities (CIPFA, December 2021)

MHCLG Investment Guidance

Officer Contact Details:-

Joel Goacher

Group Accountant (Strategic Finance)

Telephone: 01903 221236

Email: joel.goacher@adur-worthing.gov.uk

SUSTAINABILITY & RISK ASSESSMENT

1. ECONOMIC

The treasury management function ensures that the Councils have sufficient liquidity to finance their day to day operations. Borrowing is arranged as required to fund the capital programmes. Available funds are invested according to the specified criteria to ensure security of the funds, liquidity and, after these considerations, to maximise the rate of return.

2. SOCIAL

2.1 Social Value

Matter considered and no issues identified.

2.2 Equality Issues

Matter considered and no issues identified.

2.3 Community Safety Issues (Section 17)

Matter considered and no issues identified.

2.4 Human Rights Issues

Matter considered and no issues identified.

3. ENVIRONMENTAL

Matter considered and no issues identified.

4. GOVERNANCE

4.1 The Councils' Treasury Management Strategy and Annual Investment Strategy place the security of investments as foremost in considering all treasury management dealing. By so doing it contributes towards the Council priorities contained in Platforms for our Places.

4.2 The operation of the treasury management function is as approved by the Councils' Treasury Management Strategy and Annual Investment Strategy 2023/24 - 2025/26, submitted and approved before the commencement of the 2023/24 financial year.

4.3 In the current economic climate the security of investments is paramount, the management of which includes regular monitoring of the credit ratings and other incidental information relating to credit worthiness of the Councils' investment counterparties.

Appendix A

THE CAPITAL PRUDENTIAL AND TREASURY INDICATORS 2023/24 – 2025/26

- 1.1 The Councils' capital expenditure plans are the key driver of treasury management activity. The output of the capital expenditure plans is reflected in the prudential indicators, which are designed to assist members' overview and confirm capital expenditure plans.

Adur District Council

Adur Capital expenditure	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	£m	£m	£m	£m	£m
Non-HRA	4.293	5.660	55.548	1.847	1.882
HRA	5.186	14.006	29.508	5.600	5.600
Commercial property	0.000	0.000	0.000	0.000	0.000
TOTAL	11.300	19.666	85.056	7.447	7.482

Worthing Borough Council

Worthing Capital expenditure	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	£m	£m	£m	£m	£m
Non-HRA	26.664	61.857	33.595	10.340	5.867
Strategic property	0.000	0.000	0.000	0.000	0.000
TOTAL	26.664	61.857	33.595	10.340	5.867

1.2 Affordability prudential indicators

The previous sections cover the overall capital and control of borrowing prudential indicators, but within this framework prudential indicators are required to assess the affordability of the capital investment plans. These provide an indication of the impact of the capital investment plans on the Councils' overall finances. The Councils are asked to approve the following indicators:

Ratio of financing costs to net revenue stream

This indicator identifies the trend in the cost of capital (borrowing and other long term obligation costs net of investment income) against the net revenue stream.

Adur District Council

Adur	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	%	%	%	%	%
Non-HRA	14.43	16.40	24.50	22.55	15.80
HRA	23.51	24.89	26.36	26.03	26.47
Strategic purchases	(19.10)	(17.88)	(19.88)	(19.49)	(18.41)
TOTAL	18.84	18.81	26.43	24.98	23.08

WORTHING BOROUGH COUNCIL

Worthing	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
	%	%	%	%	%
Non-HRA	4.95	9.73	8.99	6.22	8.12
Commercial activities	(7.82)	(14.37)	(14.74)	(14.11)	(14.07)
TOTAL	(2.87)	(4.64)	(5.75)	(7.88)	(5.96)

The estimates of financing costs include current commitments and the proposals in this budget report.

HRA Ratio

Adur	2021/22 Actual	2022/23 Estimate	2023/24 Estimate	2024/25 Estimate	2025/26 Estimate
HRA debt £m	(56.625)	(64.431)	(89.639)	(90.939)	(92.239)
Number of HRA dwellings	2537	2509	2550	2562	2574
Debt per dwelling	£22.5k	£25.7k	£35.1k	£35.5k	£35.8k

1.3 Maturity structure of borrowing

These gross limits are set to reduce the Councils' exposure to large fixed rate sums falling due for refinancing, and are required for upper and lower limits. Neither Council has any variable rate borrowing.

The Councils are asked to approve the following treasury indicators and limits:

Adur District Council

Limits to maturity structure of fixed interest rate borrowing 2022/23		
	Lower Limit	Upper Limit
Under 12 months	0%	25%
12 months to 2 years	0%	30%
2 years to 5 years	0%	50%
5 years to 10 years	0%	70%
10 years to 20 years	0%	80%
20 years to 30 years	0%	60%
30 years to 40 years	0%	60%
40 years to 50 years	0%	45%

WORTHING BOROUGH COUNCIL

Limits to maturity structure of fixed interest rate borrowing 2022/23		
	Lower Limit	Upper Limit
Under 12 months	0%	35%
12 months to 2 years	0%	40%
2 years to 5 years	0%	75%
5 years to 10 years	0%	75%
10 years to 20 years	0%	75%
20 years to 30 years	0%	75%
30 years to 40 years	0%	75%
40 years to 50 years	0%	75%

TREASURY MANAGEMENT PRACTICE (TMP1) – CREDIT AND COUNTERPARTY RISK MANAGEMENT

The DLUHC issued Investment Guidance in 2018, and this forms the structure of the Authority's policy below. These guidelines do not apply to either trust funds or pension funds which operate under a different regulatory regime.

The key intention of the Guidance is to maintain the current requirement for local authorities to invest prudently, and that priority is given to security and liquidity before yield. In order to facilitate this objective, the Guidance requires this Authority to have regard to the CIPFA publication Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance Notes. This Council adopted the Code and will apply its principles to all investment activity. In accordance with the Code, the Director of Finance has produced its treasury management practices (TMPs). This part, TMP 1(1), covering investment counterparty policy requires approval each year.

Annual investment strategy - The key requirements of both the Code and the investment guidance are to set an annual investment strategy, as part of the annual treasury strategy for the following year, covering the identification and approval of following:

- The strategy guidelines for choosing and placing investments, particularly non-specified investments;
- The principles to be used to determine the maximum periods for which funds can be committed;
- Specified investments that the Councils will use. These are high security (i.e. high credit rating, although this is defined by the Councils, and no guidelines are given), and high liquidity investments in sterling and with a maturity of no more than a year;
- Non-specified investments, clarifying the greater risk implications, identifying the general types of investment that may be used and a limit to the overall amount of various categories that can be held at any time.

The investment policy proposed for the Councils is:

Strategy guidelines – The main strategy guidelines are contained in the body of the treasury strategy statement. However a further consideration is included below:

ESG considerations - Both councils will consider Environmental, Social and Governance factors when placing any investment with current or new counterparties. Where matters for concern are identified for any specific counterparty both councils will consider placing future investments with other counterparties. A process of ongoing monitoring is underway for existing counterparties using ESG tracking services and available indices of bribery and corruption for the countries of domicile for the proposed counterparties. This is maintained by the Group Accountant (Strategic Finance).

Whilst there are no concerns regarding our banker, for operational reasons the

Councils' own banker Lloyds bank is required to be exempt from this approach as we are contractually bound to them for the duration of our banking contract. These factors will always be considered when the contract is renewed.

SPECIFIED AND NON SPECIFIED INVESTMENTS

Specified Investments identified for use by the Councils

These investments are sterling investments of not more than one-year maturity, or those which could be for a longer period but where the Councils have the right to be repaid within 12 months if they wish. They also include investments which were originally classed as being non-specified investments, but which would have been classified as specified investments apart from originally being for a period longer than 12 months once the remaining period to maturity falls to under twelve months. These are considered low risk assets where the possibility of loss of principal or investment income is small. These would include sterling investments which would not be defined as capital expenditure with:

- The UK Government (such as the Debt Management Account deposit facility, UK treasury bills or a gilt* with less than one year to maturity)
- Supranational bonds of less than one year's duration*
- A local authority, housing association, parish council or community council
- Pooled investment vehicles (such as money market funds) that have been awarded a AAA rating by Standard and Poor's, Moody's and/or Fitch rating agencies
- A body that is considered of a high credit quality (such as a bank or building society). This covers bodies with a minimum Short Term rating of F1 (or the equivalent) as rated by Standard and Poor's, Moody's and/or Fitch rating agencies.

Within these bodies, and in accordance with the Code, the Councils have set additional criteria to set the time and amount of monies which will be invested in these bodies - see Annexes 1 and 2.

Non-Specified Investments identified for use by the Councils

These are any other type of investment (ie not defined as specified above). The identification and rationale supporting the selection of these other investments and the maximum limits to be applied are set out in Annexes 1 and 2.

Where appropriate, the Councils will seek further advice on the associated risks with non-specified investments.

For credit rated counterparties, the minimum criteria, excepting for the Councils' own banker and the specified building societies, (see below) will be the short-term / long-term ratings assigned by various agencies which may include Moody's Investors

Services, Standard and Poor's, Fitch Ratings, being:

Long-term investments (over 365 days): minimum: A- (Fitch) or equivalent

Or

Short-term investments (365 days or less): minimum: F1 (Fitch) or equivalent

For all investments the Councils will also take into account information on corporate developments of, and market sentiment towards, investment counterparties.

Where appropriate the Ring Fenced entities of banks will be used.

ADUR DISTRICT COUNCIL - SPECIFIED AND NON SPECIFIED INVESTMENTS**Specified Investments identified for use by the Council**

New specified investments will be made within the following limits:

Instrument	Country and sovereign rating	Counterparty and current rating	Max'm exposure limit £m and/or %
Term Deposits	UK	DMADF, DMO	No limit
Term Deposits/ Call Accounts	UK	Other UK Local Authorities	£5m
Term Deposits/ Call Accounts	UK	Santander UK A+	£4m
Term Deposits/ Call Accounts	UK	Bank of Scotland/ Lloyds (RFB) A+	£4m
Term Deposits/ Call Accounts	UK	Barclays (RFB) A+	£4m
Term Deposits/ Call Accounts	UK	Clydesdale A-	£4m
Term Deposits/ Call Accounts	UK	HSBC (RFB) AA-	£4m
Term Deposits/ Call Accounts	UK	Close Brothers Ltd A-	£4m
Term Deposits/ Call Accounts	UK	Royal Bank of Scotland/Nat West Group (RFB) A+	£4m
Term Deposits/ Call Accounts	UK	Standard Chartered Bank A+	£3m
Term Deposits/ Call Accounts	Australia - AAA	National Australia Bank Ltd A+	£3m
Term Deposits/ Call Accounts	US - AAA	JP Morgan Chase Bank NA AA	£3m
Term Deposits/ Call Accounts	UK	Handelsbanken plc AA	£4m
Term Deposits/ Call Accounts	UK	Goldman Sachs Int Bank A+	£3m
Gilts	UK	Debt Management Office (DMO)	£3m or 25% of funds

Instrument	Country and sovereign rating	Counterparty and current rating	Max'm exposure limit £m and/or %
Bonds	EU	European Investment Bank/ Council of Europe	£3m or 25% of funds
AAA rated Money Market Funds		Constant Net Asset Value or LVNAV MMFs	to manage liquidity, maximum £3m per fund
Other MMFs and CIS	UK	Collective Investment Schemes	25%
Term Deposits	UK	Nationwide BS A	£4m
Term Deposits	UK	Yorkshire BS A-	£2m
Term Deposits	UK	Coventry BS A-	£2m
Term Deposits	UK	Skipton BS A-	£2m
Term Deposits	UK	Leeds BS A-	£2m
Share Capital	n/a	West Sussex Credit Union	£0.025m deferred shares
Share Capital	n/a	Local Capital Finance Co (Municipal Bonds Agency)	£0.05m

NB Any existing deposits outside of the current criteria will be reinvested with the above criteria on maturity.

NB No more than 25% of funds shall be invested in Non-UK financial institutions whether by term deposits, call accounts or Money Market Funds, or any combination thereof, except that this limit may be breached for liquidity purposes for up to 1 week at any time.

NB Investments in AAA rated Money Market Funds are to be used for liquidity purposes - funds should be invested to achieve higher returns wherever possible.

Institution ratings shown are as at 20 December 2021 and are subject to change.

APPENDIX B - ANNEX 1

ADUR DISTRICT COUNCIL NON-SPECIFIED INVESTMENTS DETERMINED FOR USE BY THE COUNCIL:

Having considered the rationale and risk associated with Non-Specified Investments, the following have been determined for the Council's use:

	In-house use	Use by Fund Managers	Maximum Maturity	Maximum % of portfolio or £m	Capital Expenditure ?
<ul style="list-style-type: none"> ☒ Deposits with banks and building societies ☒ Certificates of deposit with banks and building societies ☒ Deposits with Local Authorities ☒ The UK Government 	√	√	5 years	The higher of £8m or 50% of funds, maximum of £2m per institution	No
<p>Gilts and Bonds:</p> <ul style="list-style-type: none"> ☒ Gilts ☒ Bonds issued by multilateral development banks ☒ Bonds issued by financial institutions guaranteed by the UK government ☒ Sterling denominated bonds by non-UK sovereign governments 	√	√	5 years	The higher of £3m or 25% of funds	No
<p>Money Market Funds and Collective Investment Schemes (pooled funds which meet the definition of a collective investment scheme as defined in SI 2004 No. 534 and SI 2007, No. 573), but which are not credit rated.</p>	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date.	The higher of £5m or 30% of funds, maximum of £3m per fund	No
<p>Government guaranteed bonds and debt instruments (e.g. floating rate notes) issued by corporate bodies</p>	√ (on advice from treasury advisor)	√	5 years	The higher of £2m or 10% of funds	Yes

**ADUR DISTRICT COUNCIL
NON-SPECIFIED INVESTMENTS DETERMINED FOR USE BY THE COUNCIL:**

	In-house use	Use by Fund Managers	Maximum Maturity	Maximum % of portfolio or £m	Capital Expenditure?
Non-guaranteed bonds and debt instruments (e.g. floating rate notes) issued by corporate bodies	√ (on advice from treasury advisor)	√	5 years	The higher of £2m or 10% of funds	Yes
Property Funds approved by HM Treasury and operated by managers regulated by the Financial Conduct Authority, such as the Local Authorities' Property Fund	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date	£5m	To be confirmed
Collective Investment Schemes (pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No. 534 or SI 2007, No. 573.	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date	The higher of £2m or 20% of funds	Yes

1. In determining the period to maturity of an investment, the investment should be regarded as commencing on the date of the commitment of the investment rather than the date on which funds are paid over to the counterparty.
2. The use of the above instruments by the Council's fund manager(s) will be by reference to the fund guidelines contained in the agreement between the Council and the individual manager.
3. The Council's own banker may also be used if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as possible.

WORTHING BOROUGH COUNCIL SPECIFIED AND NON SPECIFIED INVESTMENTS

Specified Investments identified for use by the Council

New specified investments will be made within the following limits:

Instrument	Country and sovereign rating	Counterparty	Max'm exposure limit £m and/or %
Term Deposits	UK	DMADF, DMO	No limit
Term Deposits/ Call Accounts	UK	Other UK Local Authorities	£5m
Term Deposits/ Call Accounts	UK	Santander UK A+	£4m
Term Deposits/ Call Accounts	UK	Bank of Scotland/ Lloyds (RFB) A+	£4m
Term Deposits/ Call Accounts	UK	Barclays (RFB) A+	£4m
Term Deposits/ Call Accounts	UK	Clydesdale A-	£4m
Term Deposits/ Call Accounts	UK	HSBC (RFB) AA-	£4m
Term Deposits/ Call Accounts	UK	Standard Chartered Bank A+	£3m
Term Deposits/ Call Accounts	UK	Close Brothers Ltd A-	£4m
Term Deposits/ Call Accounts	UK	Royal Bank of Scotland/Nat West Group (RFB) A+	£4m
Term Deposits/ Call Accounts	Australia - AAA	National Australia Bank Ltd A+	£3m
Term Deposits/ Call Accounts	US - AAA	JP Morgan Chase Bank NA AA	£3m
Term Deposits/ Call Accounts	UK	Handelsbanken plc AA	£4m
Term Deposits/ Call Accounts	UK	Goldman Sachs Int Bank A+	£3m
Gilts	UK	Debt Management Office (DMO)	£3m or 25% of funds

Instrument	Country and sovereign rating	Counterparty	Max'm exposure limit £m and/or %
Bonds	EU	European Investment Bank/ Council of Europe	£3m or 25% of funds
AAA rated Money Market Funds		Constant Net Asset Value or LVNAV MMFs	£9m or 25% of funds (the limit may be exceeded for up to 7 days), max £3m per fund
Other MMFs and CIS	UK	Collective Investment Schemes	25%
Term Deposits	UK	Nationwide BS A	£4m
Term Deposits	UK	Yorkshire BS A-	£2m
Term Deposits	UK	Coventry BS A-	£2m
Term Deposits	UK	Skipton BS A-	£2m
Term Deposits	UK	Leeds BS A-	£2m
*Term Deposits	UK	Worthing Homes (10 year loan)	£10m
*Term Deposits	UK	GB Met (20 year loan)	£5m
Share Capital	n/a	West Sussex Credit Union	£0.05m deferred shares
Share Capital	n/a	Local Capital Finance Co (Municipal Bonds Agency)	£0.05m
Temporary Loans	n/a	Worthing Leisure Trust	£0.5m

NB Any existing deposits outside of the current criteria will be reinvested within the above criteria on maturity.

NB No more than 25% of funds shall be invested in Non-UK financial institutions whether by term deposits, call accounts or Money Market Funds, or any combination thereof, except that this limit may be breached for liquidity purposes for up to 1 week at any time.

* These loans are for more than 1 year, therefore are “unspecified”, but are included here as they have been approved by Council.

Institution ratings shown are as at 20 December 2021 and are subject to change.

APPENDIX B - ANNEX 2

WORTHING BOROUGH COUNCIL NON-SPECIFIED INVESTMENTS DETERMINED FOR USE BY THE COUNCIL:

Having considered the rationale and risk associated with Non-Specified Investments, the following have been determined for the Council's use:

	In-house use	Use by Fund Managers	Maximum Maturity	Maximum % of portfolio or £m	Capital Expenditure ?
<ul style="list-style-type: none"> ☒ Deposits with banks and building societies ☒ Certificates of deposit with banks and building societies ☒ Deposits with Local Authorities ☒ The UK Government 	√	√	5 years	The higher of £8m or 50% of funds, maximum of £2m per institution	No
<p>Gilts and Bonds:</p> <ul style="list-style-type: none"> ☒ Gilts ☒ Bonds issued by multilateral development banks ☒ Bonds issued by financial institutions guaranteed by the UK government ☒ Sterling denominated bonds by non-UK sovereign governments 	√	√	5 years	The higher of £3m or 25% of funds	No
<p>Money Market Funds and Collective Investment Schemes (pooled funds which meet the definition of a collective investment scheme as defined in SI 2004 No. 534 and SI 2007, No. 573), but which are not credit rated.</p>	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date.	The higher of £5m or 30% of funds, maximum of £3m per fund	No
<p>Government guaranteed bonds and debt instruments (e.g. floating rate notes) issued by corporate bodies</p>	√ (on advice from treasury advisor)	√	5 years	The higher of £2m or 10% of funds	Yes

**WORTHING BOROUGH COUNCIL
NON-SPECIFIED INVESTMENTS DETERMINED FOR USE BY THE COUNCIL:**

	In-house use	Use by Fund Managers	Maximum Maturity	Maximum % of portfolio or £m	Capital Expenditure?
Non-guaranteed bonds and debt instruments (e.g. floating rate notes) issued by corporate bodies	√ (on advice from treasury advisor)	√	5 years	The higher of £2m or 10% of funds	Yes
Property Funds approved by HM Treasury and operated by managers regulated by the Financial Conduct Authority, such as the Local Authorities' Property Fund	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date	£5m	To be confirmed
Collective Investment Schemes (pooled funds) which do not meet the definition of collective investment schemes in SI 2004 No. 534 or SI 2007, No. 573.	√ (on advice from treasury advisor)	√	These funds do not have a defined maturity date	The higher of £2m or 20% of funds	Yes

1. In determining the period to maturity of an investment, the investment should be regarded as commencing on the date of the commitment of the investment rather than the date on which funds are paid over to the counterparty.
2. The use of the above instruments by the Council's fund manager(s) will be by reference to the fund guidelines contained in the agreement between the Council and the individual manager.
3. The Council's own banker may also be used if it fails to meet the basic credit criteria. In this instance balances will be minimised as far as possible.

APPROVED COUNTRIES FOR INVESTMENTS

This list is based on those countries which have sovereign ratings of AA- or higher, (we show the lowest rating from Fitch, Moody's and S&P) and also, (except - at the time of writing - for Hong Kong and Luxembourg), have banks operating in sterling markets which have credit ratings of green or above in the Link creditworthiness service.

Based on lowest available rating as at

AAA

- Australia
- Denmark
- Germany
- Netherlands
- Norway
- Singapore
- Sweden
- Switzerland

AA+

- Canada
- Finland
- U.S.A.

AA

- Abu Dhabi (UAE)
- France
- New Zealand

AA-

- Belgium
- U.K.

NB Consideration will be given to other factors, including Environmental, Social and Governance standards when considering the destination country of Non-UK investments. As such countries with an appropriate sovereign rating will not be used where matters identified do not align with the respective Council's values.

NB As detailed in 6.1.5 it has been determined that the UK will remain an approved country for investment regardless of its sovereign rating. This is due to the avoidance of such investments being operationally prohibitive.

COUNTERPARTIES WHERE THE COUNCILS HAVE OPTED UP TO PROFESSIONAL INVESTOR STATUS

(i) **Money Market Funds**

Invesco
Federated Investors
CCLA
Black Rock
HSBC ESG Fund

(ii) **Building Societies**

Skipton Building Society
Coventry Building Society
Leeds Building Society
Nationwide Building Society
Yorkshire Building Society

(iii) **Brokers**

BGC (Sterling)
Tradition
ICAP
Imperial

(iv) **Other**

ICD (Portal used for money market fund investments)
Link Group

These arrangements will be regularly reviewed as appropriate.

TREASURY MANAGEMENT SCHEME OF DELEGATION

(i) **Full Council**

- receiving and reviewing reports on treasury management policies, practices and activities
- approval of annual Treasury Management Strategy Statement and Annual Investment Strategy
- approval of MRP Statement

(ii) **Joint Strategic Committee**

- approval of/amendments to the organisation's adopted clauses, treasury management policy statement and treasury management practices
- budget consideration and approval
- approval of the division of responsibilities
- receiving and reviewing regular monitoring reports and acting on recommendations
- approving the selection of external service providers and agreeing terms of appointment.

(iii) **Joint Governance Committee**

Receiving and reviewing the following, and making recommendations to the Joint Strategic Committee

- the Treasury Management Strategy Statement and regular monitoring reports on compliance with the Treasury Management Strategy, practices and procedures.

(iv) **The S151 (responsible) officer**

- recommending clauses, treasury management policy/practices for approval, reviewing the same regularly, and monitoring compliance
- submitting regular treasury management policy reports
- submitting budgets and budget variations
- receiving and reviewing management information reports
- reviewing the performance of the treasury management function
- ensuring the adequacy of treasury management resources and skills, and the effective division of responsibilities within the treasury management function
- ensuring the adequacy of internal audit, and liaising with external audit
- recommending the appointment of external service providers.

TREASURY MANAGEMENT SCHEME OF DELEGATION

The revised CIPFA Treasury Management and Prudential Codes have extended the functions of the S151 role in respect of non-financial investments

- preparation of a capital strategy to include capital expenditure, capital financing, non-financial investments and treasury management
- ensuring that the capital strategy is prudent, sustainable and affordable in the long term and provides value for money
- ensuring that due diligence has been carried out on all treasury and non-financial investments and is in accordance with the risk appetite of the authorities
- ensuring that the authority has appropriate legal powers to undertake expenditure on non-financial assets and their financing
- ensuring the proportionality of all investments so that the authority does not undertake a level of investing which exposes the authority to an excessive level of risk compared to its financial resources
- ensuring that an adequate governance process is in place for the approval, monitoring and ongoing risk management of all non-financial investments and long term liabilities
- provision to members of a schedule of all non-treasury investments including material investments in subsidiaries, joint ventures, loans and financial guarantees
- ensuring that members are adequately informed and understand the risk exposures taken on by an authority
- ensuring that the authority has adequate expertise, either in house or externally provided, to carry out the above
- creation of Treasury Management Practices which specifically deal with how non treasury investments will be carried out and managed

Economic backdrop provided by Link Advisory

Link Group Interest Rate View 08.11.22		Dec-22	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
BANK RATE		3.50	4.25	4.50	4.50	4.50	4.00	3.75	3.50	3.25	3.00	2.75	2.50	2.50
3 month ave earnings		3.60	4.30	4.50	4.50	4.50	4.00	3.80	3.30	3.00	3.00	2.80	2.50	2.50
6 month ave earnings		4.20	4.50	4.60	4.50	4.20	4.10	3.90	3.40	3.10	3.00	2.90	2.60	2.60
12 month ave earnings		4.70	4.70	4.70	4.50	4.30	4.20	4.00	3.50	3.20	3.10	3.00	2.70	2.70
5 yr PWLB		4.30	4.30	4.20	4.10	4.00	3.90	3.80	3.60	3.50	3.40	3.30	3.20	3.10
10 yr PWLB		4.50	4.50	4.40	4.30	4.20	4.00	3.90	3.70	3.60	3.50	3.40	3.30	3.20
25 yr PWLB		4.70	4.70	4.60	4.50	4.40	4.30	4.10	4.00	3.90	3.70	3.60	3.50	3.50
50 yr PWLB		4.30	4.40	4.30	4.20	4.10	4.00	3.80	3.70	3.60	3.40	3.30	3.20	3.20

Against a backdrop of stubborn inflationary pressures, the easing of Covid restrictions in most developed economies, the Russian invasion of Ukraine, and a range of different UK Government policies, it is no surprise that UK interest rates have been volatile right across the curve, from Bank Rate through to 50-year gilt yields, for all of 2022.

Market commentators' misplaced optimism around inflation has been the root cause of the rout in the bond markets with, for example, UK, EZ and US 10-year yields all rising by over 200bps since the turn of the year. The table below provides a snapshot of the conundrum facing central banks: inflation is elevated but labour markets are extra-ordinarily tight, making it an issue of fine judgment as to how far monetary policy needs to tighten.

