

TONBRIDGE & MALLING BOROUGH COUNCIL

COUNCIL

22 FEBRUARY 2022

Report of the Director of Central Services & Deputy Chief Executive

Part 1 - Public

For decision

1 SCHEME OF MEMBERS' ALLOWANCES

Summary

This report asks Members to consider whether the basic and special responsibility allowances payable for the 2022/ 23 financial year should be frozen.

1.1 Introduction

1.1.1 The existing Scheme of Members' Allowances was agreed by Full Council at its meeting on 11 April 2017 following a review of allowances undertaken by the Independent Remuneration Panel.

1.1.2 One of the principles adopted by the Council at that time was to retain the annual indexation of allowances in line with the staff pay award. However, during an 'interim period' until the Borough Council elections in 2019 it was agreed that indexation should not apply.

1.1.3 In each year since 2019 the allowances paid to Members have therefore risen in line with the staff pay award, although Members have been free to make an individual decision not to take the pay increase in any financial year.

1.1.4 For the financial year 2022/23, the General Purposes Committee has agreed that the staff pay award shall be 2% (minute GP/6 dated 31 January 2022).

1.1.5 The Leader previously explained at Council on 26 October 2021 that with an increasingly difficult financial situation, services would have to be prioritised in order to set a balanced budget and announced that the recommendations to freeze Councillor allowances until the 2023 elections would be brought forward.

1.1.6 This report accordingly invites Members to consider whether both basic and special responsibility allowances for the 2022/ 23 financial year should be frozen.

1.2 Legal Implications

- 1.2.1 The Joint Independent Remuneration Panel ('the Panel') was established in November 2001 under the Local Authorities (Members' Allowances) (England) Regulations 2001. These Regulations have since been superseded by the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 1.2.2 The law requires that no changes to the Scheme of Members' Allowances can be made until the report of the Panel has been considered. The Council is not obliged to adopt the recommendations of the Panel but it is obliged to publish in local newspapers what the Panel recommended and what the Council determined.
- 1.2.3 Regulation 10(5) of the 2003 Regulations restricts the period for which a Council may rely upon an annual indexation for the adjustment of allowances. The Council may not rely upon an index for longer than a period of 4 years before it seeks a further recommendation from the Panel.

(5) Where an authority has regard to an index for the purpose of annual adjustment of allowances it must not rely on that index for longer than a period of four years before seeking a further recommendation from the independent remuneration panel established in respect of that authority on the application of an index to its scheme

- 1.1.7 Given that the Borough Council originally agreed to adopt the principle of annual indexation of allowances in line with the staff pay award in 2017, we are now required to seek a further recommendation from the Panel on the appropriate index to our scheme of allowances. In the intervening period i.e. for the financial year 2022/23 we may not rely upon the index agreed in 2017.
- 1.1.8 We are currently in the process of establishing a new Panel to review and make recommendations to the Council on the future range and levels of remuneration for elected Members. The Panel is to be appointed jointly with Sevenoaks District Council and Tunbridge Wells Borough Council. It is expected that these recommendations will be brought forward for consideration in the 2022/23 municipal year.

1.3 Financial and Value for Money Considerations

- 1.3.1 Current budgetary provision with the 2022/23 estimates is £415,250 for basic and special responsibility allowances. Due to changes in political group membership during 21/22 the provision for special responsibility allowances will increase slightly.
- 1.3.2 Freezing the allowances for 2022/ 23 would generate a budget saving of £8,150 (revised budgetary provision would be £407,100).

1.4 Risk Assessment

1.4.1 Not applicable.

1.5 Equality Impact Assessment

1.5.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users

1.6 Recommendations

1.6.1 It is RECOMMENDED that basic and special responsibility allowances for the 2022/ 23 municipal year are frozen.

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Background Papers: none