



ADUR & WORTHING COUNCILS

Joint Governance Committee
26 November 2019
Agenda Item 10

Key Decision [~~Yes~~/No]

Ward(s) Affected: n/a

Scheme of Allowances for Worthing Borough Council 2020/21 - 2022/23

Report by the Director of Communities

Executive Summary

1. Purpose

- That the Joint Governance Committee is being asked to consider the report of the Joint Independent Remuneration Panel and make recommendations to Worthing Borough Council on the level of Members' Allowances for the municipal year 2020/21 - 2022/23.
- Recommendations from the Committee on the level of allowances will be proposed at the meeting of Full Council in December

2. Recommendations

2.1 Recommendation One

- The Panel recommends that the Council determine the level of allowances for 2020/21 - 2022/23 based upon the options given in the attached report

3. Context

- 3.1 The Local Authorities (Members' Allowances) Regulations 2001 requires local authorities to establish an Independent Remuneration Panel to make recommendations about the levels of allowances payable to Members.
- 3.2 Worthing Borough council last allowed its allowances in 2016/7 and tied its allowances to raise in line with the NJC award index for four years until the 20/21 municipal year. The Council also instituted an allowance for the Worthing Chair of the Joint Governance Committee as the post had previously not been given a special responsibility allowance.
- 3.3 The Adur and Worthing Joint Independent Remuneration Panel began their review of Worthing Allowances at the beginning of August 2019 and the review concluded at the beginning of November 2019. Panel Members were advised and supported by Officers from Finance and Democratic Services 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 2020/21 - 2022/23
- 4.2 The Panel has set out a costed option for Members to consider which is as follows
 - This option is indexed to the Officer's NJC National Pay Bargaining agreement as well as the introduction of an allowance for the Deputy Mayor which would mean a saving of £1314 for the next financial year based on the assumption that a 2% raise is negotiated as part of the NJC settlement and as budgeted for by the Council

5. Engagement and Communication

- 5.1 The Panel contacted group Leaders to ask for any comments they may have had prior to the commencement of the review. The panel also undertook a survey of all councillors.
- 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 2019/20 to fund member allowances:

Adur: £208,640

Worthing : £267,437

- 6.2 The budget strategy allows for a 2% inflation on all salary budgets which would include members allowances for 2020/21. Consequently, the options proposed by the independent remuneration would have the following financial impacts if the NJC agreement is 2%:

	Worthing
	£
Estimated 2020/21 budget	275,360
Option 1 : NJC pay award (2% assumed)	274,283
+ Allowance for the deputy mayor	
Growth / saving against the budget	1314

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 of the Joint Independent remuneration Panel
- Report and Minutes of the meeting of the Joint Governance Committee and Full Council 2016/17
- LGA National Local authority census - local government councillors
- South East Employers allowance survey 2019
- Results of internal survey of Worthing Councillors August 2016/ 17 and 2018/19

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.

**REPORT OF ADUR AND WORTHING COUNCILS
JOINT INDEPENDENT REMUNERATION PANEL
WORTHING BOROUGH COUNCIL
November 2019**

1.0 Introduction

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

2.0 Composition of the Panel

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

Mr Barry Hillman (Chairman)
Ms Verity Lockhart
Mr Andrew Murton

3.0 Terms of Reference

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

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

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

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

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

4.0 Background Papers

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

- the current budget provision made for Members' Allowances;
- the current scheme of Members' Allowances paid to Members;
- the previous report of the joint independent remuneration panel;
- Members Allowances paid by other local authorities in the south east were obtained from South East Employers (SEE);
- Part Four of the Constitution of Worthing Borough Council
- Fees and charges for babysitting and caring

4.2 All Members were offered the opportunity to submit their thoughts via a Survey which was circulated electronically to all Members on 17 September 2019. The Survey results were presented to the Panel at its meeting on 16 October 2019.

4.3 Group Leaders were canvassed on their views regarding levels of allowance

5.0 General Principles

5.1 The Members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government. Responses received from members supported this view and it was recognised that the role of a councillor is more of a vocation than an occupation

5.2 That the level of Basic Allowance paid to Worthing Borough Council is at a similar level to other Boroughs throughout the Southeast area.

5.3 That the workloads of individual Councillors will vary according to their roles.

5.4 That there are expenses associated with being a Member of the Council.

5.5 That since the last review there has been an increase in time and commitment needed to carry out the role.

6.0 Basic Allowance

- 6.1 The Panel noted from Survey responses that a small majority of Members felt that the current level of allowances was unsatisfactory and some felt that a higher level of allowance could attract a more diverse range of members including younger people.
- 6.2 The Panel also noted that there had been a mean average rise in the time spent on Councillor activities which amounted to 42% - a significant number. The committee could not attribute any root cause for this rise in hours but on average members are spending more time across a range of council activities and in supporting their communities. On a general note the Panel applauds the increased time commitment given by members.
- 6.3 The basic allowance on average pays less than the current minimum wage. The Panel felt that a paid similar role, given the levels of responsibility, would attract a higher than minimum wage rate. Therefore the panel was of the view that (if looking at hard figures) Councillors performing their role give a significant public discount rate for the hours that they put in. However, as stated before in the report, the Panel is minded that the members' Allowances scheme recognises that public service, rather than material reward, should remain the primary motivation for involvement in local government. The allowance should be in place so that members are 'not out of pocket' for taking up the responsibility.
- 6.4 Given comparisons regionally the level of allowance for Worthing borough Council is slightly below average when compared with other Boroughs and Districts in the South East.
- 6.5 Given what is set out above and the fact that inflation is a pressure on personal finance, on balance the Committee felt that it was reasonable for members to expect some increase in the level of allowances.
- 6.6 The Panel has noted that over the previous eight years that the basic allowance had been indexed to the Officer's NJC National Pay Bargaining agreement and believe that the principal of linking the basic allowance to raises in Officer remuneration is a fair method and should be retained.

