# A REVIEW OF

### **COUNCIL MEMBERS' ALLOWANCES**

### FOR

### SEVENOAKS DISTRICT COUNCIL

Spring 2023

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

## **Contents**

- 1. Introduction
- 2. Summary of Recommendations
- 3. Background
- 4. Approach & Methodology
- 5. Allowance Calculations
- 6. Special Responsibility Allowances
- 7. Carers' Allowances
- 8. Travel Expenses
- 9. Subsistence Allowances
- **10. Conclusions**
- 11. Acknowledgements

### **Appendices**

- 1. Regulations and Guidance for Independent Remuneration Panels
- 2. Terms of Reference & Panel Members
- 3. Comparative data from neighbouring Local Authorities.
- 4. Revised Schedule of Recommended Members' Allowances

# 1 Introduction

1.1 The Council is required under the Local Authorities (Members' Allowances) (England) Regulations 2003 and subsequent amendments to establish and maintain an Independent Remuneration Panel [The Panel] to review and make recommendations to the Council on the range and levels of remuneration for elected Members (see Terms of Reference Appendix 2).

1.2 Under the Regulations the Council is required to undertake a full review every four years. A full review was last considered by the Council on 27 November 2012, but the Panel was requested to carry out a further review as the Council had adopted revised governance arrangements in May 2013. Further reviews were then considered by the Council in 2013 and 2017. This report is the result of the latest review conducted in Spring 2023.

1.3 The purpose of this review is to carry out the quadrennial update of local councillors' allowances required by legislation, considering Members' workload, responsibilities and required time commitment and then to recommend a fair level of recompense for those commitments. We are mindful always of our remit to assist in broadening the diversity of councillor representation by minimising financial barriers to participation in local government.

1.4 The Panel fully appreciates the sensitivity of making any increase in allowances in the current financial climate, and are mindful of the Council's budget for such purposes. Where we have proposed alterations to the existing scheme they are fair, simple to administer and reflect the significant time commitments given by individuals in this important tier of government.

1.5 The Panel also has the responsibility of reviewing allowances for both Tunbridge Wells and Tonbridge and Malling Borough Councils. The Panel's recommendations in late 2022 to Tunbridge Wells Borough Council, which included a reduction in Cabinet Member allowances and a rationalisation of Group Leader allowances, were rejected. The Panel has noted the differences in the role of the Cabinet and the Cabinet Advisory System in Sevenoaks compared with the two neighbouring councils, and that this is therefore reflected in a somewhat different allowances system.

# 2 Summary of Recommendations

#### 2.1 Basic Allowance

The existing Basic Allowance of £6,044 per annum should continue at the current level. Previous JIRP reviews have based this on a formula which accounted for the required time commitment, a representative rate of hourly earnings of residents in the area but reduced by a discount factor to reflect the ethos of public service inherent in the elected representative's role. Though we have accepted this formula as the way in which the baseline was achieved in previous reviews, we have introduced more of a comparative approach in assessing the level of allowances. More detail on this approach is set out in section 5.

#### 2.2 Special Responsibility Allowances

The Panel continues to support the 2007 guidance from the Councillors Commission which recommends that members should not receive more than one SRA, and notes the Council's existing allowances scheme makes reference to this.

The Panel's recommends that the majority of Special Responsibility Allowances remain unchanged from their current levels. For each role these recommendations are:

<ul> <li>Council Leader</li> <li>Deputy Leader</li> <li>Opposition Group Leaders</li> <li>Cabinet Members</li> <li>Deputy Cabinet Members</li> </ul>	£22,114 £11,056 £ 5,529 (5 > Members) £ 7,741 £ 1,769
<ul> <li>Committee Chairs         <ul> <li>Audit</li> <li>Development Control</li> <li>Governance</li> <li>Health Liaison Board</li> <li>Licensing</li> <li>Scrutiny</li> <li>Joint Transportation Board</li> <li>Standards</li> </ul> </li> </ul>	£ 2,765 £ 5,529 £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,211 £ 1,769
Advisory Committee Chairs (current 6 I Cleaner & Greener Development & Conservation Finance & Investment Housing & Health Improvement & Innovation People & Places	below for information) £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,765 £ 2,765
Committee Vice-Chair     Development Control	£ 1,106
<ul> <li>Committee Members         <ul> <li>Development Control</li> <li>Licensing</li> <li>Standards Co-optees</li> </ul> </li> </ul>	£ 553 £ 149 £ 531

