Review of the Scheme for Members Allowances 2009-10

A REVIEW OF

COUNCIL MEMBERS' ALLOWANCES

FOR

SEVENOAKS DISTRICT COUNCIL

November 2008

Joint Independent Remuneration Panel for Sevenoaks District Council Tonbridge & Malling Borough Council Tunbridge Wells Borough Council

Contents

- 1. Foreword
- 2. Summary of Recommendations
- 3. Introduction
- 4. Background
- 5. Our Approach
- 6. Allowance Calculations
 - 6.1. Basic Allowances
 - **6.2. Special Responsibility Allowances**
 - 6.3. Council Leader
 - 6.4. Group Leaders
 - 6.5. Cabinet Members
 - 6.6. Committee Chairs
 - 6.7. Committee Vice Chairs
 - **6.8.** Committee Membership
- 7. Carer Allowances
- 8. Travel Expenses
- 9. Ancillary Expenses
- 10. Pensions
- 11. Conclusions
- 12. Acknowledgements

Appendices

- 1. Regulations and Guidance for Independent Remuneration Panels
- 2. Terms of Reference & Panel Members
- 3. Methodology
- 4. Comparative data from Kent and neighbouring council allowances
- 5. Comparison of JIRP-recommended allowances with RPI/Earnings Indices
- 6. Revised Schedule of Recommended Members' Allowances

1) Foreword

When the Panel started this review of allowances in early 2008 the economic climate was totally different to that of today. The final impact on councils across the UK of 'the credit crunch' and the failures of major banks is still unknown. However, these events do not change the purpose of the review, namely to re-evaluate the workload of councillors' and to reflect the direction from central government to broaden the background of councillor representation by removing financial constraints. The Panel therefore urge the Council to consider these recommendations and use them as a benchmark for future years.

2) **Summary of Recommendations**

1. Basic Allowance

A Basic Allowance for elected Members of £5754 p.a. based on a formula which accounts for the required time commitment, a representative rate of hourly earnings of residents in the area and a discount factor to reflect the public service element inherent in the elected representative's role.

2. Special Responsibility Allowances

The 2007 guidance on Members Remuneration from the Councillors Commission report comments that the practice of paying more than one SRA to an individual Member has been prevalent when allowances were low. Taking into consideration the significant uplift in Basic Allowance and SRAs proposed in this review, the Panel recommends that members should not receive more than one SRA. This recommendation reinforces the important principles of transparency and promoting wider participation in the structure of council business.

Special	Responsib	ility A	llowance ($(\mathbf{n}.\mathbf{a}.)$
Decia	TACOPOLIDIO	TABLU 7 4 3		(D.u.,

Council Leader £22548

Opposition Group Leaders £2255 + £100 per member

Cabinet Members £11274

Committee Chairs:

Tier 1 £5754

Tier 2 £2877

Committee Vice Chairs:

Tier 1 £1439

Tier 2 £719

Committee Members:

Development Control £288

Licensing £288

Standards

Independent Chair £1151 Independent Members £575

3. Carer Allowances

Two separate allowances should be payable, to distinguish between the costs of standard childcare and that of professional care for dependants with special requirements:-

Childcare Allowance: for childminding of the Member's dependent children. Payable at the actual amount charged, subject to a maximum rate of £6.00 per hour per child.

Dependant Carer's Allowance: for professional care for elderly or disabled dependants, or other dependants with special requirements. Payable at the actual amount charged, subject to a maximum rate of £15.50 per hour. We also recommend that booking fees from professional agencies should be claimable.

4. Travel Expenses

Our recommendation is that travel expenses should be reimbursed in line with the scheme in force for officers and staff of the Council (NJC rates).

5. Ancillary Allowances (IT-related)

Given the significant uplift in the Basic Allowance, we recommend that the current practice of paying allowances for broadband internet access/stationery etc. should cease with the introduction of our proposals and that any such expenses should be deemed to be incorporated within that Basic Allowance.

6. Pensions

Whilst we recognise that the offer of pension membership would be a potentially valuable addition to the overall remuneration to councillors, we have decided not to recommend the offer of access to pensions in this review on the grounds of cost.

3) <u>Introduction</u>

The Joint Independent Remuneration Panel ('the Panel') was established in November 2001 under the Local Authorities (Members' Allowances) (England) Regulations 2001. In our 2007-08 report to the council, we stated our intention to undertake a comprehensive review of members' allowances in 2008. This report is the result of that review.

