

**Independent Remuneration Panel
for Worcestershire District Councils**

Annual Report and Recommendations for 2022-23

Redditch Borough Council

December 2021

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Recommendations

The Independent Remuneration Panel recommends to Redditch Borough Council the following:

- 1. That the Basic Allowance for 2022-23 is £4,732, representing a 1.75% increase.**
- 2. That the Special Responsibility Allowances are set out in Appendix 1**
- 3. That travel allowances for 2022-23 continue to be paid in accordance with the HMRC mileage allowance**
- 4. That subsistence allowances for 2022-23 remain unchanged**
- 5. That the Dependent Carer's Allowance remains unchanged**
- 6. That for Parish Councils in the Borough, if travel and subsistence is paid, the Panel recommends that it is paid in accordance with the rates paid by Borough Council and in accordance with the relevant Regulations**

Introduction and Context

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 Panel and we noted that Redditch Borough Council declined to implement the Panel's recommendation for 2021/22. Members decided that during a global pandemic, at a time when many people were struggling financially, it was difficult to justify an increase to Members' allowances.

This year the Panel offered to meet with the Leader of the Council to discuss any other particular issues. Panel members met with the Leader and discussed Special Responsibility Allowances, hours and workload plus consideration of nearest neighbours.

Our recommendations are based on thorough research and benchmarking and 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. The purpose of allowances is to enable people from all walks of life to become involved in local politics if they choose.

The Panel does acknowledge that in the current challenging financial climate there are difficult choices for the Council to make. It is for the Council to decide how or whether to adopt the recommendations that we make.

As indicated above, a common theme from this year's visits was the appropriateness of the 11-hour weekly reference point used in calculating the Basic Allowance for a 'back-bench' Elected Member. It will be noted that the current reference to 11hours was based on an exercise carried out within Worcester City Council in 2015 and adopted by the other five participating local authorities. All local authorities have been asked whether they wish to participate in a review of this reference point during 2022/23

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 2021 which gives the mean hourly wage rate for Worcestershire at £16.51.
- Benchmarked the Basic Allowance against allowances for comparable roles paid by the Chartered Institute of Public Finance and Accountancy (CIPFA) "Nearest Neighbour" Councils for each authority

- Taken account of the predicted National Pay Award (1.75%) for the majority of Local Government employees
- Considered the Consumer Price Index information as at October 2021

We give more details about these areas of research at the end of the report.

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 £4,732 for the Basic Allowance 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 2020-21 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.

Table 1 - Total spend on Basic and Special Responsibility Allowances (SRA) as a cost per head of population 2020-21 figures

Authority, population¹ and number of Councillors	Total spend Basic Allowances	Total spend on SRA	SRA as a percentage of total Basic Allowance	Cost of total basic and SRA per head of population	Total of basic and SRA as a percentage of Net General Revenue Fund expenditure
	£	£	%	£	%
Bromsgrove DC (31) 100,569	140,258	66,323	47.29	2.05	1.761
Malvern Hills DC (38) 79,445	170,414.90	67,893.52	40	3.00	2.3
Redditch Borough (29) 85,568	127,869	94,538	73.93	2.60	2.601
Worcester City (35) 100,265	153,510	73,927	48.16	2.27	1.45
Wychavon (45) 131,084	199,521	90,612	45.4	2.21	1.68

¹ONS population estimates mid 2020. Totals for Basic and Special Responsibility allowances paid are as published by each authority for the 2020-21 financial year.

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.

Table 2 - Average allowance per Member of each authority (Basic and Special Responsibility Allowances, 2020 – 21 figures)

Authority (number of Councillors)	Amount £
Bromsgrove District (31)	6,664
Malvern Hills District (38)	6,271
Redditch Borough (29)	7,669
Worcester City (35)	6,498
Wychevdon District (45)	6,447

Basic Allowance 2022 - 23

Calculation of Basic Allowance

The Basic Allowance is based on:

- The roles and responsibilities of Members
- Their time commitments – including the total average number of hours worked per week on Council business
- A public service discount of 40% to reflect that Councillors volunteer their time
- 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. However, we consider the Basic Allowance to include Councillors’ roles in Overview and Scrutiny, as any non-Executive member of the Council is able to contribute to this aspect of the Council’s work. It is for this reason that we do not recommend any Special Responsibility Allowance for members of the Overview and Scrutiny Committee. We also consider that ICT could be included in the Basic Allowance as it is generally more readily available to individuals than in previous years. However, we are comfortable that specific local decisions may be made about how ICT support is provided.