#### 2.3 Carer Allowances

Our recommendations are that the Child Care Allowance should be equivalent to the National Living Wage payable at the actual amount charged, subject to a maximum rate of **£10.42** per hour per child or and that the Dependant Carer's Allowance should be payable at the actual amount charged subject to maximum of **£18** per hour. The Panel is aware that councillors rarely claim for these allowances, but they should be available to ensure that those entitled to such allowances can more easily serve.

#### 2.4 Uprating

In future the allowances should be uprated in line with any annual increases in pay awards to Council staff, which the Panel understands is now the Council's approach.

#### 2.5 Travel Expenses

The Panel recommends that the current scheme for Members, based upon the HMRC approved rate should continue. It is noted that the majority of Members chose not to claim mileage allowances but it is important it remains available for any who may otherwise incur substantial costs as part of their responsibilities.

#### 2.6 Subsistence Allowances

Our discussions with Members and an examination of claims in previous years suggested that this allowance was rarely claimed. We therefore recommend that meal and subsistence allowances need no longer form part of the Council's allowances framework.

### 3 Background

3.1 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]. These allowances replaced the previous system of attendance-based payments and have been revised in subsequent years to reflect cost of living increases and changes in council structure and responsibilities.

3.2 The process is that the Panel recommends a structure of allowances, after consultation with members and officers but that the final decision is the responsibility of the Council. The Panel has followed broadly the same methodology in its reviews 2013 and 2017, though for this latest review a somewhat simplified approach has been adopted – as set out in section 5.

3.3 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].

# 4 Approach and Methodology

4.1 Reflecting the approach taken by many other Independent Review Panels elsewhere in the country, we used a set of core principles to guide this review, as follows:

- 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.
- To reflect as far as possible the current 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 and scrutiny roles within the council.
- To retain an appreciation for the element of public service, *pro bono* contribution from elected councillors.
- To have due regard to the challenging financial position of many local authorities.
- To be mindful of the comparative position of our council members with those in similar roles in other Kent councils.
- To recommend allowances based on objective data with a simple and logical structure that can easily be updated in the future.
- To ensure that all recommendations have transparent and accessible rationales, allowing for greater public understanding and engagement.

In conducting the review at the Council, we offered the opportunity to elected Members to meet individually with the Panel. A small number of councillors, including the Council Leader, took this up. We also met with the Chief Finance Officer.

### 5 Allowance Calculations

5.1 There are some important principles and guidance documents relating to the calculation of allowances which are detailed in our Terms of Reference [Appendix 2], and we have set out below some of the factors previous Panels have taken into account in their calculations. These have allowed allowance levels to reach their current levels across all three councils this Panel reviews.

#### **Determining the Basic Allowance**

5.2 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]

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

#### Time Commitment

5.4 "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].

5.5 The number of hours committed by individual councillors to their elected and representative duties varies widely between individuals and over time, which was mentioned during some of our Member interviews. It is also 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.

5.6 Across previous reviews, the Panel has made various determinations of this time commitment. In 2008, it determined that the average time taken to satisfactorily perform a ward councillor role was an average of 15 hours per week, following a survey of members and soundings at all levels of the Council. This figure was also used for the 2012 review, but the Panel in 2017 determined that the time spent on Council business varied greatly (in part due to the 2013 change in governance arrangements) and it was not possible to draw a conclusion of the average productive hours spent.