4) Background

The basis of the current level of members' allowances for Sevenoaks District Council was established by the Panel in December 2001 following guidelines issued by central government [see Appendix 1]. Allowances have been revised in subsequent years to reflect cost of living increases and changes in council structure and responsibilities. The Panel's recommendations have not always been fully implemented by the Council and, as a consequence, Basic and Special Responsibility Allowances have fallen well below the levels which we would regard as reasonable [See Appendix 5].

The 2007 Councillors Commission paper on Members Remuneration suggested a set of basic principles to govern allowance schemes:

- The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors
- Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage
- Councillors should be compensated for their work and the compensation should have regard to the full range of commitment and complexity of their roles
- The system should be transparent, simple to operate and understand
- The system should not encourage the proliferation of meetings or provoke councillors into spending more time on council business than is necessary
- The level of remuneration should relate to a commonly accepted benchmark, such as the median male non-manual salary.

These principles underpin the recommendations made in this report and are reflected in our Terms of Reference [Appendix 2)]

5) Our Approach

In our early meetings with Officers and Leaders it became evident that there was a need for a 'root and branch' review to address anomalies that had arisen in the structure and quantum of allowances since the first recommendations were made in 2001.

The Panel's initial meetings focused on the objectives and principles for the review and the key measures to be applied to calculate allowances. The key principles we established were:-

• To remove, where possible, the financial barriers to become a councillor to assist in the diversity of the cohort of councillors, regardless of political background

- To reflect the increasing time commitment required to perform the role of ward councillor and the potential loss of earnings opportunities for councillors in doing so
- 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 roles within the council
- To retain an element of public service, pro bono contribution from elected councillors
- To benchmark the comparative position of our council members with those in similar roles within Kent and other South East councils
- To create allowances based on objective data with an enduring structure that can easily be updated in future

We also agreed at an early stage to take soundings from as wide a spectrum of views as we reasonably could with a view to enable the Panel to become more visible to members and the wider local community [see Appendix 3]. This would be our 'value check' as part of the decision making process to arrive at allowance recommendations.

6) Allowance Calculations

There are some important principles and constraints on the calculation of allowances which are detailed in our Terms of Reference [Appendix 2].

6.1 Basic Allowance

a) Determining the Basic Allowance

The statutory guidance for Local Authority Allowances says that the "basic allowance is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as meeting with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes." [ODPM 2003. Para 10]

There are generally three core elements which determine the Basic Allowance: time spent on councillor duties, the public service element and a standard financial hourly rate.

i) Time Commitment

"Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the number of hours for which, councillors ought to be remunerated" [ODPM 2003. Para 67].

The number of hours committed by individual councillors to their elected and representative duties varies widely between individuals and over time. It is recognised that, for many councillors, the role is far more than just attendance at council meetings and will include, for example, constituency duties, committee meetings, meetings with officers and training courses.

Based on our survey conducted with elected members in April-May 2008, on interviews and discussions with group leaders and members, and wider soundings, we assess that the average time input necessary to satisfactorily perform a ward councillor role is 15 hours per week.

ii) The public service principle

Central government guidance to Independent Remuneration Panels for setting the basic allowance states that "it is important that some element of the work of members continues to be voluntary – that some hours are not remunerated. This must be balanced against the need to ensure that financial loss is not suffered by elected members, and further to ensure that, despite the input required, people are encouraged to come forward as elected members and that their service to the community is retained" [ODPM 2003. Para 68]

This idea that some work of members should remain voluntary is often called the 'public service principle' and this is usually incorporated into the financial calculations as a percentage discount factor, agreed locally. The Councillors Commission report indicates that considerable variations of between 20-50% apply. Our meetings with members and council leaders confirmed that this principle is understood and supported by elected councillors at all three councils we advise.

Based on this information and views received the Panel proposes to retain the 40% voluntary discount applied by the JIRP from 2001 onwards. When applied to the time input of 15 hours specified above this leaves 9 hours per week to be remunerated.

iii) Hourly rate

The report of the Councillors' Commission in December 2007 suggested as one of the principles of an allowances scheme that the level of remuneration should relate to a commonly accepted benchmark, such as the median male non-manual salary. We also considered national data such as the LGA daily allowance rate.

