

**COUNCIL**

**27 September  
2023**

**Report of the Independent Remuneration Panel – Members’ Allowance Scheme**

<b>Final Decision-Maker</b>	Council
<b>Lead Head of Service</b>	Angela Woodhouse, Director of Strategy Insight and Governance
<b>Lead Officer and Report Author</b>	Ryan O’Connell, Democratic and Electoral Services Manager
<b>Classification</b>	Public
<b>Wards affected</b>	ALL

**Executive Summary**

This report provides the recommendations of the Independent Remuneration Panel made to update the Members’ Allowance Scheme for Maidstone Borough Councillors following a period of 12 months to allow for the change in governance arrangements to bed in.

**Purpose of Report**

Decision

**This report makes the following recommendations to Council:**

That the Members’ Allowance Scheme recommended by the Independent Remuneration Panel, with the exception of the Special Responsibility Allowance for the Leader of the Opposition, be adopted.

**Timetable**

<b>Meeting</b>	<b>Date</b>
Council	27 September 2023

# Report of the Independent Remuneration Panel – Members’ Allowance Scheme

## 1. CROSS-CUTTING ISSUES AND IMPLICATIONS

<b>Issue</b>	<b>Implications</b>	<b>Sign-off</b>
<b>Impact on Corporate Priorities</b>	The Members’ Allowance Scheme supports and recognises the work of the Councillors.	Democratic and Electoral Services Manager
<b>Cross Cutting Objectives</b>	The Scheme gives clarity to the payments made to Councillors.	Democratic and Electoral Services Manager
<b>Risk Management</b>	Refer to section 5 of the report.	Democratic and Electoral Services Manager
<b>Financial</b>	Implementing the recommendations of the Independent Panel would give rise to an additional annual cost of £4k per annum when applied to the current appointments and roles. As the new scheme would come into effect this would be a £2k increase for 2023/24.	Head of Finance
<b>Staffing</b>	We will deliver the recommendations with our current staffing.	Democratic and Electoral Services Manager
<b>Legal</b>	<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</p>	Team Leader (Contentious and Corporate Governance)

	<p>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 panel.</p>	
<b>Privacy and Data Protection</b>	No impact.	Democratic and Electoral Services Manager
<b>Equalities</b>	The review and changes made to the scheme make it more accessible to all groups. It addresses areas where a protected characteristic could have been a barrier previously. This has been achieved through an increase in basic allowance reflecting real living wage increase, parental leave, childcare reimbursement and dependent carers allowance.	Policy & Information Team
<b>Public Health</b>	We recognise that the recommendations will not negatively impact on population health or that of individuals.	Democratic and Electoral Services Manager
<b>Crime and Disorder</b>	No impact.	Democratic and Electoral Services Manager
<b>Procurement</b>	No impact.	Democratic and Electoral Services Manager
<b>Biodiversity and Climate Change</b>	No impact.	Democratic and Electoral Services Manager

## 2. INTRODUCTION AND BACKGROUND

- 2.1 The Independent Remuneration Panel (IRP) met on the 13<sup>th</sup> and 14<sup>th</sup> June 2023 to review the Members' Allowance Scheme. The report of the IRP can be found at Appendix A to this report.
- 2.2 The review was undertaken after 12 months of operation of the change in governance structure which took effect from 21 May 2022, changing from a

Committee Model to an Executive-led Leader and Cabinet Model with Policy Advisory Committees.

- 2.3 The last review of the Members' Allowance Scheme was undertaken by the Independent Remuneration Panel the February 2022.
- 2.4 It should be recognised that the IRP continue to recommend the 'One SRA Only Rule', whereby no Member should receive more than one Special Responsibility Allowance (SRA). This is common practice for many councils.
- 2.5 The report of the IRP notes that:

*'special responsibility allowances are used to recognise the **significant** additional responsibilities which attach to some roles not merely the extra time required.'*

Therefore as the role of the Leader of the Opposition does not have responsibilities for specific functions within the Constitution, it is proposed that the SRA associated with this role is not implemented. The requirement that the Leader of the main opposition group receives an allowance is covered by other allowances.

- 2.6 The Members' Allowance Scheme, should the IRP's recommendations be adopted, would be updated to reflect the changes.

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### **3. AVAILABLE OPTIONS**

- 3.1 Do nothing. This option is not recommended as the recommendations are made as a result of an independent review and changes are recommended to the remuneration of certain roles now that it has been in operation for over a year.
- 3.2 Adopt the Members' Allowance Scheme recommended by the Independent Remuneration Panel and amend the Constitution.
- 3.3 Adopt the Members' Allowance Scheme recommended by the Independent Remuneration Panel, with the exception of the SRA for the Leader of the Opposition, and amend the Constitution.
- 3.4 Adopt an alternate amended version of the Members' Allowance Scheme and amend the Constitution. This is not recommended as it will not have been independently assessed.

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### **4. PREFERRED OPTION AND REASONS FOR RECOMMENDATIONS**

- 4.1 It is recommended that the Members' Allowance Scheme recommended by the Independent Remuneration Panel, with the exception of the SRA for the Leader of the Opposition, is adopted and the Constitution amended.

- 4.2 The Scheme has been formulated by an independent panel and underpinned by the Public Service Principle and the Fair Remuneration Principle, as outlined in Appendix A.
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## **5. RISK**

- 5.1 An increased budget will need to be allocated to Members' Allowances. The additional cost will be managed within existing budgets in 2023/24. As an ongoing cost, provision would need to be built into the budget for future years and this will be addressed as part of the forthcoming budget process for 2024/25.
- 5.2 The risk of not approving an updated Members' Allowance Scheme is that the current scheme does not match the new model of governance in practice. This would create inconsistency and give rise to unfairness within the scheme.
- 5.3 Additionally, the IRP calculated the basic allowance to ensure it would not constitute a barrier to candidates from all sections of the community standing or re-standing for election as councillors. Therefore the risk of a barrier existing is managed by adopting the recommendations of the IRP.

## **6. CONSULTATION RESULTS AND PREVIOUS FEEDBACK**

- 6.1 As part of the review, the IRP interviewed Maidstone Borough Councillors and officers using a structured questioning process.

## **7. NEXT STEPS: COMMUNICATION AND IMPLEMENTATION OF THE DECISION**

- 7.1 If a new Members' Allowance Scheme is adopted by the Council, the scheme would be amended in the Constitution, and advertised in the local newspaper in line with The Local Authorities (Members' Allowances) (England) Regulations 2003.
- 7.2 The new scheme would come into effect from 1 October 2023.
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## **8. REPORT APPENDICES**

The following documents are to be published with this report and form part of the report:

- Appendix A: The report of the Independent Remuneration Panel appointed to review the allowances paid to Councillors of Maidstone Borough Council
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## **9. BACKGROUND PAPERS**

None.