#### Hourly rate

5.7 For its review in 2017, the Panel attempted to calculate an hourly rate for councillor work using the median hourly pay for all employees who live within the Sevenoaks local authority area, using the Annual Survey of Hours & Earnings (ASHE) – published by the Office of National Statistics. The same exercise was repeated across the two other councils reviewed by the Panel, and the 2015 ASHE gave the hourly rates of:

•	Sevenoaks	£14.49
•	Tonbridge and Malling	£14.08
•	Tunbridge Wells	£13.10

These figures gave an arithmetic mean of £13.89 per hour, and formed part of the basis for the Panel's recommendations in 2017.

#### The Public Service/Voluntary Principle

5.8 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]

5.9 This idea that some work of members should remain voluntary is called the 'public service principle' and this is incorporated into the financial calculations as a percentage discount factor, agreed locally. The 2007 Councillors Commission report indicated that considerable variations of between 20-50% apply. Our meetings with members and Council leaders confirmed that this principle is understood and generally supported by elected councillors.

5.13 Since 2001 the Panel has, across multiple reviews, recommended a public service discount factor of 40% based on benchmarking with allowance schemes elsewhere.

#### Benchmarking Analysis

5.14 The result of assessing time commitment, hourly rate and the public service principle over multiple reviews over nearly two decades has been the arrival at allowance levels for Sevenoaks which are broadly commensurate with those at other Kent borough/district authorities – including the other two councils this Panel reviews. There are some outliers between authorities, and for certain allowances Sevenoaks is at the upper thresholds, but overall the picture is relatively uniform.

5.15 Given this, and in keeping with the principles established in section 3, the Panel is recommending allowances based on a somewhat different premise – designed to achieve a certain level of parity with equivalent roles in other authorities. The complex time/hourly/service calculations in previous reports have been useful insofar as they have delivered a fairly consistent standard of allowance levels across the county. However, they are complicated to repeat on a regular basis, are convoluted and not particularly accessible, and also imply a regional variation on the value of councillors' work. Indeed, the 2017 Panel noted that the hourly rate calculations skewed the results somewhat due to a greater propensity for Sevenoaks residents to work in London.

5.16 Therefore, our approach has been to consider the current allowance levels in Sevenoaks 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.

5.17 It is worth mentioning at this stage that during our Member interviews a minority view was expressed that the allowances in Sevenoaks should be aligned more closely with those at London borough councils. This is not a position the Panel supports given the increased responsibility of London authorities, which are effectively unitary bodies.

#### **Basic Allowance**

5.18 The current level of basic allowance on Sevenoaks is  $\pounds$ 6,044 per annum. Across the county, the mean is just over  $\pounds$ 5,400. Though this variance is slightly more than 10% of the average, given changing this allowance would impact every councillor and the adjustment would be negligible in impact, we consider the existing basic allowance to be at an appropriate level, and do not recommend a forced adjustment.

# **RECOMMENDATION:** that the Basic Allowance should be maintained at £6,044 per annum.

#### 6 Special Responsibility Allowances (SRAs)

#### Council Leader

6.1 The Panel's previous approach in 2017 was to recommend that the Leader's allowance should be four times the Basic Allowance. This was part of an ongoing effort

to align allowances across the Council with each other, and specifically as a proportion of the Leader's allowance.

6.2. The Leader's allowance has seen some growth in recent years and is now one of highest in Kent. The Panel appreciates that the governance arrangements in Sevenoaks may add an increased workload to the Leader's role. Nonetheless, at its current level the allowance is at the maximum of 10% over both the median and the mean across Kent, and if it were to increase further it would not remain commensurate.

# **RECOMMENDATION:** that the Special Responsibility Allowance for Council Leader should be maintained at £22,144 per annum.

#### Deputy Leader

6.3 The Panel is aware that the Deputy Leader has an important role in standing in for the Leader where necessary, and that this can add an additional workload in addition to serving on Cabinet. The Panel believes this role merits an individual Special Responsibility Allowance, and notes the majority (though not all) of authorities in Kent include such an SRA within their allowances schemes.

6.4 However, the level of the allowance in Sevenoaks is not proportionate with others across Kent; indeed, it is over  $\pounds$ 4,000 higher than the mean and  $\pounds$ 3,000 higher than the median. Therefore, it is the Panel's view that this allowance should be reduced.