8.0 Deputy Mayor

- 8.1 The Panel has noted that under the current scheme no allowance is paid to the Deputy Mayor. During previous reviews the Panel took evidence on the workload of the positions of vice Chairmen of committees. The Panel believe that the role requires a councillor to carry out the same pre-meeting preparation as the Chairman of a Committee (in this instance the Mayor), which is significant. Bearing this in mind, the Panel is recommending that the Deputy Mayor be paid a Special Responsibility Allowance of (x 0.25) in line with other Vice-Chairs of Committees and reflected across the border at Adur District Council.

11.0 Proposals

- 11.1 The Panel proposes the following for the Councils consideration.

- i) that the basic allowance be referenced to the outcome of the Officers' NJC Pay bargaining agreement (currently assumed as 2%) for a period of two years from March 2022/2023;
- ii) that the Joint Independent Remuneration Panel will meet again in the interim if there are significant changes that need to be addressed (i.e if the NJC is significantly different from what has been assumed)
- iii) that a Special Responsibility Allowance multiplier of (x 0.25) be introduced for the Deputy Mayor for their work associated with full council;

11.2 Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance

- 11.3 It is proposed that Childcare Allowance (contribution towards the cost of employing a carer for children) should be paid at £10.25 per hour, the panel investigated this cost and found that £10.25 was sufficient to cover the costs of childcare and should be maintained at this rate.
- 11.4 Having investigated the costs of carers (carers for sick and / or disabled / elderly dependants) the panel were of the view that the rate for carers allowance should remain at £15 per hour.
- 11.5 It is proposed that Travelling and Subsistence should be paid at the appropriate rates set by the National Joint Council for Local Government Services from time to time and based on claims submitted by Members.
- 11.6 It was noted by the panel that some comments in the survey indicated that some members did not claim for childcare, carers or travel and subsistence allowance because they are wary of the claim being used to discredit them in some way. The panel is disappointed that this situation exists and would encourage members to claim expenses that are essential for carrying out their role. In particular, those with childcare / carer responsibilities will face both financial and time associated pressures not faced by other members. The Panel would respectfully submit that they should make claims and not burden themselves with such costs unnecessarily

12.0 Recommendations

- 12.1 It is recommended that the Councils adopt the members scheme of allowances in line with the panel's proposals and note its comments surrounding the claiming of Childcare Allowance / Carers Allowance / Travel and Subsistence Allowance

Mr Barry Hillman (Chairman)
Ms Verity Lockhart
Mr Andrew Murton

Members' Allowances - Worthing

2019/20+ 2% Pay Award allowed for in budget

2%



WORTHING BOROUGH
COUNCIL

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

Worthing allowance 2019/20 based on officers pay award wef 1/4/19			
No.	Units	per Member £	Total £
37	1	4,929.72	182,400
1	3	14,789.16	14,789
1	1.5	7,394.58	7,395
1	1.25	6,162.15	6,162
1	1.25	6,162.15	6,162
1	1.25	6,162.15	6,162
1	1.25	6,162.15	6,162
1	1.25	6,162.15	6,162
1	1.25	6,162.15	6,162
1	0.5	2,464.86	2,465
1	0.25	1,232.43	1,232
1	0.5	2,464.86	2,465
1	1	4,929.72	4,930
1	0.75	3,697.29	3,697
1	0.75	3,697.29	3,697
1	0.5	2,464.86	2,465
1	0	0.00	0 *
1	0.25	1,232.43	1,232
1	0.25	1,232.43	1,232
1	0.25	1,232.43	1,232
1	0.25	1,232.43	1,232
1	0.25	1,232.43	1,232
			267,437

Worthing allowance 2020/21 based on officers pay award wef 1/4/19 2% estimate			
No.	Units	per Member £	Total £
37	1	5,028.36	186,049
1	3	15,085.09	15,085
1	1.5	7,542.60	7,543
1	1.25	6,285.48	6,285
1	1.25	6,285.48	6,285
1	1.25	6,285.48	6,285
1	1.25	6,285.48	6,285
1	1.25	6,285.48	6,285
1	1.25	6,285.48	6,285
1	0.5	2,514.24	2,514
1	0.25	1,257.12	1,257
1	0.5	2,514.24	2,514
1	1	5,028.36	5,028
1	0.75	3,771.24	3,771
1	0.75	3,771.24	3,771
1	0.5	2,514.24	2,514
1	0.25	1,257.09	1,257
1	0.25	1,257.12	1,257
1	0.25	1,257.12	1,257
1	0.25	1,257.12	1,257
1	0.25	1,257.12	1,257
			274,046

nb National Insurance contributions are over and above allowances above

53000-1001-0

Approved Budget 19/20

£269,960

Approved Budget 19/20

£275,360

(Plus 2% inflationary increase)

Growth / (Saving) against
Budget

(£2,522.69)

Growth / (Saving) against
Budget

(£1,314)