



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



March 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).....	6
	CO-OPTEEES’/ INDEPENDENT PERSONS ALLOWANCE	6
4.3	TRAVELLING AND SUBSISTENCE ALLOWANCE	11
4.4	DEPENDANTS’ CARERS’ ALLOWANCE	12
4.5	PARENTAL LEAVE	12
4.6	INDEXING OF ALLOWANCES.....	13
4.7	REVOCAION OF CURRENT SCHEME OF ALLOWANCES / IMPLEMENTATION OF NEW SCHEME.....	14
5.	OUR INVESTIGATION	15
5.1	BACKGROUND.....	15
5.2	COUNCILLORS’ VIEWS ON THE LEVEL OF ALLOWANCES	15
6.	APPROVED COUNCILLOR DUTIES	15

Appendix 1	Basic Allowance/Special Responsibility Allowances/Independent Persons & Co-optees’ Allowance/ Dependents’ Carers’ Allowance / Mayoral Allowances – Summary of Recommendations	16
Appendix 2	IRP Review of Councillor Allowances Responses to the Questionnaire 2022	
Appendix 3	Comparative data of allowances paid to councillors of the other Kent district and borough councils (South East Employers, Members Allowances Survey 2021)	

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 Maidstone Borough Council formally appointed the following persons to undertake this process and make recommendations on its future scheme.

Derek Butler- Local Resident
Chris Hare - Chairman Kent Invicta Chamber of Commerce and Local Resident
Mark Palmer- Development Director, 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.
 - (vi) Independent persons allowanceand 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 on the 24th and 25th April 2019.
- 2.1.2 The Scheme currently provides that all councillors are each entitled to a total basic allowance of £5,217.96 per annum, with effect from April 2021. In addition, some councillors 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.

- 2.1.4 The review was undertaken because from May 2022 the Council is changing its governance structure from a Committee Model to an Executive led Leader and Cabinet Model, the ‘Strong Leader Model’ as defined in the Local Government Act 2007.

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 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 and Communities, and The Inland Revenue (now HM Revenue and 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

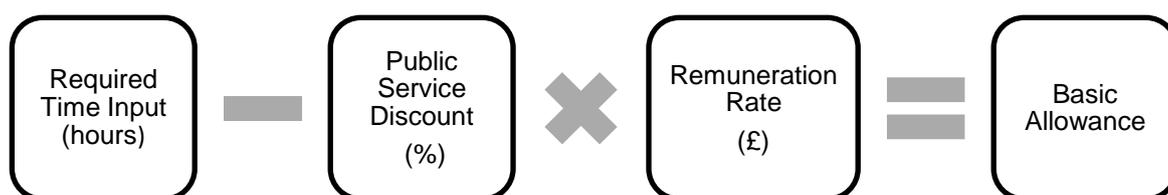
4.1 Basic Allowance

- 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
 - Regulators of planning, licensing and other matters required by Government.
- 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

³ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and Communities, and The 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, The Inland Revenue (now HM Revenue and Customs), *New Council Constitutions:*

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 12 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 top-range of PSDs applied to basic allowances by councils in the region.

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 National Statistics. We selected the average (median), full-time gross⁶ wage per hour for the Maidstone Borough Council area £16.42⁷ per hour.

Guidance on Consolidated Regulations for Local Authority Allowances, London: TSO, July 2003, paragraphs 66-81.

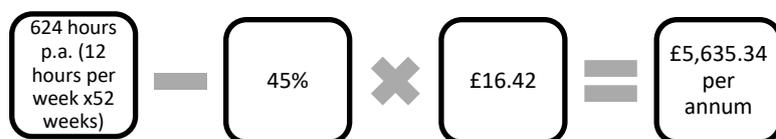
⁵ The summary responses to the questionnaires are available on request.

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 2021.

