

TONBRIDGE & MALLING BOROUGH COUNCIL

GENERAL PURPOSES COMMITTEE

03 July 2023

Report of the Management Team

Part 1- Public

Matters for Recommendation to Council

1 MEMBERS' ALLOWANCES – REPORT OF THE JOINT INDEPENDENT REMUNERATION PANEL

The report sets out a recent review of Members' Allowances undertaken by the Joint Independent Remuneration Panel (JIRP).

The Council is under a legal duty to have regard to the report of the JIRP but is not obliged to adopt its recommendations. No changes to the Scheme of Members' Allowances can be made until the report has been considered.

Members of the Committee are asked to consider the independent report of the JIRP and make appropriate recommendations to Full Council.

1.1 Introduction

- 1.1.1 A report has been received from the Joint Independent Remuneration Panel (JIRP) following its fundamental review of Members' Allowances. The JIRP, whose panel members are independent members of the community, serves the three West Kent Authorities – Tonbridge & Malling, Tunbridge Wells and Sevenoaks.
- 1.1.2 Members may recall that the last major review of allowances took place during 2016/17 culminating in a decision by Full Council on 11 April 2017. The recommendations of the Panel were accepted in full (subject to an amendment in respect of allowances for vice-chairs) with effect from the Borough Council elections in May 2019. During an interim period from the Annual Council meeting on 16 May 2017 until after the Borough Council elections in 2019 a modified schedule of allowances was agreed.
- 1.1.3 For the financial years 2020/21 to 2021/22, the allowances were annually increased in line with staff pay awards. However, on 22 February 2022 Full Council agreed to freeze basic and special responsibility allowances for the 2022/23 financial year. Members' allowances have remained frozen for the 2023/24 financial year pending consideration of the recommendations arising out of the JIRP report.
- 1.1.4 A current list of approved allowances is attached at **Annex 1** for Members'

information. It should be noted that some Members have personally chosen not to receive increases in allowances and have instructed accordingly. For budgeting purposes, it is assumed that the approved allowance will be paid and hence at outturn there is often a small underspend against the budget.

1.2 2023 Review – Summary

1.2.1 The JIRP’s latest report is attached at **Annex 2** to this report.

1.2.2 The report makes recommendations in respect of the ‘basic’ allowances (applicable to all Members), as well as recommendations in respect of those appointments that attract special responsibility.

1.2.3 The JIRP’s report is comprehensive and sets out the ‘rationale’ for the recommendations made. In arriving at the recommendations, the following set of ‘core principles’ were adopted by the JIRP:

- 1) To remove, where possible, the immediate financial barriers to becoming a councillor to assist in the diversity of the cohort of councillors, regardless of political background;
- 2) To reflect the current time commitment required to perform the role of ward councillor and the potential loss of earnings opportunities for councillors in doing so;
- 3) To recognise the increasing levels of responsibility and accountability being devolved from central government to local government and its impact on the nature of leadership and scrutiny roles within the Council;
- 4) To retain a significant element of public service, *pro bono* contribution from elected councillors;
- 5) To benchmark the comparative position of council members with those in similar roles in other Kent councils; and
- 6) To recommend allowances based on objective data with a simple and logical structure that can easily be updated in future.
- 7) To ensure that all recommendations have transparent and accessible rationales, allowing for greater public understanding and engagement.

1.2.4 In summary, the key recommendations of the Independent Remuneration Panel are as follows:

- 1) The Basic Allowance payable to all Members should remain to £5,175 per annum;
- 2) The Leader’s Allowance should remain at £20,706 per annum;

- 3) The Special Responsibility Allowance (SRA) for the Deputy Leader should be reduced to £10,353 per annum;
- 4) The SRAs for Cabinet Members should remain at £8,802 per annum;
- 5) The SRAs for Committee Chairs should be set as follows: -

Area Planning (x3)	£1,725
Audit	£2,589
General Purposes	£1,725
Joint Standards	£2,589
Licensing & Appeals	£2,589
Overview & Scrutiny	£2,589
Scrutiny Select (x3)	£2,589

- 6) The SRA for qualifying* opposition group leaders should be a flat sum of £4,401 per annum;

*To qualify, neither the leader of an opposition group nor any members of the leader's group can serve on Cabinet, and their group must be comprised of at least 5 councillors.