Taking this into account but being mindful of the higher cost and earnings bases in Kent and the South East, the Panel decided that it would be appropriate to use a recognised regional rate of pay, such as those published by the Office of National Statistics in their Annual Survey of Hours & Earnings (ASHE). The most recently published median rates of hourly pay for all employees who live within the Sevenoaks local authority area is £13.32 per hour [Source: ASHE 2007. Office of National Statistics]

Given that Councillors are drawn from the residents of their respective boroughs, we propose to adopt the relevant hourly rate for the Sevenoaks area – currently £13.32 per hour.

iv) Calculating the Basic Allowance – the formula

Attempting to incorporate the above into a transparent and understandable formula to calculate allowances, we propose to adopt a commonly-used method by other Independent Remuneration Panels as follows:

[Expected hours input – discount for voluntary public service]

x hourly rate

x 48 weeks

= Basic Allowance p.a.

v) Basic Allowance - recommendation

Using the above data and formula we propose an annual Basic Allowance derived as follows:[15 hours per week – 40% public service discount]

x £13.32 per hour x 48 weeks = £5754 p.a.

RECOMMENDATION: that the Basic Allowance should be £5754

6.2) Special Responsibility Allowances (SRAs)

The 2007 guidance on Members Remuneration from the Councillors Commission report comments on the practice of paying more than one SRA to an individual Member was prevalent when allowances were low. Taking into consideration the significant uplift in Basic Allowance and SRAs proposed in this review, the Panel recommends that members should not receive more than one SRA.

This recommendation reinforces the important principles of transparency and promoting wider participation in the structure of council business.

6.3) Council Leader

The role of Council Leader has expanded in scale and scope in recent years. In the course of our investigations, the Panel felt that the current Special Responsibility Allowance for this role undervalues its real level of responsibility and the time commitment necessary to adequately perform the tasks and duties expected of Leaders.

The role of Council Leader has a number of unique elements which make it difficult to make valid comparisons outside of the sphere of local government, not least the element of political leadership. Given this difficulty we chose to use a simpler process by multiplying a representative time commitment by an appropriate hourly rate, and to benchmark the result with similar roles in councils across Kent and the South East in order to determine a fair and equitable level of remuneration.

Time commitment - our assessment is that the Leader's role averages to an additional time commitment of 25 hours per week on top of their role as a ward councillor, bringing their total hours on council duties to 40 hours per week

Hourly rate – to reflect the responsibility, accountability and leadership requirements of the role, we applied the mean hourly rate for all employed local residents of the local authority areas from the ASHE data.

This results in a calculation as follows:-

[25 hours per week] x £18.79 per hour x 48 weeks = £22548 p.a.

RECOMMENDATION: that the Special Responsibility Allowance for Council Leader should be £22548 p.a.

6.4) Group Leaders

The Panel felt that the Leader's Allowance recommended above reflects the full role, including those duties associated with political leadership of the majority party, and we recommend that the new Leader's Allowance incorporates the previous Group Leader's allowance. Therefore, Group Leader allowances should, in future, only be applicable to leadership of opposition groups.

In considering the nature and duties of the role of Group Leader, we concluded that there was a 'fixed' element which does not vary with the size of the group (e.g. attendance at meetings specifically as leader of a party group) and a 'variable' element which varies with the number of councillors in the group (e.g. communications & liaison with group colleagues).

RECOMMENDATION: that the Special Responsibility Allowance for Group Leaders should be 10% of the council leader allowance + £100 per member in the group.

	2008-09 SRA (p.a)	Recommended SRA
Majority Leader – included in Leader's Allowance	-	-
Leader of Opposition Group with ≥10 Members	-	£2255
+ per member of Group	£86.62	£100
Leader of Opposition Group with <10 Members	-	£2255
+ per member of Group	£60.06	£100

6.5) Cabinet Members

The Panel heard that that the cabinet structure is now well established. In recognising the broad portfolio responsibilities of Cabinet Members we recommend an SRA of 50% of the Leaders Allowance.

RECOMMENDATION: that the Special Responsibility Allowance for Cabinet Members should be 50% of the Leader's Allowance = £11274 p.a.

6.6) Chairs of Committees

The SRAs for Committee Chairs have evolved in an *ad hoc* manner over the last few years as changes to Committee workloads have occurred (e.g. Licensing) and new Committees have

been established (e.g. Audit). The Panel have spent some time trying to understand the relative time commitment, scale and impact of each of these Committees in order to arrive at a fair remuneration structure.