Calculating the basic allowance

4.1.11 After determining the amount of time required each week to fulfil the role (12 hours), the level of PSD to be applied (45%) and the hourly rate to be used (£19.09), we calculated the basic allowance as follows:



4.1.12 The gross Basic Allowance before the PSD is applied is **£10,246.08**. Following the application of the PSD this leads to a basic allowance of **£5,635.34** per annum.

4.1.13 This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, ward work and attendance on external bodies.

4.1.14 We did also note the levels of basic allowance currently allocated by other District and Borough councils in Kent, (see table below and Appendix 3).

Council	Kent District/Borough Councils: Basic Allowances (£) 2021 ⁸
Ashford Borough Council	4,864
Canterbury City Council	5,739
Dover District Council	5,000
Folkestone & Hythe District Council	5,433
Gravesham Borough Council	4,955
Maidstone Borough Council	5,218
Sevenoaks District Council	5,617
Swale Borough Council	5,444
Thanet District Council	4,570
Tonbridge & Malling Borough Council	5,175
Tunbridge Wells Borough Council	5,500
Average	5,229

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 that the 2016 and 2019 reviews had begun to make recommendations to ensure that the current basic was in accordance with the principle of fair remuneration and the 2022 review has further enhanced this approach through the continuation of a transparent and clear formula for calculating the Basic Allowance. Such a formula will also assist a future Panel in recommending a Basic Allowance

WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of Maidstone Borough Council be £5,635 per annum

⁸ Figures drawn from the South East Employers, Members' Allowances Survey 2021 (October 2021).

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
 - Cabinet Members
 - Leader of the Opposition Group
 - Other Group Leader(s)
 - Chair of the Overview and Scrutiny Committee
 - Chair of the Policy Advisory Committees (Four Committees)
 - Chair of the Planning Committee
 - Chair of the Audit, Governance and Standards Committee
 - Chair of the Licensing Committee
 - Chair of the Democracy and General Purposes Committee
 - Co-Opted Members of Audit, Governance and Standards Committee
 - Mayor
 - Deputy Mayor
 - Independent Persons of the Audit, Governance and Standards Committee
 - Chair of Licensing Panel Meetings
 - Licensing Panel Hearing 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:

⁹ The former Office of Deputy Prime Minister – now the Department for Levelling Up, Housing and 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 72.

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.

