

**Independent Remuneration Panel
for Worcestershire District Councils**

**2017-18 Annual Report and Recommendations
for**

Worcester City Council

Committee System of Governance

April 2017

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Recommendations

The Independent Remuneration Panel recommends to Worcester City Council the following:

- 1. That the Basic Allowance for 2017-18 is £4,300, which represents just over a 1% increase on last year's recommendation.**
- 2. That the Special Responsibility Allowances are as set out in Appendix 2.**
- 3. That travel allowances for 2017-18 continue to be paid in accordance with the HMRC mileage allowance.**
- 4. That subsistence allowances for 2017-18 remain unchanged.**
- 5. That the Dependent Carer's Allowance remains unchanged.**
- 6. That for Parish Councils in the District, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by Worcester City Council and in accordance with the relevant Regulations.**

Introduction

The Independent Remuneration Panel (IRP) has been appointed by the Council to carry out reviews of the allowances paid to Councillors, as required by the Local Government Act 2000 and subsequent legislation. The Panel has carried out its work in accordance with the legislation and statutory guidance.

The law requires each Council to "have regard" to the recommendations of the Independent Panel. We noted that last year the Council accepted our recommendations.

This year the Panel has been asked to make recommendations for a Committee Structured System of Governance as opposed to having a Cabinet (Executive Arrangements) which was the case in the past. All the information, papers and reports considered by the Council have been reviewed, together with the summary Report prepared by the Deputy Monitoring Officer – *Change of Governance Arrangements to the Committee System (Appendix 1)* which gives the number of meetings per annum e.g. six for the Policy and Resources Committee – all others at least quarterly. It is noted that Council approved these changes on 21st February 2017 to take effect after the Annual Council Meeting in May.

At this point we would like to stress that our recommendations are based on evidence, thorough research and benchmarking against other Authorities with similar structures. However, we were not given detailed job descriptions covering the roles, responsibilities and workload of Chairs and Vice Chairs in the new Committee Structure. Therefore we have presented the Council with what we consider to be an appropriate set of allowances to reflect the roles carried out by the Councillors under these new revised governance arrangements. These recommendations may need to be reviewed in the light of the Council's early experience of working under these new governance arrangements. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

Background Evidence and Research Undertaken

There is a rich and varied choice of market indicators on pay which can be used for comparison purposes. These include:

- National survey data on a national, regional or local level;
- Focused surveys on a particular public sector;
- Regular or specific surveys;
- Use of specific indices to indicate movement in rewards or cost of living.

As background for the decisions taken by the Panel this year we have:

- Analysed and considered the Annual Survey of Hours and Earnings (ASHE) statistics for 2016 which gives the mean hourly wage rate for all Worcestershire employees (by residence) at £14.95.
- Benchmarked the Basic and Special Responsibility Allowances against allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) - "Nearest Neighbour" Councils including those which have adopted the Committee System of Governance.
- Reviewed information, where it has been possible to obtain it, allowances paid by Councils with Committee Governance arrangements.
- Undertaken a detailed and thorough study of the Basic and Special Responsibility Allowances paid to Councillors in the 25 Authorities using 2016 "Nearest Neighbour" comparison data, assessing in particular the SRA paid to the Chairman of Planning.

- Met with the Group Leaders of the Conservative Group, Labour Group and Green Party together with the City Council's Monitoring Officer and Deputy Monitoring Officer. At the meeting Group Leaders were given the opportunity to provide further detailed information on how the Committee System of Governance would operate following the Annual Council Meeting and expand upon the remit and role of the Leader, Deputy Leader, Group Leaders, Chairs and Vice-Chairs of Policy Committees and how they will operate under the new Committee System of Governance. Group Leaders also invited the Panel to consider giving a Special Responsibility Allowance to the Mayor to reflect duties undertaken in this position.

In 2015, Worcester City Councillors recorded time spent on Council business for a number of weeks. This enabled the Panel to confirm the number of hours per week for front line Councillors, which is used to calculate the recommended Basic Allowance. More detail is given about this under the Basic Allowance heading later in the Report.

The figure being recommended by the Panel of £4,300 for the Basic Allowance in 2017-18 appears reasonable and appropriate when compared to other Local Authorities.

Arising from our research, in Table 1 we have included information showing the Members' allowances budget for Basic and Special Responsibility Allowances paid for 2015-16 as a cost per head of population for each Council. To give context, we have included details of the proportion of net revenue budget spent by each Council on Basic and Special Responsibility Allowances.

In Table 2 we show the average payment per Member of each Authority of the Basic and Special Responsibility Allowances, which illustrates the balance between the level of Special Responsibility Allowances paid and the Basic Allowance. The Allowances used were those paid by each Authority in the financial year 2015-16.

Table 3 shows the cost of each Council's Basic Allowances per head of population using 2014-15 allowance figures and the population figures for mid-year 2014. This summarises a piece of work undertaken by a member of our Panel and given as further comparative evidence for information.

Table 1 - Total spend on Basic and Special Responsibility Allowances as a cost per head of population 2015-16 figures

Authority, population¹ and number of Councillors	Total spend Basic Allowances 2015-16 £:	Total spend on Special Responsibility Allowances (SRA) £:	SRA as a % of total Basic Allowance %:	Cost of total Basic and SRA per head of population £:	Total of Basic and SRA as a % of Net General Revenue Fund Expenses.
Bromsgrove DC (31) 95,800	138,747	60,632	43.70%	2.08	1.65%
Malvern Hills DC (38) 75,700	158,829	59,888	38%	2.89	2.7%
Redditch Borough (29) 84,700	96,970	38,905	40%	1.61	1.31%
Worcester City (35) 101,300	142,100	60,004	42.23%	1.995	1.903%
Wychavon (45) 121,500	187,261	69,554	37.14%	2.11	1.81%

¹ ONS population figures mid 2015. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2015-16 financial year.