Rather than have a range of different SRAs for Committees which are unrelated, we propose to introduce a simple 'tiered' structure which aligns Committees into groups of similar dimensions. This should make payment of allowances simpler and allow for new or changed roles to be 'slotted' accordingly.

RECOMMENDATION: that the Special Responsibility Allowances for Committee Chairs should be as follows:-

		Proposed	% of Basic
	Committees	SRA_(p.a)	Allowance
Tier 1	Development Control; Performance &	£5754	100%
	Governance		
Tier 2	Select Committees x 3	£2877	50%
-	Standards (Independent Co-opted)	£1151	20%

The above table incorporates all the Chair roles which are currently remunerated. The Panel does not recommend extending the list of SRAs to other Committees. We expect that any additional roles would be proposed to the Panel and would be the subject of future reviews.

6.7) Vice Chairs

The roles of Committee Vice-Chairs and the allowances which they attract has been the subject of extensive debate with Members. Whilst there are divergent views on the exact method of determining an appropriate allowance, there is common agreement that this is an under-valued role.

The argument advanced by many Members and Leaders is that the Vice-Chair role is much more than a stand-in for when the Chair is occasionally absent. We are told that Vice-Chairs effectively shadow their Chair and consequently have similar time commitments in preparatory work, briefings with officers etc. The Panel accepted the principle of an allowance for Vice-Chairs but propose variable rates to recognise the different demands of each role, in a tiered structure of SRAs which mirrors those for Chairs.

RECOMMENDATION: that the Special Responsibility Allowance for Committee Vice-Chairs should be as follows:-

	Committees	Proposed SRA_(p.a)	% of Chair Allowance
Tier 1	Development Control; Performance & Governance	£1439	25%

Tier 2	Select Committees x 3	£719	25%

The above table incorporates all the Vice-Chair roles for which the Chairs are currently remunerated. The Panel does not recommend extending the list of SRAs to other Committees. We expect that any additional roles would be proposed to the Panel and would be the subject of future reviews.

6.8) Committee Membership

In principle, the Panel does not see the need for an SRA to be paid to elected councillors for committee membership, given that the time allowed within the Basic Allowance incorporates a reasonable level of participation in the routine business of the council. However, where there are non-elected lay members of committees, such as Standards, we recommend that a small allowance is paid to recognise the time commitment of these individuals.

Sevenoaks District Council unusually pays an allowance to members of the Development Control and Licensing Committees. Our understanding is that this is intended to reflect the time commitment generated by the number of programmed meetings for Development Control and to recognise that the role of Chair of Licensing is rotated among members.

RECOMMENDATION: that the Allowance for Committee Members should be as follows:-

	Recommended	% of Basic
<u>Committee</u>	SRA (p.a)	Allowance
Development Control	£288	5%
Licensing	£288	5%
Standards (independent members)	£575	10%

7) Carers' Allowances

The Panel paid particular attention to Carer's Allowances in this review reflecting their importance in ensuring that no one is deterred from standing for election for financial reasons or due to family or carer's responsibilities. In response to concerns raised by some Members, our proposal is that two separate allowances should be payable, to distinguish between the costs of standard childcare and that of professional care for elderly or disabled dependants, or other dependants with special requirements.

These allowances should be claimable when performing approved duties and subject to the submission of receipts. We recommend that booking fees from professional agencies should be treated as a claimable expense for this purpose. We also propose that there should not be a limit on the number of hours in respect of which a claim can be made – the number of hours spent on approved duties being a limiting factor in itself – although this should be reviewed after one year in operation.

These levels of allowance were determined by research into the costs of local care providers and are at the higher end of the range to ensure that, as far as possible, the full reasonable costs of care are met.

We considered in depth the payment of the allowance to family members, but on balance did not feel that this should be part of our recommendation. We noted that this would not be in line with usual business practice. We also felt that our recommendation provides the opportunity of paid care and so should not prevent any Councillor or their immediate family from working. They believe that it is inappropriate for the Council to remunerate an individual for the care of a dependant within their immediate family.

RECOMMENDATION: that the Carer's Allowances should be as follows:-

<u>Childcare Allowance:</u> for childminding of the Member's dependent children, payable at the actual amount charged, subject to a maximum rate of £6.00 per hour per child and the submission of receipts.