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. As indicated earlier, all councils have been asked whether they wish to participate in a review of the 11-hour reference point during 2022/23

We reviewed the levels of wage rates for Worcestershire as set out in the ASHE data (details in appendix 2) 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 an average of 2.75% increase in pay during the financial year 2020/21 (dependent on scale) and had been offered a 1.75% increase for the financial year 2021/22. At the time of concluding this report, the pay award had not been accepted, but was used as a reference point for the Panel's considerations.

The research information used in the consideration of the Basic Allowance is set out at appendix 2.

Special Responsibility Allowances (SRA) 2022/23

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

Mileage and Expenses 2022-23

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

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 2022-23

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

This year the Panel has not been asked to make recommendations on any matters by any Parish in Redditch.

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 four of the other five District Councils in Worcestershire. Separate Annual Reports have been prepared for each Council.

The members of the Panel are:

Reuben Bergman – Reuben Bergman – Reuben is a Fellow of the CIPD with significant senior HR leadership experience across a range of public sector organisations in both England and Wales. He currently runs a HR Consultancy Business in Worcestershire providing advice and support on managing change, employment law, HR policy

development, mediation, management coaching and employee relations. Reuben has led successful equal pay reviews in three separate local authorities and is known for his successful work in managing change and developing effective employee relations. He is a qualified coach, mediator and a Shared Service architect. He has won national awards for his work on employee engagement and the development of an innovative Café style leadership development programme.

Matthew Davies – Matthew qualified as a Social Worker in 2008 and subsequently worked with children and young people in Worcestershire, Jersey and Manchester. Latterly he is employed as a Registered Manager of an independent fostering agency, supporting and supervising approved foster carers to care for children and young people in care.

Jonathan Glover – Jonathan has over 30 years experience working in central and local government. He has worked mostly in central government, in a range of departments and disciplines. These include: regional finance and accounts; building management; personnel management; contract management. At a local level he specialised in employment support for people with disabilities. Returning to a regional role, he ensured projects throughout the West Midlands region, which were receiving European Commission grants, complied with EC financial and regulatory compliance. Since leaving the civil service he has worked in both the public and private sector. Jonathan was a governor at his local junior school for eight years. He was vice chair of the full governing body, representing the school at Ofsted inspection and appeal panels; chair of its curriculum sub committee; and a member of personal and finance sub committees. He was a member of several recruitment and interview panels, including for a new headteacher.

Xenia Goudefroy – Xenia is a Management Accountant with experience in the financial controlling and forecasting for a range of companies in the private sector. She holds an Advanced Diploma in Management Accounting and has completed a Master's degree in Business Administration at University Vila Velha and in International Management at the Steinbeis University Berlin. As a focus topic of her thesis she has developed the order-to-cash process for new business models. Since she moved to the UK in 2017 in her free time she has been volunteering to help people in need and is also working as a volunteer at the Worcester fish-pass to help preserve the natural habitat of migrating species. She is fluent in three languages and enjoys learning new skills.

Tim Hunt – Tim is a qualified journalist with more than 25 years' experience in media and communications. He spent seven years covering community and local authority news in Worcestershire and Warwickshire, including four as editor of two local newspapers, before going on to work in corporate communications and events. Tim now runs his own PR agency and is a Member of the Chartered Institute of Marketing.

Susan Moxon - Susan has worked in the Education sector for over 20 years, working in schools in Warwickshire and Birmingham and then with the Department for Education, where she worked in the 6th form funding team, analysing data from incoming enquiries, mainly from schools and colleges regarding the calculation of their funding statements. She has also acted as an independent observer at Teacher Disciplinary Hearings ensuring that the panel members followed procedures and were unbiased in their decision making. Previously she was an Exams Support Officer providing advice to schools and colleges in Hereford, Worcester and Gloucester about entering students for external exams and assessments, her particular area of expertise.

She is currently Clerk to the Governing Bodies at two First Schools in Worcestershire and to two local charities. She organises meetings, manages the accounts and is the main point of contact with applicants, local providers and the Charity Commission.

Martin Litt - Martin spent over a decade of his professional career in the wine industry before co-founding a small digital marketing agency, QUAFF Digital, specialising in working with SMEs across the midlands. He is also the local authority governor at the primary school his daughter attends, where he sits on the resources committee.

