

## **COUNCIL**

**21 JANUARY 2016**

### **INDEPENDENT REMUNERATION PANEL – REPORT ON MEMBERS’ ALLOWANCES SCHEME**

Portfolio Holder: Councillor Andrew Mackness, Corporate Services  
Report from: Neil Davies, Chief Executive  
Author: Jane Ringham, Head of Elections and Member Services

#### **Summary**

The report and recommendations of the Independent Remuneration Panel (the Panel) are submitted for Members’ consideration.

#### **1. Budget and Policy Framework**

- 1.1 The duty to approve or amend the Members’ Allowances Scheme is a matter which cannot be determined by Cabinet under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 (as amended). Therefore, this is a matter for Council.

#### **2. Background**

- 2.1 The Panel has undertaken a comprehensive review of the Members’ Allowances Scheme, including the basic allowance, Special Responsibility Allowances, the subsistence and travel allowances, the expenses for childcare or dependent care, as well as the annual up rating index.
- 2.2 As required by law, copies of the Panel’s report have been made available for inspection and a notice has been published stating that the Council has received recommendations from the Panel about their scheme of allowances and describing the main features of the Panel’s recommendations including the amounts of allowances the Panel has recommended should be payable to elected Members.

### 3. The Panel's report and recommendations

- 3.1 The Panel's report, including the recommendations are attached as Appendix 1.
- 3.2 A Diversity Impact Assessment (DIA) has been undertaken and the outcome was there is unlikely to be an adverse impact on any of the characteristic groups.
- 3.3 A copy of the full DIA is attached as Appendix 2.

### 4. Options for consideration

- 4.1 Since the receipt of the Panel's report the Cabinet have notified officers of alternative proposals which they will recommend for approval by Full Council alongside the Panel's report.
- 4.2 These alternative proposals are suggested to replace those numbered 1.2 and 1.3 in the Panel's report:
- 4.2.1 That the following positions do not attract an SRA:
- Vice-Chairman of Planning committee
  - Opposition spokesperson on Planning Committee
  - Chairman of Employment Matters Committee
- 4.2.2 That the levels of other special responsibility allowances should be as follows, and be index-linked to Council staff pay awards for the next four years.

POSITION	£	Nominal benchmark as % of basic allowance	
Leader of the Cabinet	28190	316	
Deputy Leader	20769	233	
Cabinet Portfolio Holder (8)	13280	149	
Opposition Group Leader (more than 20% of members)	11075	124	
Chairman, Overview & Scrutiny Committee (4)	9400	105	
Chairman of Planning Committee	9400	105	
Chairman of Health & Well Being Board	9400	105	Only payable if held by Councillor who is not Cabinet member
Chairman of Audit Committee	5,352	60	
Opposition Group Leader (more than 10% of members)	4950	55.5	Not currently payable
Deputy Opposition Group leader (more than 20% of members)	3900	44	
Overview & Scrutiny Vice-Chairmen/spokespersons (4)	2900	32.5	New/revised position

Overview & Scrutiny Spokespersons (group with more than 20% of members) (4)	2500	28	
Group Whip (majority group) (1)	1500	17	
Group Whip (group with more than 20% of members) (1)	750	8.4	

## 5. Risk management

5.1 Risk management is an integral part of good governance. The Council has a responsibility to identify and manage threats and risks to achieve its strategic objectives and enhance the value of services it provides to the community. The following table shows any significant risks arising from the matters in this report.