	UK	Eurozone	US
Bank Rate	3.0%	1.5%	3.75%-4.00%
GDP	-0.2%q/q Q3 (2.4%/y/y)	+0.2%q/q Q3 (2.1%/y/y)	2.6% Q3 Annualised
Inflation	11.1%/y/y (Oct)	10.0%/y/y (Nov)	7.7%/y/y (Oct)
Unemployment Rate	3.6% (Sep)	6.6% (Sep)	3.7% (Aug)

Q2 of 2022 saw UK GDP revised upwards to +0.2% q/q, but this was quickly reversed in the third quarter, albeit some of the fall in GDP can be placed at the foot of the extra Bank Holiday in the wake of the Queen's passing. Nevertheless, CPI inflation has picked up to what should be a peak reading of 11.1% in October, although with further increases in the gas and electricity price caps pencilled in for April 2023, and the cap potentially rising from an average of £2,500 to £3,000 per household, there is still a possibility that inflation will spike higher again before dropping back slowly through 2023.

The UK unemployment rate fell to a 48-year low of 3.6%, and this despite a net migration increase of c500k. The fact is that with many economic participants registered as long-term sick, the UK labour force actually shrunk by c£500k in the year to June. Without an increase in the labour force participation rate, it is hard to see how the UK economy will be able to grow its way to prosperity, and with average wage increases running at 5.5% - 6% the MPC

will be concerned that wage inflation will prove just as sticky as major supply-side shocks to food and energy that have endured since Russia's invasion of Ukraine on 22nd February 2022.

Throughout Q3 Bank Rate increased, finishing the quarter at 2.25% (an increase of 1%). Q4 has seen rates rise to 3% in November and the market expects Bank Rate to hit 4.5% by May 2023.

Following a Conservative Party leadership contest, Liz Truss became Prime Minister for a tumultuous seven weeks that ran through September and December. Put simply, the markets did not like the unfunded tax-cutting and heavy spending policies put forward by her Chancellor, Kwasi Kwarteng, and their reign lasted barely seven weeks before being replaced by Prime Minister Rishi Sunak and Chancellor Jeremy Hunt. Their Autumn Statement of 17th November gave rise to a net £55bn fiscal tightening, although much of the "heavy lifting" has been left for the next Parliament to deliver. However, the markets liked what they heard, and UK gilt yields have completely reversed the increases seen under the previous tenants of No10/11 Downing Street.

Globally, though, all the major economies are expected to struggle in the near term. The fall below 50 in the composite Purchasing Manager Indices for the UK, US, EZ and China all point to at least one if not more quarters of GDP contraction. In November, the MPC projected eight quarters of negative growth for the UK lasting throughout 2023 and 2024, but with Bank Rate set to peak at lower levels than previously priced in by the markets and the fiscal tightening deferred to some extent, it is not clear that things will be as bad as first anticipated by the Bank.

The £ has strengthened of late, recovering from a record low of \$1.035, on the Monday following the Truss government's "fiscal event", to \$1.20. Notwithstanding the £'s better run of late, 2023 is likely to see a housing correction of some magnitude as fixed-rate mortgages have moved above 5% and affordability has been squeezed despite proposed Stamp Duty cuts remaining in place.

In the table below, the rise in gilt yields, and therein PWLB rates, through the first half of 2022/23 is clear to see.

However, the peak in rates on 28th September as illustrated in the table covering April to September 2022 below, has been followed by the whole curve shifting ever lower. PWLB rates at the front end of the curve are generally over 1% lower now whilst the 50 years is over 1.75% lower.

After a shaky start to the year, the S&P 500 and FTSE 100 have climbed in recent weeks, albeit the former is still 17% down and the FTSE 2% up. The German DAX is 9% down for the year.

CENTRAL BANK CONCERNS – NOVEMBER 2022

At the start of November, the Fed decided to push up US rates by 0.75% to a range of 3.75% - 4%, whilst the MPC followed a day later by raising Bank Rate from 2.25% to 3%, in line with market expectations. EZ rates have also increased to 1.5% with further tightening in the pipeline.

Having said that, the press conferences in the US and the UK were very different. In the US, Fed Chair, Jerome Powell, stated that rates will be elevated and stay higher for longer than

markets had expected. Governor Bailey, here in the UK, said the opposite and explained that the two economies are positioned very differently so you should not, therefore, expect the same policy or messaging.

Regarding UK market expectations, although they now expect Bank Rate to peak within a lower range of 4.5% - 4.75%, caution is advised as the Bank of England Quarterly Monetary Policy Reports have carried a dovish message over the course of the last year, only for the Bank to have to play catch-up as the inflationary data has proven stronger than expected.

In addition, the Bank's central message that GDP will fall for eight quarters starting with Q3 2022 may prove to be a little pessimistic. Will the £160bn excess savings accumulated by households through the Covid lockdowns provide a spending buffer for the economy – at least to a degree? Ultimately, however, it will not only be inflation data but also employment data that will mostly impact the decision-making process, although any softening in the interest rate outlook in the US may also have an effect (just as, conversely, greater tightening may also).

. The current margins over gilt yields are as follows: -.

§ **PWLB Standard Rate** is gilt plus 100 basis points (G+100bps)

§ **PWLB Certainty Rate** is gilt plus 80 basis points (G+80bps)

§ **PWLB HRA Standard Rate** is gilt plus 100 basis points (G+100bps)

§ **PWLB HRA Certainty Rate** is gilt plus 80bps (G+80bps)

§ **Local Infrastructure Rate** is gilt plus 60bps (G+60bps)



Joint Audit and Governance Committee
24 January 2023

ADUR & WORTHING
COUNCILS

Ward(s) Affected: All

Scheme of Allowances for Adur District Council

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1 The Joint Audit & Governance Committee is being asked to consider the report and the recommendations of the Joint Independent Remuneration Panel and make recommendations to Adur District Council on the level of Members' Allowances for the municipal year 2023/24.
- 1.2 Recommendations from the Committee on the level of allowances will be proposed at the meeting of Full Council in February.

2. Recommendations

- 2.1 The Joint Audit & Governance Committee is asked to consider the recommendations of the Joint Independent Remuneration Panel and make a recommendation to Adur District Council on the Scheme of Allowances for 2023/24.

3. Context

- 3.1 The previous review of allowances recommended that the level of allowances be tied to the NJC pay bargaining agreement for the year 2022/23
- 3.2 The pay bargaining agreement was made and at its meeting on the 15 December Council agreed a 5.82% raise which was in line with the median average of the NJC pay bargaining agreement for 2022/23
- 3.2 The Adur and Worthing Joint Independent Remuneration Panel began their review of Adur Allowances in December 2022 and have submitted a report that is attached as appendix A.

4. Issues for consideration

- 4.1 The Committee is being asked to make a recommendation to Adur district Council in respect of setting the level of allowances for 2023/24
- 4.2 The Panel has set out a costed option for Members to consider which is included in the appendix to this report

5. Engagement and Communication

- 5.1 The Panel undertook a consultation exercise through an online survey with all members and interviews with individual SRA holders
- 5.2 A representative from South East Employers assisted with the carrying out of the review
- 5.3 As a Panel of independent advisors the JIRP is the body that the council engages with and consults on setting the level of its allowances

6. Financial Implications

- 6.1 The Councils have the following budgets available in 2023/24 to fund member allowances:

Adur: £239,070

6.2 The budget strategy allows for a 4.5% inflation on all salary budgets which would include members allowances for 2023/24. Consequently, the options proposed by the independent remuneration would have the following financial impacts:

	Adur
	£
Estimated 2023/24 budget	£239,070
JIRP Recommendations	£246,640
Growth / saving (-) against budget	£7,570

7. Legal Implications

- 7.1 An Independent Remuneration Panel is a requirement of the Local Authorities (Members' Allowances) Regulations 2003 (The 2003 Regulations).
- 7.2 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
- 7.3 The 2003 Regulations set 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 for the panel 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.

Background Papers

- Previous reports and recommendations of the Joint Independent Remuneration Panel

Officer Contact Details:-

Chris Cadman-Dando

Democratic Services Officer

01903 221364

chris.cadman-dando@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- 1.1 The panel has recognised that 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.

2. Social

2.1 Social Value

- 2.1.1 Matter considered but no issue identified

2.2 Equality Issues

- 2.2.1 Having an allowance scheme that supports all members in covering the costs of being a member allows the Councils to attract and retain Members who are representative of the demographic make-up of the District.

2.3 Community Safety Issues (Section 17)

- 2.3.1 Matter considered but no issues identified

2.4 Human Rights Issues

- 2.4.1 Matter considered but no issues identified

3. Environmental

- 3.1 Matter considered but no issues identified

4. Governance

- 4.1 Having a fair scheme of allowances can enable a more diverse pool of candidates and reflect a wider demographic of the District.

This page is intentionally left blank



**The report of the Independent Remuneration Panel
appointed to review the allowances paid to Councillors
of Adur District Council**



December 2022

CONTENTS

1.	INTRODUCTION AND BACKGROUND	1
2.	CURRENT SCHEME	1
3.	PRINCIPLES UNDERPINNING OUR REVIEW	2
3.1	THE PUBLIC SERVICE PRINCIPLE	2
3.2	THE FAIR REMUNERATION PRINCIPLE	2
4.	CONSIDERATIONS AND RECOMMENDATIONS	3
4.1	BASIC ALLOWANCE	3
4.2	SPECIAL RESPONSIBILITY ALLOWANCES (SRAs) CO-OPTEEs' / INDEPENDENT PERSONS ALLOWANCE	7
4.3	TRAVELLING AND SUBSISTENCE ALLOWANCE	12
4.4	DEPENDANTS' CARERS' ALLOWANCE	13
4.5	PARENTAL LEAVE	13
4.6	INDEXING OF ALLOWANCES	14
4.7	REVOCATION OF CURRENT SCHEME OF ALLOWANCES / IMPLEMENTATION OF NEW SCHEME	15
5.	OUR INVESTIGATION	16
5.1	BACKGROUND	16
5.2	COUNCILLORS' VIEWS ON THE LEVEL OF ALLOWANCES	16
6.	APPROVED COUNCILLOR DUTIES	16

Appendix 1	Basic Allowance/Special Responsibility Allowances/ Co-optees' Allowance/ Chairman/Vice Chairman Allowances – Summary of Recommendations	17
Appendix 2	IRP Review of Councillor Allowances Responses to the Questionnaire 2022	
Appendix 3	Comparative data of allowances paid to councillors of the other Sussex District and Borough Councils (South East Employers, Members Allowances Survey 2022)	

1. INTRODUCTION AND BACKGROUND

- 1.1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances.
- 1.1.2 Adur District Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.
- Julia Carrette, Local Resident
 - Ray Chudley, Local Resident
 - Neal Goddard, Local resident
 - Barry Hillman, Local Resident
 - Karen Keeley, Local Resident
 - Tim Ransley, Local Resident
 - Mark Palmer, South East Employers (Chair)
- 1.1.3 Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). Those requirements are to make recommendations to the Council as to:
- (a) the amount of basic allowance to be payable to all councillors.
 - (b) the level of allowances and whether allowances should be payable for:
 - (i) special responsibility allowances.
 - (ii) travelling and subsistence allowance.
 - (iii) dependants' carers' allowance.
 - (iv) parental leave and.
 - (v) co-optees' allowance.
- and the amount of such allowances.
- (c) whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
 - (d) whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

2. CURRENT SCHEME

- 2.1.1 The last review of councillors' allowances was undertaken by the IRP for the Council in 2018.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £5,039.25 per annum. The basic allowance is indexed annually in line with staff salary increases. The last indexation was applied from April 2022. Some councillors also receive special responsibility allowances for undertaking additional duties.

- 2.1.3 Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

3. PRINCIPLES UNDERPINNING OUR REVIEW

3.1 The Public Service Principle

- 3.1.1 This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the councillors we interviewed and in the vast majority of responses to the questionnaire completed by councillors as part of our review.
- 3.1.2 To provide transparency and increase an understanding of the Panel's work, we will recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in Section 4.

3.2 The Fair Remuneration Principle

- 3.2.1 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2022 continues to subscribe to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.²

- 3.2.2 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.
- 3.2.3 Hence, we continue to acknowledge that:
- (i) allowances should apply to roles within the Council, not individual councillors.
 - (ii) allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and

¹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities and The Inland Revenue (now HM Revenue & Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

- (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.
- 3.2.4 In making our recommendations, we have therefore sought to maintain a balance between:
- (i) the voluntary quality of a councillor's role.
- (ii) the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
- (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.
- 3.2.5 The Panel also sought to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.
- 3.2.6 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor's performance in the role.

4. CONSIDERATIONS AND RECOMMENDATIONS

4.1 Basic Allowance

- 4.1.1 A Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, "Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours councillors ought to be remunerated."³
- 4.1.2 In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.
- 4.1.3 We recognise that councillors are responsible to their electorate as:
- Representatives of a particular ward.
 - Community leaders.
 - Decision makers for the whole Council area.
 - Policy makers for future activities of the Council.
 - Scrutineers and auditors of the work of the Council; and
 - Other matters required by Government.

³ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities, and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67.

⁴ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81.

- 4.1.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



- 4.1.5 Each of the variables is explained below.

Required Time Input

- 4.1.6 We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant information. In addition, we considered further information about the number, range, and frequency of committee meetings.⁵
- 4.1.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 10.5 hours per week.

Public Service Discount (PSD)

- 4.1.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 45 per cent to the calculation of the basic allowance. This percentage sits within the higher-range of PSDs applied to basic allowances by councils.

Remuneration Rate

- 4.1.9 After establishing the expected time input to be remunerated, we considered a remuneration rate. We came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.
- 4.1.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for

⁴⁵ The summary responses to the questionnaires are attached as Appendix 2.

National Statistics. We selected the average (median), full-time gross⁶ wage per hour by place of residence for the South East of England £17.58⁷ per hour.

Calculating the basic allowance

- 4.1.11 After determining the amount of time required each week to fulfil the role (11 hours), the level of PSD to be applied (45%) and the hourly rate to be used (£17.58), we calculated the basic allowance as follows:



- 4.1.12 The gross Basic Allowance before the PSD is applied is **£9,598.68**. Following the application of the PSD this leads to a basic allowance of **£5,279.27** per annum.
- 4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, division work and attendance on external bodies.
- 4.1.14 We did also note the levels of basic allowance currently allocated by other comparative District and Borough Councils across Sussex, (see table below and Appendix 3).

Council	Sussex, District and Borough Councils: Basic Allowances (£) 2021-2022 ⁸
Adur District Council	5,039
Arun District Council	5,730
Chichester District Council	5,200
Crawley Borough Council	6,617
Eastbourne Borough Council	2,808
Hastings Borough Council	6,429
Lewes District Council	3,196
Rother District Council	4,703
Wealden District Council	4,846
Worthing Borough Council	5,454
Average	5,002

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' allowance are taxable as employment income.

⁷ The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2022.

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2022 (October 2022).

- 4.1.15 The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors. The Panel was of the view the approach undertaken in this review of the introduction of a transparent and clear formula for calculating the Basic Allowance will assist a future Panel in recommending a Basic Allowance.

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Adur District Council be £5,279.27 per annum

4.2 Special Responsibility Allowances (SRAs)

- 4.2.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.2.2 The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive a SRA, the local electorate may rightly question the justification for this.⁹
- 4.2.3 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:
- Leader of the Council
 - Deputy Leader of the Council
 - Executive Members (8)
 - Chairman of Council
 - Vice Chairman of Council
 - Chairman of Planning
 - Vice Chairman of Planning
 - Chairman of Licensing
 - Vice Chairman of Licensing
 - Chairman of Joint Overview and Scrutiny
 - Vice Chairman of Joint Overview and Scrutiny Committee
 - Chairman of Joint Governance Committee
 - Vice Chairman of Joint Governance Committee
 - Leader of Main Opposition Group
 - Deputy Leader of the Main Opposition Group
 - Co-Opted Members

One SRA Only Rule

- 4.2.4 To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than **one SRA**. If a councillor can receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.
- 4.2.5 Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.

⁹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72.

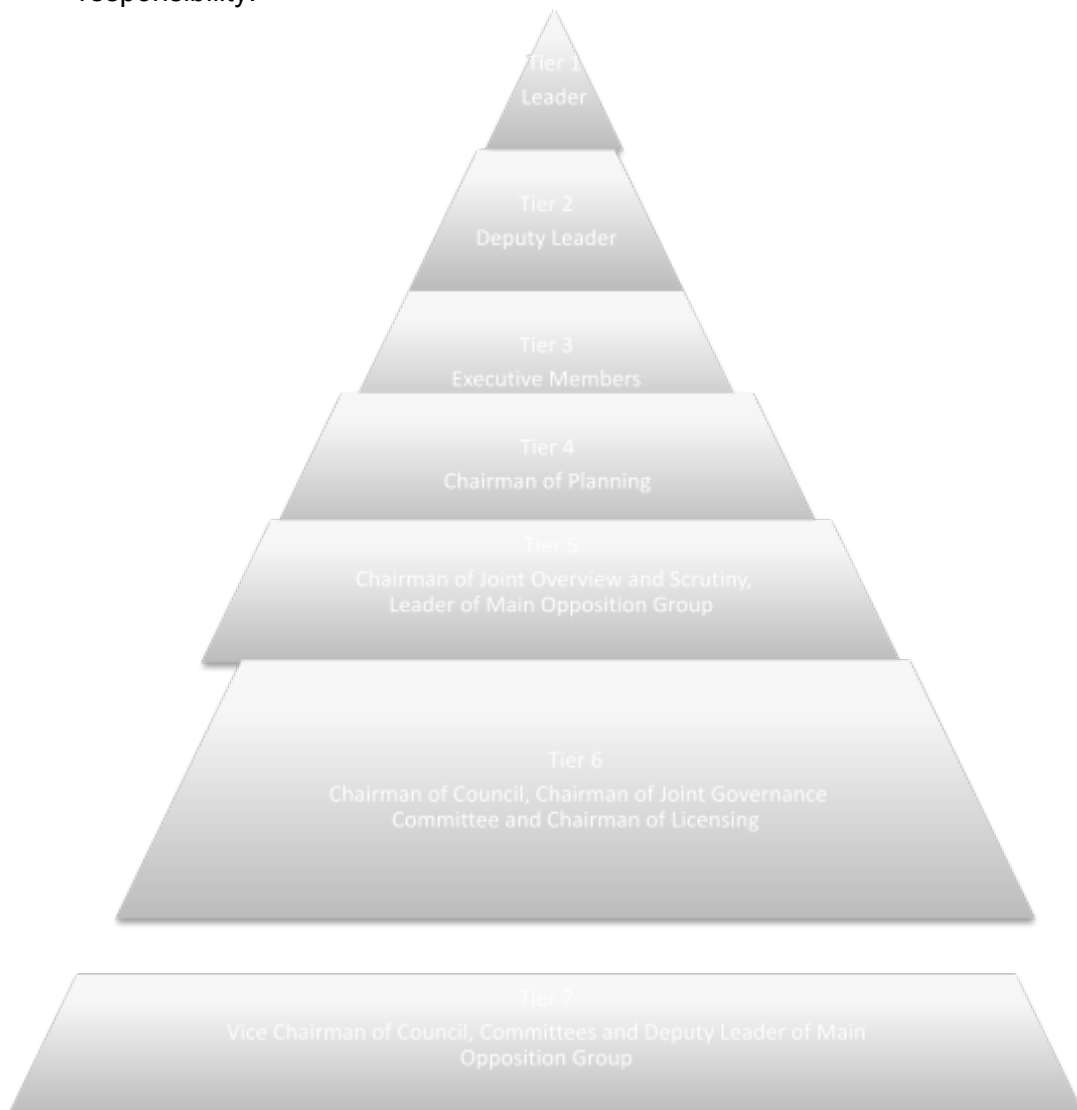
The Maximum Number of SRA's Payable

- 4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should work towards the principal that no more than 50% of Council Members (14) should receive an SRA at any one time

Calculating SRAs

- 4.2.7 The Panel supported the criteria and formula for calculating the Leader of the Council allowance based on a multiplier of the Basic Allowance; this role carries the most significant additional responsibilities and is the most time consuming.
- 4.2.8 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



The rationale for these seven tiers of responsibility is discussed below.

Leader (Tier One)

- 4.2.9 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Executive. The Leader is also responsible for the appointment (and dismissal) of members of the Executive and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 300% (3 x times) the basic allowance. If the recommended option of a basic allowance with a PSD of 45% is adopted, this results in a Leader's Allowance of £15,837.81.

WE RECOMMEND that the Leader of the Council should receive a Special Responsibility Allowance of 300% of the recommended basic allowance, £15,837.81.

Deputy Leader (Tier Two)

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered, we continue to consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 55% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £8,710.80.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 55% of the recommended Leader's Allowance, £8,710.80.

Executive Members (Tier Three)

- 4.2.12 Executive Members appointed by the Leader of the Council have significant delegated decision-making responsibilities and this responsibility has increased.
- 4.2.13 The Panel was of the view that it is important to provide the Leader with greater flexibility to appoint an Executive that is best able to respond to the current and future challenges. The panel is therefore of the view that the Special Responsibility Allowance for a Executive Member should be based on a per Member basis and move away from the current approach of a ringfenced total available to support the Executive. We therefore recommend that the allowance should be 45% of the Leader's Allowance, £7,127.01.

WE RECOMMEND that an Executive Member should receive an allowance of 45% of the recommended Leader's Allowance, £7,127.01.

Chairman of Planning (Tier Four)

- 4.2.14 The role of the Chairman of Planning is highly visible across the borough and has a considerable impact. The role of Chairman of planning is both time consuming and complex, the Panel therefore recommends that the Chairman of Planning should receive an allowance of 35% of the recommended Leader's Allowance, £5,543.23.

WE RECOMMEND that the Chairman of Planning receive a Special Responsibility Allowance of 35% of the recommended Leader's Allowance, £5,543.23.

Leader of the Main Opposition Group, Chairman of Joint Overview and Scrutiny Committee (Tier Five)

- 4.2.15 From the evidence gathered, including questionnaire responses and face to face interviews, we continue to consider the Leader of the Main Opposition Group to be a significant role and the 2003 Regulations require that the Principal Opposition Group Leader receive a Special Responsibility Allowance. The Leader of the Main Opposition Group has to both ensure democratic accountability and the holding to account of the administration but also manage and develop a Group of a significant size. The Panel is therefore of the view that the Leader of the Main Opposition Group should continue receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £3,959.45.
- 4.2.16 Overview and Scrutiny is a key role of the Council ensuring accountability and the holding to account of the decisions of Cabinet and external organisations. Overview and Scrutiny also leads on policy development and has a significant statutory role supported by legislation. The strategic co-ordination of the overview and scrutiny and their effective work programmes are key responsibilities of the Joint Overview and Scrutiny Committee Chairman. The Panel is therefore of the view that the Joint Overview and Scrutiny Committee Chairman should receive a Special Responsibility Allowance of 25% of the recommended Worthing Borough Councils Leader's Allowance, £4,148.

WE RECOMMEND that the Main Opposition Group Leader receive an allowance of 25% of the Leader's Allowance, £3,959.45. The Chairman of the Joint Overview and Scrutiny Committee should receive a Tier Five Special Responsibility Allowance of 25% of the recommended Worthing Borough Councils Leader's Allowance, £4,148.

Chairman of Council, Chairman of Licensing and Chairman of Joint Governance Committee (Tier Six)

- 4.2.17 The role of Chairman of Council continues to be a high-profile role that has a significant impact across the borough and Council meetings. The role has a high workload based on the number and frequency of civic engagements, although these are remunerated outside of this Scheme of Allowances. The Panel is of the view that the role of Chairman of Council should receive a Special Responsibility Allowance based on 20% of the Leader's Allowance, £3,167.56.

- 4.2.18 The Joint Governance Committee Chairman also continues to be a key role and the Panel therefore recommends that the Chairman of the Joint Governance Committee receive a Special Responsibility Allowance of 20% of the recommended Worthing Borough Councils Leader's Allowance, £3,318.40.
Finally, the Panel was of the view that the Chairman of the Licensing Committee should also receive a Special Responsibility Allowance of 20% of the Leader's Allowance, £3,167.56.

WE RECOMMEND that the Chairman of Council and Chairman of Joint Governance Committee receive a Tier Six Special Responsibility Allowance of 20% of the recommended Leader's Allowance, £3,318.40.

Vice Chairman of Council, Deputy Leader of the Main Opposition Group and Vice Chairman of the Committees (Tier Seven).

- 4.2.19 The role of Vice Chairman of Council continues to be a key role that supports the Chairman of Council in the chairing of Council meetings. The role also supports the Chairman with civic engagements, although these are remunerated outside of this Scheme of Allowances. The Panel is of the view that the role of Vice Chairman of Council should receive a Special Responsibility Allowance based on 25% of the Chairmans' Allowance, £829.60.
- 4.2.20 The Panel was of the view that each Vice Chairman of a Committee should receive an allowance of 25% of the Chairmans' Allowance. This will apply to the Vice Chairman of the Planning Committee, Vice Chairman of Licensing Committee, Vice Chairman of Joint Overview and Scrutiny Committee and Vice Chairman of Joint Governance Committee.
- 4.2.21 The Deputy Leader of the Main Opposition Group is a role of perceived importance and the Panel was therefore of the view that the Deputy Leader of the Opposition Group should now receive a Special Responsibility Allowance. The Panel is of the view that the Deputy Leader of the Opposition Group should receive a Tier Seven allowance, 25% of the recommended allowance for the Leader of the Main Opposition Group, £989.86.

WE RECOMMEND that the Vice Chairman of Council should receive a Tier Seven Allowance, 25% of the recommended Chairman's Allowance, £791.89.

WE RECOMMEND that the Vice Chairman of each of the Committees should receive an allowance of 25% of the respective Chairman's allowance, Vice Chairman of Planning Committee, £1,385.80, Vice Chairman of Licensing and Committee, £791.89, Vice Chairman of Joint Overview and Scrutiny Committee, £1,037 and Vice Chairman of Joint Governance Committee, £829.60

WE RECOMMEND that the Deputy Leader of the Main Opposition Group, should receive a Tier Seven Allowance, 25% of the recommended Leader of the Main Opposition Groups Allowance, £989.86.

Co-Optee's Allowance

- 4.2.22 The Council currently award a Co-Optees Allowance. The Panel therefore recommends no change to the Co-Optee allowance.
- 4.2.23 The Panel is also of the view that this allowance should also be subject to indexation at the same rate as the Basic and Special Responsibility Allowances.