Table 2 - Showing average allowance per Member of each authority (Basic and Special Responsibility Allowances, 2015–16 figures)

Authority (number of Councillors)	Amount £
Bromsgrove District (31)	6,432
Malvern Hills District (38)	5,756
Redditch Borough (29)	4,685
Worcester City (35)	5,772
Wychavon District (45)	5,707

Table 3 - A member of the Panel also calculated the cost per head of population of each Council's basic allowances. (These are 2014- 15 figures):

Authority	Basic allowance £	Basic allowance per Head of population £pa
Bromsgrove	4,326	1.46
Malvern Hills	4,200	2.14
Redditch Borough	3,350	1.15
Worcester City	4,200	1.49
Wychavon	4,250	1.63
Average from survey of 25 Councils	4,962	2.12

This shows that the level of Basic Allowance paid by the District Councils, and recommended by the Panel, is below the average for the 25 "Near Neighbour" Councils surveyed.²

Basic Allowance 2017-18

Calculation of Basic Allowance

The Basic Allowance is based on:

- The roles and responsibilities of Members; and
- Their time commitments – including the total average number of hours worked per week on Council business.

We then apply a public service discount of 40% to reflect that Councillors volunteer some of their time to the role.

² All "Near Neighbour" Authorities surveyed have adopted the Cabinet System for Governance, but it is felt that the evidence is relevant as it provides a comparative benchmark for Basic Allowance payments in Worcestershire.

For the recommendations this year the calculation used the "Mean" (average) Worcestershire hourly earnings 2016 from the Office for National Statistics of £14.95. This represented an increase over the 2015 figure of 1.8% and a Basic Allowance of £4,381. However, in view of the financial situation facing Local Government at the moment and the likelihood that any pay increase for employees will not exceed 1%, the Panel is recommending a Basic Allowance of £4,300 for 2017-18.

The Basic Allowance is paid to all Members of the Council.

Whilst each Council may set out role descriptions for Councillors, the Panel accepts that each Councillor will carry out that role differently, reflecting personal circumstances and local requirements.

As mentioned earlier, in 2015 Worcester City Councillors recorded the time spent per week on Council business for a number of weeks during the early autumn. This was considered to reflect an appropriate "average" period of time for meetings and other commitments. The results from this survey showed that the average input was 10 hours and 50 minutes per week. This figure matches the one used for a number of years by the Panel, based on previous research with constituent councils, to calculate the Basic Allowance.

We reviewed the levels of wage rates for Worcestershire as set out in the ASHE data (details in **Appendix 3**) and the benchmark information available to us from the Chartered Institute of Public Finance and Accountancy (CIPFA) "nearest neighbours" authorities as part of our research into the level of basic allowance recommended. We are also aware that the majority of local government employees received a 1% increase in pay in July 2016.

Special Responsibility Allowances (SRA) 2017-18

General Calculation of SRAs

The basis for the calculation of SRAs is a multiplier of the Basic Allowance as advocated in the published Guidance.

The Panel has reviewed the responsibilities of each post, the multipliers and allowances paid by similar Authorities that operate a Committee System of Governance (see the table in **Appendix 1** of the report *Change of Governance Arrangements to the Committee System*).

Appendix 2 to this Report sets out the allowances recommended for 2017-18. We have reviewed the multipliers used for Regulatory Committees and consider that no change is appropriate. Using the previously agreed and accepted SRAs for the Cabinet Portfolio Holders and the Chairs of the Regulatory Committees, the Panel applied these to arrive at multipliers for Chairs of the new Policy Committees. We were given to understand that the Policy and Resources Committee carries more responsibilities (including having the main strategic oversight of corporate performance) than others. Therefore, a higher SRA is justified for the Chair, stated as being a Group Leader, and this is reflected in our recommendations.

With a lack of detailed evidence regarding roles, duties and responsibilities these multipliers will need to be reviewed after twelve months. We have also considered the case made for Vice Chairs of the Policy Committees and Regulatory Committees to receive a Special Responsibility Allowance as a result of them carrying out an enhanced role in managing the Committees.

We agreed a Special Responsibility Allowance for Vice Chairs of the Policy Committees but felt that the current role of Vice Chairs of the Regulatory Committees remained unchanged and therefore did not justify a Special Responsibility Allowance at this time. The accumulated SRAs equate with the present allowances paid to Leader, Deputy Leader etc. based on evidence given at the Group Leaders' meeting. No case could be substantiated for the Mayor to receive a Special Responsibility Allowance under the Legislation, as Chairs of other Worcestershire District Councils do not receive SRAs. The Mayor, who undertakes primarily Civic Duties, should be remunerated through some other means.

Mileage and Expenses 2017-18

The Panel notes that the Council has used the HMRC flat rate for payment of mileage for Councillors and recommends that this continues.

The Panel is satisfied that the current levels of subsistence allowances are set at an appropriate level and recommends that these continue.

The Panel notes that the Council's Scheme of Members' Allowances provides that Dependant Carer Allowances are payable to cover reasonable and legitimate costs incurred in attending approved duties and recommends that this provision continues.

Allowances to Parish Councils

The Independent Remuneration Panel for Worcestershire District Councils acts as the Remuneration Panel for the Parish Councils in each District.

As in previous years we repeat the former Worcester City Council Panel's recommendation relating to Parish Council travel and subsistence allowances.

The Independent Remuneration Panel

The Members' Allowances Regulations require Local Authorities to establish and maintain an Independent Remuneration Panel. The purpose of the Panel is to make recommendations to the authority about allowances to be paid to Elected Members and Local Authorities must have regard to this advice. This Council's Independent Remuneration Panel is set up on a joint basis with 4 of the other 5 District Councils in Worcestershire. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

Bill Simpson MBE JP, the Chair of the Panel - – Bill spent 30 years in Further Education culminating in 11 years as Principal of Pershore College. He then entered the private sector as Director of two national Horticultural Societies, one being the Royal Horticultural Society. He served as a magistrate for 9 years until retirement. He is a Trustee of several charities including chairing Thrive – the national Society for Horticultural Therapy between 1993 and 2008 and currently the Hopmarket Charity in Worcester. A Past President of the professional Institute of Horticulture he returned to the Council in 2012 to achieve chartership with the Royal Charter being awarded in 2014. At the present time he is Vice Chair of Governors of Red Hill CE Primary School Worcester and a Chair/Member of the County Council, Academy and Diocesan Panels for Schools Preferences Appeals. Appointed a Member of the British Empire (MBE) in 2011 for services to horticulture and the local community.