6.5 To bring this SRA into line with both the average across Kent, and in a way which aligns with the existing Sevenoaks scheme, our recommendation is that it should be set halfway between its current level and the SRA of a Sevenoaks Cabinet Member. This would reduce the Deputy Leader allowance to £10,505 per annum, and would bring it within 5% of the median across Kent.

# **RECOMMENDATION:** that the Special Responsibility Allowance for Deputy Council Leader should be reduced to £10,505 per annum.

#### **Opposition Group Leader**

6.6 We note that the Council's existing allowance scheme contains an allowance for opposition group leaders, of £298 per annum, per member of the relevant group.

6.7 This is a similar setup to that at Tunbridge Wells Borough Council, for which the Panel recommended a fixed figure rather than a group-size scale be adopted. Unlike at Tunbridge Wells, the Panel appreciates the scheme in Sevenoaks does not allow Group Leaders to claim this as a secondary SRA. Nonetheless, we would still recommend Sevenoaks adopts this fixed approach which we feel better recognises the additional burden of serving as an opposition leader, directly responsible for scrutinising the administration.

6.8 In setting further parameters for this allowance, our view is that its level should be set at that of the most highly compensated chair on the Council – in the case of Sevenoaks this is the chair of the Development Control Committee (receiving £5,529 per annum). In addition to this, there should be two further entitlement/qualifying requirements; that neither a Leader nor any members of the Leader's group can serve on Cabinet/the Executive, and that their group is comprised of at least 5 councillors. 6.9 The treatment of opposition group leaders is not consistent across Kent authorities, making direct comparison of the SRA levels received for this less valuable. However, in the authorities which award a fixed figure, it does appear to be an amount equivalent to either the highest or second highest compensated committee chair.

# **RECOMMENDATION:** that the existing Special Responsibility Allowance for Opposition Group Leaders is replaced with a new mechanism; a £5,529 per annum allowance for leaders meeting the qualifying criteria above.

#### Cabinet Members

6.10 The Panel recognises that Cabinet arrangements are different in Sevenoaks than in many other councils, not least the existence of formal Deputy Cabinet Members. It is difficult to assess the impact this may have on workload without a more detailed discussion with Members, though our discussion with the Leader was helpful in this respect.

6.11 Across the county, one of the most diverse ranges in allowances is that for Cabinet Members, ranging from around £5,000 per annum (Canterbury) to just over £11,000 (Tunbridge Wells). However, the current allowance level in Sevenoaks is, in fact, the median for the county, and the Panel therefore does not see any need to recommend a change to this.

# **RECOMMENDATION:** that the Special Responsibility Allowance for Cabinet Members should be maintained at £7,741 per annum.

#### **Deputy Cabinet Members**

6.12 Amongst the authorities reviewed by this Panel, this role is unique. We are aware that these roles are long-standing part of the governance arrangements at Sevenoaks, and that Members generally appear content that they remain in place – and indeed, that they add vale to the Council's executive setup.

6.13 In light of this the Panel recommends that the existing allowance for these roles remains in place, but would suggest that the administration following the 2023 elections may wish to consider the roles and formally evaluate their value.

# **RECOMMENDATION:** that the Special Responsibility Allowance for Deputy Cabinet Members should be maintained at £1,769 per annum.

#### Chairs of Committees

6.14 The Panel has reviewed the committee allowances using the same criteria and principles as set out previously. Though committee chair allowances vary across the county, and not all committees are ubiquitous across authorities, the current allowance levels are commensurate with Kent averages.