The Maximum Number of SRA's Payable

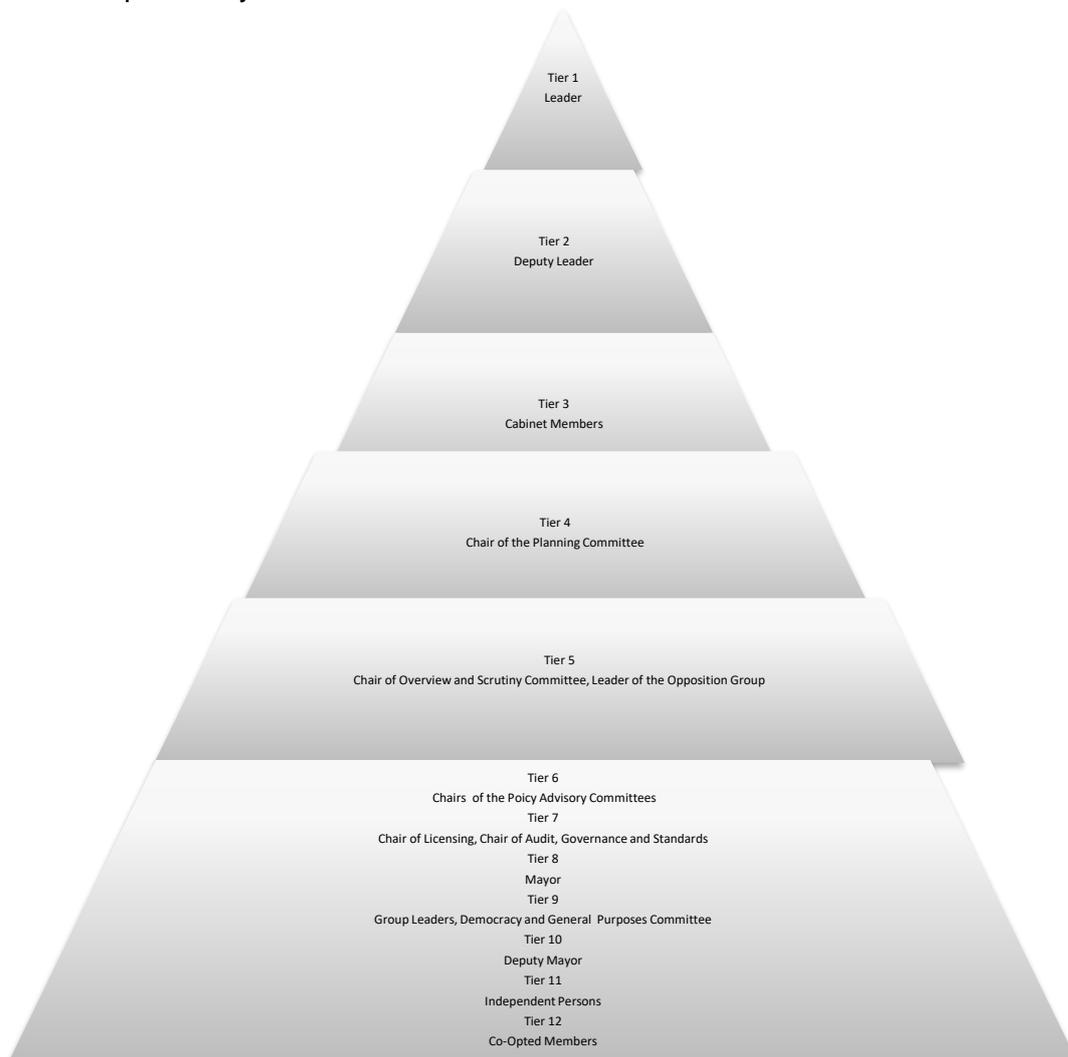
4.2.6 In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should work towards adhering to the principal that no more than 50% of Council Members (27) should receive an SRA at any one time. The Panel is conscious that following the proposed Boundary Review the number of councillors will reduce from 55 to 48 and this makes adhering to the Statutory Guidance difficult.

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 twelve tiers of responsibility is discussed below.

Leader (Tier One)

- 4.2.9 The Council will from May 2022 elect for a four-year term of office a Leader who will be ultimately responsible for the discharge of all executive functions of the Council. The Leader will be the principal policy maker and have personal authority to determine delegated powers to the rest of the Cabinet. The Leader will also be responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.
- 4.2.10 The multiplier we applied to calculate the Leader's SRA is 400% (4 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 £22,540.

WE RECOMMEND that the Leader of the Council should receive a Special Responsibility Allowance of 400% of the basic allowance, £22,540.

Deputy Leader (Tier Two)

- 4.2.11 The Deputy Leader usually acts on the Leader's behalf in their absence. From the information gathered, we consider the additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader's SRA be set at 60% 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 £13,524.

WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 60% of the Leader's Allowance, £13,524.

Cabinet Members (Tier Three)

- 4.2.12 Cabinet Members will be appointed by the Leader of the Council and have significant delegated decision-making responsibilities.
- 4.2.13 The Panel was of the view that Cabinet Members will have a high level of responsibility and also will act as the public face of the Council in respect of their individual portfolio areas. The panel is therefore of the view that the Special Responsibility Allowance for a Cabinet Member should be 50% of the Leader's Allowance, £11,270.

WE RECOMMEND that a Cabinet Member should receive an allowance of 50% of the Leaders Allowance, £11,270.

Chairman of the Planning Committee (Tier Four)

- 4.2.14 The Chairman of the Planning Committee will continue to have a high impact across the Council area and a significant workload that includes regular site visits and a high number of meetings. The importance and impact of the role of the Chairman of the Planning Committee was recognised in previous reviews. The Panel continues to regard the Chairman of the Planning Committee as a significant role and therefore recommends that the Chairman of the Planning Committee should continue to receive a Tier Four allowance, 40% of the Leader's Allowance, £9,016.