WE RECOMMEND that there be no change to the Co-Optee Allowance. WE ALSO RECOMMEND that this allowance should be subject to indexation at the same rate as the Basic and Special Responsibility Allowances.

4.3 Travelling and Subsistence Allowance

- 4.3.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to Co-opted Members of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

WE RECOMMEND that travelling and subsistence allowance should be payable to councillors and co-optees in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the levels payable to council staff in line with NJC rates. We propose no changes to the current travel and subsistence allowances.

The Panel would also like to highlight that in most Councils Travel Allowances are payable in line with the HMRC regulations and rates. The Council may wish to consider this approach in the future.

4.4 Dependent Person Carer Allowance and Child Carer Allowance

- 4.4.1 The dependent's carers' allowance should ensure that potential candidates are not deterred from standing for election to council and should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement for Child Care at the rate of £10.25 per hour and more specialist care to a maximum rate of £15.00 per hour when undertaking Approved Councillor duties.
- 4.4.2 The Panel is of the view that the Dependent Persons Carer Allowance and Child Carer Allowance should both be reimbursed based on the actual cost of the care. The Panel was conscious that the cost of both childcare and more specialist care had increased and the current rates would in effect leave those claiming the allowance 'out of pocket'.
- 4.4.3 The Panel is therefore of the view that the cost of both childcare and more specialist care should be reimbursed at the actual cost incurred by the councillor upon production of receipts. In respect of specialist care provision medical evidence that this type of care provision is required should also be provided and approved by an appropriate officer of the Council.

WE THEREFORE RECOMMEND that the Dependent Persons Carer Allowance and both Child Carer Allowance should be based at cost upon production of receipts. In the case of specialist care a requirement of medical evidence that

this type of care be required, the allowance should have no daily or monthly maximum claim when undertaking Approved Councillor Duties.

WE ALSO RECOMMEND that the Council should actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting a greater diversity of councillor representation.

4.5 Parental Leave

- 4.5.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a *'lack of maternity, paternity provision or support' is a real barrier for women aged 18-44 to fulfil their role as a councillor.*
- 4.5.2 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure. The Panel is aware that the Local Government Association (Labour Group) has developed a model policy that has been adopted by a growing number of councils across the southeast region.
- 4.5.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:
- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence
 - Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
 - Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972
 - If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.
 - If a Councillor stands down, or an election is held during the period when a Councillor is absent due to any of the above and the Councillor is not re-elected or decides not to stand down for re-election, their Basic Allowance and any Special Responsibility Allowance will cease from the date they leave office.
- 4.5.4 The Panel is conscious that these provisions do not replicate the LGA policy, but that a policy introduces elements that are more akin to

employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can expect. Councillors however may wish to further develop the above recommendations so that they reflect the LGA (Labour Group) policy.

WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for councillors. Should a policy on Parental Leave for Councillors be approved it should be actively promoted to prospective and current Councillors alongside the Dependent Person Carer Allowance and Child Carer Allowance. This should form part of a wider ‘Be A Councillor’ (LGA led initiative) programme led by the Council and supported by political groups; to enhance and further increase the diversity of councillor representation.

4.6 Indexing of Allowances

- 4.6.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the indexation of the basic allowance, the special responsibility allowances and Co-optee(s) allowance to be adjusted annually. The allowances were last indexed from April 2022.

WE THEREFORE RECOMMEND that an annual indexation of the basic allowance, each of the SRAs and the Co-optee(s) Allowance should continue on an annual basis. The allowances should be increased annually in line with the percentage increase in staff salaries from April 2023 for a period of up to four years. After this period, the Scheme shall be reviewed again by an independent remuneration panel.

4.7 Revocation of current Scheme of Allowances / Implementation of the new Scheme

- 4.7.1 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2023-24 municipal year, at which time the current scheme of allowances will be revoked.

5. OUR INVESTIGATION

5.1 Background

- 5.1.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 18 of the 29 current councillors (62% response). The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed seven current councillors using a structured questioning process. We are grateful to all our interviewees for their assistance.

5.2 Councillors' views on the level of allowances

- 5.2.1 A summary of the councillors' responses to the questionnaire are attached as Appendix 2.

6. APPROVED COUNCILLOR DUTIES

- 6.1.1 The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

WE THEREFORE RECOMMEND: That no changes are made to the Approved Councillor Duties as outlined in the Members' Allowance Scheme.

**Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
December 2022**

Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2022-23	Number	Recommended Allowance (45% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£5,039.25	29	£5,279.27	

Special Responsibility:				
Leader of the Council	£15,117.78	1	£15,837.81	300% of BA
Deputy Leader	£7,558.90	1	£8,710.80	55% of Leader's Allowance
Executive Member	£6,299.09	8	£7,127.01	45% of Leader's Allowance
Chairman of the Council	£2,519.62	1	£3,167.56	20% of Leader's Allowance
Leader of Main Opposition Group	£2,519.01	1	£3,959.45	25% of Leader's Allowance
Chairman of Planning	£5,039.25	1	£5,543.23	35% of Leader's Allowance
Licensing Committee Chairman	£3,779.44	1	£3,167.56	20% of Leader's Allowance
Chairman Joint Overview and Scrutiny Committee	£4,090.45	1	£4,148.00	25% of Worthing Brough Council Leader's Allowance
Chairman Joint Governance Committee	£2,727.01	1	£3,318.40	20% of Worthing Borough Councils Leader's Allowance
Vice Chairman of Council	£1,259.81	1	£791.89	25% of Chairman's Allowance
Deputy Leader of Main Opposition Group	No SRA	1	£989.86	25% of Leader of the Main Opposition Groups Allowance
Vice Chairman Planning Committee	£1,259.81	1	£1,385.80	25% of Chairman's Allowance
Vice Chairman Licensing Committee	£1,259.81	1	£791.89	25% of Chairman's Allowance
Vice Chairman of Joint Overview and Scrutiny Committee	£1,259.81	1	£1,037.00	25% of Chairman's Allowance
Vice Chairman of Joint Governance Committee	£1,259.81	1	£829.60	25% of Chairman's Allowance

Co-Opted Member	£100 per meeting Chairman and £75 per meeting Panel Member		No Change	
-----------------	--	--	-----------	--

This page is intentionally left blank

Q1 In a typical week how many hours do you spend on Council business?

Answered: 18 Skipped: 0

#	RESPONSES	DATE
1	16	12/2/2022 12:29 PM
2	15-20hrs pw emails, visits, street surgery, follow up calls, training, reading papers, attending meetings on line or in person, meeting fellow councillors to prepare for meetings, travel time to and from meetings.	11/29/2022 1:38 PM
3	20	11/28/2022 6:54 PM
4	29	11/28/2022 3:24 PM
5	25	11/28/2022 10:57 AM
6	20 hrs +	11/28/2022 2:38 AM
7	10 - 15	11/25/2022 2:49 PM
8	25	11/24/2022 11:57 AM
9	30+	11/24/2022 7:22 AM
10	12	11/22/2022 4:18 PM
11	25	11/22/2022 12:33 AM
12	30	11/21/2022 7:09 PM
13	14	11/21/2022 4:20 PM
14	3/4	11/21/2022 1:41 PM
15	six-then phone calls from locals needing help with something	11/21/2022 1:12 PM
16	10	11/21/2022 11:36 AM
17	3-4	11/21/2022 11:26 AM
18	20	11/21/2022 11:20 AM

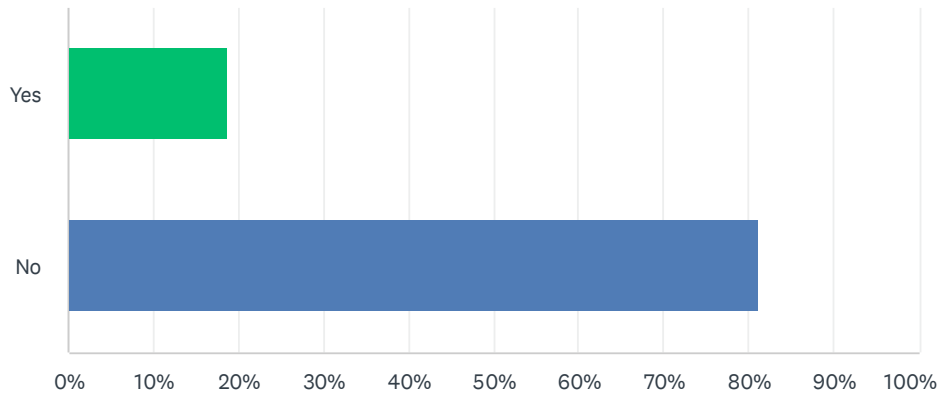
Q2 If you hold a role(s) within the Council i.e. Portfolio Holder, Chair etc., how many hours do you spend in a typical week on Council business relevant to the role(s). [Please provide details separately for each role if more than one additional role is held.] Please specify specific roles below and hours spent on each role:

Answered: 9 Skipped: 9

#	RESPONSES	DATE
1	Customer Services portfolio 2 hours Licensing up to 1 hour sub on planning 1 hour Observaton and scrutiny 1 hour	12/2/2022 12:29 PM
2	Chair LPC Finance & General Purposes Committee 5 hours	11/28/2022 3:24 PM
3	8hrs +	11/28/2022 2:38 AM
4	10	11/24/2022 11:57 AM
5	Leader of Council. The roles tend to merge.	11/24/2022 7:22 AM
6	Whip: 5 hours	11/21/2022 7:09 PM
7	Vice Chair Licencing committee - only if chair needs help with anything	11/21/2022 1:12 PM
8	15-20	11/21/2022 11:26 AM
9	Cabinet member 15	11/21/2022 11:20 AM

Q3 Do you incur any significant costs which you believe are not covered by your present allowance?

Answered: 16 Skipped: 2



ANSWER CHOICES	RESPONSES
Yes	18.75% 3
No	81.25% 13
TOTAL	16

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	Loss of income. I reduced my working hours by 1 day per week to facilitate my role as councillor. This has cost approx £8000 in pre-tax lost income. It would not be possible for me to be an effective cllr and work full time due to other time constraints.	11/29/2022 1:38 PM
2	n/a	11/28/2022 3:24 PM
3	No, but I have pressures balancing with my full time work	11/25/2022 2:49 PM
4	My time - it means I cannot work because I am limited to the hours I can manage due to disability - so I cannot earn money - which leaves my family in hardship.	11/24/2022 11:57 AM
5	I never claim expenses	11/22/2022 12:33 AM
6	loss of freelance salary, as I turn down work to do my cllr work	11/21/2022 4:20 PM

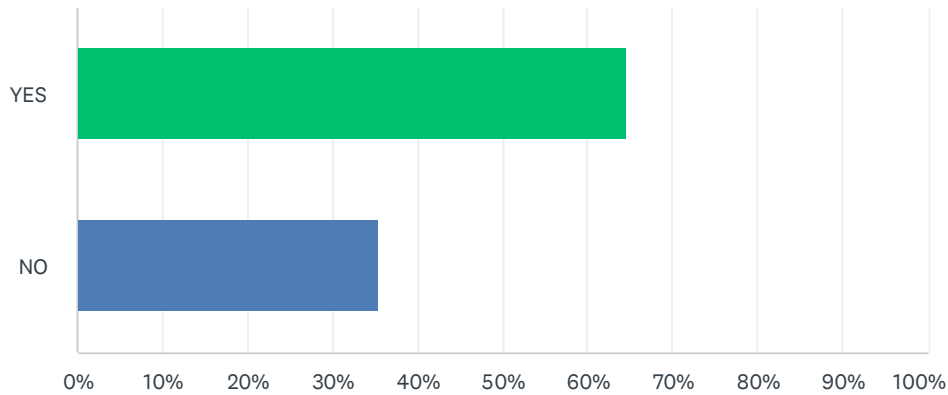
Q4 Government guidance states that “it is important that some element of the work of Councillors continues to be voluntary”. As part of their deliberations, Independent Remuneration Panels will assess what Public Service Discount should apply to the basic allowance - that is the percentage of their time Councillors expect to give without any financial remuneration. Accordingly, what do you feel is an acceptable amount of time to be given, unremunerated, if any, expressed as a percentage?

Answered: 17 Skipped: 1

#	RESPONSES	DATE
1	40%	12/2/2022 12:29 PM
2	If the voluntary aspect of being a councillor was equated with an interest or hobby it would be reasonable to allocate 5-6 hours of voluntary time per week for a full time working person. So that's about 25-33% of my weekly hours for a non cabinet member and maybe only 20% for a cabinet member. But CM has a higher SRA so area lradly compensated for the additional work to some extent	11/29/2022 1:38 PM
3	50%	11/28/2022 6:54 PM
4	I am not sure but I do not claim for incidental expenses and happy to do unpaid work and happy that an amount is decided as a remuneration for work as a Council Member	11/28/2022 3:24 PM
5	10	11/28/2022 10:57 AM
6	20%	11/28/2022 2:38 AM
7	I don't support this premise, but if I was asked to provide a percentage it would be 10%	11/25/2022 2:49 PM
8	I expect to give 5/6 hours a week with no pay. This could be reasonably accommodated on top of family life and earning. Beyond this I am eating into time I could be earning money to survive. This is especially brutal in the current circumstances.	11/24/2022 11:57 AM
9	5%	11/24/2022 7:22 AM
10	25%	11/22/2022 4:18 PM
11	40%	11/22/2022 12:33 AM
12	Don't expected to be remunerated for any time given	11/21/2022 7:09 PM
13	5 years ago I would have said 10-15% now I would suggest very little as workload is so extensive and stressful, so I would say 2%	11/21/2022 4:20 PM
14	505	11/21/2022 1:12 PM
15	90%	11/21/2022 11:36 AM
16	50%	11/21/2022 11:26 AM
17	Yes	11/21/2022 11:20 AM

Q5 The present level of Basic Allowance payable to all Councillors is £4,762. Do you think this is appropriate?

Answered: 17 Skipped: 1



ANSWER CHOICES	RESPONSES	
YES	64.71%	11
NO	35.29%	6
TOTAL		17

#	IF NO, SHOULD IT BE LOWER OR HIGHER? PLEASE GIVE A REASON FOR YOUR ANSWER:	DATE
1	Higher Much of a councillor's work takes a toll on physical and mental resources. Quite a few hours are spent on training. There are many aspects to the work wieth unpredictable situations arising frequently.	12/2/2022 12:33 PM
2	For me the allowance is sufficient. However, for low waged working councillors they are having to sacrifice potential earnings to become cllrs adn this level of remuneration is not sufficient. The danger of keeping a low allowance is that it disincentivises people on lower incomes from consideration of becoming a cllr. I believe a sliding scale of allowance, based on household need, would enable us to keep costs as low as possible whilst supporting poorer people to stand for office and to become cllrs.	11/29/2022 1:38 PM
3	Higher to enable younger people in employment to be able to bring their expertise and experience to the Councillor	11/25/2022 2:55 PM
4	It should be comparable with other local authorities.	11/24/2022 12:03 PM
5	Should be the same as Worthing,	11/24/2022 7:23 AM

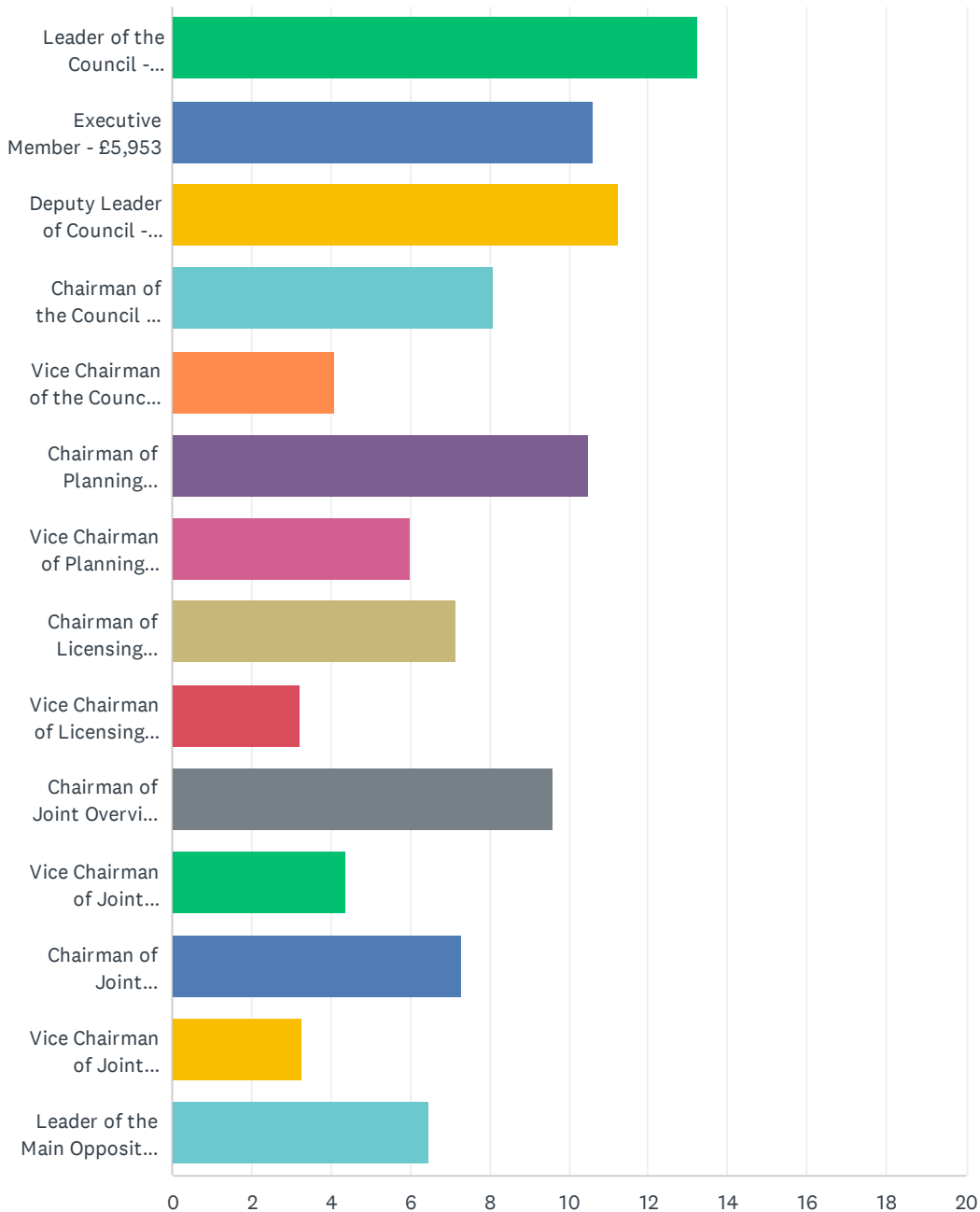
Q6 If you are able to, please indicate an appropriate level £:

Answered: 5 Skipped: 13

#	RESPONSES	DATE
1	£5,500	12/2/2022 12:33 PM
2	20 hrs pw x living wage should be the maximum, annually adjusted. with provision for weeks when no cl business occurs. There should be a minimum allowance which councillors who are retired or have private income could claim . This would literally cover wifi, printing and postage as a token goodwill gesture. Could be the same as (or even lower than) the current allowance or by agreement.	11/29/2022 1:38 PM
3	10.000 This would allow someone on average income in the south east (40,000) to devote one quarter of their time w/o loss of income	11/25/2022 2:55 PM
4	Basic allowance should cover basic hours done in casework, work with officers and in Full Council for all Cllrs. Further costs should be paid to cover additional commitments - so for every Committee and sub committee there should be an allowance. Other Councils do this and it is a fairer way forward. See B&H Council for example. These should reflect time given in preparation, getting to the meeting and time in the meeting. A commentary should be given on the public record of allowances showing responsibilities for transparency.	11/24/2022 12:03 PM
5	N/A	11/21/2022 7:10 PM

Q7 Special Responsibility Allowances (SRAs) are currently paid as follows: [To assist the Panel to produce a more consistent group of allowances, please can you score each role / position in respect of importance and impact, with 1 being the most important.

Answered: 11 Skipped: 7



Independent Remuneration Panel Members' Allowances Questionnaire 2022 - Adur District Council

	1	2	3	4	5	6	7	8	9	10	11
Leader of the Council - £14,286	81.82% 9	9.09% 1	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	9.09% 1	0.00% 0	0.00% 0	0.00% 0
Executive Member - £5,953	0.00% 0	10.00% 1	50.00% 5	0.00% 0	10.00% 1	10.00% 1	10.00% 1	0.00% 0	10.00% 1	0.00% 0	0.00% 0
Deputy Leader of Council - £7,143	9.09% 1	45.45% 5	9.09% 1	0.00% 0	18.18% 2	0.00% 0	9.09% 1	0.00% 0	0.00% 0	9.09% 1	0.00% 0
Chairman of the Council - £2,381	0.00% 0	9.09% 1	18.18% 2	9.09% 1	0.00% 0	9.09% 1	0.00% 0	18.18% 2	18.18% 2	0.00% 0	9.09% 1
Vice Chairman of the Council- £1,191	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10.00% 1	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10.00% 1
Chairman of Planning Committee - £ 4,762	10.00% 1	10.00% 1	10.00% 1	20.00% 2	10.00% 1	20.00% 2	20.00% 2	0.00% 0	0.00% 0	0.00% 0	0.00% 0
Vice Chairman of Planning Committee - £1,191	0.00% 0	10.00% 1	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10.00% 1	0.00% 0	0.00% 0	30.00% 3	30.00% 3
Chairman of Licensing Committee- £3,572	0.00% 0	9.09% 1	0.00% 0	0.00% 0	9.09% 1	0.00% 0	18.18% 2	18.18% 2	36.36% 4	0.00% 0	0.00% 0
Vice Chairman of Licensing Committee - £1,191	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11.11% 1	0.00% 0	11.11% 1	22.22% 2
Chairman of Joint Overview and Scrutiny Committee- £3,865	0.00% 0	0.00% 0	20.00% 2	10.00% 1	30.00% 3	20.00% 2	10.00% 1	0.00% 0	0.00% 0	10.00% 1	0.00% 0
Vice Chairman of Joint Overview and Scrutiny Committee- £1,191	0.00% 0	0.00% 0	0.00% 0	10.00% 1	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10.00% 1	30.00% 3
Chairman of Joint Governance & Audit Committee- £2,577	0.00% 0	0.00% 0	0.00% 0	10.00% 1	10.00% 1	10.00% 1	20.00% 2	30.00% 3	0.00% 0	0.00% 0	0.00% 0
Vice Chairman of Joint	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	10.00% 1	0.00% 0	0.00% 0	0.00% 0	20.00% 2	0.00% 0

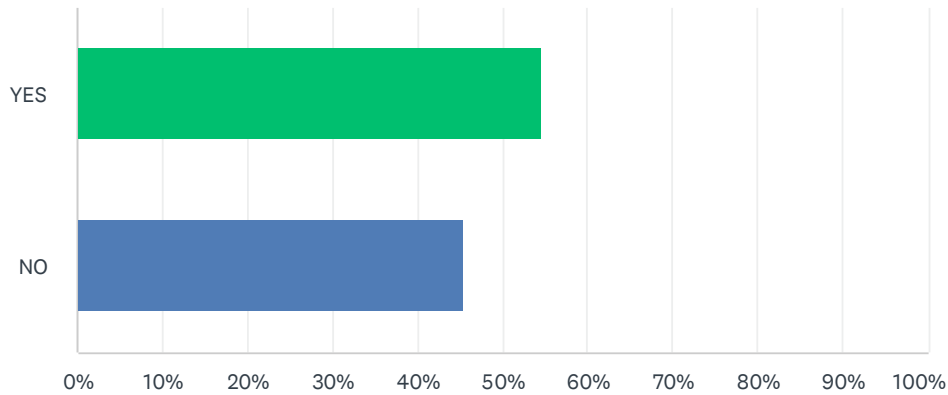
Independent Remuneration Panel Members' Allowances Questionnaire 2022 - Adur District Council

Governance & Audit Committee - £1,191

Leader of the Main Opposition Group- £2,381	0.00% 0	0.00% 0	0.00% 0	30.00% 3	10.00% 1	0.00% 0	0.00% 0	10.00% 1	20.00% 2	0.00% 0	0.00% 0
---	------------	------------	------------	-------------	-------------	------------	------------	-------------	-------------	------------	------------

Q8 Would you like to see any of these changes made to these allowances?

Answered: 11 Skipped: 7

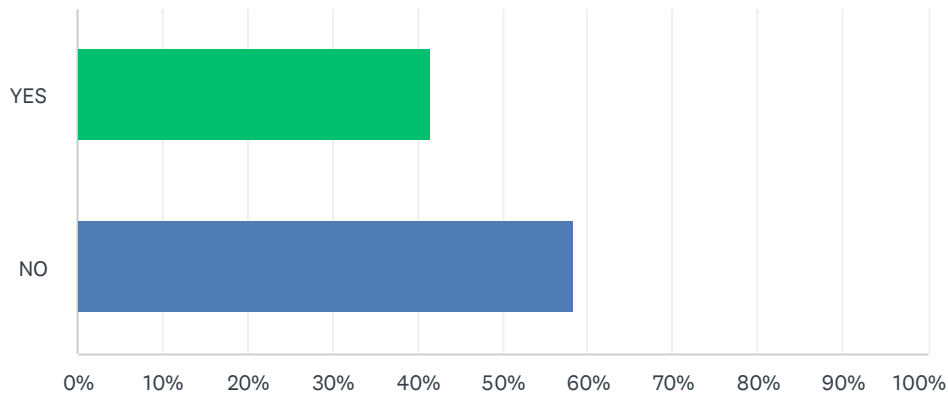


ANSWER CHOICES	RESPONSES	
YES	54.55%	6
NO	45.45%	5
TOTAL		11

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	For example The Licensing ctte in Adur has much less work than the LC in Worthing. This should be reflected in the allowance.	11/29/2022 1:38 PM
2	Equality amongst the chairs. Allowances for leaders of other political groups	11/25/2022 2:59 PM
3	Governance has responsibility for scrutinising audits etc and finances which feels more pertinent than for example licensing.	11/24/2022 12:15 PM
4	How it works now with the multiple is great	11/24/2022 7:30 AM
5	Vice chairs allowances are too high	11/22/2022 4:23 PM
6	planning the most important in Adur	11/21/2022 7:22 PM
7	More for the leader of the opposition, the leader of the opposition is called upon for media, has to create alternative or amended budgets, attend most meetings they aren't a committee member for etc	11/21/2022 4:25 PM

Q9 Would you like to see any new SRAs introduced?