Risk	Description	Action to avoid or mitigate risk	Risk rating
No decision is made or it is delayed beyond 31 March 2016	No formal mechanism in place to index the allowances and other payments in the Scheme for uprating after 31 March 2016.  Non-payment of allowances to Councillors after 31 March 2016 as current Scheme expires.	Group Leaders offered the opportunity to review recommendations and discuss with Independent Remuneration Panel	D2

## 6. Financial implications

6.1 The total cost of the proposals by the Independent Remuneration Panel and the alternative proposals from the Cabinet, if implemented with effect from 1 April 2016, are shown in the table overleaf, against the 2015-16 budget provision and latest forecast of 2015-16 outturn:

	2015-16 budget provision £	2015-16 expected outturn £	IRP proposals wef 1 April 2016 £	Conservative alternative proposals wef 1 April 2016 £	
Basic allowance	473,000	472,788	472,760	472,760	Assumes that only 53 Cllrs continue to claim
Special Responsibility Allowances	233,000	225,069	247,530	246,376	2016 costs assume no Cllr in receipt of more than 1 SRA and no SRA payable to Minority Opposition Group Leader (more than 10% of members)
Mayor/Deputy Allowances	19,953	21,120	16,502	16,502	
Licensing Hearing Panels	4,500	1,478	4,000	4,000	2016 costs Assumes 1 Licensing Hearing and 1 Licensing 1982 Hearing per month
Travel	6,400	3,635	4,088	4,088	Assumes same level of mileage claimed by Cllrs in 2016-17 as in 2015-16
National Insurance	44,000	40,370	59,590	59,498	At rate of 8% and applied to all costs
<b>TOTALS</b>	<b>780,853</b>	<b>764,460</b>	<b>804,470</b>	<b>803,224</b>	

6.2 It should be noted that outturn figures are difficult to predict as Members' travel and the number of Licensing Hearing Panels vary over the year. This also makes it difficult to predict the amount of National Insurance payable. National Insurance costs vary between 7% and 8%. The costs shown above are based on NI at 8%.

## 7. Legal implications

7.1 The Local Authorities (Members' Allowances)(England) Regulations 2003 ("the Regulations") make provision for the payment of allowances to Members of the Council.

7.2 The Regulations require the Council to prepare schemes for the payment of allowances to Members. The schemes should make provision for the payment of a basic allowance, and may also provide for the payment of special responsibility allowance, dependants' carers' allowance, travelling and subsistence allowance and co-optees' allowance.

7.3 The Council must establish and maintain an Independent Remuneration Panel whose function is to make recommendations to the Council concerning allowances. The Council must have regard to the panel's advice/recommendations.

7.4 After receiving a report from the Independent Remuneration Panel which sets out the Panel's recommendations, local authorities must ensure that copies of the report are available for inspection at their principal office at all reasonable hours. Local authorities must also, as soon as reasonably practicable after they receive the report, publish a notice which:

- a) states that the authority have received recommendations from an Independent Panel about their scheme of allowances;
- b) describes the main features of the Panel's recommendations including the amounts of allowances the Panel has recommended should be payable to elected Members.

7.5 The Council must ensure that such a notice is published every 12 months even if the scheme has not been amended since the last notice.

## **8. Recommendations**

8.1 That the Council considers the report of the Independent Remuneration panel and approves the recommendations in that report as shown in the Appendix at paragraphs 1.1 to 1.14 as amended in paragraphs 4.2.1 to 4.2.2 above, with effect from 1 April 2016.

### **Lead officer contact**

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### **Appendices**

1. Report of Medway Independent Remuneration Panel December 2015
2. Diversity Impact Assessment

### **Background papers**

Report of Medway Independent Remuneration Panel December 2015



**REPORT OF  
MEDWAY INDEPENDENT  
REMUNERATION PANEL**

December 2015

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## 1. Summary of Recommendations

1.1 That the Basic Allowance paid to all Councillors should be £8,920.14 per year and be index-linked to Council staff pay awards for the next four years.

1.2 That the following positions do not attract an SRA:

- Vice-Chairmen of O&S Committees
- Vice-Chairman of Planning committee
- Opposition spokesperson on Planning Committee
- Chairman of Employment Matters Committee
- Majority Group Whip
- Opposition Group Whip

1.3 That the levels of other special responsibility allowances should be as follows, and be index-linked to Council staff pay awards for the next four years.