6.15 For example, the mean and median for Licensing chairs are £2750 and £2600 respectively, putting the current allowance in Sevenoaks well within the benchmarked range. Similarly, Planning or Development Control chairs are compensated to the tune of around £5,300 across the county, a margin which again Sevenoaks fits into without

adjustments being required. Therefore, for what might be termed the more 'standard' committees, the Panel does not recommend any alterations to existing allowances. These levels are reflected in the table below:

	Recommended Allowance
Committee	
Audit	£2,765
Development Control	£5,529
Governance	£2,765
Health Liaison Board	£2,765
Licensing	£2,765
Scrutiny	£2,765
Joint Transportation Board	£2,211
Standards	£1,769

6.16 The Panel recognises the importance that the Council puts on scrutiny function and work of the Advisory Boards; a factor raised during our interviews with Members. Such governance arrangements are not universal across Kent so benchmarking the allowance as we have done with others is not possible. However, the Panel has no objection with the Council continuing with these arrangements if it believes them to be of value and retaining the current level of allowances for their chairs:

	Recommended
Advisory Committee	Allowance
Cleaner & Greener	£2,765
Development & Conservation	£2,765
Finance & Investment	£2,765
Housing & Health	£2,765
Improvement & Innovation	£2,765
People & Places	£2,765

#### Vice-Chairs

6.17 The role of vice-chairs came up during our interviews, and it was felt that the current level of allowance for the Development Control vice-chair was appropriate – given the additional workload on that committee. The Development Control vice-chair currently receives £1,106 per annum, and the Panel does not object to the continuation of this arrangement.

# **RECOMMENDATION:** that the Special Responsibility Allowance for committee/vice chairs be maintained at their current levels.

#### **Committee Members**

6.18 The Council has adopted the practice of making payments for members of certain committees to in light of their higher workload. The Panel has no objection to the continuation of the current levels of these payments, as below:

Development Control	£553
Licensing	£149
Standards Co-optees	£531

# **RECOMMENDATION:** that the existing allowances for certain committee members be maintained at their current levels.

#### Council Chairman/Vice-Chairman

6.19 The Chairman and Vice-Chairman of the Council currently receive allowances of  $\pm 11,588$  and  $\pm 5,033$  respectively. The Panel recognises the additional workload of the Chairman/Vice-Chairman and believes this should be reflected in an allowance.

6.20 As these are civic allowances rather than for executive, chair or scrutiny functions these do not necessary fall under the Panel's purview. However, we do note that the level of these allowances in Sevenoaks are significantly higher than those received by the Mayors and Deputies in Tonbridge and Malling (£5,990 and £1,420) and Tunbridge Wells (£5,380 and £1,080).

6.21 We appreciate that there will be differences in the ways in which these roles are performed between the authorities, but would suggest the level of these allowances is something Sevenoaks may want to consider as part of any wider review of allowance structures.

#### Uprating

6.22 The Council currently uprates allowances in line with any increases in the remuneration of Council staff. The Panel is supportive of this and recommends it forms the basis of any future increases.

# **RECOMMENDATION:** that allowances are uprated in line with any increases in the remuneration of Council staff.

#### 7 Carers' Allowances

7.1 Sevenoaks operate separate allowances for the costs of standard childcare and that of professional care for dependants with special requirements. These allowance levels are recommended as follows:

**Childcare Allowance**: for child-minding of the Member's dependent children. Payable at the actual amount charged, subject to a maximum rate of **£10.42** per hour per child. This would be a slight increase in the current level, adjusting it for national minimum wage as of April 2023.

**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 **£18.00** per hour. This would be a continuation of the current level of this allowance.

7.2 In practice, these allowances have rarely been claimed by councillors in Sevenoaks, but the Panel continues to support the need for them.

# **RECOMMENDATION:** that the allowances for childcare and dependant care provision are set as above.

#### 8 Travel Expenses

8.1 The Council currently operates a scheme based upon the HMRC approved rate and the Panel recommends that this continues.

# **RECOMMENDATION:** that the current travel expenses scheme based upon the HMRC approved rate, continues.

#### 9 Subsistence Allowances

9.1 The Council currently has a scheme for subsistence/meal allowances, but our discussions with Members and analysis of previous claims suggests take-up of this is extremely low. Unlike carer or travel expenses any costs in this respect incurred by Members are likely to be minimal, and the Panel therefore recommends ceasing this provision.