Answered: 12 Skipped: 6

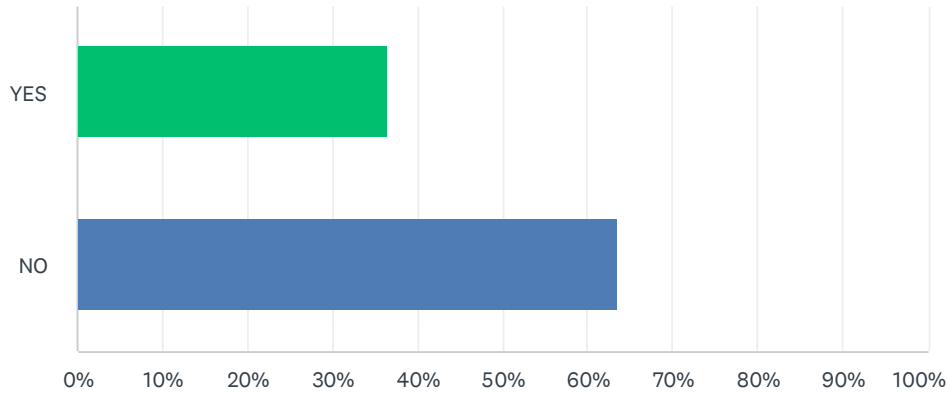


ANSWER CHOICES	RESPONSES
YES	41.67% 5
NO	58.33% 7
TOTAL	12

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	There could be a small additional SRA for the leaders of each political group which is not Leader or Opposition in each council to reflect liaison role and cross party working requirements.	11/29/2022 1:38 PM
2	see above	11/25/2022 2:59 PM
3	ought to have a Deputy Leader of Opposition at equivalent to VC of Council. Need to have allowances for Cllrs for each committee they are in, even if only nominal (but it ought to be more than this). See previous notes.	11/24/2022 12:15 PM
4	Deputy leader of the main opposition	11/22/2022 4:23 PM
5	additional deputy leader of opposition, I stand in for the leader, often attending meetings I am not a committee member for and do almost as much work, take on mentoring and training duties for the group	11/21/2022 4:25 PM

Q10 Dependent Carer Allowance - Childcare up to £10.25 per hour. Dependent Persons Carer Allowance up to £15 per hour. Do you think these rates should be increased?

Answered: 11 Skipped: 7

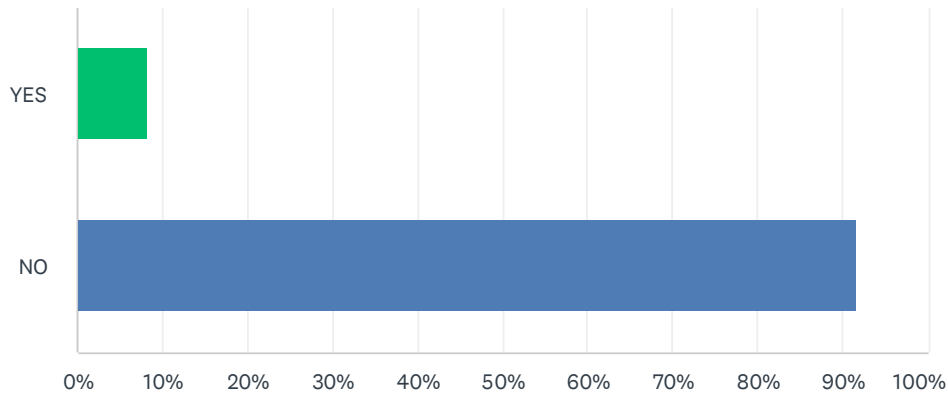


ANSWER CHOICES	RESPONSES	
YES	36.36%	4
NO	63.64%	7
TOTAL		11

#	IF YES, PLEASE INDICATE RATE AND SEASON:	DATE
1	It would be best to seek examples from people who use these allowances to see whether the current rates are adequate.	11/29/2022 1:39 PM
2	Out of date	11/28/2022 2:46 AM
3	There should be generous support for those with caring responsibilities to be councillors	11/25/2022 3:00 PM
4	They need to cover costs and be available to people who use family / friends as carers.	11/24/2022 12:16 PM

Q11 The current scheme of travel allowances are linked to the NJC rate. Do you have any comments on the current scheme for Councillors?

Answered: 12 Skipped: 6



ANSWER CHOICES	RESPONSES
YES	8.33% 1
NO	91.67% 11
TOTAL	12

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	I am unaware of the travel allowances and have never claimed them so cannot comment.	11/29/2022 1:39 PM
2	I don't use them. It should just be an allowance rolled in for each committee people attend.	11/24/2022 12:19 PM
3	Going out of County should be authorised	11/24/2022 7:32 AM
4	no	11/21/2022 1:26 PM

Q12 Would you support the introduction of a Parental Leave Policy for Councillors?:

Answered: 13 Skipped: 5

#	RESPONSES	DATE
1	Yes	12/2/2022 12:44 PM
2	I would need more information on this . So I am in favour of examining the issue	11/29/2022 1:39 PM
3	yes	11/28/2022 10:59 AM
4	No	11/28/2022 2:47 AM
5	Yes, strongly	11/25/2022 3:02 PM
6	Yes of course.	11/24/2022 12:19 PM
7	No	11/24/2022 7:32 AM
8	yes	11/22/2022 4:24 PM
9	Yes	11/22/2022 12:35 AM
10	yes	11/21/2022 7:22 PM
11	Yes, in fact I have suggested one at Adur District Council	11/21/2022 4:32 PM
12	no	11/21/2022 1:26 PM
13	No	11/21/2022 11:28 AM

Q13 Do You have any other views on the Members Allowance Scheme?:

Answered: 11 Skipped: 7

#	RESPONSES	DATE
1	No	12/2/2022 12:44 PM
2	no	11/28/2022 3:27 PM
3	no	11/28/2022 10:59 AM
4	No	11/28/2022 2:47 AM
5	If you look at the current demographic of councillors, we need to be a more diverse and representative group. This means allowing people with families and other employment to be able to perform their duties to the maximum without financial hardship.	11/25/2022 3:02 PM
6	We don't get any leave / holiday. I am actively in poverty due to my Councillor commitments as a disabled member. We have nothing to support people from a wider socio-economic demographic, notably anyone subject to benefits or on a low income. Being a Councillor remains the preserve of people retired on a good income or otherwise cushioned. How can we change this? Are we taking this seriously? I have made suggestions.	11/24/2022 12:19 PM
7	I think linking it to staff increase take the silly politics out of it	11/24/2022 7:32 AM
8	No	11/22/2022 12:35 AM
9	no	11/21/2022 7:22 PM
10	no	11/21/2022 1:26 PM
11	I think on the whole that it is pretty fair, most people who become a councillor don't do it for the money. Having said that I think a lot is expected of Cabinet Members and perhaps that isn't widely recognised.	11/21/2022 11:28 AM

This page is intentionally left blank

This page is intentionally left blank



Previous years' data - did not submit 2022 return

				MINIMUM	£2,808.00	£0.00		
				MAXIMUM	£6,617.00	£447,833.00		
				AVERAGE	£5,009.66	£286,151.25		
Council name	Type of council	County area	Population	Basic Allowance for 2021/2022	Overall budget for Member Allowances	Total number of councillors	Percentage of Public Service Discount*, if applicable (%)	
Adur District Council	District	West Sussex	64000	£4,762.00	£221,000.00	29	0.00%	
Arun District Council	District	West Sussex	164800	£5,730.28	£430,340.00	54	30.00%	
Chichester District Council	District	West Sussex	118000	£5,200.00	£296,806.00	36	0	
Crawley Borough Council	District	West Sussex	118500	£6,617.00	£330,000.00	36	N/A	
Eastbourne Borough Council	District	East Sussex	107000	£2,808.00	£133,731.00	27	No percentage agree but scheme states that basic allowance reflects an element of voluntary public service.	
Hastings Borough Council	District	East Sussex	95000	£6,429.00	£200,000.00	32	n/a	
Horsham District Council	District	West Sussex	145474	£5,470.50	£353,000.00	48	N/A (nb we hold to the principle but not attempted to quantify)	
Lewes District Council	District	East Sussex	102744	£3,196.00	£223,000.00	41	Not specified	
Mid Sussex District Council	District	West Sussex	150,000 approx.	£5,200.00	£447,833.00	54	N/A	
Rother District Council	District	East Sussex	96716	£4,703.00	£228,470.00	38	0	
Wealden District Council	District	East Sussex	160600	£4,846.20	£294,275.00	45	N/A	
Worthing Borough Council	District	West Sussex	110000	£5,153.93	£275,360.00	37	0%	



Previous years' data - did not submit 2022 return

MINIMUM MAXIMUM AVERAGE			
Council name	Type of council	County area	Comments on Basic Allowance
Adur District Council	District	West Sussex	Tied to NJC
Arun District Council	District	West Sussex	This is linked to staff pay awards and so any increase in BA mirrors the % increase in staff pay
Chichester District Council	District	West Sussex	N/A
Crawley Borough Council	District	West Sussex	Frozen for 2021/22 and 2022/23.
Eastbourne Borough Council	District	East Sussex	
Hastings Borough Council	District	East Sussex	n/a
Horsham District Council	District	West Sussex	The Allowance was increased by 5% in April 2021 as part of the recommendations from the Independent Review Panel, but application was deferred until this April. Initial responses suggest that it is not felt appropriate in the current climate to consider an increase for next year.
Lewes District Council	District	East Sussex	
Mid Sussex District Council	District	West Sussex	This has increased by 2% per year for the past 4 years.
Rother District Council	District	East Sussex	A formula has not been used in the past to calculate basic allowance. We will be conducting a review later this year and will hopefully use a more structured approach - thanks to the training I attended delivered by SEE.
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	Multiples of the basic allowance



Previous years' data - did not submit 2022 return

				MINIMUM	£4,212.00	£0.00
				MAXIMUM	£20,800.00	£11,000.00
				AVERAGE	£13,587.59	£5,998.73
Council name	Type of council	County area	Population	Leader	Deputy Leader	
Adur District Council	District	West Sussex	64000	£14,040.60	£7,020.36	
Arun District Council	District	West Sussex	164800	£5,978.00	£2,116.00	
Chichester District Council	District	West Sussex	118000	£15,500.00	£8,150.00	
Crawley Borough Council	District	West Sussex	118,500	£15,885.00	N/A	
Eastbourne Borough Council	District	East Sussex	107000	£4,212.00	£2,808.00	
Hastings Borough Council	District	East Sussex	95,000	£12,861.00	£8,364.00	
Horsham District Council	District	West Sussex	145,474 (2021)	£15,587.00	£8,925.00	
Lewes District Council	District	East Sussex	102744	£14,821.00	£0.00	
Mid Sussex District Council	District	West Sussex	150,000 approx	£20,800.00	£11,000.00	
Rother District Council	District	East Sussex	96716	£13,735.00	£3,873.00	
Wealden District Council	District	East Sussex	160,600	£14,169.60	N/A	
Worthing Borough Council	District	West Sussex	110,000	£15,461.92	£7,730.95	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£644.50	£0.00	£0.00
			MAXIMUM	£8,500.00	£8,500.00	£4,800.00
			AVERAGE	£5,649.88	£3,171.29	£2,979.40
Council name	Type of council	County area	Cabinet Member / Portfolio Holder	Cabinet Member / Non Portfolio Holder	Chair Audit Committee	
Adur District Council	District	West Sussex	£5,850.24	£0.00	£2,340.00	
Arun District Council	District	West Sussex	N/A	N/A	£3,920.00	
Chichester District Council	District	West Sussex	£7,400.00	£7,400.00	£4,800.00	
Crawley Borough Council	District	West Sussex	£7,942.00	N/A	£2,649.00	
Eastbourne Borough Council	District	East Sussex	£2,808.00	£0.00	£0.00	
Hastings Borough Council	District	East Sussex	£6,945.00	£3,335.00	£3,216.00	
Horsham District Council	District	West Sussex	£7,285.00	N/A	£2,535.00	
Lewes District Council	District	East Sussex	£5,928.00	£2,964.00	£4,446.00	
Mid Sussex District Council	District	West Sussex	£8,500.00	£8,500.00	£3,120.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	£2,186.00	
Wealden District Council	District	East Sussex	£5,857.92	N/A	£3,963.72	
Worthing Borough Council	District	West Sussex	£644.50	£0.00	£2,577.03	



Previous years' data - did not submit 2022 return

			MINIMUM	£60.00	£0.00	£0.00
			MAXIMUM	£5,453.00	£1,288.45	£261.00
			AVERAGE	£2,585.05	£317.81	£61.68
Council name	Type of council	County area	Licensing Committee Chair	Deputy Chair Licensing Committee	Members of Licensing Committee	
Adur District Council	District	West Sussex	£3,510.00	£0.00	£0.00	
Arun District Council	District	West Sussex	£4,181.00	£1,254.00	£261.00	
Chichester District Council	District	West Sussex	£4,300.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£5,453.00	£0.00	£0.00	
Eastbourne Borough Council	District	East Sussex	£1,404.00	£0.00	£62.00	
Hastings Borough Council	District	East Sussex	£1,047.00	£0.00	£108.77	
Horsham District Council	District	West Sussex	£2,535.00	N/A	N/A	
Lewes District Council	District	East Sussex	£60.00	£0.00	£0.00	
Mid Sussex District Council	District	West Sussex	£1,040.00	£0.00	£0.00	
Rother District Council	District	East Sussex	£2,186.00	N/A	N/A	
Wealden District Council	District	East Sussex	£1,439.16	N/A	N/A	
Worthing Borough Council	District	West Sussex	£3,865.48	£1,288.45	0-	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£2,106.00	£0.00	£0.00
			MAXIMUM	£6,617.00	£2,070.00	£1,404.00
			AVERAGE	£4,786.68	£1,112.85	£471.00
Council name	Type of council	County area	Planning Committee Chair	Deputy Chair Planning Committee	Members of Planning Committee	
Adur District Council	District	West Sussex	£4,680.24	£1,170.00	£0.00	
Arun District Council	District	West Sussex	£6,272.00	£2,070.00	£784.00	
Chichester District Council	District	West Sussex	£6,350.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£6,617.00	£0.00	£0.00	
Eastbourne Borough Council	District	East Sussex	£2,106.00	£0.00	£1,404.00	
Hastings Borough Council	District	East Sussex	£3,861.00	£1,413.00	£1,047.00	
Horsham District Council	District	West Sussex	£4,000.00	£1,345.00	N/A	
Lewes District Council	District	East Sussex	£4,446.00	£741.00	£533.00	
Mid Sussex District Council	District	West Sussex	£6,500.00	£1,625.00	£0.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	N/A	
Wealden District Council	District	East Sussex	£4,464.96	£1,476.00	N/A	
Worthing Borough Council	District	West Sussex	£5,154.93	£1,288.45	£0.00	



Previous years' data - did not submit 2022 return

			MINIMUM	£1,404.00	£0.00	£0.00
			MAXIMUM	£7,106.00	£1,775.00	£0.00
			AVERAGE	£4,011.85	£737.93	£0.00
Council name	Type of council	County area	Overview and Scrutiny Committee Chair	Deputy Chair Overview and Scrutiny Committee	Overview and Scrutiny Co-optee	
Adur District Council	District	West Sussex	£3,510.12	£1,170.00	£0.00	
Arun District Council	District	West Sussex	N/A	N/A	N/A	
Chichester District Council	District	West Sussex	£5,050.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£7,106.00	£0.00	N/A	
Eastbourne Borough Council	District	East Sussex	£1,404.00	£0.00	£0.00	
Hastings Borough Council	District	East Sussex	£3,216.00	£630.00	£0.00	
Horsham District Council	District	West Sussex	£5,310.00	£1,775.00	N/A	
Lewes District Council	District	East Sussex	£3,557.00	£0.00	£0.00	
Mid Sussex District Council	District	West Sussex	£4,160.00	£1,040.00	£0.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	N/A	
Wealden District Council	District	East Sussex	£3,963.72	N/A	N/A	
Worthing Borough Council	District	West Sussex	£3,865.48	£1,288.45	£0.00	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£0.00	£2,224.00	£0.00
			MAXIMUM	£1,112.00	£8,698.00	£2,869.00
			AVERAGE	£185.33	£4,903.88	£1,519.58
Council name	Type of council	County area	Working/Joint Committee	Chair/Civic Mayor	Deputy Chair/Civic Mayor	
Adur District Council	District	West Sussex	£0.00	£2,340.00	£1,170.00	
Arun District Council	District	West Sussex	N/A	£8,698.00	£2,869.00	
Chichester District Council	District	West Sussex	n/a	£5,000.00	n/a	
Crawley Borough Council	District	West Sussex	N/A	£6,361.00	£954.00	
Eastbourne Borough Council	District	East Sussex	£0.00	£2,808.00	£1,404.00	
Hastings Borough Council	District	East Sussex	£0.00	£6,840.00	£2,235.00	
Horsham District Council	District	West Sussex	N/A	£5,310.00	£1,780.00	
Lewes District Council	District	East Sussex	£1,112.00	£2,224.00	£0.00	
Mid Sussex District Council	District	West Sussex	£0.00	£6,760.00	£2,253.00	
Rother District Council	District	East Sussex	N/A	N/A	N/A	
Wealden District Council	District	East Sussex	N/A	£5,024.64	£1,242.36	
Worthing Borough Council	District	West Sussex	£0.00	£2,577.03	£1,288.45	



Previous years' data - did not submit 2022 return

			MINIMUM	£0.00	£0.00	£0.00
			MAXIMUM	£4,750.00	£1,404.00	£14,169.60
			AVERAGE	£2,490.14	£480.83	£2,342.98
Council name	Type of council	County area	Opposition Group Leader	Deputy Opposition Leader	Group Leader	
Adur District Council	District	West Sussex	£2,340.12	£0.00	£0.00	
Arun District Council	District	West Sussex	£4,095.00	N/A	£101.75	
Chichester District Council	District	West Sussex	£4,750.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£2,448.00	N/A	N/A	
Eastbourne Borough Council	District	East Sussex	£2,106.00	£1,404.00	£0.00	
Hastings Borough Council	District	East Sussex	£1,569.52	£192.52	£1,569.50	
Horsham District Council	District	West Sussex	£3,856.50	N/A	N/A	
Lewes District Council	District	East Sussex	£4,446.00	£0.00	£4,446.00	
Mid Sussex District Council	District	West Sussex	£0.00	£0.00	£250.00	
Rother District Council	District	East Sussex	£550.00	N/A	£550.00	
Wealden District Council	District	East Sussex	£1,143.50	N/A	£14,169.60	
Worthing Borough Council	District	West Sussex	£2,577.03	£1,288.45	£0.00	



Previous years'
data - did not
submit 2022
return

		MINIMUM	£0.00	£0.00	£0.00
		MAXIMUM	£0.00	£5,091.00	£1,345.00
		AVERAGE	£0.00	£1,102.71	£611.69
Council name	Type of council	County area	Opposition Spokesperson	Committee Chair	Independent Person Allowance
Adur District Council	District	West Sussex	£0.00	£0.00	£75.00
Arun District Council	District	West Sussex	N/A	£5,091.00	£505.49
Chichester District Council	District	West Sussex	n/a	n/a	n/a
Crawley Borough Council	District	West Sussex	N/A	N/A	£750.00
Eastbourne Borough Council	District	East Sussex	£0.00	£93.00	£1,000.00
Hastings Borough Council	District	East Sussex	£0.00	n/a	£0.00
Horsham District Council	District	West Sussex	N/A	£2,535.00	£1,345.00
Lewes District Council	District	East Sussex	£0.00	£0.00	£1,000.00
Mid Sussex District Council	District	West Sussex	£0.00	£0.00	£750.00
Rother District Council	District	East Sussex	N/A	N/A	£361.00
Wealden District Council	District	East Sussex	N/A	N/A	£867.12
Worthing Borough Council	District	West Sussex	£0.00	£0.00	£75.00



Previous years' data - did not submit 2022 return

MINIMUM MAXIMUM AVERAGE				
Council name	Type of council	County area	Do you operate the '1 SRA per councillor' rule?	Do you operate the 50% rule?
Adur District Council	District	West Sussex	No	No
Arun District Council	District	West Sussex	No	No
Chichester District Council	District	West Sussex	Yes	No
Crawley Borough Council	District	West Sussex	Yes	No
Eastbourne Borough Council	District	East Sussex	No	No
Hastings Borough Council	District	East Sussex	No	No
Horsham District Council	District	West Sussex	Yes	No
Lewes District Council	District	East Sussex	Yes	No
Mid Sussex District Council	District	West Sussex	Yes	No
Rother District Council	District	East Sussex	Yes	No
Wealden District Council	District	East Sussex	Yes	No
Worthing Borough Council	District	West Sussex	No	No



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Population	Travelling/mileage (pence per mile)	Bicycle mileage (pence per mile)
Adur District Council	District	West Sussex	64,000	46.9p - 65p	0
Arun District Council	District	West Sussex	164,800	45p per mile	20p per mile
Chichester District Council	District	West Sussex	118000	0.65	0.2
Crawley Borough Council	District	West Sussex	118,500	45p (HMRC rates)	20p (HMRC rates)
Eastbourne Borough Council	District	East Sussex	107,000	45p (outside of borough only)	20p (outside of borough only)
Hasting Borough Council	District	East Sussex	95,000	45	20
Horsham District Council	District	West Sussex	145,474	45	N/A
Lewes District Council	District	East Sussex	102,744	45pence per mile up to 10,000 mile, 25 pence over 10,000 miles, Passenger rate - 5 pence per mile, Motorcycle 24 pence per mile.	20p
Mid Sussex District Council	District	West Sussex	150,000 approx	45	20
Rother District Council	District	East Sussex	96716	45	20
Wealden District Council	District	East Sussex	160,600	45p	20p
Worthing Borough Council	District	West Sussex	110,000	NJC Rate, no local agreement	0

Council name	Type of council	County area	Subsistence allowance
Adur District Council	District	West Sussex	Breakfast 8.482.90%8.73 Lunch 11.722.90%12.06 Tea 4.642.90%4.78 Evening Meal 14.512.90%14.93 Excess Travelling Expenses 5.102.40%5.22 Lodging Allowances 174.222.40%178.40 Advertising Costs 434.032.40%444.44 Tenancy Costs 523.582.40%536.15 Disturbance Allowance 2577.192.40%2639.04
Arun District Council	District	West Sussex	~£6.98 - breakfast ~£9.64 - lunch Tea - ~£3.82 Evening meal ~£11.94 - all with restrictions
Chichester District Council	District	West Sussex	Breakfast ~£8.68 (where travel starts before 7am and absence is less than 24 hours) (ii) Lunch ~£11.90 (for necessary absences of several hours spanning the normal lunch period leaving home/ office before 11am and returning after 3pm) (iii) Tea ~£4.74 (if unable to return to home/office by 6.30pm) (iv) Evening Meal ~£14.38 (if unable to return to home/office by 8.30pm) (v) Out of Pocket Expenses for residential courses ~£6.73 per night.
Crawley Borough Council	District	West Sussex	Tea - ~£3.53 / dinner - ~£11.03
Eastbourne Borough Council	District	East Sussex	Day Rates (up to)- Breakfast - £7.13, Lunch - £9.78, Tea £4.44, Evening meal - £17.80. Overnight (up to) - B&B rates to be agreed with Director, Evening Meal - £41.52. Only can be claimed for duties outside the Borough and within qualifying times and distances.
Hasting Borough Council	District	East Sussex	Breakfast:6.88 Lunch:9.50 Dinner:11.76
Horsham District Council	District	West Sussex	Breakfast 6.45 Lunch ~£8.91 Tea ~£3.53 Evening meal ~£11.03
Lewes District Council	District	East Sussex	In District - claimed in exceptional circumstances at staff rates - Breakfast £7.13, Lunch £9.78, Tea £4.44, Evening Meal £17.80 (overnight rate £41.52). Out of area - up to approved level.
Mid Sussex District Council	District	West Sussex	Breakfast - ~£7.00 Lunch - ~£10.00 Tea - ~£4.00 Evening Meal - ~£13.00
Rother District Council	District	East Sussex	Breakfast~£5.50 Lunch~£7.70 Tea~£3.30 Dinner~£11.00
Wealden District Council	District	East Sussex	Breakfast~£6.50When away from home on approved Council business before 8 a.m. Lunch~£8.50When away from home on approved Council business between 12 noon and 2 p.m. Evening Meal~£15.00When away from home on approved Council business after 7 p.m.
Worthing Borough Council	District	West Sussex	NJC Rate, no local agreement



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Carers' allowance	IT allowance
Adur District Council	District	West Sussex	£10.25 per hour for Child care upto £15 per hour for dependent person	Clr are supplied with a device upon election
Arun District Council	District	West Sussex	~£10 per hour up to a limit of ~£4k per annum - childcare allowance ~£~£18.49 per hour up to a limit of ~£6k per annum - Dependent Adult Allowance	N/A
Chichester District Council	District	West Sussex	18.20 per hour	Optional
Crawley Borough Council	District	West Sussex	9.60/hr (10p above National Living Wage)	0 - but laptops and smartphones provided
Eastbourne Borough Council	District	East Sussex	Up to £8.80 per hour (basic care rate) and up to £13.18 per hour (specialist care rate)	£429 pa
Hasting Borough Council	District	East Sussex	In line with Living Wage hourly rate	0
Horsham District Council	District	West Sussex	8.91 per hour	N/A
Lewes District Council	District	East Sussex	£10.70 per hour.	n/a
Mid Sussex District Council	District	West Sussex	Childcare Allowance to be payment of receipt-based actual costs up to a maximum rate of ~£10 per hour for one child, or a maximum of ~£20 per hour for two or more children.	0
Rother District Council	District	East Sussex	Dependent/Childcare Allowance 3.A Dependent/Childcare Allowance is available to Councillors under which they will be reimbursed up to ~£11.00 per hour for the care of elderly dependents and up to ~£9.00 per hour for childcare, based on actual payments made up to these limits. This allowance is available in respect of costs necessarily incurred in making arrangements for the care, other than by members of their own household, of children or other dependents living with them in order to enable them to perform their duties. 4.The qualifying period includes time spent during the hand-over of care and the travel time to and from duties, not just the actual hours spent in conducting duties.	N/A
Wealden District Council	District	East Sussex	~£12 per hour	N/A
Worthing Borough Council	District	West Sussex	Child Carer Allowance - £10.25 per hour Dependent person Carer allowance - up to £15 per hour	Clrs are supplied with device upon election