WE RECOMMEND that the Chairman of the Planning Committee receive a Special Responsibility Allowance of 40% of the Leader's Allowance, £9,016.

Leader of the Opposition and Chair of Overview and Scrutiny (Tier Five)

- 4.2.15 From the evidence gathered, including questionnaire responses and face to face interviews, we consider the Leader of the Opposition Group to be a significant role and the 2003 Regulations require that the Main 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 therefore recommends that the Leader of the Opposition receive an allowance of 30% of the Leader's Allowance, £6,762.
- 4.2.16 Overview and Scrutiny is a key role within the Executive Model of Governance and ensures accountability of the cabinet decisions, the holding to account of the cabinet and can have a key role in ensuring public and partner engagement in the decision making process. The role and positional authority of overview and scrutiny was further enhanced as part of the 2019 Statutory Government Guidance. The Panel therefore recommends that the Chairman of Overview and Scrutiny receive a Special Responsibility Allowance of 30% of the Leader's Allowance, £6,762.

WE RECOMMEND that the Principal Opposition Group Leader and the Chairman of Overview and Scrutiny receive a Special Responsibility Allowance of 30% of the Leaders Allowance, £6,762.

Chairman of the Policy Advisory Committees (Tier Six)

- 4.2.17 The introduction of the Executive Model of Governance will see the creation of four Policy Advisory Committees. The Policy Advisory Committees will have a key role in pre-decision scrutiny and supporting the cabinet in policy development. The Chairmen of the Policy Advisory Committees will not be cabinet members. The Panel is of the view that a Chairman of the Policy Advisory Committee should receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £5,635.

WE RECOMMEND that the Chairmen of the Policy Advisory Committees should receive a Special Responsibility Allowance of 25% of the Leader's Allowance, £5,635.

Chairman of the Licensing Committee and Chairman of the Audit, Governance and Standards Committee (Tier Seven)

- 4.2.18 The role of Licensing and Audit, Governance and Standards will continue to have a key role within the Executive Model of Governance. The Panel therefore recommends that the Chairman of the Licensing Committee and the Chairman of the Audit, Governance and Standards Committee should continue to receive a Special Responsibility Allowance of 20% of the Leader's Allowance, £4,508.

WE RECOMMEND that the Chairman of the Licensing Committee and the Chairman of the Audit, Governance and Standards Committee should receive a Special Responsibility Allowance of 20% of the Leader's Allowance, £4,508.

Mayor (Tier Eight)

- 4.2.19 The role of Mayor is highly visible across the Council area and undertakes a high number of civic engagements that raise the profile of the Council. The current Mayoral Allowance was considered by councillors interviewed and through the responses to the questionnaire to be not at a level that was commensurate with the duties. The Panel was of the view that the Mayoral Allowance should be increased and also should be

based on the same formula as the other key SRA roles e.g. a percentage of the Leader's Allowance. We therefore recommend that the role of Mayor be recognised at Tier Eight and receive an allowance of £3,381, 15% of the Leader's Allowance.

WE RECOMMEND that the Mayor should receive a Special Responsibility Allowance of 15% of the Leader's Allowance, £3,381.

Group Leaders Allowance and Chairman of the Democracy and General Purposes Committee (Tier Nine)

- 4.2.20 The Leaders of the other Opposition Groups continue to be a role of importance and the Panel was therefore of the view that the Group Leader(s) should receive a Tier Nine allowance, 10% of the Leader's Allowance, £2,254. The Panel was of the view that in order for the other Group Leader to receive the Special Responsibility Allowance the group should have at least five Members within the group.
- 4.2.21 In 2019 the Panel was of the view that the Chairman of the Democracy and General Purposes Committee should receive a Special Responsibility Allowance and requested a copy of the scheduled work programme of the Committee. The Panel continues to be of the view that the Chairman of the Democracy and General Purposes Committee should receive a Special Responsibility Allowance and therefore recommends that the Chairman receive an allowance of 10% of the Leader's Allowance, £2,254.