<b>POSITION</b>	<b>£</b>	<b>BENCHMARK AS % OF BASIC ALLOWANCE</b>	
Leader of the Cabinet	26,760.42	300	
Deputy Leader	15,610.25	175	
Cabinet Portfolio Holder (8)	13,380.21	150	
Chairman, Overview & Scrutiny Committee (4)	11,150.18	125	
Chairman of Planning Committee	11,150.18	125	
Opposition Group Leader (more than 20% of members)	11,150.18	125	
Chairman of Health & Well Being Board	11,150.18	125	Only payable if held by Councillor who is not Cabinet member
Chairman of Audit Committee	5,352.08	60	
Opposition Group Leader (more than 10% of members)	5,352.08	60	Not currently payable
Overview & Scrutiny Spokespersons (group more than 20% of members) (4)	5,352.08	60	
Deputy Opposition Group leader (more than 20% of members)	4,460.07	50	

1.4 That the Allowances payable to the Mayor and Deputy Mayor be as follows: Mayor £11,150.18 (125% of the basic allowance) and Deputy Mayor £5,352.08 (60% of the basic allowance) and that they be index-linked to Council staff pay awards for the next four years.

- 1.5 That the current provisions in the Members Allowances Scheme for discounting subsequent SRA be amended so that Councillors are only entitled to receive one SRA at any one time, with the exception of those in receipt of an SRA from Medway and/or the Kent Police or Kent Fire and Rescue Authorities, who should have the second and any subsequent Medway SRA discounted as described in the current Scheme.
- 1.6 That the SRA to the Chairman of Licensing & Safety Committee and members of the Licensing Hearing Panel and Licensing 1982 Panel Hearings be at the rate of £41.67 per day and be index-linked to Council staff pay awards for the next four years;
- 1.7 That the Members' Allowance Scheme be amended (a) to provide two maximum hourly rates for dependent care costs- £8.25 an hour per child for child care and £13.65 per hour per person for adult care; (b) to show the maximum for child care and adult care relating to conference attendance; (c) to contain a provision that gives the Head of Elections and Member Services some flexibility to assist Councillors who need specialist care that costs more than the rates approved; (d) to provide that the child care rate is indexed to the Council staff pay increase and the adult care rate to the home care in the community respite care rate both for a maximum of four years;
- 1.8 That the current provisions for payments to co-optees and members of Education Schools Admission and Exclusion Appeals Panels as set out in the Scheme are retained without amendment.
- 1.9 That the existing list of duties that qualify for travelling and subsistence allowances in Appendix 1 to the Members' Allowances Scheme remain unchanged.
- 1.10 That the travel allowances for Councillors should be increased to 45p per mile for all engine sizes and indexed against the Approved Mileage Allowance Payment (AMAP) rate for the next four years.
- 1.11 That the travel allowances scheme is also amended as follows to bring it into line with the Council staff scheme:
- No additional 1p per mile is paid for passengers
  - Journeys by car outside Kent and the London postal area are paid at the same flat rate of 45p rather than the first 60 miles being paid at 40p and 20p per mile thereafter.
  - The rate for travel by motor cycles should be 21.3p per mile
  - Travel by bicycle should continue to be at 20p per mile
- 1.12 That the other provisions in the Scheme relating to travel set out in existing paragraph 7.3.2 remain unchanged.
- 1.13 That paragraph 8 of the Members' Allowances Scheme relating to Conference expenses, duties for which allowances can and cannot be claimed and how to claim remain unchanged.

1.14 That no allowance is paid to the Councillor representative on the Fostering or Adoptions Panels.

## **2. Introduction**

2.1 Medway Council has established this Independent Panel to make recommendations about the financial allowances to be paid to Councillors.

2.2 The Panel made initial recommendations for a scheme of allowances in August 2001 and the Council adopted these recommendations in September 2001.

2.3 The Panel subsequently reviewed the scheme in October 2002, July 2003, in March 2005, and March, April and May 2006 taking into account changes to the political management arrangements, new responsibilities and the evolution of the overview and scrutiny function.

