

Report of the Independent Remuneration Panel held on 24th and 25th April 2019 – Members' Allowances Scheme

Final Decision-Maker	COUNCIL
Lead Head of Service	Angela Woodhouse, Head of Policy, Communications and Governance
Lead Officer and Report Author	Ryan O'Connell, Democratic and Electoral Services Manager and Caroline Matthews, Principal Democratic Services Officer
Classification	Public
Wards affected	All

Executive Summary

The Independent Remuneration Panel met on 24 and 25 April 2019 to review the Members' Allowances Scheme, and the Panel's recommendations are attached to this report at Appendix A.

Purpose of Report

Decision

This report makes the following recommendations to Council:

1. That the Independent Remuneration Panel's recommendations in regard to the Members' Allowances Scheme be approved as follows:-

- 1) That the updated formula be applied to the basic allowance as implemented in March 2018 following the revised local authority profile for Maidstone (NOMIS Official Labour Market Statistics) to make it more transparent for future years. This is as follows:-

12 (average hours) x £15.26 (nomis hourly rate by place of residence for Maidstone Dec 2018) x 52 weeks (minus Public Service Discount of 45%).

This would equate to £5,237 p.a.

- 2) That the Deputy Leader be provided with a Special Responsibility Allowance in recognition of the work undertaken by this position in carrying out work delegated by the Leader. This would be £4,000 (which is 20% of the Leader's Allowance).

- 3) That the Chairman of the newly established Democracy and General Purposes Committee be provided with a Special Responsibility Allowance of £4,000 (which is 20% of the Leader's Allowance).
- 4) That the Dependent carers allowance be paid at market rates for specialist carer providers and upon receipts. The Child-care providers be paid at least the minimum living wage (as set by the living wage foundation and on production of receipts).
- 5) That travelling and subsistence should not be paid to Visiting Members who are not Committee Members or Substitute Members except where they have been specifically invited by the Chairman or Vice-Chairman to the Committee meeting.
- 6) That Members should not submit expenses claims that are more than two months old.
- 7) That role profiles are produced for a) the generic councillor role, and b) those that attract a Special Responsibility Allowance to give clarity.
- 8) That an indexation rise be continued which would be linked to staff salary increases but would not be applied to the basic allowance as the allowance is worked out on a specified formula but would rise annually based on the revised nomis rate by place of residence from the Office of National Statistics (the nomis rate is re-calculated every December).
- 9) That there should not be a Special Responsibility Allowance for Vice-Chairmen.
- 10) That the Leaders allowance remains the same and the percentage ratio remains the same for the other Special Responsibility Allowances but would now include a 2% indexation rise (applicable from 1st April 2019) and are set out below:-

Allowance	Current Amount	Recommended Amount	Comments
Basic Allowance	£5,065	£5,237 (with formula applied but an indexation rise would not apply)	55 Members
Leader of the Council/Chairman of Policy & Resources Committee	£19,610	£20,002 (*)	1 Member
Chairman of Strategic Planning and Infrastructure	£7,843	£8,000 (40% of Leader's Allowance) (*)	Committee of 9 Members

Committee			
Chairman of Communities, Housing & Environment Committee	£7,843	£8,000 (40% of Leader's Allowance) (*)	Committee of 9 Members
Chairman of Economic Regeneration and Leisure Committee	£7,843	£8,000 (40% of Leader's Allowance) (*)	Committee of 9 Members
Chairman of Planning Committee	£7,843	£8,000 (40% of Leader's Allowance) (*)	Committee of 13 Members
Chairman of Audit, Governance & Standards Committee	£3,921	£4,000 (20% of Leader's Allowance) (*)	Committee of 9 Members plus 2 Non-Voting Parish Councillors appointed by the Council for a three year term of office
Chairman of Licensing Committee	£3,921	£4,000 (20% of Leader's Allowance) (*)	Committee of 13 Members
Chairman of Democracy and General Purposes Committee	N/A	£4,000 (20% of Leader's Allowance) (*)	Committee of 9
Group Leaders Allowance	£394.74	£402.63 (*)	Based on Composition of Party x £402.63 (£14,092.05 ÷ 35, 35 being the current composition of Members excluding the Leader's party)
Co-opted Members of Audit, Governance and Standards Committee	£344	£350 (*)	Per Annum, 2 Parish Councillor Members
Independent Person for Code of Conduct Issues (Audit, Governance and Standards Committee)	£735	£749 (*)	1 Person
Chairman of Licensing Panel Hearing	£80 per session	£81.72 per session (*)	1 Member
Licensing Panel	£60 per	£61.55 per	2 Members

Hearing Members	session	session (*)	
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(*) – All rates include a 2% increase in line with the staff indexation rise (Apart from the basic allowance which is calculated on the specified formula).