Rob Key – Rob has 42 years' experience of working in District Councils in a variety of operational and management roles, including senior positions at Worcester City, Wychavon District and Wyre Forest District. He was an Independent Chair for the Strategic Health Authority for Continuing Care and sits on County Council Appeals Panels for School Preference Appeals and Service Complaints.

Elaine Bell, JP, DipCrim – Elaine has been a Magistrate for 21 years on the South Worcester Bench. She was Deputy Chair of the Bench for 5 years, standing down in July 2014 when bench boundaries changed. She was Chair of the Bench Training and Development Committee for 9 years, and sat on the Magistrates Advisory Panel for 9 years (interviewing and selecting applicants for appointment as Magistrates). She sits as Chair in both Adult and Family courts in the newly constructed Worcestershire Bench stretching geographically from Hereford, Kidderminster, Redditch and Worcester. She is also Chair of the Lloyds Educational Foundation, past member of Sytchampton School Appeals Panel; Past Hon Treasurer of Ombersley and Doverdale Tennis Club and a Past Governor of Ombersley Primary School.

Terry Cotton - Terry spent 34 years working in central and local Government, mostly managing regeneration programmes across the West Midlands. Until May 2011 he worked at The Government Office for The West Midlands where he was a Relationship Manager between central and local Government and a lead negotiator for local performance targets. Following voluntary early retirement in May 2011, he worked part-time in Birmingham's Jewellery Quarter; setting up a new business led community development trust and currently works part-time for Worcestershire County Council. He is also a trustee of a small charitable trust providing grants to grass roots community initiatives in deprived communities.

Don Barber – After several Human Resources and Productivity Improvement Management roles in Industry, Don became Chief Executive of a change management facilitating consultancy. Over the last 20 years he has been an independent consultant and advisor on a number of United Nations, European Commission, and World Bank transition projects, in particular in Europe, Africa, Asia, and Australasia. He also operates in an advisory role to other consultancy groups seeking EU contracts. This experience has included the development of national civil service/public sector reform programmes including aspects of the effect of legislative change for central and local government and, in the U.K., working for the Office of Manpower Economics (advisors to the Prime Minister) on Public Sector Pay, in particular relating to: Civil Service Pay Reform, UK Armed Forces and the Medical Professions.

The Panel has been advised and assisted by:

- Claire Chaplin and Margaret Johnson from Worcester City Council;
- Sheena Jones from Bromsgrove and Redditch Councils;
- Mel Harris from Wychavon District Council;
- Matthew Box from Malvern Hills District Council.

The Panel wishes to acknowledge its gratitude to these Officers who have provided advice and guidance in a professional and dedicated manner.

**Bill Simpson,
Chairman of Independent Remuneration Panel**



Report to: Independent Remuneration Panel (IRP)

Report of: Deputy Monitoring Officer – Claire Chaplin

Subject: CHANGE OF GOVERNANCE ARRANGEMENTS TO THE COMMITTEE SYSTEM – SUPPORTING INFORMATION TO ASSIST THE IRP IN MAKING THEIR RECOMMENDATION TO WORCESTER CITY COUNCIL REGARDING THE LEVEL OF MEMBERS’ ALLOWANCES FOR 2017/18

1. Purpose of the Report

- 1.1 To provide the IRP with the outcome of the Council Meeting on 21st February 2017 regarding Council’s consideration of the design principles for the new Committee System.**
- 1.2 To provide the IRP with comparative information of other Authorities which operate a Committee System of Governance.**

2. Background

- 2.1 At its meeting on 22nd November 2016 the Council agreed the following Notice of Motion which explains the rationale for the new governance arrangements:

Given the fact that there have been four political administrations in five years and that there is a very real prospect of a situation of no overall control continuing for the foreseeable future, it is Council’s belief that governance arrangements that enable all political parties to share in shaping and directing the future direction of the Council should be developed.

Therefore, Council resolves under the provisions of the Localism Act 2011:

- *To change its governance arrangements and start to operate a Committee system form of governance from the annual meeting in May 2017.*
- *To request the Monitoring Officer/Deputy Director Governance to work with the three group leaders to draw up by February Council detailed proposals for the operation of the Committee system, including, but not limited to, a review of the Constitution, developing a Committee structure, the distribution of seats on those Committees in accordance with political balance rules and a review of Members allowances.*

- *To take note of any pertinent results emanating from the cross party scrutiny review of governance arrangements as it concludes.*
- *To begin planning public consultation arrangements for implementation following February Council's adoption of an agreed Committee system.*

Proposed by: Councillor Bayliss

Seconded by: Councillor Stephen

- 2.2 At its meeting on 21st February, Council considered the proposed design principles for the new Committee System as set out in the report to Council by the Monitoring Officer which the IRP have previously received.
- 2.3 Following consideration of the report Council agreed the proposed design principles of the new Committee System together with the proposed political balance on Committees and Sub-Committees.
- 2.4 The new Committee System will take effect from Annual Council on 16th May 2017 and the principles of the new system are detailed in the following section of this report.

3. Design Principles for the Committee System

3.1 Structure of Committee System

The structure of the Committee System is set out at **Appendix 1** of this report. The structure envisages two types of committees: 'Policy' Committees and 'Regulatory' Committees.

There will be three 'Policy' committees which replace the existing Cabinet structure:

1. Policy and Resources
2. Communities
3. Environment

There will continue to be four 'Regulatory' committees:

1. Licensing and Environmental Health
2. Planning
3. Audit and Governance
4. Standards

It should be noted that there are no proposed changes to the current structure of the 'Regulatory' committees at this stage although the Vice Chairs of the Regulatory Committees will carry out an enhanced role in managing the Committee.