WE RECOMMEND that the Group Leader(s), should receive a Tier Nine Allowance, 10% of the Leader's Allowance £2,254. WE FURTHER RECOMMEND that in order for a Group Leader to receive a Special Responsibility Allowance the group should have at least five Members in the Group. WE ALSO RECOMMEND that the Chairman of the Democracy and General Purposes Committee should also receive a Special Responsibility Allowance of 10% of the Leader's Allowance, £2,254.

Deputy Mayor (Tier Ten)

- 4.2.22 The role of Deputy Mayor like that of the Mayor continues to be a role that has an impact across the Council area and a workload based on a number of civic engagements. The Panel is of the view that the role of Deputy Mayor should receive an increased allowance based on 50% of the Mayoral Allowance, £1,691.

WE RECOMMEND that the Deputy Mayor should receive a Tier Ten Allowance, 50% of the recommended Mayoral Allowance, £1,691.

Independent Person, Audit, Governance and Standards (Tier Eleven).

- 4.2.23 The Independent Person for Code of Conduct Issues has a key role and are pivotal members of the Audit, Governance and Standards Committee that provide an Independent and non-councillor perspective and view. Therefore the Panel is of the view that the Independent Person should receive an allowance based on that of the Chairman of Audit, Governance and Standards Committee. The Panel recommends that the Independent Person should receive a Special Responsibility Allowance of 20% of the Chairman of the Audit, Governance and Standards Committee, £902 per annum

WE RECOMMEND that the Independent Person should receive an allowance of 20% of the Chairman of the Audit, Governance and Standards Committee, £902 per annum. The Independent Person should also receive travel and subsistence and other expenses in accordance with the scheme applicable to councillors.

Co-Opted Members of Audit, Governance and Standards Committee (Tier Twelve)

- 4.2.24 The Panel recognised the importance of the role of the Co-Opted Members of the Audit, Governance and Standards Committee.

The Panel therefore recommends that the Co-Opted Members should receive a Tier Twelve allowance, 10% of the Chairman of the Audit, Governance and Standards Committee, £451.

WE RECOMMEND that the Co-Opted Members of the Audit, Governance and Standards Committee should receive a Tier Twelve Allowance, 10% of the Chairman of the Audit, Governance and Standards Committee , £451.

Chairman of Licensing Panel Hearings and Licensing Panel Hearing Members.

- 4.2.25 The Panel recommends no changes to these allowances. The Chairman of Licensing Panel Hearings should continue to receive an allowance of £84.19 per meeting. The Licensing Panel Hearing Members should also continue to receive an allowance of £63.41 per meeting.

- 4.2.26 The Panel was further of the view that the Chairman of the Employment Committee should not at this stage receive a Special Responsibility Allowance.

- 4.2.27 Finally, the Panel considered whether Vice Chairmen of the Committees should receive a Special Responsibility Allowance and was of the view that the current approach recommended in 2019 should continue and that no dedicated allowances for Vice Chairmen should be recommended.

WE RECOMMEND that the Chairman of Licensing Panel Hearings continue to receive an allowance of £84.19 per meeting and the Licensing Panel Hearing Members continue to receive an allowance of £63.41 per meeting. The Chairman of the Employment Committee at this stage should not receive a Special Responsibility Allowance. Finally, the Panel recommends that the Vice Chairmen of the Committees should not receive a dedicated allowance and that the approach recommended in 2019 should continue.

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/Independent Persons 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, Independent Persons and co-optees in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs' rates. Finally, we recommend that councillors should be eligible to claim for travel and subsistence for approved site visits as members of a committee. We propose no further changes to the current travel and subsistence allowances.

WE FURTHER RECOMMEND that a travel allowance for electric vehicles should be introduced based on the HM Revenue and Customs' rate of 45p per mile.