Council name	Type of council	County area	Any other allowances
Adur District Council	District	West Sussex	0
Arun District Council	District	West Sussex	Chair of Standards Committee - ~£1,045 Co-Opted members and members of IRP and Members and Witnesses to Committees ~£60 per meeting
Chichester District Council	District	West Sussex	n/a
Crawley Borough Council	District	West Sussex	N/A
Eastbourne Borough Council	District	East Sussex	Travel supplement for up to 4 passengers - 5p per member /officer (outside the borough only).
Hasting Borough Council	District	East Sussex	N/a
Horsham District Council	District	West Sussex	~£50 per meeting attendance allowance as approved representative on outside bodies / partnerships
Lewes District Council	District	East Sussex	Car parking - Councillor reimbursed actual costs. SRA - Co-opted Members of Audit and Standards Cttee or Sub-Cttees - £31 per meeting up to a maximum of £155 pa.
Mid Sussex District Council	District	West Sussex	0
Rother District Council	District	East Sussex	Cabinet Spokespersons (non Cabinet Members) 585.00 Independent Audit Person 909.00
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	0



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Maternity/parental leave
Adur District Council	District	West Sussex	0
Arun District Council	District	West Sussex	N/A
Chichester District Council	District	West Sussex	6 months
Crawley Borough Council	District	West Sussex	Currently 0 but to be included in next year's scheme
Eastbourne Borough Council	District	East Sussex	n/a
Hasting Borough Council	District	East Sussex	Basis allowance continues
Horsham District Council	District	West Sussex	In line with Staff benefit
Lewes District Council	District	East Sussex	N/A
Mid Sussex District Council	District	West Sussex	0
Rother District Council	District	East Sussex	N/A
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	0

Council name	Type of council	County area	Population	How are current levels of SRA calculated? Please provide a brief summary (eg as a percentage of the Leader's SRA)	Date current allowances were approved?	Date of your next review	Have your allowances been updated since last year, or frozen?	Other	Have you established a formula for updating the allowances annually?	If 'yes' please detail	How did you recruit your Independent Remuneration Panelists? If you advertised, please state where.
Adur District Council	District	West Sussex	64,000	there are multipliers of the basic rate. Joint Committee sra's are set by Worthing and copied at Adur	19/4/2022	13/2/2023	Updated		Yes	linked to the njc	advertised in local media and social media
Arun District Council	District	West Sussex	164,800	N/A	13/1/2021	19/9/2023	Updated		Yes	All allowances that attract an SRA are uplifted in line with staff pay awards	Council Web site Council's Business Partnership Magazine
Chichester District Council	District	West Sussex	118000	SRA level is calculated by the panelist by examining the relevant responsibility and obligations of each role as well as carrying out a comparison exercise regionally with other authorities and also by wider comparison work using employment data	15/5/2019	1/3/2023	Frozen		No	n/a	Public advertisement in local newspaper and on the Council website
Crawley Borough Council	District	West Sussex	118,500	Deliberation by an IRP; assessment of cllrs' workloads; interviews/questionnaires etc	1/3/2021	1/9/2022	Frozen		No	Used to be via officers' pay increase but frozen	Approached important local organisations/charities/bodies e.g. police, schools, etc to request employees as IRP representatives
Hastings Borough Council	District	East Sussex	95,000	Rates rise in line with Officer pay	12/12/2018	19/9/2022	Updated		Yes	in line with % increase to Officer wages	previous panels and other local authorities
Horsham District Council	District	West Sussex	145,474 (2020)	The last IRP assessment (presented in April 2021) assessed our rates against those of other Authorities and in particular reference to a subset of 8 similar authorities (including HDC) and made recommendations in line with average values. This led to an increase in Basic Allowance (5%), and increase in Leaders allowance (10%) and a reduction in Opposition leader allowance (-10%). Other SRAs and allowances unchanged but linked to staff settlements by default.	28/4/2021	31/10/2022	Other (please specify)	Changes were agreed but deferred until April 2022	Yes	Now linked to Officer pay settlements by default, but Council has option to waive and the IRP will produce interim reviews to keep the levels proportionate to other authorities within our family group	Advertised through Council and public sector job web sites.
Lewes District Council	District	East Sussex	102,744	Not specified.	01/04/2014	28/01/2020	Updated		Yes	In line with staff award - usually 1% per annum	Not yet recruited.
Mid Sussex District Council	District	West Sussex	150,000 approx	Through an Independent Remuneration Panel.	14/10/2021	13/10/2022	Updated		Yes	SRAs are a % increase of the basic allowance. Other allowances are a % of this.	Advertised on own website & jobsgopublic
Rother District Council	District	East Sussex	96716	No real basis for calculation as far as I am aware. Will be looking to introduce a formulaic approach in this years' review.	25/2/2019	24/10/2022	Updated		Yes	The uplift is based on the staff pay award agreed in the preceding September. The percentage increase agreed for staff is applied to Members' Allowances. Members are not happy with this approach and this is likely to change for the new Council period 2023-27.	We will be recruiting a new IRP this year. We are likely to advertise through website and social media only to keep costs to a minimum.
Wealden District Council	District	East Sussex	160,600	Independent Remuneration Panel meet yearly to determine	16/2/2022	15/11/2022	Updated		Yes	N/A	Advertised on website
Worthing Borough Council	District	West Sussex	110,000	multiples of sra	12/4/2022	19/12/2022	Updated		Yes	tied to the njc	local media and social media

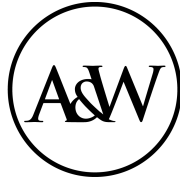


Previous years' data - did not submit 2022 return

Council name	Type of council	County area	What rate of pay do Independent Remuneration Panellists receive?	Please detail any recent changes to the structure within your authority (including number and/or political persuasion of members involved)	Is the Leader full-time?	If the Leader is not full time, please detail the number of hours worked on average per week	Please detail the number of hours your Cabinet members work on average per week	Please detail any significant changes made to SRAs
Adur District Council	District	West Sussex	75 - 100 per meeting	Adur retains a Conservative Majority	no up to date information		no up to date information	none
Arun District Council	District	West Sussex	~£60 per meeting attended	We have a By-Election on 8 September 2022 - so this could result in a change proportionality. The structure of the Council changed in 2019 from Cons to Lib Dem and then again in May 2021 from Lib Dem to Cons	If not, please detail the number of hours worked on average per week	Around 25 hours a week	N/A	Changes were made to Cabinet SRAs in January 2021 in readiness from a change from the Leader and Cabinet form of governance to a Committee system which took effect in May 2021. Cabinet Member and Leader and Deputy Leader SRAs were changed and new SRAs introduced for the Chair and Vice-Chair of each Service Committee set up under the new Committee system
Chichester District Council	District	West Sussex	~£50 for each meeting per panelist	No	Yes		Depends, can be up to 40	SRA levels were increased following panel recommendation through an index linking assessment from the previous allowance. This is likely to be a starting point mechanism for the coming review
Crawley Borough Council	District	West Sussex	150 per review	N/A	Yes		Unknown	None
Hastings Borough Council	District	East Sussex	~£2000 chair, ~£1500 other members	hung council: 15 Labour, 12 Conservative, 5 Green	Yes		25	none
Horsham District Council	District	West Sussex	Agreed fixed rate for a period of review. The last major review, over three months or so, was paid with a single ~£700. Current interim review will be agreed at a lower figure. Neither based on an hourly rate and time taken is determined by the Panel members	Minor changes in the political balance as a result of by-elections, away from the Conservatives though still the majority party. Has affected the political balance of some committees but only marginally	Yes		Based on returns received in 2021, 20-25	As noted above, a 10% increase in the Leader's Allowance and a 10% reduction in the Allowance for the Leader of the minority group. Both to realign with averages in our LA family group
Lewes District Council	District	East Sussex	Not yet set	Council Composition since May 2019 - 19 Conservative, 9 Green, 8 Liberal Democrat, 3 Labour, 2 Independents. Administration since July 2019 comprised of Green, Liberal Democrat, Labour and Independent Councillors.	Unknown		Unknown	No changes made since last review.
Mid Sussex District Council	District	West Sussex	750 pa	33 Conservatives, 13 Liberal Democrats, 4 Independent Members & 4 Green Party Members.	Yes		Unquantifiable.	No significant changes made.
Rother District Council	District	East Sussex	Last time (2018-19) they received a flat rate of ~£100 per meeting plus expenses (travel).	We have created a new HR Committee which comes into being from September / October this year. Had a recent by-election but same Group was returned, so no change in political groups / groupings.	If not, please detail the number of hours worked on average per week	This is difficult to answer. He is retired, but I am not aware that he "works" full time as the Leader of the Council. This would have to be answered by him!	Not known - this will vary from Member to Member.	None.
Wealden District Council	District	East Sussex	280	Conservatives ,Äi 28 Liberal Democrats ,Äi 6 Independent Democrats ,Äi 4 Green Party ,Äi 3 The Independent Group ,Äi 3 Vacancy ,Äi 1	Yes		30	None
Worthing Borough Council	District	West Sussex	75 - 100 per meeting	Worthing has moved from a Conservative to Labour administration		no up to date info	no up to date info	Nil

Council name	Type of council	County area	Please detail the size and composition of your authority's Overview and Scrutiny committee(s) and panels.
Adur District Council	District	West Sussex	joint with worthing 8 members from each authority
Arun District Council	District	West Sussex	N/A
Chichester District Council	District	West Sussex	11 Members (excluding members of the Cabinet and the Chairman of the Council) based on political proportionality
Crawley Borough Council	District	West Sussex	One Overview and Scrutiny Commission with eleven members. One Scrutiny Panel with five members.
Hastings Borough Council	District	East Sussex	11 members; 5 Labour, 4 Conservative, 2 Green Chairs are not majority group; Chair: Conservative, Vice Chair :Green
Horsham District Council	District	West Sussex	14 Councillors 4 Lib Dem (inc Chairman) 9 Conservative (inc Vice Chairman) 1 Green No standing Panels but Task & Finish Groups can be set up and may draw from outside the O&S membership
Lewes District Council	District	East Sussex	Scrutiny - 11 members. Scrutiny Panels - average 5 members.
Mid Sussex District Council	District	West Sussex	3 x 15 Member Scrutiny Committee which covers topics that can be attributed to the 7 Cabinet Member portfolios all of which are politically balanced.
Rother District Council	District	East Sussex	1 OSC, 12 Members. An ad hoc number of informal task and finish groups running at any time, but no more than 4 permitted.
Wealden District Council	District	East Sussex	12 members - 8 Conservatives, 2 Lib Dems, 1 Independent Democrat, 1 Green and 1 Independent
Worthing Borough Council	District	West Sussex	Joint - 8 members per authority

This page is intentionally left blank



Joint Audit and Governance Committee
24 January 2023

ADUR & WORTHING
COUNCILS

Ward(s) Affected: All

Scheme of Allowances for Worthing Borough Council

Report by the Director for Communities

Executive Summary

1. Purpose

- 1.1 The Joint Audit & Governance Committee is being asked to consider the report and the recommendations of the Joint Independent Remuneration Panel and make recommendations to Worthing Borough Council on the level of Members' Allowances for the municipal year 2023/24.
- 1.2 Recommendations from the Committee on the level of allowances will be proposed at the meeting of Full Council in February

2. Recommendations

- 2.1 The Joint Audit & Governance Committee is asked to consider the recommendations of the Joint Independent Remuneration Panel and make a recommendation to Worthing Borough Council on the Scheme of Allowances for 2023/24.

3. Context

- 3.1 The previous review of allowances recommended that the level of allowances be tied to the NJC pay bargaining agreement for the year 2022/23
- 3.2 The pay bargaining agreement was made and at its meeting on the 13 December Council agreed a 5.82% raise which was in line with the median average of the NJC pay bargaining agreement for 2022/23
- 3.2 The Adur and Worthing Joint Independent Remuneration Panel began their review of Worthing Allowances in December 2022 and have submitted a report that is attached as appendix A.

4. Issues for consideration

- 4.1 The Committee is being asked to make a recommendation to Worthing Borough Council in respect of setting the level of allowances for 2023/24
- 4.2 The Panel has set out a costed option for Members to consider which is included in the appendix to this report

5. Engagement and Communication

- 5.1 The Panel undertook a consultation exercise through an online survey with all members and interviews with individual SRA holders
- 5.2 A representative from South East Employers assisted with the carrying out of the review
- 5.3 As a Panel of independent advisors the JIRP is the body that the council engages with and consults on setting the level of its allowances

6. Financial Implications

- 6.1 The Councils have the following budgets available in 2023/24 to fund member allowances:

Worthing : £309,340

- 6.2 The budget strategy allows for a 4.5% inflation on all salary budgets which would include members allowances for 2023/24. Consequently, the options

proposed by the independent remuneration would have the following financial impacts:

	Worthing £
Estimated 2023/24 budget	£309,340
JIRP Recommendations	£321,560
Growth / saving (-) against budget	£12,220
Nb. This would increase growth to £20,020 if the Portfolio holders didn't share the the previously budgeted 6 Allowances between the 7 Portfolio's	

7. Legal Implications

- 7.1 An Independent Remuneration Panel is a requirement of the Local Authorities (Members' Allowances) Regulations 2003 (The 2003 Regulations).
- 7.2 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
- 7.3 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.

Background Papers

- Previous reports and recommendations of the Joint Independent Remuneration Panel

Officer Contact Details:-

Chris Cadman-Dando

Democratic Services Officer

01903 221364

chris.cadman-dando@adur-worthing.gov.uk

Sustainability & Risk Assessment

1. Economic

- 1.1 The panel has recognised that 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.

2. Social

2.1 Social Value

- 2.1.1 Matter considered but no issue identified

2.2 Equality Issues

- 2.2.1 Having an allowance scheme that supports all members in covering the costs of being a member allows the Councils to attract and retain Members who are representative of the demographic make-up of the District.

2.3 Community Safety Issues (Section 17)

- 2.3.1 Matter considered but no issues identified

2.4 Human Rights Issues

- 2.4.1 Matter considered but no issues identified

3. Environmental

- 3.1 Matter considered but no issues identified

4. Governance

- 4.1 Having a fair scheme of allowances can enable a more diverse pool of candidates and reflect a wider demographic of the District.

This page is intentionally left blank



**The report of the Independent Remuneration Panel
appointed to review the allowances paid to Councillors
of Worthing Borough Council**



December 2022

CONTENTS

1.	INTRODUCTION AND BACKGROUND	1
2.	CURRENT SCHEME	1
3.	PRINCIPLES UNDERPINNING OUR REVIEW	2
3.1	THE PUBLIC SERVICE PRINCIPLE	2
3.2	THE FAIR REMUNERATION PRINCIPLE	2
4.	CONSIDERATIONS AND RECOMMENDATIONS	3
4.1	BASIC ALLOWANCE	3
4.2	SPECIAL RESPONSIBILITY ALLOWANCES (SRAs) CO-OPTEEs' / INDEPENDENT PERSONS ALLOWANCE	7
4.3	TRAVELLING AND SUBSISTENCE ALLOWANCE	12
4.4	DEPENDANTS' CARERS' ALLOWANCE	13
4.5	PARENTAL LEAVE	13
4.6	INDEXING OF ALLOWANCES	14
4.7	REVOCATION OF CURRENT SCHEME OF ALLOWANCES / IMPLEMENTATION OF NEW SCHEME	15
5.	OUR INVESTIGATION	16
5.1	BACKGROUND	16
5.2	COUNCILLORS' VIEWS ON THE LEVEL OF ALLOWANCES	16
6.	APPROVED COUNCILLOR DUTIES	16

Appendix 1	Basic Allowance/Special Responsibility Allowances/ Co-optees' Allowance/ Dependents' Carers' Allowance / Chairman/Vice Chairman Allowances – Summary of Recommendations	17
Appendix 2	IRP Review of Councillor Allowances Responses to the Questionnaire 2022	
Appendix 3	Comparative data of allowances paid to councillors of the other Sussex District and Borough Councils (South East Employers, Members Allowances Survey 2022)	

1. INTRODUCTION AND BACKGROUND

- 1.1.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 ("the 2003 Regulations"), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors' allowances.
- 1.1.2 Worthing Borough Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.
- Julia Carrette, Local Resident
 - Ray Chudley, Local Resident
 - Neal Goddard, Local resident
 - Barry Hillman, Local Resident
 - Karen Keeley, Local Resident
 - Tim Ransley, Local Resident
 - Mark Palmer, South East Employers (Chair)
- 1.1.3 Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with "Guidance on Consolidated Regulations for Local Authority Allowances" issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). Those requirements are to make recommendations to the Council as to:
- (a) the amount of basic allowance to be payable to all councillors.
 - (b) the level of allowances and whether allowances should be payable for:
 - (i) special responsibility allowances.
 - (ii) travelling and subsistence allowance.
 - (iii) dependants' carers' allowance.
 - (iv) parental leave and.
 - (v) co-optees' allowance.
- and the amount of such allowances.
- (c) whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
 - (d) whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

2. CURRENT SCHEME

- 2.1.1 The last review of councillors' allowances was undertaken by the IRP for the Council in 2018.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £5,453.89 per annum. The basic allowance is indexed annually in line with staff salary increases. The last indexation was applied from April 2022. Some councillors also receive special responsibility allowances for undertaking additional duties.

- 2.1.3 Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

3. PRINCIPLES UNDERPINNING OUR REVIEW

3.1 The Public Service Principle

- 3.1.1 This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor's time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.¹ Moreover, we found that a public service concept or ethos was articulated and supported by all of the councillors we interviewed and in the vast majority of responses to the questionnaire completed by councillors as part of our review.
- 3.1.2 To provide transparency and increase an understanding of the Panel's work, we will recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in Section 4.

3.2 The Fair Remuneration Principle

- 3.2.1 Alongside the belief that the role of the elected Councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2022 continues to subscribe to the view promoted by the independent Councillors' Commission:

Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.²

- 3.2.2 We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.
- 3.2.3 Hence, we continue to acknowledge that:
- (i) allowances should apply to roles within the Council, not individual councillors.
 - (ii) allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and

¹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities and The Inland Revenue (now HM Revenue & Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68.

² Rodney Brooke and Declan Hall, *Members' Remuneration: Models, Issues, Incentives and Barriers*. London: Communities and Local Government, 2007, p.3.

- (iii) special responsibility allowances are used to recognise the *significant* additional responsibilities which attach to some roles, not merely the extra time required.
- 3.2.4 In making our recommendations, we have therefore sought to maintain a balance between:
- (i) the voluntary quality of a councillor's role.
 - (ii) the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
 - (iii) the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.
- 3.2.5 The Panel also sought to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.
- 3.2.6 In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor's performance in the role.

4. CONSIDERATIONS AND RECOMMENDATIONS

4.1 Basic Allowance

- 4.1.1 A Council's scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, "Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours councillors ought to be remunerated."³
- 4.1.2 In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.
- 4.1.3 We recognise that councillors are responsible to their electorate as:
- Representatives of a particular ward.
 - Community leaders.
 - Decision makers for the whole Council area.
 - Policy makers for future activities of the Council.
 - Scrutineers and auditors of the work of the Council; and
 - Other matters required by Government.

³ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing & Communities, and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67.

⁴ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and Inland Revenue (now HM Revenue and Customs), *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81.

- 4.1.4 The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.⁴ For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.



- 4.1.5 Each of the variables is explained below.

Required Time Input

- 4.1.6 We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant information. In addition, we considered further information about the number, range, and frequency of committee meetings.⁵
- 4.1.7 Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is 11 hours per week.

Public Service Discount (PSD)

- 4.1.8 From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 45 per cent to the calculation of the basic allowance. This percentage sits within the higher-range of PSDs applied to basic allowances by councils.

Remuneration Rate

- 4.1.9 After establishing the expected time input to be remunerated, we considered a remuneration rate. We came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.
- 4.1.10 To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for

⁴⁵ The summary responses to the questionnaires are attached as Appendix 2.

National Statistics. We selected the average (median), full-time gross⁶ wage per hour by place of residence for the South East of England £17.58⁷ per hour.

Calculating the basic allowance

- 4.1.11 After determining the amount of time required each week to fulfil the role (11 hours), the level of PSD to be applied (45%) and the hourly rate to be used (£17.58), we calculated the basic allowance as follows:



- 4.1.12 The gross Basic Allowance before the PSD is applied is **£10,055.76**. Following the application of the PSD this leads to a basic allowance of **£5,530.67** per annum.
- 4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, division work and attendance on external bodies.
- 4.1.14 We did also note the levels of basic allowance currently allocated by other comparative District and Borough Councils across Sussex, (see table below and Appendix 3).

Council	Sussex, District and Borough Councils: Basic Allowances (£) 2021-2022 ⁸
Adur District Council	5,039
Arun District Council	5,730
Chichester District Council	5,200
Crawley Borough Council	6,617
Eastbourne Borough Council	2,808
Hastings Borough Council	6,429
Lewes District Council	3,196
Rother District Council	4,703
Wealden District Council	4,846
Worthing Borough Council	5,454
Average	5,002

⁶ The basic allowance, special responsibility allowance, dependants' carers' allowance, and co-optees' allowance are taxable as employment income.

⁷ The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2022.

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2022 (October 2022).

- 4.1.15 The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors. The Panel was of the view the approach undertaken in this review of the introduction of a transparent and clear formula for calculating the Basic Allowance will assist a future Panel in recommending a Basic Allowance.

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Worthing Borough Council be £5,530.67 per annum

4.2 Special Responsibility Allowances (SRAs)

- 4.2.1 Special Responsibility Allowances are awarded to councillors who perform significant additional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council's functions.
- 4.2.2 The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive a SRA, the local electorate may rightly question the justification for this.⁹
- 4.2.3 We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:
- Leader of the Council
 - Deputy Leader of the Council
 - Executive Members (8)
 - Chairman of Council
 - Vice Chairman of Council
 - Chairman of Planning
 - Vice Chairman of Planning
 - Chairman of Licensing and Control
 - Vice Chairman of Licensing and Control
 - Chairman of Joint Overview and Scrutiny
 - Vice Chairman of Joint Overview and Scrutiny Committee
 - Chairman of Joint Governance Committee
 - Vice Chairman of Joint Governance Committee
 - Leader of Opposition Group
 - Deputy Leader of the Opposition Group
 - Co-Opted Members

One SRA Only Rule

- 4.2.4 To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than **one SRA**. If a councillor can receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.
- 4.2.5 Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.

⁹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities and *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72.

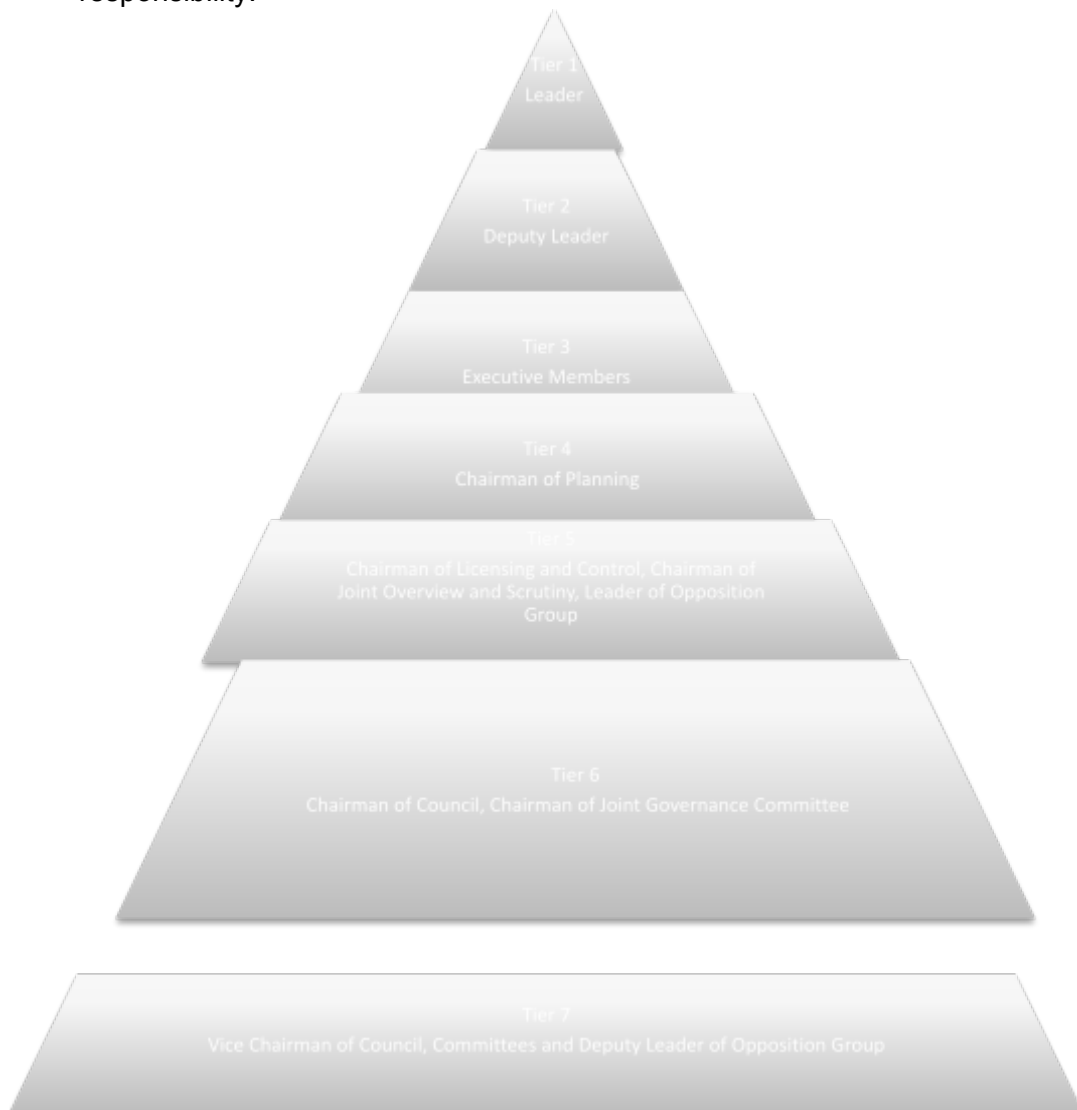
The Maximum Number of SRA's Payable

- 4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should work towards the principal that no more than 50% of Council Members (18) should receive an SRA at any one time

Calculating SRAs

- 4.2.7 The Panel supported the criteria and formula for calculating the Leader of the Council allowance based on a multiplier of the Basic Allowance; this role carries the most significant additional responsibilities and is the most time consuming.
- 4.2.8 We applied a multiplier of the basic allowance to establish the Leader's SRA. Other SRAs are then valued downwards as a percentage of the Leader's allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader's SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:



The rationale for these seven tiers of responsibility is discussed below.