<u>Dependant Carer's Allowance</u>: to be payable at the actual amount charged, subject to a maximum rate of £15.50 per hour and the submission of valid business receipts issued by the care provider.

8) Travel expenses

Our view is that travel expenses should be reimbursed in line with the scheme in force for officers and staff of the Council (NJC rates).

9) Ancillary expenses (IT-related)

We note that the Council makes available an allowance to Councillors for the cost of broadband connection of £20 per month. Given the significant uplift in the Basic Allowance, we recommend that the current practice of paying such allowances should cease with the introduction of our proposals and that any such expenses should be deemed to be incorporated within that Basic Allowance.

10) Pensions

In discussing this element of the total reward package for councillors, the Panel were aware that, since 2003, councillors in England have been eligible to join the local government pension scheme on the recommendation of their local independent remuneration panel. Recommendation 58 of the December 2007 Councillors Commission (Representing the Future) states:

"All councillors should be entitled to access to the local government pension scheme and any allowances for serving on joint authorities should also be taken into account."

The rationale for their recommendation was "granting access to the scheme is intended to remove one more barrier to service as a councillor".

The report noted that in 2004 a survey found 42% of authorities offered councillors access to the scheme. From 127 responding district councils, 57(45%) of the Independent Review

SDC

Panels offered full or partial access. Of the 57, 35 (61%) of the councils had taken up the offer of access.

The JIRP also noted the responses to Question 7 of the 2008 Member Questionnaire:

"Should members be admitted to the Local Government Pension Scheme?"

The responses were:

F			
Total			% of total councillors
Responses	Yes	No	voting Yes
31	13	18	24% (of 54)

Whilst we recognise that the offer of pension membership would be a potentially valuable addition to the overall reward for serving as a councillor, we have decided not to recommend the offer of access to pensions in this review.

Our rationale for this decision is founded on the potentially high additional cost to employer's contribution in addition to the individual contribution rate, the uncertainty of future costs under the defined benefit regime and the fact that the offer of defined benefit schemes has been declining rapidly in the private sector and so remains a sensitive and controversial topic in the public sector.

11) Conclusions

We have attempted in this review to propose levels of allowances which would remove the financial barriers that deter potential candidates from standing for election and to properly recognise the time commitments that individual members offer in support of their local community. In the case of the leadership roles, we have also tried to reflect the increased responsibility being delegated to local councils by central government.

However, as we commented in our Foreword, the national economic climate has changed markedly since we started this review. We anticipate that this, added to the increases in allowances recommended in this review, will place a significant additional financial burden upon the council.

In these circumstances we could have justifiably proposed small indexed increases to existing allowances. In effect, this is what has been happening over recent years and this has created some important weaknesses in the current structure of members' remuneration at this council – the very situation which prompted this comprehensive review. Therefore we stand by the level of allowances recommended in this report but recognise that the council may not be in an immediate position to implement them. We urge the council to take note of the structure of our recommendations and to implement it, at least in part, in order that we start the process of creating a fair and equitable level of members' remuneration.

After expending considerable time and effort in developing these proposals we are confident that we are recommending an enduring model for allowances and we intend to return to this structure as our benchmark for future recommendations.

12) Acknowledgements

Our thanks go to the officers and members who gave us their time and opinions which have helped to shape our thinking.

APPENDIX F
Appendix 1

Regulations and Guidance for Independent Remuneration Panels

- The Local Authorities (Members' Allowances) (England) Regulations 2003. Statutory Instrument 2003 No. 1021.
- The Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2003. Statutory Instrument 2003 No. 1692
- The Local Authorities (Members' Allowances) (England) (Amendment) Regulations 2004. Statutory Instrument 2004 No. 2596
- New Council Constitutions: Consolidated Guidance on Regulation for Local Authority Allowances 2003
- The Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003. Statutory Instrument 2003 No. 1022
- Pensions for Councillors Local Government Pensions Committee Circular No. 136. April 2003.
- Local Government Pensions Committee Circular No 142 (amendment) July 2003.
- New Council Constitutions. Guidance on Consolidated Regulations for Local Authority Allowances. Office of the Deputy Prime Minister and Inland Revenue. July 2003.
- *Members Remuneration models, issues, incentives and barriers.* Councillors Commission. Dept. of Communities and Local Government. December 2007
- The Conduct of Local Authority Business. Report of the Widdicombe Committee 1986