3.2 Functions of Committees and Membership – Fundamentals

- The 'Policy' Committees will replace the existing Cabinet functions.
- The Committee System removes the requirement for there to be an explicit scrutiny function. The external scrutiny role as well as the strategic and operational scrutiny of the performance and financial management of the Council's functions will be undertaken within each Committee.

- The Policy and Resources Committee will have the main strategic oversight of corporate performance whereas the Communities and Environment Committees will deal with Service level performance management as detailed further in this section.
- The membership of committees will be based on the principle that all Members of the Council will have an opportunity to serve on at least one of the 'Policy' committees as well as one of the 'Regulatory' committees, subject to the political balance rules. The distribution of seats on committees based on the structure is set out in **Appendix 2** of this report.
- The Policy and Resources Committee will meet 6 times a year with the Communities and Environment Committees meeting on at least a quarterly basis, however additional meetings could be convened in accordance with the Council's Rules of Procedure should it be necessary to do so.
- The 'Regulatory' committees will continue to have the same frequency of meetings as at present as follows:

Planning	-	12 per annum
Licensing Sub	-	12 per annum
Licensing and Environmental Health	-	4 per annum
Audit and Governance	-	4 per annum
Standards	-	3 per annum

3.3 Policy and Resources Committee

The Policy and Resources Committee will have the following functions:

- Macro-level policy making and resource allocation (i.e. ICT, property, HR, media/comms)
- Preparation of a draft budget and recommendation to Full Council
- Strategic level budget monitoring
- Strategic level performance monitoring
- Appointments to Outside Bodies
- Oversight of relevant shared services/outsourced contracts, i.e. Civica (Revs and Bens/HUB contracts)
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of City Plan

The Policy and Resources (P&R) Committee will have a membership of 13.

The membership of this committee will be made up as follows:

All Group Leaders and the chairs of the Environment and Communities Committees. The remaining seats on this committee will be allocated in accordance with the political balance rules.

On the basis that the Council is currently in a situation of "No Overall Control", for the first year of the operation of the Committee System the Chair of the P&R Committee will not be a Member of the two largest political groups on the Council.

There will be two vice-chairs of the P&R Committee and these roles will be allocated to each of the two largest political groups on the Council. The election of the Chair and Vice-Chairs of the P&R Committee will be formally made at Annual Council.

The P&R Committee will have three sub-committees as follows:

1. Place and Economic Development Sub-committee
2. Income Generation Sub-committee
3. Personnel and General Purposes Sub-committee

3.4 Place and Economic Development Sub-committee

The Place and Economic Development Sub-committee will have the following functions:

- Place shaping
- Economic Development
- Tourism
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Tourist Information Centre Contract

The membership including the appointment of Chair and Vice-Chair of the Place and Economic Development Sub-committee will be agreed at Annual Council and the Sub-committee will have a membership of 6.

3.5 Income Generation Sub-committee

The Income Generation Sub-committee will have the following functions:

- Oversight of asset reviews (i.e. One Town Review)
- Development of income generation proposals
- Feasibility work for income generation
- Approval and oversight of projects under the Small Development Fund
- Reviewing Fees and Charges

The membership including the appointment of Chair and Vice-Chair of the Income Generation Sub-committee will be agreed at Annual Council and the Sub-committee will have a membership of 6.

The members of P&R Committee will be allocated one seat each on either the Place and Economic Development Sub-committee or the Income Generation Sub-committee.

The Chairs of these two sub-committees will be shared equally between the two largest political groups and the Vice-Chairs of each sub-committee will be from a different political group to the Chairs.

3.6 Personnel and General Purposes Sub-committee

Personnel and General Purposes Sub-committee will be a standing Sub-committee of the P&R Committee. It will continue to exercise the same functions as it does at present. All members of the P&R Committee are eligible to sit on the Personnel and General Purposes Sub-committee and it will have a membership of 7.

The membership including the appointment of Chair and Vice-Chair will be agreed at Annual Council.

There will be an Appointments Panel that will make recommendations to Full Council in respect of the appointment to the top two tiers and statutory officers, i.e. Managing Director, Corporate Directors, Head of Paid Service, Monitoring Officer and S.151 Officer. All members of the P&R Committee are eligible to sit on the Appointments Panel and it will have a membership of 5.

3.7 Communities Committee

The Communities Committee will have the following functions:

- Housing and homelessness
- Sport and Leisure
- Museums, Heritage and Culture
- Community safety
- Health and Well-being
- CCTV
- Service level financial and performance management
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Museums and Freedom Leisure contract

The Communities Committee will have a membership of 12.

3.8 Environment Committee

The Environment Committee will have the following functions:

- Parks and open spaces
- Play areas
- Cemeteries and Crematorium
- Allotments
- Domestic refuse collection
- Trade Waste
- Garden Waste
- Street Cleansing
- Car parking
- Service level financial and performance management
- An externally focussed scrutiny function on matters relevant to the functions of the committee
- Oversight of relevant shared services/outsourced contracts, i.e. Regulatory Services

The Environment Committee will have a membership of 12.

The Chairs of the Environment Committee and the Communities Committee will be shared equally between the two largest political groups and that the Vice-chairs of each of these committees will be from a different political group to the Chairs.

If there are cross-cutting issues that potentially fall within the remit of two or more 'Policy' committees, then P&R Committee will identify the appropriate decision maker as part of the forward planning process for meetings, so that Members, officers and the general public are clear where particular cross-cutting issues will be considered.

Each of the 'Policy' Committees will be able to set up their own informal Task and Finish Groups and Working Parties to consider issues within their remit.

3.9 Role of and Appointment of Leader of the Council

The Council will continue to have a Leader of the Council. It was agreed that the Leader of the Council will be appointed on an annual basis at Annual Council.