Leader (Tier One)

- 4.2.9 The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Executive. The Leader is also responsible for the appointment (and dismissal) of members of the Executive and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 300% (3 x times) the basic allowance. If the recommended option of a basic allowance with a PSD of 45% is adopted, this results in a Leader's Allowance of £16,592.01.

WE RECOMMEND that the Leader of the Council should receive a Special Responsibility Allowance of 300% of the recommended basic allowance, £16,592.01.

Deputy Leader (Tier Two)

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information we gathered, we continue to consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 55% of the Leader's SRA. If our recommendations concerning the basic allowance and the Leader's SRA are adopted, this results in an allowance of £9,125.60.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 55% of the recommended Leader's Allowance, £9,125.60.

Executive Members (Tier Three)

- 4.2.12 Executive Members appointed by the Leader of the Council have significant delegated decision-making responsibilities and this responsibility has increased.
- 4.2.13 The Panel was of the view that it is important to provide the Leader with greater flexibility to appoint an Executive that is best able to respond to the current and future challenges. The panel is therefore of the view that the Special Responsibility Allowance for a Executive Member should be based on a per Member basis and move away from the current approach of a ringfenced total available to support the Executive. We therefore recommend that the allowance should be 45% of the Leader's Allowance, £7,466.40.

WE RECOMMEND that an Executive Member should receive an allowance of 45% of the recommended Leader's Allowance, £7,466.40.

Chairman of Planning (Tier Four)

- 4.2.14 The role of the Chairman of Planning is highly visible across the borough and has a considerable impact. The role of Chairman of planning is both time consuming and complex, the Panel therefore recommends that the Chairman of Planning should receive an allowance of 35% of the recommended Leader's Allowance, £5,807.20.

WE RECOMMEND that the Chairman of Planning receive a Special Responsibility Allowance of 35% of the recommended Leader's Allowance, £5,807.20.

Leader of the Opposition Group, Chairman of Joint Overview and Scrutiny Committee Chairman of Licensing and Control Committee (Tier Five)

- 4.2.15 From the evidence gathered, including questionnaire responses and face to face interviews, we continue to consider the Leader of the Opposition Group to be a significant role and the 2003 Regulations require that the Principal Opposition Group Leader receive a Special Responsibility Allowance. The Leader of the Opposition Group has to both ensure democratic accountability and the holding to account of the administration but also manage and develop a Group of a significant size. The Panel is therefore of the view that the Leader of the Main Opposition Group should continue receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £4,148.
- 4.2.16 Overview and Scrutiny is a key role of the Council ensuring accountability and the holding to account of the decisions of Cabinet and external organisations. Overview and Scrutiny also leads on policy development and has a significant statutory role supported by legislation. The strategic co-ordination of the overview and scrutiny and their effective work programmes are key responsibilities of the Joint Overview and Scrutiny Committee Chairman. The Panel is therefore of the view that the Joint Overview and Scrutiny Committee Chairman should continue to receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £4,148. Finally, the Panel was of the view that the Chairman of the Licensing and Control Committee should also receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £4,148.

WE RECOMMEND that the Opposition Group Leader, the Chairman of the Joint Overview and Scrutiny Committee and the Charman of the Licensing and Control Committee should receive a Tier Five Special Responsibility Allowance of 25% of the recommended Leader's Allowance, £4,148.

Chairman of Council and Chairman of Joint Governance Committee (Tier Six)

- 4.2.17 The role of Chairman of Council continues to be a high-profile role that has a significant impact across the borough and Council meetings. The role has a high workload based on the number and frequency of civic engagements, although these are remunerated outside of this Scheme of Allowances. The Panel is of the view that the role of Chairman of Council should receive a Special Responsibility Allowance based on 20% of the Leader' Allowance, £3,318.40.
- 4.2.18 The Joint Governance Committee Chairman also continues to be a key role and the Panel therefore recommends that the Chairman of the Joint

Governance Committee receive a Special Responsibility Allowance of 20% of the recommended Leader's Allowance, £3,318.40.

WE RECOMMEND that the Chairman of Council and Chairman of Joint Governance Committee receive a Tier Six Special Responsibility Allowance of 20% of the recommended Leader's Allowance, £3,318.40.

Vice Chairman of Council, Deputy Leader of the Opposition Group and Vice Chairman Committees (Tier Seven).

- 4.2.19 The role of Vice Chairman of Council continues to be a key role that supports the Chairman of Council in the chairing of Council meetings. The role also supports the Charman with civic engagements, although these are remunerated outside of this Scheme of Allowances. The Panel is of the view that the role of Vice Chairman of Council should receive a Special Responsibility Allowance based on 25% of the Chairmans' Allowance, £829.60.
- 4.2.20 The Panel was of the view that each Vice Chairman of a Committee should receive an allowance of 25% of the Chairmans' Allowance. This will apply to the Vice Chairman of the Planning Committee, Vice Chairman of Licensing and Control Committee, Vice Chairman of Joint Overview and Scrutiny Committee and Vice Chairman of Joint Governance Committee.
- 4.2.21 The Deputy Leader of the Opposition Group is a role of perceived importance and the Panel was therefore of the view that the Deputy Leader of the Opposition Group should receive a Special Responsibility Allowance. The Panel is of the view that the Deputy Leader of the Opposition Group should receive a Tier Seven allowance, 25% of the recommended allowance for the Leader of the Opposition Group, £1,037.

WE RECOMMEND that the Vice Chairman of Council should receive a Tier Seven Allowance, 25% of the recommended Chairman's Allowance, £829.60.

WE RECOMMEND that the Vice Chairman of each of the Committees should receive an allowance of 25% of the respective Chairman's allowance, Vice Chairman of Planning Committee, £1,451.80, Vice Chairman of Licensing and Control Committee, £1,037, Vice Chairman of Joint Overview and Scrutiny Committee, £1,037 and Vice Chairman of Joint Governance Committee, £829.60

WE RECOMMEND that the Deputy Leader of the Opposition Group, should receive a Tier Seven Allowance, 25% of the recommended Leader of the Opposition Groups Allowance, £1,037.

Co-Optee's Allowance

- 4.2.22 The Council currently award a Co-Optees Allowance. The Panel therefore recommends no change to the Co-Optee allowance.

- 4.2.23 The Panel is also of the view that this allowance should also be subject to indexation at the same rate as the Basic and Special Responsibility Allowances.

WE RECOMMEND that there be no change to the Co-Optee Allowance. WE ALSO RECOMMEND that this allowance should be subject to indexation at the same rate as the Basic and Special Responsibility Allowances.

4.3 Travelling and Subsistence Allowance

- 4.3.1 A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to Co-opted Members of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

WE RECOMMEND that travelling and subsistence allowance should be payable to councillors and co-optees in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the levels payable to council staff in line with NJC rates. We propose no changes to the current travel and subsistence allowances.

The Panel would also like to highlight that in most Councils Travel Allowances are payable in line with the HMRC regulations and rates. The Council may wish to consider this approach in the future.

4.4 Dependent Person Carer Allowance and Child Carer Allowance

- 4.4.1 The dependent's carers' allowance should ensure that potential candidates are not deterred from standing for election to council and should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement for Child Care at the rate of £10.25 per hour and more specialist care to a maximum rate of £15.00 per hour when undertaking Approved Councillor duties.
- 4.4.2 The Panel is of the view that the Dependent Persons Carer Allowance and Child Carer Allowance should both be reimbursed based on the actual cost of the care. The Panel was conscious that the cost of both childcare and more specialist care had increased and the current rates would in effect leave those claiming the allowance 'out of pocket'.
- 4.4.3 The Panel is therefore of the view that the cost of both childcare and more specialist care should be reimbursed at the actual cost incurred by the councillor upon production of receipts. In respect of specialist care provision medical evidence that this type of care provision is required should also be provided and approved by an appropriate officer of the Council.

WE THEREFORE RECOMMEND that the Dependent Persons Carer Allowance and both Child Carer Allowance should be based at cost upon production of receipts. In the case of specialist care a requirement of medical evidence that this type of care be required, the allowance should have no daily or monthly maximum claim when undertaking Approved Councillor Duties.

WE ALSO RECOMMEND that the Council should actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting a greater diversity of councillor representation.

4.5 Parental Leave

- 4.5.1 There is no uniform national policy to support councillors who require parental leave for maternity, paternity, or adoption leave. According to the Fawcett Society (Does Local Government Work for Women, 2018) a *'lack of maternity, paternity provision or support' is a real barrier for women aged 18-44 to fulfil their role as a councillor.*
- 4.5.2 We are of the view that support should be provided for parental leave although we do not wish to stipulate an exact policy/procedure. The Panel is aware that the Local Government Association (Labour Group) has developed a model policy that has been adopted by a growing number of councils across the southeast region.
- 4.5.3 There is no legal right to parental leave of any kind for people in elected public office. However, as a way of improving the diversity of Councillors, the Panel would recommend that the Members' Allowance Scheme should be amended to include provisions that clarify that:
- All Councillors shall continue to receive their Basic Allowance in full for a period up to six months in the case of absence from their Councillor duties due to leave relate to maternity, paternity, adoption shared parental leave or sickness absence
 - Councillors entitled to a Special Responsibility Allowance shall continue to receive their allowance in full for a period of six months, in the case of absence from their Councillor duties due to leave related to maternity, paternity, adoption, shared parental leave or sickness absence
 - Where for reasons connected with sickness, maternity leave, adoption leave, paternity leave or shared parental leave a Councillor is unable to attend a meeting of the Council for a period of six months, a dispensation by Council can be sought in accordance with Section 85 of the Local Government Act 1972
 - If a replacement to cover the period of absence under these provisions is appointed by Council or the Leader (or in the case of a party group position the party group) the replacement shall be entitled to claim a Special Responsibility Allowance pro rata for the period over which the cover is provided.
 - If a Councillor stands down, or an election is held during the period when a Councillor is absent due to any of the above and the Councillor is not re-elected or decides not to stand down for re-election, their Basic Allowance and any Special Responsibility Allowance will cease from the date they leave office.
- 4.5.4 The Panel is conscious that these provisions do not replicate the LGA policy, but that a policy introduces elements that are more akin to employees which in terms of employment legislation does not include Councillors. We feel that our recommendations more simply and adequately reflect the situation relating to Councillors and clarify for them what they can

expect. Councillors however may wish to further develop the above recommendations so that they reflect the LGA (Labour Group) policy.

WE RECOMMEND that the approach outlined is adopted as a basis of a policy to support parental leave for councillors. Should a policy on Parental Leave for Councillors be approved it should be actively promoted to prospective and current Councillors alongside the Dependent Person Carer Allowance and Child Carer Allowance. This should form part of a wider 'Be A Councillor' (LGA led initiative) programme led by the Council and supported by political groups; to enhance and further increase the diversity of councillor representation.

4.6 Indexing of Allowances

- 4.6.1 A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the indexation of the basic allowance, the special responsibility allowances and Co-optee(s) allowance to be adjusted annually. The allowances were last indexed from April 2022.

WE THEREFORE RECOMMEND that an annual indexation of the basic allowance, each of the SRAs and the Co-optee(s)' Allowance should continue on an annual basis. The allowances should be increased annually in line with the percentage increase in staff salaries from April 2023 for a period of up to four years. After this period, the Scheme shall be reviewed again by an independent remuneration panel.

4.7 Revocation of current Scheme of Allowances / Implementation of the new Scheme

- 4.7.1 The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2023-24 municipal year, at which time the current scheme of allowances will be revoked.

5. OUR INVESTIGATION

5.1 Background

- 5.1.1 As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from 14 of the 37 current councillors (38% response). The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed eight current councillors using a structured questioning process. We are grateful to all our interviewees for their assistance.

5.2 Councillors' views on the level of allowances

- 5.2.1 A summary of the councillors' responses to the questionnaire are attached as Appendix 2.

6. APPROVED COUNCILLOR DUTIES

- 6.1.1 The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

WE THEREFORE RECOMMEND: That no changes are made to the Approved Councillor Duties as outlined in the Members' Allowance Scheme.

**Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
December 2022**

Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2022-23	Number	Recommended Allowance (45% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£5,453.89	37	£5,530.67	

Special Responsibility:				
Leader of the Council	£16,361.80	1	£16,592.01	300% of BA
Deputy Leader	£8,180.89	1	£9,125.60	55% of Leader's Allowance
Executive Member	£6,817.45	8	£7,466.40	45% of Leader's Allowance
Chairman of the Council	£2,727.01	1	£3,318.40	20% of Leader's Allowance
Leader of Opposition Group	£2,727.01	1	£4,148.00	25% of Leader's Allowance
Chairman of Planning	£5,453.88	1	£5,807.20	35% of Leader's Allowance
Licensing & Control Committee Chairman	£4,090.45	1	£4,148.00	25% of Leader's Allowance
Chairman Joint Overview and Scrutiny Committee	£4,090.45	1	£4,148.00	25% of Leader's Allowance
Chairman Joint Governance Committee	£2,727.01	1	£3,318.40	20% of Leader's Allowance
Vice Chairman of Council	£1,363.43	1	£829.60	25% of Chairman's Allowance
Deputy Leader of Opposition Group	£1,363.43	1	£1,037.00	25% of Leader of the Opposition Groups Allowance
Vice Chairman Planning Committee	£1,363.43	1	£1,451.80	25% of Chairman's Allowance
Vice Chairman Licensing and Control Committee	£1,363.43	1	£1,037.00	25% of Chairman's Allowance
Vice Chairman of Joint Overview and Scrutiny Committee	£1,363.43	1	£1,037.00	25% of Chairman's Allowance
Vice Chairman of Joint Governance Committee	£1,363.43	1	£829.60	25% of Chairman's Allowance
Co-Opted Member	£100 per meeting Chairman and £75 per meeting Panel Member		No Change	

Q1 In a typical week how many hours do you spend on Council business?

Answered: 13 Skipped: 1

#	RESPONSES	DATE
1	20	11/28/2022 6:56 PM
2	8-10	11/24/2022 10:58 PM
3	Varies enormously but I would say 6-7	11/22/2022 9:46 PM
4	30	11/22/2022 3:40 PM
5	Ten	11/22/2022 11:07 AM
6	21	11/21/2022 6:51 PM
7	20	11/21/2022 6:49 PM
8	30	11/21/2022 5:42 PM
9	30	11/21/2022 4:02 PM
10	20-22 hours	11/21/2022 1:51 PM
11	30 hours	11/21/2022 12:39 PM
12	15	11/21/2022 11:12 AM
13	22	11/21/2022 10:37 AM

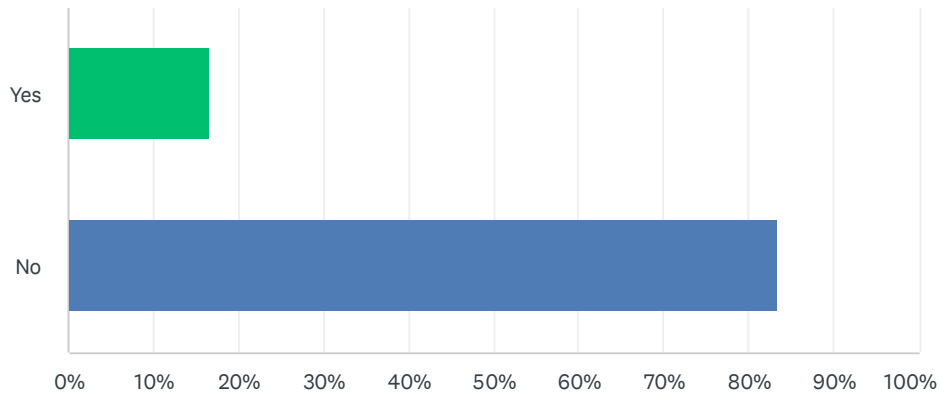
Q2 If you hold a role(s) within the Council i.e. Portfolio Holder, Chair etc., how many hours do you spend in a typical week on Council business relevant to the role(s). [Please provide details separately for each role if more than one additional role is held.] Please specify specific roles below and hours spent on each role:

Answered: 10 Skipped: 4

#	RESPONSES	DATE
1	JOSC subgroup 2	11/24/2022 10:58 PM
2	Licencing 1-2 depending on meetings	11/22/2022 9:46 PM
3	Ward Councillor 12hrs p/w Cabinet Member 16hrs p/w Planning 2hrs p/w	11/22/2022 3:40 PM
4	N/A	11/22/2022 11:07 AM
5	portfolio holder Climate Emergency varies but average about 5 hours a week	11/21/2022 6:51 PM
6	Cabinet Lead Culture and Leisure: 24	11/21/2022 5:42 PM
7	Cabinet Member for Resources 25 Planning 2 Other 3	11/21/2022 4:02 PM
8	Leader Opposition group 14-16 hours	11/21/2022 1:51 PM
9	Chair of Planning: 10 hours	11/21/2022 12:39 PM
10	Licensing Chair - 3 hours Group Treasurer - 1 hour	11/21/2022 11:12 AM

Q3 Do you incur any significant costs which you believe are not covered by your present allowance?

Answered: 12 Skipped: 2



ANSWER CHOICES	RESPONSES
Yes	16.67% 2
No	83.33% 10
TOTAL	12

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	Working from home. Heating lighting and internet connection	11/22/2022 9:46 PM
2	However it does mean that I work day and night 5 days a week and extra weekend hours because I have to work full time. The cllr allowance is not enough to allow me to work part time in my main job.	11/22/2022 3:40 PM
3	Training course for Women Leaders: group supported with £90 but total cost with travel £450	11/21/2022 5:42 PM

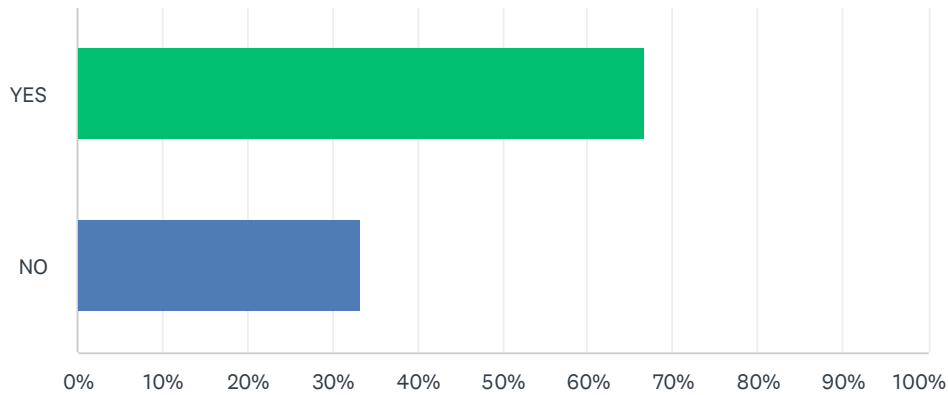
Q4 Government guidance states that “it is important that some element of the work of Councillors continues to be voluntary”. As part of their deliberations, Independent Remuneration Panels will assess what Public Service Discount should apply to the basic allowance - that is the percentage of their time Councillors expect to give without any financial remuneration. Accordingly, what do you feel is an acceptable amount of time to be given, unremunerated, if any, expressed as a percentage?

Answered: 12 Skipped: 2

#	RESPONSES	DATE
1	50%	11/28/2022 6:56 PM
2	This not a paid employment and with Christmas, Easter, purdah in election years reduces hours stated and committed. In the current climate we should not be looking to increase our allowances and should be serving our residents	11/24/2022 10:58 PM
3	That's not how it works. We don't receive an hourly rate for any hours worked so how can you then decide how much is voluntary. Inguess if you took the minimum wage of £10 an hour and I work 26 hours a month then it would be £260. So about right. just depends if our work is worth more than the minimum wage	11/22/2022 9:46 PM
4	50%	11/22/2022 3:40 PM
5	20%	11/22/2022 11:07 AM
6	An allowance is not equivalent to remuneration. The Allowance is not equivalent to a salary even for part time work. So there is a voluntary element in all Councillor work of about 50% under the current allowance scheme.	11/21/2022 6:51 PM
7	50% or 10 hours	11/21/2022 6:49 PM
8	50:50	11/21/2022 5:42 PM
9	25%	11/21/2022 4:02 PM
10	1 hour per day	11/21/2022 1:51 PM
11	33%	11/21/2022 12:39 PM
12	50 per cent	11/21/2022 11:12 AM

Q5 The present level of Basic Allowance payable to all Councillors is £5,154. Do you think this is appropriate?

Answered: 12 Skipped: 2



ANSWER CHOICES	RESPONSES	
YES	66.67%	8
NO	33.33%	4
TOTAL		12

#	IF NO, SHOULD IT BE LOWER OR HIGHER? PLEASE GIVE A REASON FOR YOUR ANSWER:	DATE
1	Higher . being a cllr should not be unaffordable to working Members	11/28/2022 7:01 PM
2	Remuneration is less than the minimum wage	11/22/2022 9:48 PM
3	It is enough for me because I earn a good wage in my main work but I think it's a barrier to low earners and carers	11/22/2022 3:42 PM
4	It's not enough however making it higher would impact Council Tax charges.	11/21/2022 6:52 PM
5	Higher	11/21/2022 12:29 PM
6	lower or have less cllrs	11/21/2022 10:38 AM

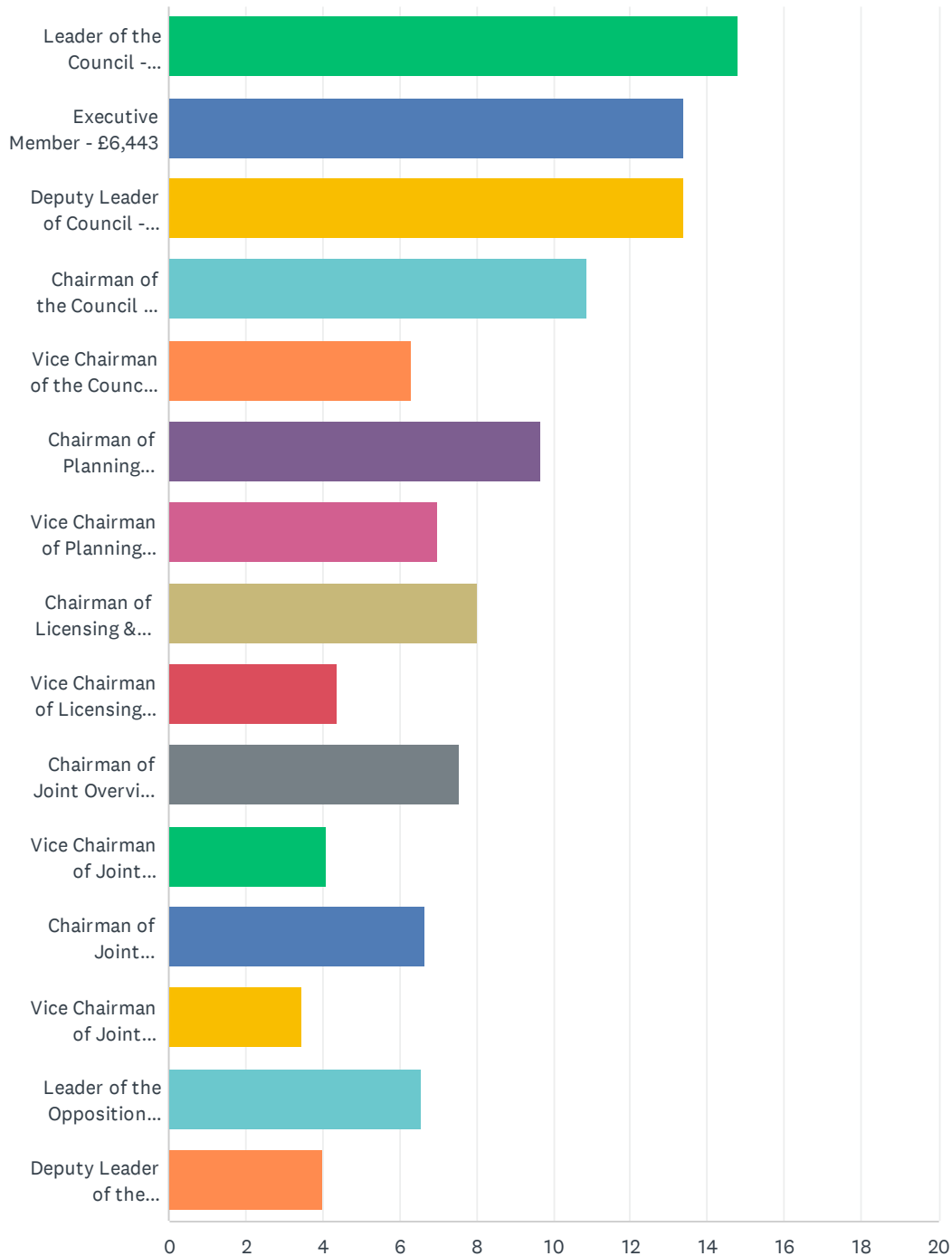
Q6 If you are able to, please indicate an appropriate level £:

Answered: 7 Skipped: 7

#	RESPONSES	DATE
1	5,500	11/28/2022 7:01 PM
2	We all know colleagues who ignore contact or requests for help from residents. How do we 'manage the disinterested who just keep taking their allowance, attend Council x2 per year Nolan principals clearly identify the qualities of public servants and yet there is no appraisal within the political groups within Council I personally would still complete my role and responsibilities without any allowance I am aware this is not a popular sentiment	11/24/2022 11:06 PM
3	I am not prepared to say what I am worth. That is for others to decide	11/22/2022 9:48 PM
4	Perhaps should be means tested so we can encourage more working age; women and people of colour to stand.	11/22/2022 3:42 PM
5	£5,154	11/22/2022 11:07 AM
6	but needs to rise in line with CPI, printing costs at home have risen by over 200% Ream paper risen from £2.50 to £5.00 ream for example. Postage continues to rise.	11/21/2022 1:53 PM
7	c 7,000 - 10,000 based on relating the allowance to National Minimum wage - currently at c. £20K and with reductions based on the % of working week worked and a voluntary contribution.	11/21/2022 12:29 PM

Q7 Special Responsibility Allowances (SRAs) are currently paid as follows: [To assist the Panel to produce a more consistent group of allowances, please can you score each role / position in respect of importance and impact, with 1 being the most important.