Caroline Murphy – Caroline has over 20 years' experience of working in public and voluntary sector organisations, including three West Midlands Local Authorities and the Civil Service. She was a senior Education Manager at Wolverhampton City Council until 2011 developing and delivering a large part of the 14-19 Pathfinder, during which time her department was recognised as achieving Beacon Council Status. She has a wealth of experience at building partnerships. Caroline now works as freelance Education, Skills and Development Adviser supporting individuals and organisations with strategic management, quality assurance and improvement, safeguarding, regulation compliance, research and evaluation, data protection and developing policies and procedures. She has worked in a consultancy capacity for a number of organisations, specialising in those who support vulnerable young people. She also spent 14 years as the Vice Chair of Governors of a primary school in Birmingham.

The Panel has been advised and assisted by:

- Claire Chaplin and Margaret Johnson from Worcester City Council
- Darren Whitney, Amanda Scarce, Jess Bayley and Sarah Sellers from Bromsgrove & Redditch Councils
- Mel Harris from Wychavon District Council
- Lisa Perks 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.

The Panel also wishes to place on record its thanks to Jonathan Glover for his time and work for the Panel over three years and wish him well as he retires from the Panel.

Caroline Murphy and Matthew Davies, Co-Chairs of Independent Remuneration Panel

Appendix 1

Independent Remuneration Panel for District Councils in Worcestershire Recommendations for 2022/23

Redditch Borough Council

Role	Rec'd Multiplier 2021/22 (IRP)	Current Multiplier (Council Agreed)	Rec'd Allowance 2021/22 (IRP) £	Current Allowance 2021/22 (Council Agreed) £	Rec'd Multiplier 2022/23 (IRP)	Rec'd Allowance 2022/23 (IRP) £
Basic Allowance for all Councillors	1	1	4,650	4,437	1	4,732
Special Responsibility Allowances:						
Leader	3	3	13,950	13,311, plus 6,656 as portfolio holder	No change from recommendation in 2021/22	14,196
Deputy Leader	1.75	1.75	8,137.50	7,765, plus 6,656 as portfolio holder	No change from recommendation in 2021/22	8,281
Portfolio Holders	1.5	1.5	6,975	6,656	No change from recommendation in 2021/22	7,098
Executive Members without portfolio	****	1	****	4,437	****	****
Chair of Overview and Scrutiny Committee	1.5	1.5	6,975	6,656	No change from recommendation in 2021/22	7,098
Chairs of Overview and Scrutiny Task Groups	0.25	0.25	1,162.50	1,109	No change from recommendation in 2021/22	1,183
Chair of Audit, Governance and Standards Committee	0.25	0.25	1,162.50	1,109	No change from recommendation in 2021/22	1,183
Chair of Planning Committee	1	1	4,650	4,437	No change from recommendation in 2021/22	4,732
Chair of Licensing Committee	0.75	0.75	3,487.50	3,328	No change from recommendation in 2021/22	3,549
Political Group Leaders	0.25	0.25	1,162.50	1,109	No change from recommendation in 2021/22	1,183

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, Redditch Borough Council's "nearest neighbours" are:

- Tamworth Borough Council
- Gloucester City Council
- Stevenage Borough Council
- Worcester City Council
- Cannock Chase District Council

Information on the level of Basic and Special Responsibility Allowances was obtained to benchmark the levels of allowances recommended to the Council. The average basic award across all the "nearest neighbour" authorities was £5,979 as at November 2021.

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

<https://www.nomisweb.co.uk/reports/lmp/la/contents.aspx>

<https://www.nomisweb.co.uk/query/construct/summary.asp?reset=yes&mode=construct&dataset=30&version=0&anal=1&initse1=>

Published by the Office for National Statistics, the Annual Survey of Hours and Earnings (ASHE) shows detailed information at District level about rates of pay. For benchmarking purposes, the Panel uses the levels for hourly rates of pay excluding overtime (currently £16.51 as at December 2021). 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. As a benchmark indicator this would produce a figure of £4,838 per annum.

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 4.2% in October 2021.

Local Government Pay Award

The Panel was mindful of the current local Government pay award offer of 1.75% and its dispute by UNISON and GMB. However, the Panel is bound by the constraints of time; therefore, it references the current award at the time of writing its report.