Mayor’s Allowance – the Panel recommended that the Mayor’s Allowance should stay the same but with the indexation rise - £2,653.45 per annum.

Deputy Mayor’s Allowance - the Panel recommended that the Deputy Mayor’s Allowance should stay the same but with the indexation rise - £1,061.47 per annum.

- 11) That the Travel and Subsistence rates not be changed.
- 12) That the Member Development and Training arrangements remain unchanged and that all Members be encouraged to take up any training offered by the Authority to meet the defined responsibilities and competencies of the roles undertaken.

2. That the date of implementation for the new rates be as follows:-

From 1st April 2019 (retrospectively) for Basic Allowance
 From 21st May 2019 for Special Responsibility Allowances

Timetable	
<i>Meeting</i>	<i>Date</i>
Council	17 July 2019

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1. CROSS-CUTTING ISSUES AND IMPLICATIONS

Issue	Implications	Sign-off
Impact on Corporate Priorities	The Members’ Allowances Scheme supports and recognises the work of the Councillors.	Head of Policy, Communications and Governance
Cross Cutting Objectives	The Scheme gives clarity to the payments made to Councillors.	Head of Policy, Communications and Governance
Risk Management	No significant risks. See paragraph 5 below.	Democratic and Electoral Services Manager
Financial	The proposals set out in the recommendation can be met from within existing budgets.	Section 151 Officer & Finance Team
Staffing	We will deliver the recommendations with our current staffing.	Democratic and Electoral Services Manager
Legal	<p>The legal framework for Members’ Allowances is established under the Local Government and Housing Act 1989, section 18. This gave the Secretary of State the power to make regulations authorising or requiring local authorities to pay a basic allowance to each councillor and special responsibility allowances to councillors with special responsibilities.</p> <p>The section was amended by the Local Government Act 2000, section 99 to allow the Secretary of State to make regulations providing for the payment of pensions, allowances and gratuities to Members and the payment of carers allowances.</p> <p>Under the Local Authorities (Member Allowances) (England) Regulations 2003, before a local authority makes or amends a scheme for Members’ Allowances, it must have regard to the recommendations made to it by an independent remuneration</p>	[Legal Team]

	panel.	
Privacy and Data Protection	No implications.	Policy and Information Team
Equalities	No impact identified as a result of the report recommendations.	Equalities and Corporate Policy Officer
Public Health	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Democratic and Electoral Services Manager
Crime and Disorder	No implications.	Democratic and Electoral Services Manager
Procurement	No implications.	Democratic and Electoral Services Manager

2. INTRODUCTION AND BACKGROUND

- 2.1 The Independent Remuneration Panel met on 24 and 25 April 2019 to review the Members' Allowances Scheme. The report of the Panel can be found at Appendix A to this report.
- 2.2 The basic allowance would not include an indexation rise as the formula applied, which was agreed in March 2018 by Council, is based on the nomis hourly rate by place of residence according to the National Office of Statistics.
- 2.3 One of the recommendations of the Independent Remuneration Panel was to afford the Democracy and General Purposes Committee Chairman a Special Responsibility Allowance on the proviso that the Panel were satisfied that the work programme for the year was significant enough to warrant a Special Responsibility Allowance. The Panel have been given a copy of the work programme and are now satisfied that the Special Responsibility Allowance should be afforded to this role.
- 2.4 It should be recognised that no Member may receive more than one Special Responsibility Allowance.

3. AVAILABLE OPTIONS

The Authority is required to undergo a four yearly independent review of its Members' Allowances Scheme and should have regard to the recommendations made in relation to it by an independent

remuneration panel as set out the Local Authorities (Members' Allowances) (England) Regulations 2003.

4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS

The Council could choose not to adopt any of the recommendations but this is not recommended as the Local Authorities (Members' Allowances) (England) Regulations 2003 state that an Authority should have regard to the recommendations.

5. RISK

5.1 There are no risk management implications arising from this report.

6. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION

6.1 If Council were minded to approve the recommendations of the Panel then the revised figures outlined in the report would be incorporated in the Members Allowances Scheme and advertised in the local newspaper for transparency.

7. REPORT APPENDICES

- Appendix A: Report of the Remuneration Panel

8. BACKGROUND PAPERS

None