APPENDIX F **Appendix 2**

Joint Independent Review Panel

for

Sevenoaks District Council Tonbridge & Malling Borough Council Tunbridge Wells Borough Council

Terms of Reference

Introduction

The Joint Independent Remuneration Panel (JIRP) for Tonbridge and Malling Borough Council, Tunbridge Wells Borough Council and Sevenoaks District Council was originally established in 2001 and now operates under the Local Authorities (Members' Allowances) (England) Regulations 2003. The function of the panel is to make recommendations to Council in accordance with Statutory Instruments (primarily 2003 No.1021 and No.1692).

The JIRP was established jointly by the three Councils but it considers each Council individually and makes separate recommendations for each according to the particular structures and requirements of the organisation.

Membership – Joint Independent Remuneration Panel

In September 2007, the terms of appointment of four of the original five members of the panel expired and a new panel was established in November, drawn from residents of the three council areas it serves. The members of the panel are:

- <u>Geoff Tomlinson</u> (Chair), a retired Clearing Bank Project Manager who lives in Sevenoaks Weald.
- Susan Holmes, Chief Executive of Medway Mediation, living in Cranbrook.
- Simon Knott, a Counsellor working within the NHS, living in Matfield.
- <u>Jean Selmes</u>, a Senior HR Adviser at the London Borough of Lewisham, living in Hildenborough.
- <u>Colin Wilby</u>, a Non-Executive Director of Medway NHS Foundation Trust, living in Kings Hill.

JIRP meetings will normally involve all five Panel members. A quorum will be three members. One of the members will act as Chair of the Panel by agreement between the Panel members.

The Local Authorities (Members' Allowances) (England) Regulations 2003 determine that none of the Panel members may be a member of the local authority in question, or of its committees, or an employee of the council, but that this does not preclude participation by parish councillors.

SDC 25/07/2011

Panel Recommendations

The 2003 Regulations require that councils must have regard to their Independent Remuneration Panel's recommendations, which must be publicised on the authority's website and in the authority's newspaper, if it has one. The Panel must be required to make recommendations whenever the council decides to revoke or amend its members' allowances scheme. However, Panel recommendations are not binding on authorities. After considering its panel's recommendations, a council can decide for up to four years on automatic indexation of members' allowances without the need for a review by the Panel.

Principles for Allowances Schemes

There is currently little central prescription of members' allowance. However, there are some important constraints:-

- Attendance allowances are prohibited
- The basic allowance must be paid equally to all members
- Where one or more groups on a council form an administration, a special responsibility allowance must be paid to a member of the opposition. This is usually paid either to the leader of the opposition, if this post exists, or to a chair of a scrutiny committee

The report of the Councillors' Commission in December 2007 highlighted a 'universal principle' that members should not suffer financial loss as a direct result of their council activities and service. They went on to suggest a more detailed set of principles to govern allowance schemes:-

- The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors
- Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage
- Councillors should be compensated for their work and the compensation should have regard to the full range of commitment and complexity of their roles
- The system should be transparent, simple to operate and understand
- The system should not encourage the proliferation of meetings or provoke councillors into spending more time on council business than is necessary
- The level of remuneration should relate to commonly accepted benchmark, (for example, the median male non-manual salary)

The Panel will operate within the scope of these principles. Should any departure from these be considered necessary, the reasons for the variation will be made clear in the relevant report.

The core objective of the Panel is to present informed comprehensive recommendations that are fair and equitable.

APPENDIX F **Appendix 3**

METHODOLOGY

Sources of Data

The panel reviewed a wide range of available information:

- The most recent (2007) regional and local Annual Survey of Hours and Earnings figures produced by the Office for National Statistics
- Comparative data provided by South East Employers with regard to allowances paid by other District Councils across the South East and the mechanisms by which these were calculated and administered.
- JIRP Reports including those for 2001 and 2003 produced for Tonbridge and Malling Borough Council, Tunbridge Wells Borough Council and Sevenoaks District Council.
- Other IRP Reports across Kent, the South East and nationally.
- Information from Dartford, Gravesham and Ashford IRP's with regard to the broadening of councillor representation and current levels of allowances.
- The Councillors Commission Report 2007
- Residents Survey Data
- Communities and Local Government (CLG) Indices of Deprivation in Kent 2007
- Rates charged by KCC Approved providers of Care in the Home services
- Responses from Members to questionnaires circulated by the JIRP
- Information and opinions received from members at open surgeries held by the Panel as a follow up to the questionnaires
- Information received from individual meetings with Members and Officers.
- Communications received from Residents
- Communication received following letters sent by the Panel to Local Party Chairs.