Answered: 10 Skipped: 4



Independent Remuneration Panel Members' Allowances Questionnaire 2022 - Worthing Borough Council

	1	2	3	4	5	6	7	8	9	10	11
Leader of the Council - £15,462	90.00% 9	0.00% 0	10.00% 1	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0
Executive Member - £6,443	0.00% 0	40.00% 4	60.00% 6	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0
Deputy Leader of Council - £7,731	0.00% 0	60.00% 6	20.00% 2	20.00% 2	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0
Chairman of the Council - £2,577	0.00% 0	0.00% 0	11.11% 1	55.56% 5	0.00% 0	11.11% 1	0.00% 0	11.11% 1	11.11% 1	0.00% 0	0.00% 0
Vice Chairman of the Council-£1,288	0.00% 0	0.00% 0	0.00% 0	0.00% 0	22.22% 2	11.11% 1	11.11% 1	0.00% 0	0.00% 0	11.11% 1	11.11% 1
Chairman of Planning Committee - £ 5,154	0.00% 0	0.00% 0	0.00% 0	10.00% 1	20.00% 2	10.00% 1	50.00% 5	10.00% 1	0.00% 0	0.00% 0	0.00% 0
Vice Chairman of Planning Committee - £1,288	0.00% 0	0.00% 0	0.00% 0	0.00% 0	20.00% 2	10.00% 1	10.00% 1	0.00% 0	10.00% 1	10.00% 1	10.00% 1
Chairman of Licensing & Control Committee-£3,865	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11.11% 1	22.22% 2	44.44% 4	0.00% 0	22.22% 2	0.00% 0
Vice Chairman of Licensing & Control Committee - £1,288	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	20.00% 2	10.00% 1	20.00% 2
Chairman of Joint Overview and Scrutiny Committee-£3,865	0.00% 0	0.00% 0	0.00% 0	11.11% 1	22.22% 2	0.00% 0	0.00% 0	0.00% 0	22.22% 2	22.22% 2	0.00% 0
Vice Chairman of Joint Overview and Scrutiny Committee-£1,288	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11.11% 1	0.00% 0	33.33% 3
Chairman of Joint Governance Committee-£2,577	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	22.22% 2	11.11% 1	11.11% 1	11.11% 1	11.11% 1	0.00% 0
Vice Chairman of	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11.11% 1	0.00% 0	22.22% 2

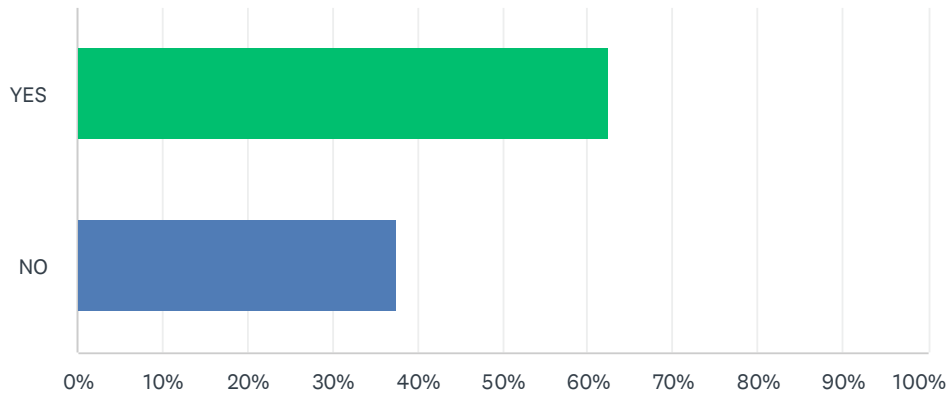
Independent Remuneration Panel Members' Allowances Questionnaire 2022 - Worthing Borough Council

Joint
Governance
Committee
- £1,288

Leader of the Opposition Group-£2,577	0.00% 0	0.00% 0	0.00% 0	11.11% 1	11.11% 1	22.22% 2	0.00% 0	11.11% 1	0.00% 0	0.00% 0	0.00% 0
Deputy Leader of the Opposition Group-£1,288	0.00% 0	0.00% 0	0.00% 0	0.00% 0	11.11% 1	0.00% 0	0.00% 0	11.11% 1	0.00% 0	22.22% 2	0.00% 0

Q8 Would you like to see any of these changes made to these allowances?

Answered: 8 Skipped: 6

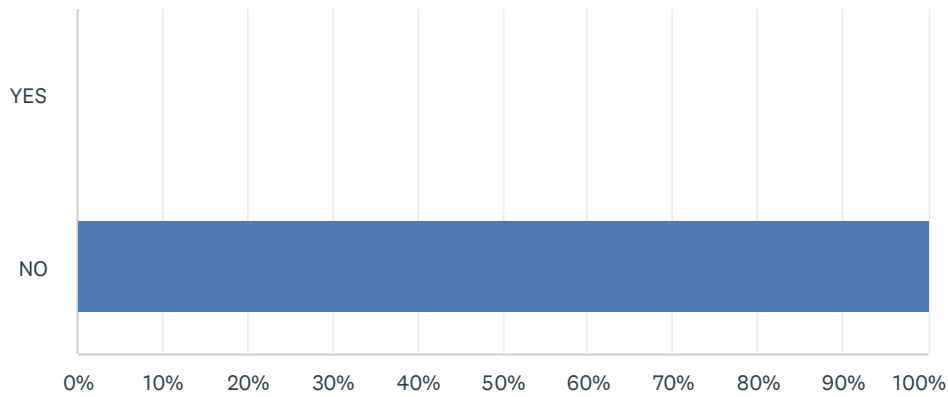


ANSWER CHOICES	RESPONSES	
YES	62.50%	5
NO	37.50%	3
TOTAL		8

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	chair planning =too much . Chair J(A)GC = too little	11/28/2022 7:13 PM
2	A cap on the total amount across all functions to stop the same people trying to control everything.	11/22/2022 3:52 PM
3	Vice chairman/Deputy Mayor doesn't need an SRA	11/22/2022 11:10 AM
4	I think the Chairman and Leader of the Opposition allowances are too low	11/21/2022 4:05 PM
5	Opposition group Leader and deputy - spend as much time reading the full sets all council papers as teh administration do, to ensure that they are able to hold the administration to account, and attend additional meetings at JSC and JSC sub to ask questions and challenge. I think there is a perception that being in opposition is a doddle, in fact it is harder as you do not have officer support to rely on nor access to the full information and have to do your own research. Having an effective opposition is crucial to 'good' democracy and it needs to be recognised in what people are being expected to do	11/21/2022 2:00 PM
6	Worthing Licensing is much busier than Adur, This should be recognised financially	11/21/2022 11:14 AM

Q9 Would you like to see any new SRAs introduced?

Answered: 9 Skipped: 5

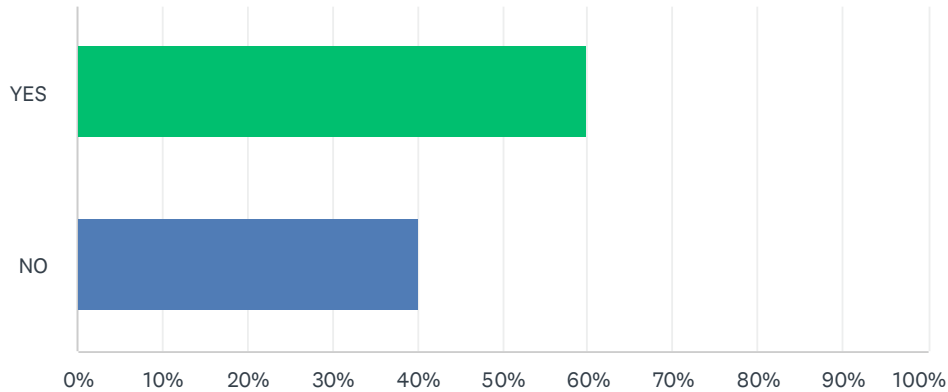


ANSWER CHOICES	RESPONSES
YES	0.00% 0
NO	100.00% 9
TOTAL	9

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	I would like to see better provision of expenses for those who have caring responsibilities. Currently they have to pay the minder first and then claim back from the council. Many do not have the cash flow to support this. It can also disrupt people's benefits. Instead I think the council should pay the relief carers directly,	11/22/2022 3:52 PM

Q10 Dependent Carer Allowance - Childcare up to £10.25 per hour. Dependent Persons Carer Allowance up to £15 per hour. Do you think these rates should be increased?

Answered: 10 Skipped: 4

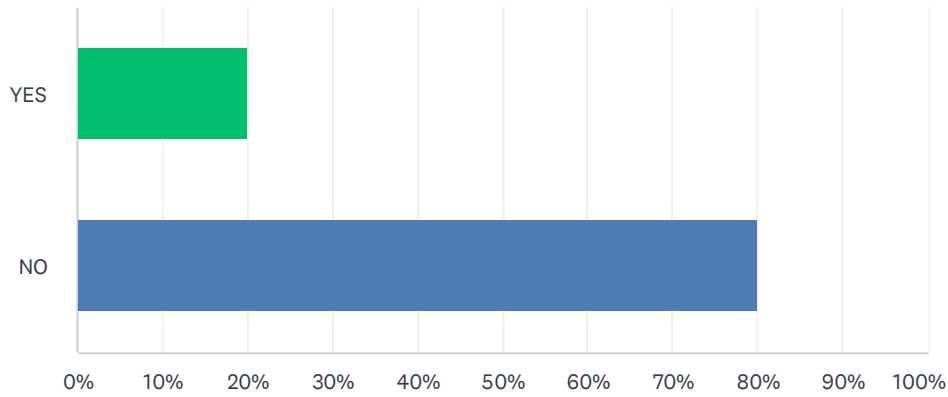


ANSWER CHOICES	RESPONSES	
YES	60.00%	6
NO	40.00%	4
TOTAL		10

#	IF YES, PLEASE INDICATE RATE AND SEASON:	DATE
1	with inflation	11/28/2022 7:13 PM
2	Not sure	11/22/2022 9:49 PM
3	For children with additional needs £15 may be required	11/22/2022 3:53 PM
4	Childcare can cost more than £10.25 per hour. Needing to pay for childcare should not be a barrier to attending council meetings. Provided that receipts can be provided this should be higher.	11/22/2022 11:11 AM
5	Increase childcare hourly rate and extend to cover travelling time	11/21/2022 7:24 PM
6	I think Childcare and Carer should be the same	11/21/2022 5:47 PM
7	A check should be made of 'local' rates and being reflective of these	11/21/2022 2:00 PM

Q11 The current scheme of travel allowances are linked to the NJC rate. Do you have any comments on the current scheme for Councillors?

Answered: 10 Skipped: 4



ANSWER CHOICES	RESPONSES
YES	20.00% 2
NO	80.00% 8
TOTAL	10

#	IF YES, PLEASE PROVIDE DETAILS:	DATE
1	Needs to reflect real costs	11/24/2022 11:09 PM
2	I didn't know I could claim travel allowances	11/21/2022 5:48 PM

Q12 Would you support the introduction of a Parental Leave Policy for Councillors?:

Answered: 10 Skipped: 4

#	RESPONSES	DATE
1	yes	11/28/2022 7:14 PM
2	Yes	11/24/2022 11:09 PM
3	Yes	11/22/2022 9:50 PM
4	Yes otherwise on the whole women are unfairly disadvantaged	11/22/2022 3:55 PM
5	Yes.	11/22/2022 11:11 AM
6	Yes	11/21/2022 7:24 PM
7	Yes	11/21/2022 5:48 PM
8	No	11/21/2022 4:06 PM
9	No - as you have identified this is a voluntary role.	11/21/2022 2:01 PM
10	Yes	11/21/2022 11:14 AM

Q13 Do You have any other views on the Members Allowance Scheme?:

Answered: 8 Skipped: 6

#	RESPONSES	DATE
1	Not at this moment	11/28/2022 7:14 PM
2	Needs to be benchmarked against similar Councils and their allowances	11/24/2022 11:09 PM
3	The allowance is just that an allowance. It should not be taxable as a wage.	11/22/2022 9:50 PM
4	People should not see being a cllr as a money making opportunity but if we do not offer decent allowances where needed we will exclude some of the people that we most need to represent our citizens. Perhaps a means tested approach could help to address this?	11/22/2022 3:55 PM
5	No. On the whole I think the current scheme works well.	11/22/2022 11:11 AM
6	No	11/21/2022 5:48 PM
7	No	11/21/2022 4:06 PM
8	No	11/21/2022 2:01 PM

This page is intentionally left blank

Members' Allowances

Members' Allowances


Allowances after 2/22/23 NJC Pay Award

5.82% NJC Pay Award **5,453.89**

JIRP Recommendation

5.90% JIRP recommendation plus 4.5% NJC Pay Award **5,775.67**

 WORTHING BOROUGH COUNCIL		Notes																																																																																																																
<p>Basic Allowance</p> <p>Special Responsibility Allowances Leader of the Council Deputy Leader Executive Portfolio Holders Environmental Services Community Wellbeing (was Health & Wellbeing) Citizen Services (was Customer Services) Leader Deputy Leader Regeneration Resources Climate Emergency Culture & Leisure</p> <p>Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee* Joint Staff Committee Joint Senior Staff Committee Joint Senior Staff Appeals Committee</p> <p>Vice Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee*</p> <p>Main Opposition Leader Deputy Opposition Leader</p> <p>National Insurance</p> <p style="text-align: right;">TOTAL</p>	<p>Basic Allowance</p> <p>Special Responsibility Allowances Leader of the Council Deputy Leader Executive Portfolio Holders Environmental Services Community Wellbeing (was Health & Wellbeing) Citizen Services (was Customer Services) Leader Deputy Leader Regeneration Resources Climate Emergency Culture & Leisure</p> <p>Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee* Joint Staff Committee Joint Senior Staff Committee Joint Senior Staff Appeals Committee</p> <p>Vice Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee*</p> <p>Main Opposition Leader Deputy Opposition Leader</p> <p>National Insurance</p> <p style="text-align: right;">TOTAL</p>	<p>Worthing allowance 2022/23</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Units</th> <th>per Member £</th> <th>Total £</th> </tr> </thead> <tbody> <tr><td>37</td><td>1</td><td>5,453.89</td><td>201,794</td></tr> <tr><td>1</td><td>3</td><td>16,361.67</td><td>16,362</td></tr> <tr><td>1</td><td>1.5</td><td>8,180.83</td><td>8,181</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.83</td><td>4,544.97</td><td>4,545</td></tr> <tr><td>1</td><td>0.5</td><td>2,727.01</td><td>2,727</td></tr> <tr><td>1</td><td>1</td><td>5,453.88</td><td>5,454</td></tr> <tr><td>1</td><td>0.75</td><td>4,090.45</td><td>4,090</td></tr> <tr><td>1</td><td>0.75</td><td>4,090.45</td><td>4,090</td></tr> <tr><td>1</td><td>0.5</td><td>2,727.01</td><td>2,727</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td>1</td><td>0.5</td><td>2,727.01</td><td>2,727</td></tr> <tr><td>1</td><td>0.25</td><td>1,363.43</td><td>1,363</td></tr> <tr><td colspan="3"></td><td>3,937</td></tr> <tr><td colspan="3"></td><td>296,630</td></tr> </tbody> </table>	No.	Units	per Member £	Total £	37	1	5,453.89	201,794	1	3	16,361.67	16,362	1	1.5	8,180.83	8,181	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.83	4,544.97	4,545	1	0.5	2,727.01	2,727	1	1	5,453.88	5,454	1	0.75	4,090.45	4,090	1	0.75	4,090.45	4,090	1	0.5	2,727.01	2,727	1	0.25	1,363.43	1,363	1	0.25	1,363.43	1,363	1	0.25	1,363.43	1,363	1	0.25	1,363.43	1,363	1	0.25	1,363.43	1,363	1	0.5	2,727.01	2,727	1	0.25	1,363.43	1,363				3,937				296,630
No.	Units	per Member £	Total £																																																																																																															
37	1	5,453.89	201,794																																																																																																															
1	3	16,361.67	16,362																																																																																																															
1	1.5	8,180.83	8,181																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.83	4,544.97	4,545																																																																																																															
1	0.5	2,727.01	2,727																																																																																																															
1	1	5,453.88	5,454																																																																																																															
1	0.75	4,090.45	4,090																																																																																																															
1	0.75	4,090.45	4,090																																																																																																															
1	0.5	2,727.01	2,727																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
1	0.5	2,727.01	2,727																																																																																																															
1	0.25	1,363.43	1,363																																																																																																															
			3,937																																																																																																															
			296,630																																																																																																															

 WORTHING BOROUGH COUNCIL		Notes																																																																																																																																							
<p>Basic Allowance</p> <p>Special Responsibility Allowances Leader of the Council Deputy Leader Executive Portfolio Holders Environmental Services Community Wellbeing (was Health & Wellbeing) Citizen Services (was Customer Services) Leader Deputy Leader Regeneration Resources Climate Emergency Culture & Leisure</p> <p>Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee* Joint Staff Committee Joint Senior Staff Committee Joint Senior Staff Appeals Committee</p> <p>Vice Chairpersons Council Planning Committee Licensing Joint Overview & Scrutiny* Joint Governance Committee*</p> <p>Main Opposition Leader Deputy Opposition Leader</p> <p>National Insurance</p> <p style="text-align: right;">TOTAL</p>	<p>Worthing allowance 2023/24</p> <table border="1"> <thead> <tr> <th>No.</th> <th>Units</th> <th>Recommended Shares</th> <th>per Member £</th> <th>Total £</th> </tr> </thead> <tbody> <tr><td>37</td><td>1</td><td></td><td>5,775.72</td><td>213,702</td></tr> <tr><td>1</td><td>3</td><td>3xBasic Allowance</td><td>17,327.16</td><td>17,327</td></tr> <tr><td>1</td><td>1.65</td><td>55% of Leader</td><td>9,529.92</td><td>9,530</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td></td><td>Part of Leader SRA</td><td></td><td></td></tr> <tr><td>1</td><td></td><td>Part of Deputy leader SRA</td><td></td><td></td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>1.35</td><td>45% of Leader</td><td>7,797.24</td><td>7,797</td></tr> <tr><td>1</td><td>0.6</td><td>20% of Leader</td><td>3,465.48</td><td>3,465</td></tr> <tr><td>1</td><td>1.05</td><td>35% of Leader</td><td>6,064.44</td><td>6,064</td></tr> <tr><td>1</td><td>0.75</td><td>25% of Leader</td><td>4,331.76</td><td>6,064</td></tr> <tr><td>1</td><td>0.75</td><td>25% of Leader</td><td>4,331.76</td><td>4,332</td></tr> <tr><td>1</td><td>0.6</td><td>20% of Leader</td><td>3,465.48</td><td>3,465</td></tr> <tr><td>1</td><td>0.15</td><td>25% of Chair</td><td>866.40</td><td>866</td></tr> <tr><td>1</td><td>0.2625</td><td>25% of Chair</td><td>1,516.08</td><td>1,516</td></tr> <tr><td>1</td><td>0.1875</td><td>25% of Chair</td><td>1,083.00</td><td>1,083</td></tr> <tr><td>1</td><td>0.1875</td><td>25% of Chair</td><td>1,083.00</td><td>1,083</td></tr> <tr><td>1</td><td>0.15</td><td>25% of Chair</td><td>866.40</td><td>866</td></tr> <tr><td>1</td><td>0.75</td><td>25% of Leader</td><td>4,331.76</td><td>4,332</td></tr> <tr><td>1</td><td>0.1875</td><td>25% of Chair</td><td>1,083.00</td><td>1,083</td></tr> <tr><td colspan="3"></td><td>3,937</td><td></td></tr> <tr><td colspan="3"></td><td>329,361</td><td></td></tr> </tbody> </table>	No.	Units	Recommended Shares	per Member £	Total £	37	1		5,775.72	213,702	1	3	3xBasic Allowance	17,327.16	17,327	1	1.65	55% of Leader	9,529.92	9,530	1	1.35	45% of Leader	7,797.24	7,797	1	1.35	45% of Leader	7,797.24	7,797	1	1.35	45% of Leader	7,797.24	7,797	1		Part of Leader SRA			1		Part of Deputy leader SRA			1	1.35	45% of Leader	7,797.24	7,797	1	1.35	45% of Leader	7,797.24	7,797	1	1.35	45% of Leader	7,797.24	7,797	1	1.35	45% of Leader	7,797.24	7,797	1	0.6	20% of Leader	3,465.48	3,465	1	1.05	35% of Leader	6,064.44	6,064	1	0.75	25% of Leader	4,331.76	6,064	1	0.75	25% of Leader	4,331.76	4,332	1	0.6	20% of Leader	3,465.48	3,465	1	0.15	25% of Chair	866.40	866	1	0.2625	25% of Chair	1,516.08	1,516	1	0.1875	25% of Chair	1,083.00	1,083	1	0.1875	25% of Chair	1,083.00	1,083	1	0.15	25% of Chair	866.40	866	1	0.75	25% of Leader	4,331.76	4,332	1	0.1875	25% of Chair	1,083.00	1,083				3,937					329,361		<p>Approved Budget 22/23 £285,780</p> <p>Growth / (Saving) against Budget £10,850</p>
No.	Units	Recommended Shares	per Member £	Total £																																																																																																																																					
37	1		5,775.72	213,702																																																																																																																																					
1	3	3xBasic Allowance	17,327.16	17,327																																																																																																																																					
1	1.65	55% of Leader	9,529.92	9,530																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1		Part of Leader SRA																																																																																																																																							
1		Part of Deputy leader SRA																																																																																																																																							
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	1.35	45% of Leader	7,797.24	7,797																																																																																																																																					
1	0.6	20% of Leader	3,465.48	3,465																																																																																																																																					
1	1.05	35% of Leader	6,064.44	6,064																																																																																																																																					
1	0.75	25% of Leader	4,331.76	6,064																																																																																																																																					
1	0.75	25% of Leader	4,331.76	4,332																																																																																																																																					
1	0.6	20% of Leader	3,465.48	3,465																																																																																																																																					
1	0.15	25% of Chair	866.40	866																																																																																																																																					
1	0.2625	25% of Chair	1,516.08	1,516																																																																																																																																					
1	0.1875	25% of Chair	1,083.00	1,083																																																																																																																																					
1	0.1875	25% of Chair	1,083.00	1,083																																																																																																																																					
1	0.15	25% of Chair	866.40	866																																																																																																																																					
1	0.75	25% of Leader	4,331.76	4,332																																																																																																																																					
1	0.1875	25% of Chair	1,083.00	1,083																																																																																																																																					
			3,937																																																																																																																																						
			329,361																																																																																																																																						

Approved Budget 22/23 **£285,780**

Growth / (Saving) against Budget **£10,850**

Estimated Budget 23/24 **£309,340**
(includes 4.5% inflationary increase)

Growth / (Saving) against Budget **£20,021**

This page is intentionally left blank

Previous years' data - did not submit 2022 return

				MINIMUM	£2,808.00	£0.00		
				MAXIMUM	£6,617.00	£447,833.00		
				AVERAGE	£5,009.66	£286,151.25		
Council name	Type of council	County area	Population	Basic Allowance for 2021/2022	Overall budget for Member Allowances	Total number of councillors	Percentage of Public Service Discount*, if applicable (%)	
Adur District Council	District	West Sussex	64000	£4,762.00	£221,000.00	29	0.00%	
Arun District Council	District	West Sussex	164800	£5,730.28	£430,340.00	54	30.00%	
Chichester District Council	District	West Sussex	118000	£5,200.00	£296,806.00	36	0	
Crawley Borough Council	District	West Sussex	118500	£6,617.00	£330,000.00	36	N/A	
Eastbourne Borough Council	District	East Sussex	107000	£2,808.00	£133,731.00	27	No percentage agree but scheme states that basic allowance reflects an element of voluntary public service.	
Hastings Borough Council	District	East Sussex	95000	£6,429.00	£200,000.00	32	n/a	
Horsham District Council	District	West Sussex	145474	£5,470.50	£353,000.00	48	N/A (nb we hold to the principle but not attempted to quantify)	
Lewes District Council	District	East Sussex	102744	£3,196.00	£223,000.00	41	Not specified	
Mid Sussex District Council	District	West Sussex	150,000 approx.	£5,200.00	£447,833.00	54	N/A	
Rother District Council	District	East Sussex	96716	£4,703.00	£228,470.00	38	0	
Wealden District Council	District	East Sussex	160600	£4,846.20	£294,275.00	45	N/A	
Worthing Borough Council	District	West Sussex	110000	£5,153.93	£275,360.00	37	0%	



Previous years' data - did not submit 2022 return

MINIMUM MAXIMUM AVERAGE			
Council name	Type of council	County area	Comments on Basic Allowance
Adur District Council	District	West Sussex	Tied to NJC
Arun District Council	District	West Sussex	This is linked to staff pay awards and so any increase in BA mirrors the % increase in staff pay
Chichester District Council	District	West Sussex	N/A
Crawley Borough Council	District	West Sussex	Frozen for 2021/22 and 2022/23.
Eastbourne Borough Council	District	East Sussex	
Hastings Borough Council	District	East Sussex	n/a
Horsham District Council	District	West Sussex	The Allowance was increased by 5% in April 2021 as part of the recommendations from the Independent Review Panel, but application was deferred until this April. Initial responses suggest that it is not felt appropriate in the current climate to consider an increase for next year.
Lewes District Council	District	East Sussex	
Mid Sussex District Council	District	West Sussex	This has increased by 2% per year for the past 4 years.
Rother District Council	District	East Sussex	A formula has not been used in the past to calculate basic allowance. We will be conducting a review later this year and will hopefully use a more structured approach - thanks to the training I attended delivered by SEE.
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	Multiples of the basic allowance



Previous years' data - did not submit 2022 return

			MINIMUM	£4,212.00	£0.00
			MAXIMUM	£20,800.00	£11,000.00
			AVERAGE	£13,587.59	£5,998.73
Council name	Type of council	County area	Population	Leader	Deputy Leader
Adur District Council	District	West Sussex	64000	£14,040.60	£7,020.36
Arun District Council	District	West Sussex	164800	£5,978.00	£2,116.00
Chichester District Council	District	West Sussex	118000	£15,500.00	£8,150.00
Crawley Borough Council	District	West Sussex	118,500	£15,885.00	N/A
Eastbourne Borough Council	District	East Sussex	107000	£4,212.00	£2,808.00
Hastings Borough Council	District	East Sussex	95,000	£12,861.00	£8,364.00
Horsham District Council	District	West Sussex	145,474 (2021)	£15,587.00	£8,925.00
Lewes District Council	District	East Sussex	102744	£14,821.00	£0.00
Mid Sussex District Council	District	West Sussex	150,000 approx	£20,800.00	£11,000.00
Rother District Council	District	East Sussex	96716	£13,735.00	£3,873.00
Wealden District Council	District	East Sussex	160,600	£14,169.60	N/A
Worthing Borough Council	District	West Sussex	110,000	£15,461.92	£7,730.95