As the Council is currently in a situation of "No Overall Control", it is envisaged that a Group Leaders' Protocol will be developed and incorporated into the Council's Constitution. This protocol will set out in detail the roles of the Leader of the Council and the Deputy Leader of the Council as well as the roles of the Chairs and Vice-chairs of committees. In particular, the protocol will identify and agree the sharing of responsibilities for the wide range of external facing roles that will continue to be required under the Committee System.

At the time of writing, it is anticipated that the Leader of the Council shall have the following functions:

- Council representative on external bodies, i.e. Worcestershire Leaders' Board, BID, LEP, City Plan Delivery Board
- Spokesperson for the Council

3.10 Role of and appointment of Deputy Leader of the Council

Full Council will also appoint a Deputy Leader of the Council, who will be able to act in the absence of the Leader of the Council. As the Council is currently in a situation of "No Overall Control", it is proposed that the Deputy Leader of the Council shall be from a different political group to the Leader of the Council. It is also proposed that the Deputy Leader of the Council will support the Leader through attendance at certain external bodies as the Council's representative and that these responsibilities will be set out in the Group Leaders' Protocol referred to above.

3.11 Role of and appointment of Chairs and Vice-chairs of Committees

The Chairs and Vice-chairs of Committees play a vital role in the effective conduct of Council business. Under the Committee Structure the Chairs of the 'Policy' committees will have the following roles and responsibilities;

- Special responsibility for the strategic priorities as determined by Full Council, including responsibility for services and budgets relating to them
- Regular meetings with officers to monitor and review the progress of the Council's strategic priorities and approved projects
- To answer questions at Council on matters relating to the functions of the Committee

In addition, Council will enhance the role of the Vice-chairs of all committees including Regulatory Committees to ensure that there is wider cross-party engagement in the setting of agendas, the timely sharing of information in respect of decision making across political groups, as well as recognition of the externally facing role that all committees have.

Vice-chairs of all committees will take on an enhanced role under the Committee System to support the Chair of their committee with the effective management and running of the committee's business. They will play a protective role in shaping agendas and deciding the business to be considered. In addition, they will take a lead in some areas of work as agreed with their Chair.

The appointment of the Chairs and Vice-chairs of committees will continue to be made by Full Council, however, the appointment of Chairs and Vice-chairs will be based on the principle that no single political group will have the chair of all the 'Policy' committees.

It is agreed that there should be a fair distribution of Chairs and Vice-chairs based on the principles of the political balance rules, but also recognising that the Council is currently in a situation of "No Overall Control". Building on those principles, as identified above, for the first year of the operation of the Committee System the Chair of the P&R Committee shall not be a member of the two largest political groups on the Council. There will be two Vice-chairs of the P&R Committee and these roles shall be allocated to each of the two largest political groups on the Council.

The Chairs of the Environment Committee and the Communities Committee will be shared equally between the two largest political groups and that the Vice-chairs of each of these committees will be from a different political group to the Chair of that Committee.

The Chairs of the 'Regulatory' committees will be apportioned on a proportionate basis in line with the political balance rules. In addition, the Vice-chair of a 'Regulatory' committee will be from a different political group to the Chair of that committee.

4. Scope of Additional Work Prior to Annual Council

4.1 The motion to Council in November 2016 also identified a number of other matters that would need to be considered as part of the change of governance from the Cabinet model to the Committee System. The following identifies the additional areas of work that are currently being reviewed prior to Annual Council:

- A review of the Constitution
- A review of Members' Allowances
- Take note of any pertinent results from the cross-party scrutiny review of governance arrangements
- Public consultation/engagement
- Training for Members and Officers

5. Financial Implications of the New Committee System

5.1 It is the view of the Council that the transition to the Committee System will be cost-neutral and that the work that will be undertaken to make the transition will be carried out within existing resources.

5.2 It is also the view of the Council that albeit the Council agreeing the recommended 1% increase by the IRP there will be no further increase to the level of Members' Allowances for 2017/18.

6. Current Member Allowance Scheme

6.1 The Council as its November 2016 agreed the current scheme of Members' Allowances as recommended by the IRP. The current level of spend between the Basic and Special Responsibility Allowances is shown below. The individual allocation of Special Responsibility Allowances is identified at **Appendix 3**.

Basic Allowance	Special Responsibility Allowance
£148,750	£67,280

7. Members' Allowance Scheme 2017/18

7.1 The Corporate Leadership Team held two Member briefing sessions in January 2017 to discuss the implementation of the Committee System in May 2017. Members were given the opportunity to raise and debate in detail the many elements that need to be in place to facilitate the successful operation of the new Committee System both before and on implementation.

7.2 During the briefings the level of Members' Allowances were discussed in detail and Member expectations were raised that the roles identified below would receive a Special Responsibility Allowance:

- Leader of the Council
- Deputy Leader of the Council
- Group Leader's Allowance
- Chair of Policy and Resources Committee
- Vice Chair of Policy and Resources Committee x 2
- Chair of Communities Committee
- Vice Chair of Communities Committee
- Chair of Environment Committee
- Vice Chair of Environment Committee
- Chair Audit and Governance Committee
- Vice Chair of Audit and Governance Committee
- Chair of Standards Committee
- Vice Chair of Standards Committee
- Chair of Licensing & Environmental Health Committee
- Vice Chair of Licensing & Environmental Health Committee
- Chair of Planning Committee
- Vice Chair of Planning Committee

7.3 In summary, there are no changes to the current structure of the Regulatory Committees. Therefore the available budget for the remaining Special Responsibility Allowances is as follows:

() = Multiplier of Basic Allowance £4,250

Role	Current Allowance £
Leader of the Council	
Deputy Leader of the Council	
Group Leader's Allowance	
Chair of Policy and Resources Committee	
Vice Chair of Policy and Resources Committee x 2 <i>(subsequently changed to Chair of Sub-Committees Policy & Resources x 2)</i>	
Chair of Communities Committee	
Vice Chair of Communities Committee	
Chair of Environment Committee	