Contact and Visibility

In keeping with the objective of the panel to engage in a transparent manner and as widely as possible with the local communities, the following steps were initiated:

- Council Publications a short article was included in the summer/mid 2008 publications of each Council magazine e.g. I Local (TWBC), In shape (SDC) and Here & Now (TMBC). The article outlined the principle objectives of the panels review and encouraged readers to contact the panel with their thoughts.
- **E-mail Contact** a dedicated panel e-mail address (JIRP@talktalk.net) was set up and published in the article. This address has been used by members of the public and councillors.

• Website Presence - each council was asked to include a specific website section - to identify the role of the JIRP and to allow relevant documents i.e. the latest JIRP report, to be attached for public viewing on an on-going basis.

Member Surveys

The panel drew up a questionnaire based on the key issues that had been identified in the earlier meetings with officers and members.

The questionnaire was sent to members in each of the three councils with a 2/3 week deadline for completion and return. The actual number of returns for Sevenoaks was as follows:-

Questionnaires Issued	Response Rate
54	63%

A number of key points were fairly consistently borne out in the results for all three councils:

- a) Allowance Levels most respondents to the questionnaire felt that both members' basic allowances and SRAs were too low.
- b) Roles which receive allowances there was a good deal of support for allowances being paid to vice chairs of committees and deputy group leaders in respect of the additional amount of responsibility and time commitment.
- c) Amount of hours required to undertake member duties it was very apparent from all three councils that the amount of time commitment required to undertake a member role had greatly increased in recent years. The questionnaire results did however show that there were still quite wide variations in the amount of perceived time individuals put into carrying out their roles.
- d) Carers' Allowances most respondents did not know whether the rate of allowance currently paid was to high or too low. Of those respondents that had an opinion and from general comments made by others it was clear that this was either known or thought to be an important issue for some people.

The questionnaire also sought members' views on the accessibility of the JIRP, offering either open surgeries, private confidential meetings or a contact address to submit written representations. All three methods were taken up by members and the responses have all been a part of our gathering of information to this bigger review of allowances.

Member Surgeries

The questionnaire results clearly indicated a desire for the members to be able to meet with and/or contact the JIRP. A number of surgeries were held during late afternoons/evening during which a number of members attended and participated in group discussion or booked an individual meeting at a specific time. We tried wherever possible to timetable these surgeries to fit in with time demands on all parties. Some sessions were better attended than others.

During the surgeries individuals gave their own or their colleagues' views and concerns, made suggestions about levels of remuneration and raised various questions about the process the JIRP should be following. It was clear that both members and the JIRP found these sessions to be of great value to themselves and the whole review process.

We duly considered suggestions put to us around members car mileage rates and the need to encourage greener travel, a completely different way of distributing members allowances by committee, with chairs having a greater say in how the allowances are paid and justification for the payment of an allowance to vice chairs, to mention a few.

Meetings with Leaders and Senior Officers

During the course of our review we held a number of meetings with Council Leaders and Senior Officers. These meetings helped to steer us towards the key issues and/or areas of concern to be addressed and were a useful sounding board for our ideas.

Contact with other Independent Review Panels

In addition to reviewing remuneration reports available via the internet, the Panel contacted a number of other Independent Remuneration Panels in Kent regarding wider diversity of councillor representation and current levels of allowances. The responses indicated that allowance levels are thought to be low but that they had no immediate solutions to encourage a broader representation.

Communications from Local Residents

As a result of improving Panel visibility we received some communications directly from local residents. These reflected a broad spectrum of views about allowances for councillors ranging from 'allowances should be scrapped' to 'Councillors should be paid a substantially increased allowance'. Clearly any recommended changes to allowances will not meet with the approval of all council tax payers. The panel are grateful for the comments received.