Previous years'
data - did not
submit 2022
return

			MINIMUM	£644.50	£0.00	£0.00
			MAXIMUM	£8,500.00	£8,500.00	£4,800.00
			AVERAGE	£5,649.88	£3,171.29	£2,979.40
Council name	Type of council	County area	Cabinet Member / Portfolio Holder	Cabinet Member / Non Portfolio Holder	Chair Audit Committee	
Adur District Council	District	West Sussex	£5,850.24	£0.00	£2,340.00	
Arun District Council	District	West Sussex	N/A	N/A	£3,920.00	
Chichester District Council	District	West Sussex	£7,400.00	£7,400.00	£4,800.00	
Crawley Borough Council	District	West Sussex	£7,942.00	N/A	£2,649.00	
Eastbourne Borough Council	District	East Sussex	£2,808.00	£0.00	£0.00	
Hastings Borough Council	District	East Sussex	£6,945.00	£3,335.00	£3,216.00	
Horsham District Council	District	West Sussex	£7,285.00	N/A	£2,535.00	
Lewes District Council	District	East Sussex	£5,928.00	£2,964.00	£4,446.00	
Mid Sussex District Council	District	West Sussex	£8,500.00	£8,500.00	£3,120.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	£2,186.00	
Wealden District Council	District	East Sussex	£5,857.92	N/A	£3,963.72	
Worthing Borough Council	District	West Sussex	£644.50	£0.00	£2,577.03	



Previous years' data - did not submit 2022 return

			MINIMUM	£60.00	£0.00	£0.00
			MAXIMUM	£5,453.00	£1,288.45	£261.00
			AVERAGE	£2,585.05	£317.81	£61.68
Council name	Type of council	County area	Licensing Committee Chair	Deputy Chair Licensing Committee	Members of Licensing Committee	
Adur District Council	District	West Sussex	£3,510.00	£0.00	£0.00	
Arun District Council	District	West Sussex	£4,181.00	£1,254.00	£261.00	
Chichester District Council	District	West Sussex	£4,300.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£5,453.00	£0.00	£0.00	
Eastbourne Borough Council	District	East Sussex	£1,404.00	£0.00	£62.00	
Hastings Borough Council	District	East Sussex	£1,047.00	£0.00	£108.77	
Horsham District Council	District	West Sussex	£2,535.00	N/A	N/A	
Lewes District Council	District	East Sussex	£60.00	£0.00	£0.00	
Mid Sussex District Council	District	West Sussex	£1,040.00	£0.00	£0.00	
Rother District Council	District	East Sussex	£2,186.00	N/A	N/A	
Wealden District Council	District	East Sussex	£1,439.16	N/A	N/A	
Worthing Borough Council	District	West Sussex	£3,865.48	£1,288.45	0-	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£2,106.00	£0.00	£0.00
			MAXIMUM	£6,617.00	£2,070.00	£1,404.00
			AVERAGE	£4,786.68	£1,112.85	£471.00
Council name	Type of council	County area	Planning Committee Chair	Deputy Chair Planning Committee	Members of Planning Committee	
Adur District Council	District	West Sussex	£4,680.24	£1,170.00	£0.00	
Arun District Council	District	West Sussex	£6,272.00	£2,070.00	£784.00	
Chichester District Council	District	West Sussex	£6,350.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£6,617.00	£0.00	£0.00	
Eastbourne Borough Council	District	East Sussex	£2,106.00	£0.00	£1,404.00	
Hastings Borough Council	District	East Sussex	£3,861.00	£1,413.00	£1,047.00	
Horsham District Council	District	West Sussex	£4,000.00	£1,345.00	N/A	
Lewes District Council	District	East Sussex	£4,446.00	£741.00	£533.00	
Mid Sussex District Council	District	West Sussex	£6,500.00	£1,625.00	£0.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	N/A	
Wealden District Council	District	East Sussex	£4,464.96	£1,476.00	N/A	
Worthing Borough Council	District	West Sussex	£5,154.93	£1,288.45	£0.00	



Previous years' data - did not submit 2022 return

			MINIMUM	£1,404.00	£0.00	£0.00
			MAXIMUM	£7,106.00	£1,775.00	£0.00
			AVERAGE	£4,011.85	£737.93	£0.00
Council name	Type of council	County area	Overview and Scrutiny Committee Chair	Deputy Chair Overview and Scrutiny Committee	Overview and Scrutiny Co-optee	
Adur District Council	District	West Sussex	£3,510.12	£1,170.00	£0.00	
Arun District Council	District	West Sussex	N/A	N/A	N/A	
Chichester District Council	District	West Sussex	£5,050.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£7,106.00	£0.00	N/A	
Eastbourne Borough Council	District	East Sussex	£1,404.00	£0.00	£0.00	
Hastings Borough Council	District	East Sussex	£3,216.00	£630.00	£0.00	
Horsham District Council	District	West Sussex	£5,310.00	£1,775.00	N/A	
Lewes District Council	District	East Sussex	£3,557.00	£0.00	£0.00	
Mid Sussex District Council	District	West Sussex	£4,160.00	£1,040.00	£0.00	
Rother District Council	District	East Sussex	£2,988.00	N/A	N/A	
Wealden District Council	District	East Sussex	£3,963.72	N/A	N/A	
Worthing Borough Council	District	West Sussex	£3,865.48	£1,288.45	£0.00	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£0.00	£2,224.00	£0.00
			MAXIMUM	£1,112.00	£8,698.00	£2,869.00
			AVERAGE	£185.33	£4,903.88	£1,519.58
Council name	Type of council	County area	Working/Joint Committee	Chair/Civic Mayor	Deputy Chair/Civic Mayor	
Adur District Council	District	West Sussex	£0.00	£2,340.00	£1,170.00	
Arun District Council	District	West Sussex	N/A	£8,698.00	£2,869.00	
Chichester District Council	District	West Sussex	n/a	£5,000.00	n/a	
Crawley Borough Council	District	West Sussex	N/A	£6,361.00	£954.00	
Eastbourne Borough Council	District	East Sussex	£0.00	£2,808.00	£1,404.00	
Hastings Borough Council	District	East Sussex	£0.00	£6,840.00	£2,235.00	
Horsham District Council	District	West Sussex	N/A	£5,310.00	£1,780.00	
Lewes District Council	District	East Sussex	£1,112.00	£2,224.00	£0.00	
Mid Sussex District Council	District	West Sussex	£0.00	£6,760.00	£2,253.00	
Rother District Council	District	East Sussex	N/A	N/A	N/A	
Wealden District Council	District	East Sussex	N/A	£5,024.64	£1,242.36	
Worthing Borough Council	District	West Sussex	£0.00	£2,577.03	£1,288.45	



Previous years' data - did not submit 2022 return

			MINIMUM	£0.00	£0.00	£0.00
			MAXIMUM	£4,750.00	£1,404.00	£14,169.60
			AVERAGE	£2,490.14	£480.83	£2,342.98
Council name	Type of council	County area	Opposition Group Leader	Deputy Opposition Leader	Group Leader	
Adur District Council	District	West Sussex	£2,340.12	£0.00	£0.00	
Arun District Council	District	West Sussex	£4,095.00	N/A	£101.75	
Chichester District Council	District	West Sussex	£4,750.00	n/a	n/a	
Crawley Borough Council	District	West Sussex	£2,448.00	N/A	N/A	
Eastbourne Borough Council	District	East Sussex	£2,106.00	£1,404.00	£0.00	
Hastings Borough Council	District	East Sussex	£1,569.52	£192.52	£1,569.50	
Horsham District Council	District	West Sussex	£3,856.50	N/A	N/A	
Lewes District Council	District	East Sussex	£4,446.00	£0.00	£4,446.00	
Mid Sussex District Council	District	West Sussex	£0.00	£0.00	£250.00	
Rother District Council	District	East Sussex	£550.00	N/A	£550.00	
Wealden District Council	District	East Sussex	£1,143.50	N/A	£14,169.60	
Worthing Borough Council	District	West Sussex	£2,577.03	£1,288.45	£0.00	



Previous years'
data - did not
submit 2022
return

			MINIMUM	£0.00	£0.00	£0.00
			MAXIMUM	£0.00	£5,091.00	£1,345.00
			AVERAGE	£0.00	£1,102.71	£611.69
Council name	Type of council	County area	Opposition Spokesperson	Committee Chair	Independent Person Allowance	
Adur District Council	District	West Sussex	£0.00	£0.00	£75.00	
Arun District Council	District	West Sussex	N/A	£5,091.00	£505.49	
Chichester District Council	District	West Sussex	n/a	n/a	n/a	
Crawley Borough Council	District	West Sussex	N/A	N/A	£750.00	
Eastbourne Borough Council	District	East Sussex	£0.00	£93.00	£1,000.00	
Hastings Borough Council	District	East Sussex	£0.00	n/a	£0.00	
Horsham District Council	District	West Sussex	N/A	£2,535.00	£1,345.00	
Lewes District Council	District	East Sussex	£0.00	£0.00	£1,000.00	
Mid Sussex District Council	District	West Sussex	£0.00	£0.00	£750.00	
Rother District Council	District	East Sussex	N/A	N/A	£361.00	
Wealden District Council	District	East Sussex	N/A	N/A	£867.12	
Worthing Borough Council	District	West Sussex	£0.00	£0.00	£75.00	



Previous years' data - did not submit 2022 return

MINIMUM MAXIMUM AVERAGE				
Council name	Type of council	County area	Do you operate the '1 SRA per councillor' rule?	Do you operate the 50% rule?
Adur District Council	District	West Sussex	No	No
Arun District Council	District	West Sussex	No	No
Chichester District Council	District	West Sussex	Yes	No
Crawley Borough Council	District	West Sussex	Yes	No
Eastbourne Borough Council	District	East Sussex	No	No
Hastings Borough Council	District	East Sussex	No	No
Horsham District Council	District	West Sussex	Yes	No
Lewes District Council	District	East Sussex	Yes	No
Mid Sussex District Council	District	West Sussex	Yes	No
Rother District Council	District	East Sussex	Yes	No
Wealden District Council	District	East Sussex	Yes	No
Worthing Borough Council	District	West Sussex	No	No



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Population	Travelling/mileage (pence per mile)	Bicycle mileage (pence per mile)
Adur District Council	District	West Sussex	64,000	46.9p - 65p	0
Arun District Council	District	West Sussex	164,800	45p per mile	20p per mile
Chichester District Council	District	West Sussex	118000	0.65	0.2
Crawley Borough Council	District	West Sussex	118,500	45p (HMRC rates)	20p (HMRC rates)
Eastbourne Borough Council	District	East Sussex	107,000	45p (outside of borough only)	20p (outside of borough only)
Hastings Borough Council	District	East Sussex	95,000	45	20
Horsham District Council	District	West Sussex	145,474	45	N/A
Lewes District Council	District	East Sussex	102,744	45pence per mile up to 10,000 mile, 25 pence over 10,000 miles, Passenger rate - 5 pence per mile, Motorcycle 24 pence per mile.	20p
Mid Sussex District Council	District	West Sussex	150,000 approx	45	20
Rother District Council	District	East Sussex	96716	45	20
Wealden District Council	District	East Sussex	160,600	45p	20p
Worthing Borough Council	District	West Sussex	110,000	NJC Rate, no local agreement	0

Council name	Type of council	County area	Subsistence allowance
Adur District Council	District	West Sussex	Breakfast 8.482.90%8.73 Lunch 11.722.90%12.06 Tea 4.642.90%4.78 Evening Meal 14.512.90%14.93 Excess Travelling Expenses 5.102.40%5.22 Lodging Allowances 174.222.40%178.40 Advertising Costs 434.032.40%444.44 Tenancy Costs 523.582.40%536.15 Disturbance Allowance 2577.192.40%2639.04
Arun District Council	District	West Sussex	~£6.98 - breakfast ~£9.64 - lunch Tea - ~£3.82 Evening meal ~£11.94 - all with restrictions
Chichester District Council	District	West Sussex	Breakfast ~£8.68 (where travel starts before 7am and absence is less than 24 hours) (ii) Lunch ~£11.90 (for necessary absences of several hours spanning the normal lunch period leaving home/ office before 11am and returning after 3pm) (iii) Tea ~£4.74 (if unable to return to home/office by 6.30pm) (iv) Evening Meal ~£14.38 (if unable to return to home/office by 8.30pm) (v) Out of Pocket Expenses for residential courses ~£6.73 per night.
Crawley Borough Council	District	West Sussex	Tea - ~£3.53 / dinner - ~£11.03
Eastbourne Borough Council	District	East Sussex	Day Rates (up to)- Breakfast - £7.13, Lunch - £9.78, Tea £4.44, Evening meal - £17.80. Overnight (up to) - B&B rates to be agreed with Director, Evening Meal - £41.52. Only can be claimed for duties outside the Borough and within qualifying times and distances.
Hasting Borough Council	District	East Sussex	Breakfast:6.88 Lunch:9.50 Dinner:11.76
Horsham District Council	District	West Sussex	Breakfast 6.45 Lunch ~£8.91 Tea ~£3.53 Evening meal ~£11.03
Lewes District Council	District	East Sussex	In District - claimed in exceptional circumstances at staff rates - Breakfast £7.13, Lunch £9.78, Tea £4.44, Evening Meal £17.80 (overnight rate £41.52). Out of area - up to approved level.
Mid Sussex District Council	District	West Sussex	Breakfast - ~£7.00 Lunch - ~£10.00 Tea - ~£4.00 Evening Meal - ~£13.00
Rother District Council	District	East Sussex	Breakfast~£5.50 Lunch~£7.70 Tea~£3.30 Dinner~£11.00
Wealden District Council	District	East Sussex	Breakfast~£6.50When away from home on approved Council business before 8 a.m. Lunch~£8.50When away from home on approved Council business between 12 noon and 2 p.m. Evening Meal~£15.00When away from home on approved Council business after 7 p.m.
Worthing Borough Council	District	West Sussex	NJC Rate, no local agreement



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Carers' allowance	IT allowance
Adur District Council	District	West Sussex	£10.25 per hour for Child care upto £15 per hour for dependent person	Clr are supplied with a device upon election
Arun District Council	District	West Sussex	~£10 per hour up to a limit of ~£4k per annum - childcare allowance ~£~£18.49 per hour up to a limit of ~£6k per annum - Dependent Adult Allowance	N/A
Chichester District Council	District	West Sussex	18.20 per hour	Optional
Crawley Borough Council	District	West Sussex	9.60/hr (10p above National Living Wage)	0 - but laptops and smartphones provided
Eastbourne Borough Council	District	East Sussex	Up to £8.80 per hour (basic care rate) and up to £13.18 per hour (specialist care rate)	£429 pa
Hasting Borough Council	District	East Sussex	In line with Living Wage hourly rate	0
Horsham District Council	District	West Sussex	8.91 per hour	N/A
Lewes District Council	District	East Sussex	£10.70 per hour.	n/a
Mid Sussex District Council	District	West Sussex	Childcare Allowance to be payment of receipt-based actual costs up to a maximum rate of ~£10 per hour for one child, or a maximum of ~£20 per hour for two or more children.	0
Rother District Council	District	East Sussex	Dependent/Childcare Allowance 3.A Dependent/Childcare Allowance is available to Councillors under which they will be reimbursed up to ~£11.00 per hour for the care of elderly dependents and up to ~£9.00 per hour for childcare, based on actual payments made up to these limits. This allowance is available in respect of costs necessarily incurred in making arrangements for the care, other than by members of their own household, of children or other dependents living with them in order to enable them to perform their duties. 4.The qualifying period includes time spent during the hand-over of care and the travel time to and from duties, not just the actual hours spent in conducting duties.	N/A
Wealden District Council	District	East Sussex	~£12 per hour	N/A
Worthing Borough Council	District	West Sussex	Child Carer Allowance - £10.25 per hour Dependent person Carer allowance - up to £15 per hour	Clrs are supplied with device upon election



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	Any other allowances
Adur District Council	District	West Sussex	0
Arun District Council	District	West Sussex	Chair of Standards Committee - ~£1,045 Co-Opted members and members of IRP and Members and Witnesses to Committees ~£60 per meeting
Chichester District Council	District	West Sussex	n/a
Crawley Borough Council	District	West Sussex	N/A
Eastbourne Borough Council	District	East Sussex	Travel supplement for up to 4 passengers - 5p per member /officer (outside the borough only).
Hasting Borough Council	District	East Sussex	N/a
Horsham District Council	District	West Sussex	~£50 per meeting attendance allowance as approved representative on outside bodies / partnerships
Lewes District Council	District	East Sussex	Car parking - Councillor reimbursed actual costs. SRA - Co-opted Members of Audit and Standards Cttee or Sub-Cttees - £31 per meeting up to a maximum of £155 pa.
Mid Sussex District Council	District	West Sussex	0
Rother District Council	District	East Sussex	Cabinet Spokespersons (non Cabinet Members) 585.00 Independent Audit Person 909.00
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	0



Previous years'
data - did not
submit 2022
return

Council name	Type of council	County area	Maternity/parental leave
Adur District Council	District	West Sussex	0
Arun District Council	District	West Sussex	N/A
Chichester District Council	District	West Sussex	6 months
Crawley Borough Council	District	West Sussex	Currently 0 but to be included in next year's scheme
Eastbourne Borough Council	District	East Sussex	n/a
Hasting Borough Council	District	East Sussex	Basis allowance continues
Horsham District Council	District	West Sussex	In line with Staff benefit
Lewes District Council	District	East Sussex	N/A
Mid Sussex District Council	District	West Sussex	0
Rother District Council	District	East Sussex	N/A
Wealden District Council	District	East Sussex	N/A
Worthing Borough Council	District	West Sussex	0

Council name	Type of council	County area	Population	How are current levels of SRA calculated? Please provide a brief summary (eg as a percentage of the Leader's SRA)	Date current allowances were approved?	Date of your next review	Have your allowances been updated since last year, or frozen?	Other	Have you established a formula for updating the allowances annually?	If 'yes' please detail	How did you recruit your Independent Remuneration Panelists? If you advertised, please state where.
Adur District Council	District	West Sussex	64,000	there are multipliers of the basic rate. Joint Committee sra's are set by Worthing and copied at Adur	19/4/2022	13/2/2023	Updated		Yes	linked to the njc	advertised in local media and social media
Arun District Council	District	West Sussex	164,800	N/A	13/1/2021	19/9/2023	Updated		Yes	All allowances that attract an SRA are uplifted in line with staff pay awards	Council Web site Council's Business Partnership Magazine
Chichester District Council	District	West Sussex	118000	SRA level is calculated by the panelist by examining the relevant responsibility and obligations of each role as well as carrying out a comparison exercise regionally with other authorities and also by wider comparison work using employment data	15/5/2019	1/3/2023	Frozen		No	n/a	Public advertisement in local newspaper and on the Council website
Crawley Borough Council	District	West Sussex	118,500	Deliberation by an IRP; assessment of cllrs' workloads; interviews/questionnaires etc	1/3/2021	1/9/2022	Frozen		No	Used to be via officers' pay increase but frozen	Approached important local organisations/charities/bodies e.g. police, schools, etc to request employees as IRP representatives
Hastings Borough Council	District	East Sussex	95,000	Rates rise in line with Officer pay	12/12/2018	19/9/2022	Updated		Yes	in line with % increase to Officer wages	previous panels and other local authorities
Horsham District Council	District	West Sussex	145,474 (2020)	The last IRP assessment (presented in April 2021) assessed our rates against those of other Authorities and in particular reference to a subset of 8 similar authorities (including HDC) and made recommendations in line with average values. This led to an increase in Basic Allowance (5%), and increase in Leaders allowance (10%) and a reduction in Opposition leader allowance (-10%). Other SRAs and allowances unchanged but linked to staff settlements by default.	28/4/2021	31/10/2022	Other (please specify)	Changes were agreed but deferred until April 2022	Yes	Now linked to Officer pay settlements by default, but Council has option to waive and the IRP will produce interim reviews to keep the levels proportionate to other authorities within our family group	Advertised through Council and public sector job web sites.
Lewes District Council	District	East Sussex	102,744	Not specified.	01/04/2014	28/01/2020	Updated		Yes	In line with staff award - usually 1% per annum	Not yet recruited.
Mid Sussex District Council	District	West Sussex	150,000 approx	Through an Independent Remuneration Panel.	14/10/2021	13/10/2022	Updated		Yes	SRAs are a % increase of the basic allowance. Other allowances are a % of this.	Advertised on own website & jobsgopublic
Rother District Council	District	East Sussex	96716	No real basis for calculation as far as I am aware. Will be looking to introduce a formulaic approach in this years' review.	25/2/2019	24/10/2022	Updated		Yes	The uplift is based on the staff pay award agreed in the preceding September. The percentage increase agreed for staff is applied to Members' Allowances. Members are not happy with this approach and this is likely to change for the new Council period 2023-27.	We will be recruiting a new IRP this year. We are likely to advertise through website and social media only to keep costs to a minimum.
Wealden District Council	District	East Sussex	160,600	Independent Remuneration Panel meet yearly to determine	16/2/2022	15/11/2022	Updated		Yes	N/A	Advertised on website
Worthing Borough Council	District	West Sussex	110,000	multiples of sra	12/4/2022	19/12/2022	Updated		Yes	tied to the njc	local media and social media



Previous years' data - did not submit 2022 return

Council name	Type of council	County area	What rate of pay do Independent Remuneration Panellists receive?	Please detail any recent changes to the structure within your authority (including number and/or political persuasion of members involved)	Is the Leader full-time?	If the Leader is not full time, please detail the number of hours worked on average per week	Please detail the number of hours your Cabinet members work on average per week	Please detail any significant changes made to SRAs
Adur District Council	District	West Sussex	75 - 100 per meeting	Adur retains a Conservative Majority	no up to date information		no up to date information	none
Arun District Council	District	West Sussex	~£60 per meeting attended	We have a By-Election on 8 September 2022 - so this could result in a change proportionality. The structure of the Council changed in 2019 from Cons to Lib Dem and then again in May 2021 from Lib Dem to Cons	If not, please detail the number of hours worked on average per week	Around 25 hours a week	N/A	Changes were made to Cabinet SRAs in January 2021 in readiness from a change from the Leader and Cabinet form of governance to a Committee system which took effect in May 2021. Cabinet Member and Leader and Deputy Leader SRAs were changed and new SRAs introduced for the Chair and Vice-Chair of each Service Committee set up under the new Committee system
Chichester District Council	District	West Sussex	~£50 for each meeting per panelist	No	Yes		Depends, can be up to 40	SRA levels were increased following panel recommendation through an index linking assessment from the previous allowance. This is likely to be a starting point mechanism for the coming review
Crawley Borough Council	District	West Sussex	150 per review	N/A	Yes		Unknown	None
Hastings Borough Council	District	East Sussex	~£2000 chair, ~£1500 other members	hung council: 15 Labour, 12 Conservative, 5 Green	Yes		25	none
Horsham District Council	District	West Sussex	Agreed fixed rate for a period of review. The last major review, over three months or so, was paid with a single ~£700. Current interim review will be agreed at a lower figure. Neither based on an hourly rate and time taken is determined by the Panel members	Minor changes in the political balance as a result of by-elections, away from the Conservatives though still the majority party. Has affected the political balance of some committees but only marginally	Yes		Based on returns received in 2021, 20-25	As noted above, a 10% increase in the Leader's Allowance and a 10% reduction in the Allowance for the Leader of the minority group. Both to realign with averages in our LA family group
Lewes District Council	District	East Sussex	Not yet set	Council Composition since May 2019 - 19 Conservative, 9 Green, 8 Liberal Democrat, 3 Labour, 2 Independents. Administration since July 2019 comprised of Green, Liberal Democrat, Labour and Independent Councillors.	Unknown		Unknown	No changes made since last review.
Mid Sussex District Council	District	West Sussex	750 pa	33 Conservatives, 13 Liberal Democrats, 4 Independent Members & 4 Green Party Members.	Yes		Unquantifiable.	No significant changes made.
Rother District Council	District	East Sussex	Last time (2018-19) they received a flat rate of ~£100 per meeting plus expenses (travel).	We have created a new HR Committee which comes into being from September / October this year. Had a recent by-election but same Group was returned, so no change in political groups / groupings.	If not, please detail the number of hours worked on average per week	This is difficult to answer. He is retired, but I am not aware that he "works" full time as the Leader of the Council. This would have to be answered by him!	Not known - this will vary from Member to Member.	None.
Wealden District Council	District	East Sussex	280	Conservatives ,Äi 28 Liberal Democrats ,Äi 6 Independent Democrats ,Äi 4 Green Party ,Äi 3 The Independent Group ,Äi 3 Vacancy ,Äi 1	Yes		30	None
Worthing Borough Council	District	West Sussex	75 - 100 per meeting	Worthing has moved from a Conservative to Labour administration		no up to date info	no up to date info	Nil

Council name	Type of council	County area	Please detail the size and composition of your authority's Overview and Scrutiny committee(s) and panels.
Adur District Council	District	West Sussex	joint with worthing 8 members from each authority
Arun District Council	District	West Sussex	N/A
Chichester District Council	District	West Sussex	11 Members (excluding members of the Cabinet and the Chairman of the Council) based on political proportionality
Crawley Borough Council	District	West Sussex	One Overview and Scrutiny Commission with eleven members. One Scrutiny Panel with five members.
Hastings Borough Council	District	East Sussex	11 members; 5 Labour, 4 Conservative, 2 Green Chairs are not majority group; Chair: Conservative, Vice Chair :Green
Horsham District Council	District	West Sussex	14 Councillors 4 Lib Dem (inc Chairman) 9 Conservative (inc Vice Chairman) 1 Green No standing Panels but Task & Finish Groups can be set up and may draw from outside the O&S membership
Lewes District Council	District	East Sussex	Scrutiny - 11 members. Scrutiny Panels - average 5 members.
Mid Sussex District Council	District	West Sussex	3 x 15 Member Scrutiny Committee which covers topics that can be attributed to the 7 Cabinet Member portfolios all of which are politically balanced.
Rother District Council	District	East Sussex	1 OSC, 12 Members. An ad hoc number of informal task and finish groups running at any time, but no more than 4 permitted.
Wealden District Council	District	East Sussex	12 members - 8 Conservatives, 2 Lib Dems, 1 Independent Democrat, 1 Green and 1 Independent
Worthing Borough Council	District	West Sussex	Joint - 8 members per authority

This page is intentionally left blank