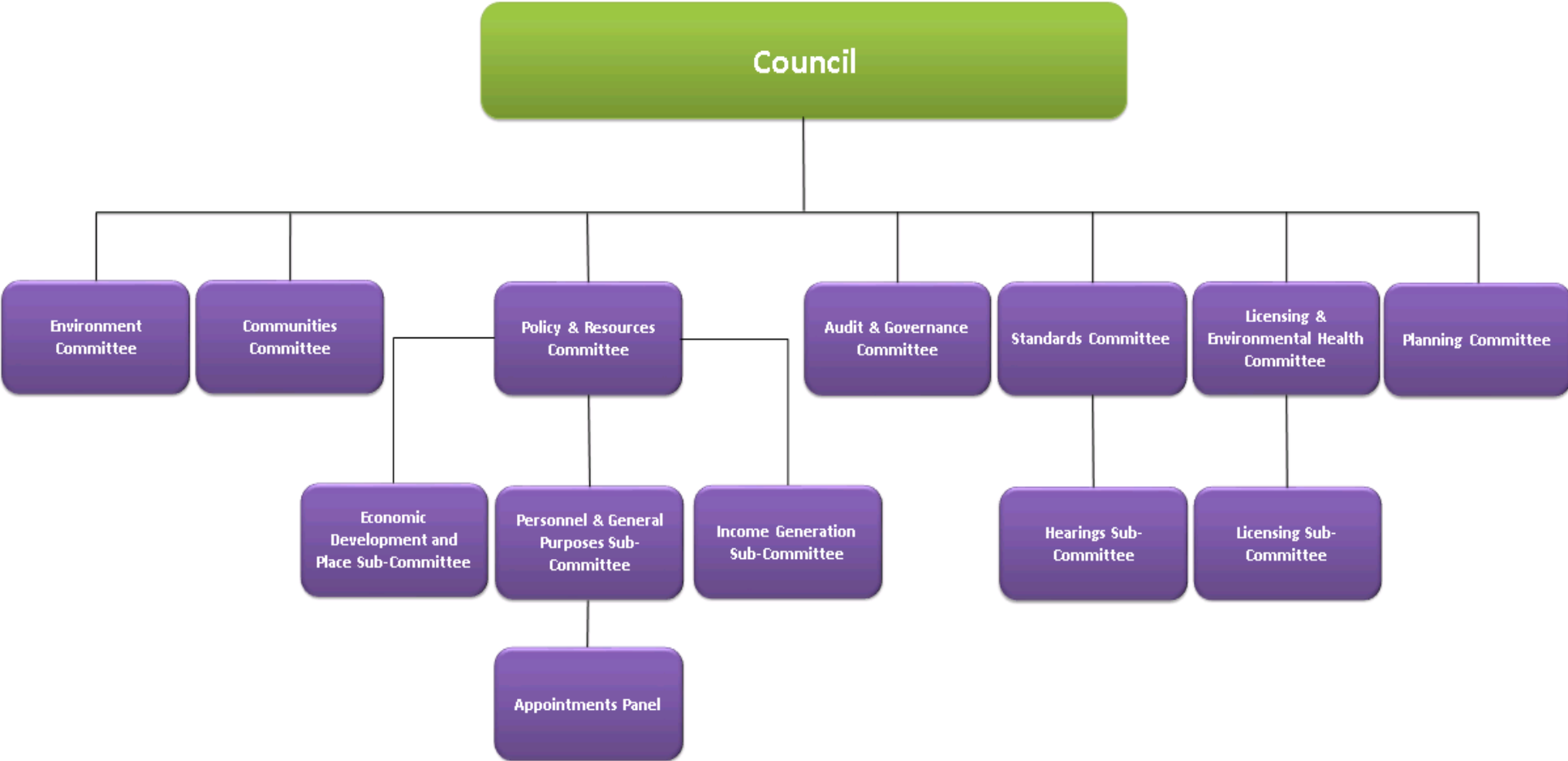
Vice Chair of Environment Committee	
Chair Audit and Governance Committee	(0.6) 2,550
Vice Chair of Audit and Governance Committee	
Chair of Standards Committee	(.25) 1,063
Vice Chair of Standards Committee	
Chair of Licensing & Environmental Health Committee	(.75) 3,188
Vice Chair of Licensing & Environmental Health Committee	
Chair of Planning Committee	(1) 4,250
Vice Chair of Planning Committee	
Total Budget	67,280
Budget Available (minus payments to Chairs of Regulatory Committees)	56,229

8. Comparative Information

- 8.1 In light of Member expectations raised at the briefing sessions and to facilitate the IRP in reaching their recommendation for the level of Members' Allowances for 2017/18, the Deputy Monitoring Officer carried out some comparative research of the level of Members' Allowances across other Authorities.
- 8.2 The research involved collating data which identified the roles and level of basic and special responsibly allowances for a number of Authorities which operate a Committee system of governance. The Authorities selected for comparative purposes were Stroud District, Cambridgeshire County, Fylde Borough, Newark & Sherwood District and Great Yarmouth Borough. The full comparative data is shown at **Appendix 4.**
- 8.3 It should be noted by the IRP that all Authorities included for the comparative exercise operate different variations to the Committee System of governance. A number of the Authorities do share similar role profiles to those agreed by Worcester Members for Worcester's new Committee System. It has therefore not been possible to compare exact "like with like" and the comparative data is provided for guidance purposes only.