4.4 Dependent Carers' Allowance

- 4.4.1 The dependent carers' allowance should ensure that potential candidates are not financially deterred from standing for council as a result of having caring responsibilities and it should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement for Child Care at the market rate and more specialist care is at a maximum rate of £20.20 per hour when undertaking Approved Councillor duties.
- 4.4.2 The Panel is of the view that the Dependent Carers' Allowance should continue to be reimbursed at two rates for basic Child Care and more specialist care. With regards to childcare the Panel recommends that this should be linked to the Real Living Wage as recommended by the Living Wage Foundation, currently £9.90 per hour.
- 4.4.3 With regard to more specialist care, adult and children the Panel is of the view that this should be reimbursed at the actual cost incurred by the councillor upon production of receipts or at least the rate of the Real Living Wage. 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 Carers' Allowance should be based on two rates childcare and specialist care. The childcare rate should be linked to the Real Living Wage as recommended by the Living Wage Foundation, currently £9.90 per hour (reviewed on an annual basis).

Specialist care should be based at cost upon production of receipts (at a minimum rate of the Real Living Wage) and 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 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 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 Dependents' Carers 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 basic allowance, the special responsibility allowances, Independent Person(s) and Co-optee(s) allowance to be adjusted annually in line with staff salaries (NJC Terms and Conditions).

WE RECOMMEND that the basic allowance, each of the SRAs and the Independent Person(s) and Co-optee(s)' Allowance be increased annually in line

with the percentage increase in staff salaries (NJC Terms and Conditions) from April 2022 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 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 2022-23 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 20 of the 55 current councillors (36% response). We also received one email written response to the Panel. The information obtained was helpful in informing our deliberations.
- 5.1.2 We interviewed ten 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 Duties as outlined in the Members' Allowance Scheme.

**Mark Palmer (Chair of the Independent Remuneration Panel)
Development Director, South East Employers
March 2021**

Appendix 1: Summary of Panel's Recommendations

Allowance	Current Amount for 2021-22	Number	Recommended Allowance (45% PSD)	Recommended Allowance Calculation
Basic (BA)				
Total Basic:	£5,218	55	£5,635	

Special Responsibility:				
Leader of the Council	£20,606	1	£22,540	400% of BA
Deputy Leader	No SRA	1	£13,524	60% of Leader's Allowance
Cabinet Member	No SRA	8	£11,270	50% of Leader's Allowance
Chairman of Planning Committee	£8,242	1	£9,016	40% of Leader's Allowance
Chairman of Overview and Scrutiny	No SRA	1	£6,762	30% of Leader's Allowance
Leader of the Opposition	£415 per Member	1	£6,762	30% of Leader's Allowance
Chairman of Policy Advisory Committees	No SRA	4	£5,635	25% of Leader's Allowance
Chairman of Licensing	£4,121	1	£4,508	20% of Leader's Allowance
Chairman of Audit, Governance and Standards	£4,121	1	£4,508	25% of Leader's Allowance
Mayor	£2,734	1	£3,381	15% of Leader's Allowance
Group Leaders 1.	£415 per Member	2	£2,254	10% of Leader's Allowance
Democracy and General Purposes Committee	No SRA	1	£2,254	10% of Leader's Allowance
Deputy Mayor	£1,094	1	£1,691	50% of Mayor's Allowance
Independent Person (Audit, Governance and Standards)	£772	1	£902	20% of Chairman of Audit, Governance and Standards Allowance
Co-Opted Members of Audit, Governance and Standards	£361	2	£451	10% of Chairman of Audit, Governance and Standards Committee
Chairman of Licensing Panel Hearing	£84.19 per meeting	1	£84.19 per meeting	

Licensing Panel Hearing Members	£63.41 per meeting		£63.41 per meeting	
Chairman of Employment Committee	No SRA	1	No SRA	
Vice Chairmen	No SRA		No SRA	

1. SRA only payable to Group Leaders with at least 5 Members within the Group.