- 7) The SRA for vice-chairs be removed from the allowances scheme;
- 8) The current travel expenses scheme based upon the HMRC approved rate continues.
- 9) The existing scheme for meal and/or subsistence allowances ceases.
- 10) Carers' allowances should be set at a maximum rate of £10.42 per hour per child (linked to the National Living Wage) for general childcare and £18.00 per hour for dependent carers.
- 11) Allowances are uprated in line with any increases in the remuneration of Council staff.

1.2.5 As recommended in the previous Panel report and adopted by the Council, the Panel continues to support the view that Members should not receive more than one SRA. This means that no Member can receive more than one of the following Special Responsibility Allowances – Leader, Deputy Leader, Cabinet Member, qualifying Opposition Group Leader, Committee Chair.

1.3 Commentary

1.3.1 The approach adopted by the Panel in respect of the basic allowance was to consider the current allowance levels in Tonbridge and Malling and across Kent authorities as a baseline, calculate an average figure across the county, and recommend adjustments (where there is a plus/minus variance of 10% or more) to bring certain allowances into line with this. When benchmarked against other district councils, the Panel noted that the existing basic allowance at Tonbridge & Malling (currently £5,175) was the median level for the county, with the mean at

just over £5,400. The Panel felt that any significant adjustment would result in Tonbridge & Malling becoming an outlier within Kent and indeed across similar authorities nationwide.

- 1.3.2 Apart from the post of Deputy Leader, the Panel has recommended that the existing allowances for the Leader and Cabinet Members should continue.
- 1.3.3 In respect of the allowance for the Deputy Leader, the Panel considered that the level of the allowance in Tonbridge and Malling is not proportionate with others across Kent; indeed, it is the highest in the county by some margin, at over 50% higher than both the median and the mean. The Panel therefore felt that this should be reduced to £10,353 per annum to bring it within 3% of the median across Kent.
- 1.3.4 The Panel recommended that the existing SRA for opposition group leaders should be replaced with an entirely new mechanism. Under the existing scheme, opposition group leaders are paid a base amount of £1,250 per annum, plus an additional sum of £258 per member of the relevant group. The Panel felt that wholly fixed figure rather than a group size-linked scale would be preferable, as this fixed approach better recognises the additional burden of serving as an opposition leader, directly responsible for scrutinising the administration, and is also inherently more transparent and easier to understand.
- 1.3.5 For Committee Chairs, the Panel concluded that the current allowance levels in Tonbridge and Malling are mostly commensurate with Kent averages. The Panel recommended only one very minor alteration to existing allowances, relating to the chair of the General Purposes Committee. Their recommendation is that it is upgraded slightly from £1,656 to £1,725, to bring it in line with the lower level of SRAs on the Council.
- 1.3.6 The Panel also considered the role of the new Scrutiny Select Committee chairs, created by the governance review in 2022. Given the regularity of planned meetings for these committees, as well as their size and function, the Panel's recommendation is that their chairs receive the same allowance as those of the Overview & Scrutiny Committee (£2,589).
- 1.3.7 The Panel recommends the continuation of the Council's current practice that only one SRA allowance is payable to a member, and that the annual indexation remains linked to staff pay.

1.4 Summary

- 1.4.1 The Panel's recommendations, if adopted, would produce a saving of circa £45,900 when compared to the budget included within the 2023/24 Estimates.
- 1.4.2 The Council is under a duty to have regard to the recommendations of the JIRP but is not obliged to accept its recommendations.

- 1.4.3 If Members choose not to recommend to Full Council any or all of the Panel's

recommendations, alternative proposals will need to be put forward for consideration by all Members at the Full Council meeting.

1.4.4 In summary, Members have the following options:-

- (a) Agree with the recommendations of the Panel;
- (b) Propose an alternative scheme;
- (c) Continue with existing scheme

1.5 Legal Implications

1.5.1 The Joint Independent Remuneration Panel was established under the Local Authorities (Members' Allowances) (England) Regulations 2003.