Claire Chaplin
28th February 2017

Committee System Governance Structure



Political Balance on Committees and Sub-Committees 2017-18 - Compliant with Political Balance Regulations

Committee		Overall Allocations (Gateway 2)			Allocations by Committee (Gateway 3)		
					Con Target %	Lab Target %	Green Target %
Title	New Membership	Con	Lab	Green	48.57%	45.71%	5.71%
Policy & Resources	13	6	6	1	46.15%	46.15%	7.69%
Communities	12	6	6	0	50.00%	50.00%	0.00%
Environment	12	6	5	1	50.00%	41.67%	8.33%
Planning	11	5	5	1	45.45%	45.45%	9.09%
Licensing & Environmental Health	10	5	5	0	50.00%	50.00%	0.00%
Audit & Governance	8	4	3	1	50.00%	37.50%	12.50%
Standards	6	3	3	0	50.00%	50.00%	0.00%
Actual Seats	72	35	33	4			
Actual %	100.00%	48.61%	45.83%	5.56%			
Target %	100.00%	48.57%	45.71%	5.71%			
Target Seats	72	35	33	4			

Group	Members	Target
Conservative	17	48.57%
Labour	16	45.71%
Green	2	5.71%

**Independent Remuneration Panel for District Councils in Worcestershire
Recommendations for 2016-17**

Role	Current Multiplier	Current Allowance Paid £
Basic Allowance – all Councillors	1	4,250
Special Responsibility Allowance		
Leader	3	12,750
Deputy Leader	1.75	7,438
Portfolio Holders	1.5	6,375
Chair of Audit Committee	0.6	2,550
Chair of Performance Management and Budget Scrutiny Committee	0.6	2,550
Chair of Scrutiny Committee	1	4,250
Chair Standards Committee	0.25	1,063
Chair of Planning Committee	1	4,250
Chair of Licensing and Environmental Health Committee	0.75	3,188
Political Group Leaders	0.25	1,063

Member's Allowances Comparative Information 2016
Authorities that operate a Committee System of Governance
Equivalent Roles- Where Possible
() = Multiplier of Basic Allowance

Role	Authority				
	STROUD DISTRICT £	CAMBRIDGE SHIRE COUNTY £	FYLDE BOROUGH £	NEWARK & SHERWOOD DISTRICT £	GREAT YARMOUTH BOROUGH £
Basic	5,161	7,854	3,750	4,700	4,510
Leader + Chair of Cabinet Equivalent	10,322 (2)	-	10,000 (2.6)	13,000 (2.7)	10,148 (2.25)
Deputy Leader	-	-	3,000 (0.8)	2,600 (0.5)	
Vice Chair of Cabinet Equivalent	1,239 (0.24)	-	-	-	-
Chair of Main Service Committees	6,193 (1.2)	12,241 (1.56)	4,000 (1.06)	5,298 (1.12)	4,510 (1)
Vice Chair of Main Service Committees	1,239 (0.24)	6,120 (0.78)	2,000 (0.53)	977 (0.20)	1,128 (0.25)
Chair of Planning Committee	5,161 (1)	4,590 (0.58)	2,000 (0.53)	5,298 (1.12)	4,510 (1)
Vice Chair of Planning Committee	1,032 (0.2)	-	1,000 (0.26)	977 (0.2)	1,128 (0.25)

Chair of Licensing Committee	-	-	1,625 (0.43)	3,129 (0.66)	4,510 (1)
Vice Chair of Licensing Committee	-	-	812.50 (0.21)	460 (0.09)	1,128 (0.25)
Chair of Audit & Governance	5,161 (1)	4,590 (0.58)	3,250 (0.86)	1,795 (0.38)	4,510 (1)
Chair of Standards Committee	-	-	-	-	1,128 (0.25)

Member's Allowances Comparative Information 2016
Authorities that operate a Committee System of Governance
Actual Titles

Authority	Role															
STROUD DISTRICT 59 Cllrs	Basic	Leader Chair Strategy & Resources	Vice Chair Strategy & Resources	Chair Service X3	Vice Chair Service	Chair Devt. Control	Vice Chair Devt. Control	Chair Audit & Standards	Vice Chair Audit & Standards	Chair Council	Vice Chair Council	Main Opps Group Leader	Other Opps Group Leader			
	5,161	10,322 100% (Basic)	1,239 20% (Chair Service)	6,193 60% (Leader)	1,239 20% (Chair Service)	5,161 50% (Leader)	1,032 20% (Chair Devt. Control)	5,161 50% (Leader)	1,032 20% (Chair Audit & Standard)	3,097 30% (Leader)	619 20% (Chair Council)	4,851 47% (Leader)	1,032 10% (Leader)			
CAMBRIDGE SHIRE COUNTY 69 Cllrs	Basic	Leader of Largest Group	Deputy Leader Largest Group	Group Leader over 10 Members	Deputy Group Leader over 10 Members	Group Leader Over 3 and up to 10 Members	Deputy Group Leader Over 3 and up to 10 Members	Chair General Purposes and Leader	Vice Chair General Purposes And Deputy Leader	Chair Service	Vice Chair Service	Chair Audit	Chair Planning			
	7,854	15,301	11,476	11,221	8,415	7,140	5,355	6,120 (In addition to other SRA's)	3,060 (In addition to other SRA's)	12,241	6,120	4,590	4,590			
FYLDE BOROUGH 51 Cllrs	Basic	Leader	Deputy Leader	Chair Service	Vice Chair Service	Chair Audit & Standard	Vice Chair Audit & Standard	Chair Member Development	Vice Chair Member Development	Chair Public Protection and Licensing	Vice Chair Public Protection and Licensing	Leader of each Political Group				
	3,750	10,000	3,000	4,000	2,000 50% (Chair)	3,250	1,625 50% (Chair)	2,000	1,000 50% (Chair)	1,625	812.50 50% (Chair)	£32 per member				
NEWARK & SHERWOOD DISTRICT 39 Cllrs	Basic	Leader Chair Policy & Finance	Deputy Leader	Chair Functionals	Opps Spokesperson Functionals	Vice Chair Policy & Finance	Vice Chair Functionals	Chair Planning	Vice Chair Planning	Chair Licensing & General Purposes	Vice Chair Licensing & General Purposes	Chairman Audit & Accounts	Main Opps Group Leader and Spokesperson on Policy & Finance	Other Opps Group Leaders	Chair Council	Vice Chair Council
	4,700	13,000	2,600 20% (Leader)	5,298	997	977	977	5,298	977	3,129	460	1,795	4,500	770	3,360	670

GREAT YARMOUTH BOROUGH	Basic	Leader	Chair Service X 4	Vice Chair Service	Chair Devt. Control	Vice Chair Devt. Control	Chair Licensing	Chair Audit & Risk	Vice Chair Licensing	Vice Chair Audit & Risk	Chair Standards & Appeals	Chair Council (Mayor)	Deputy Mayor	Group Leaders
39 Cllrs	4,510	10,148 2.25	4,510 1	1,128 0.25	4,510 1	1,128 0.25	4,510 1	4,510 1	1,128 0.25	1,128 0.25	1,128 0.25	2,255 0.50	902 0.2	Basic / 39 x No. Grp Members

Notes

Stroud District Council

Vice Chairs – There is an expectation under the committee form of governance that they have a greater role than simply standing in when their Chair is absent. The Constitution states that Vice Chairs of committees will, when appropriate take a lead in some areas of work as agreed by their Chair.

