

# **AMENDING THE MEMBERS ALLOWANCES SCHEME 2023/24**

Council	<b>12 October 2023</b>
Report Author	<b>Nicholas Hughes – Committee Services Manager</b>
Status	<b>For Decision</b>
Classification:	<b>Unrestricted</b>
Key Decision	<b>No</b>
Ward:	<b>All Wards</b>

## **Executive Summary:**

The Leader of the Council has via the Chief Executive asked Democratic Services to present a report to Council that gives a 10% increase to both the basic councillor allowance and all special responsibility allowances. This report shows the calculations for that increase and gives Council the opportunity to agree to changing the allowances scheme to reflect them. Any changes to the scheme will then be forwarded to the East Kent Joint Independent Remuneration Panel for their review and recommendations.

## **Recommendation(s):**

To adopt the proposed amended 2023/24 Members' Allowances Scheme as set out at annex 1 to this report inclusive of the 10% increase to basic and special responsibility allowances and to index link a yearly rise in allowances to the cost of living increase that staff members receive and to refer the scheme to EKJIRP to consider, with any amendments being reported back to Council.

## **Corporate Implications**

### **Financial and Value for Money**

The financial implications of the decision to uplift the existing allowances is included within the body of this report and can be contained within existing wider Council budgets. Assumptions around future year increases are already factored into the 24/25 Medium Term Financial Strategy and as a result, are also containable.

### **Legal**

The Council is required to have regard to the recommendations of EKJIRP in making a scheme of allowances.

Section 18 of the Local Government and Housing Act 1989 permits the Secretary of State, by regulations, to make a scheme providing for the payment of a basic allowance, an

attendance allowance and a special responsibility allowance to members of a local authority. Section 100 of the Local Government Act 2000 permits the Secretary of State, by regulations, to provide for travelling and subsistence allowances for members of local authorities, allowances for attending conferences and meetings and reimbursement of expenses. In exercise of these powers the Secretary of State has made the Local Authorities (Members' Allowances) (England) Regulations 2003.

The Regulations require the council to make a scheme before the beginning of each year for the payment of basic allowance. The scheme must also make provision for the authority's approach to special responsibility allowance, dependants' carers' allowance, travelling and subsistence allowance and co-optees' allowance. The scheme may also provide for other matters of the kind dealt with in the proposed scheme.

When considering the scheme, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who don't (the public sector equality duty). This consideration should be supported by a proportionate level of equality analysis.

## **Corporate**

The level of allowances may be seen as both impacting on the public's perception of the Council and a factor in making public services as a Councillor attractive to a broad range of potential candidates.

## **Equalities Act 2010 & Public Sector Equality Duty**

Members are reminded of the requirement, under the Public Sector Equality Duty (section 149 of the Equality Act 2010) to have due regard to the aims of the Duty at the time the decision is taken. The aims of the Duty are: (i) eliminate unlawful discrimination, harassment, victimisation and other conduct prohibited by the Act, (ii) advance equality of opportunity between people who share a protected characteristic and people who do not share it, and (iii) foster good relations between people who share a protected characteristic and people who do not share it.

Protected characteristics: age, gender, disability, race, sexual orientation, gender reassignment, religion or belief and pregnancy & maternity. Only aim (i) of the Duty applies to Marriage & civil partnership.

Although it does not directly relate to protected groups, the draft scheme contains the ability to pay a dependent carers allowance to Councillors. This contributes to aims 1 and 2 of the Equality Act as it removes barriers to Councillors standing who have relatives that may be in need of dependent care.

## **Corporate Priorities**

This report relates to the following corporate priorities: -

- Communities

## **1.0 Introduction and Background**

- 1.1 The Leader of the Council has via the Chief Executive asked Democratic Services to calculate the impact of a 10% increase to both the basic councillor allowance and all special responsibility allowances. This report shows those calculations and gives Council the opportunity to agree to changing the allowances scheme to reflect them, it also covers a potential index link to staff cost of living increases for future increases Any changes to the scheme will then be forwarded to the East Kent Joint Independent Remuneration Panel for their review and recommendations.

## 2.0 Basic Allowance

- 2.1 The current level of basic allowance stands at £4,570 per year. This amount has stayed the same since part way through the 2012/13 financial year. The last increase in 2012/13 was 4.8%. To put this into some context, if an CPI inflation increase had been made every financial year to date the basic allowance would now have been £6,131, some £1,531 difference.
- 2.2 A 10% increase would increase the basic allowance from £4,570 to £5,027 per year. This would mean an additional expenditure of £25,592 per year.
- 2.3 Comparing our proposed basic allowance with the other basic allowance rates in Kent, the proposed rate would still be the second lowest in Kent.