**RECOMMENDATION:** that the existing scheme for meal and/or subsistence allowances ceases.

#### 10 Conclusions

10.1 The Panel has attempted in this review to propose levels of allowances to properly recognise the time commitments that individual Members offer in support of their local community, in a manner which recognises the contributions of elected councillors across the county.

10.2 We have also sought to propose a system that is easy to understand and update, consistent across authorities and which would remove financial barriers that deter potential candidates from standing for election.

#### 11 Acknowledgements

11.1 The Panel's thanks go to the officers and members who gave us their time and opinions which have helped to shape the Panel's thinking.

# **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
- 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
- *Representing the Future* Report of the Councillors Commission. December 2007
- *Members' Allowances Survey 2008*. Report by the Local Government Association Research Department

### Appendix 2

### **Joint Independent Review Panel**

for

### Sevenoaks District Council Tonbridge & Malling Borough Council Sevenoaks District 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.

Members of the Panel are appointed by the Councils but are independent members of the community with relevant professional backgrounds in remuneration and benefits.

#### Membership – Joint Independent Remuneration Panel

The members of the panel are:

- Ben Garland, a resident of Bromley
- Bharat Khanna, a resident of Sevenoaks
- David Mercier, a resident of Tonbridge and Malling

JIRP meetings normally involved all three Panel members, though some Member interviews took place with only two members present.

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.

#### 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 3**

# **Comparative data from Kent Borough/District councils**

Authority	Basic	Leader	Cabinet Member	Chair Planning Cttee	Chair Overview/ Scrutiny	Chair Licensing
Ashford	£5,035	£16,471	£8,235	£6,588	£6,588	£1,647
Canterbury	£5,986	£20,300	£5,000	£4,500	£4,500	£4,500
Dover	£5,000	£18,000	£6,750	£4,500	£4,500	£1,125
Folkestone & Hythe	£5,433	£23,905	£10,866	£6,248	£6,248	£6,248
Gravesham	£5,041	£22,687	£5,041	£5,041	£2,521	£756
Maidstone	£5,065	£20,002		£8,000		£4,000
Sevenoaks	£6,044	£22,114	£7,741	£5,529	£2,765	£2,765
Swale	£6,786	£16,965		£6,786		£2,036
Thanet	£4,570	£18,082	£7,990	£5,204	£7,990	£3,216
Tonbridge & Malling	£5,175	£20,706	£8,802	£1,725	£2,589	£2,589
Tunbridge Wells	£5,500	£19,250	£11,000	£5,500	£1,375	£1,375

[Source: for non-Sevenoaks figures, South East Employers Survey 2022 – final results]

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

## **Revised Schedule of Recommended Members' Allowances**

#### **Sevenoaks District Council**

	2017 JIRP Recommendation	<u>Current</u>	2023 JIRP Recommendation			
Basic Allowance	£5,359	£6,044	£6,044			
Special Responsibility Allowances						
<u>Cabinet</u>						
Leader	£20,000	£22,114	£22,114			
Deputy Leader	£12,000	£13,269	£10,505			
Cabinet Member	£7,000	£7,741	£7,741			
Deputy Cabinet Member	£1,600	£1,769	£1,769			
<b>Opposition Leaders</b>	£270 per member	£298 per member	£5,529			
Committee Chairs						
Advisory Committee (x6)	£2,500	£2,765	£2,765			
Audit	£2,500	£2,765	£2,765			
Development Control	£5,000	£5,529	£5,529			
Governance	£2,500	£2,765	£2,765			
Health Liaison	£2,500	£2,765	£2,765			
Licensing	£2,500	£2,765	£2,765			
Scrutiny	£2,500	£2,765	£2,765			
Joint Transportation Board	£2,000	£2,211	£2,211			
Standards	£1,600	£1,769	£1,769			
Committee Vice-Chair						
Planning	£1,000	£1,106	£1,106			
Committee Members						
Development Control	£500	£553	£553			
Licensing	£135	£149	£149			
Standards Co-optees	£480	£531	£531			

N.B. All figures are per annum.