Vice-chairmen of committees will be elected annually by Council. The role of Vice-Chair is an important role. The holders of the post are responsible for supporting the chairmen of the committees with the effective management and running of the committees' business. When appropriate and necessary, they will take a lead in some areas of work as agreed with their Chair.

In the absence of the Chair, the Vice-Chair will chair committee meetings and conduct its business in accordance with the provisions set out in the role profile for the Chair.

The Vice-Chair is expected to support the Chair in ensuring that Committee Members are taking part at all stages of deliberations.

All Vice-Chairs receive an SRA allowance.

Cambridgeshire County Council

Vice-Chairs – SRA allowance paid to Vice Chairs of General Purposes and main Service Committees only.

Fylde Borough Council

Vice-Chairs - All Vice-Chairs receive an SRA allowance.

Newark and Sherwood

Vice-Chairs - All Vice-Chairs receive an SRA allowance.

Great Yarmouth Borough

Vice-Chairs - All Vice-Chairs receive an SRA allowance.

**Independent Remuneration Panel for District Councils in Worcestershire
Recommendations for 2017-18 Worcester City Council**

Role	Current Multiplier	Current Allowance Paid £	Recd. Multiplier	Recd. Allowance £	Total £
Basic Allowance – all Councillors x 35	1	4,250	1	4,300	150,500
Special Responsibility Allowance					
Leader	3	12,750	2.5	10,750	10,750
Deputy Leader	1.75	7,438	1.75	7,525	7,525
Chair of Policy & Resources (considered the most important Policy Committee)	-	-	1.75	7,525	7,525
Chair of Place & Economic Development Sub-Committee (originally described Vice Chair - being Leader or Deputy Leader)	-	-	0.50	2,150	2,150
Chair of Income Generation Sub-Committee (originally described Vice Chair - being Leader or Deputy Leader)	-	-	0.50	2,150	2,150
Chair of Personnel & General Purposes Sub-Committee (originally described Vice Chair - being a Group Leader, namely the Chair of Policy & Resources)	-	-	0.25	1,075	1,075
Chair of Communities Committee	-	-	1.5	6,450	6,450
Vice Chair of Communities Committee	-	-	0.5	2,150	2,150
Chair of Environment Committee	-	-	1.5	6,450	6,450
Vice Chair of Environment Committee	-	-	0.5	2,150	2,150
Chair of Planning Committee	1	4,250	1	4,300	4,300
Chair of Licensing & Environmental Health Committee	0.75	3,188	0.75	3,225	3,225
Chair Standards Committee	0.25	1,063	0.25	1,075	1,075
Chair of Audit & Governance Committee	0.6	2,550	0.6	2,580	2,580
Political Group Leaders	0.25	1,063	0.25	1,075	3,225
TOTAL					213,280

Summary Payment (accumulated SRAs for roles) £	Total £	Allowances Available Budget - Approved February 2017	
Leader /Grp Leader/Chair of Policy Sub-Committee	13,975	Basic Allowance	148,750
Deputy Leader /Grp Leader/Chair of Policy Sub-Committee	10,750	Special responsibility Allowance	67,280
Chair of Policy & Resources /Grp Leader/Chair of Personnel	9,675	TOTAL	216,030

Summary of Research

Chartered Institute of Public Finance and Accountancy (CIPFA) "Nearest Neighbour" authorities tool.

No two Councils or sets of Councillors are the same. Developed to aid local authorities in comparative and benchmarking exercises, the CIPFA Nearest Neighbours Model adopts a scientific approach to measuring the similarity between authorities. Using the data for Councils with a Committee System of Governance "nearest neighbours" are:

- Stroud District
- Cambridgeshire County
- Fylde
- Newark & Sherwood District
- Great Yarmouth Borough

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended.

Annual Survey of Hours and Earnings (ASHE) Data on Pay

<https://www.nomisweb.co.uk/articles/980.aspx>

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at County and District level about rates of pay. For benchmarking purposes the Panel uses the levels for hourly rates of pay excluding overtime. This is multiplied by 11 to give a weekly rate, which is then multiplied by 44.4 weeks to allow for holidays. This was the number of hours spent on Council business by frontline Councillors which had been reported in previous surveys and substantiated by a survey with Worcester City Councillors in the autumn of 2015. The rate is then discounted by 40% to reflect the element of volunteering that each Councillor undertakes in the role.

CPI (Consumer Price Inflation)

In arriving at its recommendations the Panel has taken into account the latest reported CPI figure available to it, published by the Office for National Statistics. This was 0.9% for October 2016 – October 2017.

Taxpayers' Alliance Research Findings for Councillors' Allowances 2015 published 8th March 2016
http://www.taxpayersalliance.com/councillors_allowances_2015

The report summarises allowances paid to Councillors across the country during 2014-15 and reports that in the West Midlands the basic allowance ranged between £2,902 and £16,267.

Using information from this report the Panel calculated an average basic allowance in the West Midlands region of £4,107 in 2014-15.

Report on CIPFA "Nearest Neighbour" comparison data from 25 Authorities used for Worcestershire compiled by a member of the Panel.

Data analysed and findings relating to Councillor Allowances are presented as part of the evidence base. The Panel received this internal report at its meetings in 2016. The study of the sample assisted the Panel when making its recommendations.