Authority	Basic Allowance
Thanet (current)	£4,570
Dover	£5,000
Thanet (proposed)	£5,027
Maidstone	£5,065
Ashford	£5,286.79
F&H	£5,727
Tonbridge & Malling	£5,175
Gravesham	£5,318
Dartford	£5,439
Tunbridge Wells	£5,500
Sevenoaks	£6,044
Canterbury	£6,476.36
Swale	£6,786
Medway	£11,474
Kent	£16,401.40

## 3.0 Special Responsibility Allowances

- 3.1 Special Responsibility Allowances (SRA's) are additional allowances payments made to councillors with specific roles, such as Cabinet Members and Chairs and Vice-Chairs. Applying a 10% increase across all allowances and rounding them to the

nearest £100 would result in additional expenditure of £11,427. The increases for each of the SRA's are shown in the table below.

Role	No.	current rate	new rate	% change	current total	new total
Leader	1	£18,082	£19,900	10.05	£18,082	£19,900
Deputy Leader	1	£10,776	£11,900	10.43	£10,776	£11,900
Cabinet Portfolio Holder	4	£7,990	£8,800	10.14	£31,960	£35,200
Chair of Council	1	£2,188	£2,400	9.69	£2,188	£2,400
Vice Chair of Council	1	£1,530	£1,700	11.11	£1,530	£1,700
Opposition Group Leader	1	£7,990	£8,800	10.14	£7,990	£8,800
Deputy Opposition Group Leader	1	£2,862	£3,100	8.32	£3,100	£3,100
Opposition Spokesperson	4	£2,862	£3,100	8.32	£11,448	£12,400
Scrutiny Panel Chair	1	£7,990	£8,800	10.14	£7,990	£8,800
Scrutiny Panel Vice-Chair	1	£3,216	£3,500	8.83	£3,216	£3,500
Planning Committee Chair	1	£5,204	£5,700	9.53	£5,204	£5,700
Planning Committee Vice-Chair	1	£1,216	£1,300	6.91	£1,216	£1,300
Licensing Committee Chair	1	£3,216	£3,500	8.83	£3,216	£3,500
Licensing Committee Vice-Chair	1	£805	£900	11.80	£805	£900
Governance and Audit Committee - Chair	1	£5,204	£5,700	9.53	£5,204	£5,700
Governance and Audit Committee – Vice-Chair	1	£1,216	£1,300	6.91	£1,216	£1,300
Standards Committee -	1	£1,216	£1,300	6.91	£1,216	£1,300

Chair						
Standards Committee – Vice-Chair	1	£400	£500	25.00	£400	£500
Standards Committee – other Independent Member	2	£250	£300	20.00	£500	£600
“Independent Person”	1	£250	£300	20.00	£250	£300
Substitute “Independent Person”	1	£100	£150	50.00	£100	£150
JTB Chair	1	£1,216	£1,300	6.91	£1,216	£1,300
Total			£118,823			£130,250

3.2 The full scheme amended to reflect a 10% increase is attached to the report at Annex 1.

#### 4.0 Commencement Date

4.1 The Leader has indicated that he would like to back-date the increases referred to in paragraphs 2 and 3 above to the beginning of the current term of office, this being Thursday 4 May 2023.

#### 5.0 Index linking

5.1 The Leader has also asked Democratic Services to index link an annual rise to the Members Allowances scheme so that it is the same as the increase that staff receive as their cost of living increase.

5.2 Each year the finance team will build into the base budget an inflationary increase for members allowances. As a result this “index linking” is relatively straightforward to achieve as there should be sufficient funds in the budget each year to fund the increases.

5.3 By “index linking” the increase it will remove the chance of allowances being left behind, as reflected in paragraph 2.1 of the report, where justifiable increases in allowances have not been made for political reasons.

5.4 If Members agree to index linking the yearly increase in allowances, Democratic Services will include a paragraph within the scheme to reflect that decision.

#### 5.0 Options

5.1 Council can choose;

a) To adopt the proposed amended 2023/24 Members’ Allowances Scheme as set out at annex 1 to this report inclusive of the 10% increase to basic and special responsibility allowances and to index link a yearly rise in allowances to the cost of living increase

that staff members receive and to refer the scheme to EKJIRP to consider, with any amendments being reported back to Council. With these changes being backdated to 4 May 2023.

- b) To keep basic and special responsibility allowances at their current levels and take no further action.
- c) To make other amendments to the 2023/24 Members Allowances Scheme as Council sees fit within existing budgets and to refer the scheme to EKJIRP to consider, with any amendments being reported back to Council.

## **6.0 Next Steps**

- 6.1 It is for Council to agree the Members' Allowances Scheme. However the scheme and any amendments made would need to be the subject of consultation with the East Kent Joint Independent Remuneration Panel. The Remuneration Panel can then make recommendations back to Council, any recommendations will then be considered by Council at a future meeting. If no recommendations are received from the EKJIRP, the Council is asked to delegate the authority to approve the final scheme to the S.151 Officer

Contact Officer: Nick Hughes, Committee Services Manager  
Reporting to: Sameera Khan, Interim Head of Legal and Monitoring Officer

### **Annex List**

Annex 1: 2023/24 Draft Scheme of Members Allowances.

### **Background Papers**

There are no background papers with this report.

### **Corporate Consultation**

**Finance:** Matthew Sanham (Head of Finance and Procurement)

**Legal:** Sameera Khan, Interim Head of Legal and Monitoring Officer