1.5.2 The Regulations provide that no changes to the Scheme of Members' Allowances can be made until the report of the JIRP has been considered.

1.5.3 The Council is under a duty to have regard to the recommendations of the JIRP but is not obliged to accept its recommendations. The Council is obliged to publish in local newspapers what the JIRP recommended. The Council must also publish details of any amended scheme of allowances.

1.5.4 Where an amendment is to be made to a scheme which affects an allowance payable for the year in which the amendment is made, the scheme may provide for the entitlement to such allowance (as amended) to apply with effect from the beginning of the year in which the amendment is made. So, in practical terms this means that the Council may determine that the allowances payable under any amended scheme shall be backdated to 1 April 2023. However, given that the Borough Council has since held all-out elections and reduced the number of elected Members from 54 to 44, it is suggested that backdating to 1 April 2023 would not be appropriate. It is therefore proposed that any amended scheme of allowances takes effect from the date of Full Council on 11 July.

1.5.5 In accordance with the 2003 Regulations, the Council may not place reliance upon an indexation set out in an adopted scheme of allowances for more than 4 years without consideration of a further report from the JIRP.

1.5.6 The Panel did not consider the allowances payable to the Mayor and Deputy Mayor (currently £5,990 and £1420 respectively) in our scheme of allowances, as the 2003 Regulations do not require councils to include mayoral allowances in any formal review. However, for consistency it is proposed that the indexation applicable to Basic and Special Responsibility Allowances should also apply to the allowances for Mayor and Deputy Mayor.

1.5.7 Due to the nature of the matters raised in this report, Members of the Committee will require a dispensation from the Monitoring Officer under s33 of the Localism Act 2011 to allow them to consider and vote upon the recommendations contained within the report of the Joint Independent Remuneration Panel. The Monitoring Officer has a standing delegation to grant such a dispensation, to be

exercised in consultation with the Independent Person and the Chair/ Vice-Chair of the Joint Standards Committee. Members are advised that the dispensation has been granted by the Monitoring Officer in advance of consideration of this item by both the General Purposes Committee and Council. This dispensation will also apply to the annual consideration of Members' Allowances up until the next scheduled election in May 2027.

1.6 Financial and Value for Money Considerations

1.6.1 Current budgetary provision with the 2023/24 Estimates is £374,750 for basic and special responsibility allowances. The allowances recommended by JIRP would reduce the budget by around £45,900 to £328,850, subject to any pay award granted for 2023/24.

1.7 Risk Assessment

1.7.1 The Council must consider the recommendations of the Panel and publish any amended scheme of allowances.

1.7.2 If Members decide to recommend allowances which total a higher amount than is presently factored into the Budget, additional budget provision may need to be made. Alternatively, if Members choose to agree a lower level of allowances, this would represent a saving within the current Estimates and MTFS (Medium Term Financial Strategy).

1.8 Equality Impact Assessment

1.8.1 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.

1.9 Policy Considerations

1.9.1 Human Resources

1.10 Recommendations

1.10.1 Members are requested to consider the recommendations of the JIRP and make appropriate recommendations to Full Council about:

- 1) The level of the Basic Allowance for 2023/24;
- 2) The level of Special Responsibility Allowances for 2023/24;
- 3) The level of Childcare and Dependent Carers Allowances;
- 4) The level of Mileage Allowances;
- 5) The annual indexation of Basic/ Special Responsibility Allowances and Mayor/ Deputy Mayor Allowances; and

- 6) Confirmation as to whether only one SRA is payable to individual Members.
- 7) The date when the amended scheme of allowances should take effect. Members are asked to note the recommendation in para 1.5.4 above i.e., that any amended scheme takes effect from the date of Council on 11 July 2023.

1.10.2 Members are also requested to recommend to Full Council that the Monitoring Officer be authorised to update Part 6 of the Constitution (Members' Allowances) to reflect any agreed changes to the current scheme of allowances arising out of the recommendations at 1.10.1 above.

Background papers:

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Nil

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