APPENDIX F **Appendix 4**

Comparative data from Kent & neighbouring councils

				Chair	Chair		Last
			Cabinet	Planning	Overview/	Chair	Review
Authority	Basic	Leader	Member	Cttee	Scrutiny	Licensing	Date
Ashford	£4125	£13495	£6477	£5398	£5398	£	2006
Dartford	£4670	£27311	£8193	£4915	£2048	n/a	2008
Gravesham	£3321	£19522	£3321	£3321	£3321	£3321	2008
Maidstone	£4597	£22980	£11490	£5745	£5745	£4596	2007
Sevenoaks	£2888	£6930	£6930	£1028	£1195	£1028	2008
Tonbridge & Malling	£4734	£9468	£7101	£4734	£5919	£2367	20081
Tunbridge Wells	£3630	£7320	£5490	£1830	£3660	£1830	2008
Medway	£8697	£25543	£10947	£7298	£9122	£3649	2007
Bexley	£9105	£25428	£12714	£8478	£8478	£8478	2007
Bromley	£10659	£30000	£20000	£9000	£7000	£9000	2008
Tandridge	£3657	£2789	n/a	£2789	£2789	£2789	2008
Mid Sussex	£4611	£21100	£10550	£4611	£5277	£1000	2008
Rother	£3911	£10096	£2362	£2362	£2362	£1727	2008
Wealden	£4100	£12000	£4950	£3750	£3350	£2600	2007

¹ Allowances agreed by council but not yet implemented

N.B. The Joint Independent Review Panel works on behalf of Sevenoaks District Council, Tonbridge & Malling Borough Council and Tunbridge Wells Borough Council but considers each Council individually and makes separate recommendations for each according to the particular structures and requirements of the organisation. It should be noted that members' allowances are currently under review at all three councils but the figures quoted above are those in force at time of writing this report and do not reflect any changes proposed by the JIRP as part of this review process.

APPENDIX F **Appendix 5**

<u>Comparison of JIRP-recommended allowances with RPI & Public Sector Earnings Indices</u>

Sevenoaks District Council

				Chair
	Basic	Leader	Cabinet	Dev. Ctrl
2001 Allowance*	£3120	£6240	£4680	£4680
Current (2008-09) Allowance	£2888	£6930	£3465	£1028
% increase	-8%	+11%	-26%	-78%
RPI (All Items) ¹	+22%	+22%	+22%	+22%
2001 Allowance Indexed by RPI	£3794	£7588	£5691	£5691
Public Sector Earnings Index ²	+28%	+28%	+28%	+28%
2001 Allowance Indexed by Earnings	£3981	£7962	£5972	£5972

Notes:

^{* 2001} Allowances as recommended by the Joint Independent Review Panel

¹ RPI (All Items) Index December 2001-August 2008 [Office for National Statistics]

² Public Sector Earnings Index December 2001-July 2008 [Office for National Statistics]

Appendix 6

Revised Schedule of Recommended Members' Allowances

Sevenoaks District Council

	<u>Current 2008-09</u>	Recommendation 2009-10
Basic Allowance	£2887.56	£5754
Special Responsibility Allowance	<u>ces</u>	
Group Leaders:		
Majority Group Leader	£86.62 per member	Incl. in Chairman SRA
Opposition Group Leaders:	•	
10+ members	£86.62 per member	£2255 + £100 per member
<10 members	£60.06 per member	£2255 + £100 per member
Deputy Group Leaders:		
10+ members	£60.06 per member	£0
Cabinet		
Chairman	£6930.17	£22548
Cabinet Member	£3465.08	£11274
Deputy Cabinet Member	£577.52	£577.52
Committee Chairs		
Performance & Governance	£1195.45	£5754
Select Committees	£1027.97	£2877
Development Control	£1027.97	£5754
Committee Vice Chairs		
Performance & Governance	£866.26	£1439
Select Committees	n/a	£719
Development Control	n/a	£1439
Committee Members		
Development Control Cttee	£173.24	£288
Licensing Cttee	£173.24	£288
Carers' Allowances		
Childcare Allowance	£6.00 per hour	£6.00 per hour (max)
Dependant Carer's Allow.	£14.50 per hour	£15.50 per hour (max)
Broadband Allowance	£20 per month	n/a
Standards Committee (Independent	<u> </u>	
Chair	£1000	£1151
Members	n/a	£575

Council – 16 December 2010 Item No.6(a)

APPENDIX F

N.B. All figures are per annum except where stated. All allowances above were agreed by Council for 2008-09 but have not yet been implemented