2.4 The Panel reviewed some specific parts of the Scheme in November 2007, relating to Special Responsibility Allowances and in 2009 made recommendations to the Council about

- updating the Members Allowances scheme to reflect provisions that should have been included
- clarifying the Basic Allowance
- amendments to the Dependant Carers Allowance
- subsistence and travel allowance rates
- the introduction of a cycling allowance
- Councillors not being able to join the Local Government Pension Scheme
- The introduction of a provision for members of Schools Admission and Exclusion Appeals Panels to claim subsistence, travel and dependent carers' allowances
- members of Schools Admission and Exclusion Appeals Panels not being compensated for loss of earnings (or benefits)

2.5 The Panel's full review of Special Responsibility Allowances that was due to take place in 2009 was deferred due to the timing of the European Parliamentary and then General Election in 2010 and the next review was undertaken in May 2011 after the Local Elections in May 2011. At that Review the Panel made recommendations on Special Responsibility Allowances, the subsistence and travel allowances, the expenses for childcare or dependent care, the annual up rating index, an SRA to members of the newly-established 1982 Act Panel Hearings as well as options to save 5% or £39,000 on the existing members allowances budget.

2.6 In 2013 and 2014 the Panel were asked to make recommendations specifically about SRAs to the Chairmen of the Health & Wellbeing Board and Employment Matters Committees.

### **3. Background**

- 3.1 The Local Government Act 2000 and subsequent regulations require every local authority to establish and maintain an Independent Remuneration Panel to make recommendations about the financial allowances to be paid to Councillors. New regulations came into force in May 2003 that require the Panel to make recommendations on travel and subsistence allowances, pensions, and co-opted members' allowances.
- 3.2 Medway Council decides its own scheme of allowances for Councillors and the amounts to be paid under that scheme. However, it must first have regard to the advice of this Independent Remuneration Panel and must make the report and recommendations of the Panel available for public inspection.

### **4. Appointment of the Panel**

- 4.1 Independent Remuneration Panels must have at least three members. In October 2013, Medway Council amended the composition of the Panel to comprise a Panel of 5 members from a broad range of experiences and backgrounds including the business community, not-for-profit sector, charity and HR with the support of South East Employers to Chair the Panel initially.
- 4.2 All members of the Panel have been asked to declare that they are not active members of a political party or associated with any Councillors serving on Medway Council or any of its Parishes through friendship or any other personal association.
- 4.3 The Panel members are as follows:
- Mark Palmer, Development Director, South East Employers (Chairman)
  - Marina Gleaves
  - Norma Hastings
  - Jackie Powell
  - Natalie Wallace
  - Christopher Webb

### **5. The work of the Panel**

- 5.1 The Panel met in August, September, October and November 2015, a total of 5 meetings of which 3 sessions were dedicated to interviews with Councillors and Council officers. The Head of Elections & Member Services provided it with administrative support and advice.

### **6. Terms of reference**

- 6.1 The terms of reference of the Panel set by the Council are:
- to make recommendations to the authority as to the amount of basic allowance that should be payable to its elected Members

- to make recommendations to the authority about the roles and responsibilities for which a special responsibility allowance should be payable and as to the amount of each such allowance
- to make recommendations as to whether the authority's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants and, if such a recommendation is made, the amount of this allowance and the means by which it is determined
- to provide informal advice, as requested by the Council, on other allowances payable under the Local Government Act 1972 (i.e. travel and subsistence allowance and allowances for attendance at certain meetings and conferences)
- to make recommendations on travel and subsistence allowances, Councillor membership of the Local Government Superannuation Scheme, and allowances for co-opted members of committees.

6.2 The principal tasks of the Panel were to consider (1) the appropriateness of the existing scheme for Special Responsibility Allowances and the subsistence and travel allowances and the existing index to which they are linked for annual uprating; (2) the appropriateness of the basic allowance and the existing index to which it is linked for annual uprating; (3) the appropriateness of the existing expenses for childcare or dependent care; and (4) the appropriateness of the allowances paid to the Mayor and Deputy Mayor.

## **7. The Panel's approach to its task**

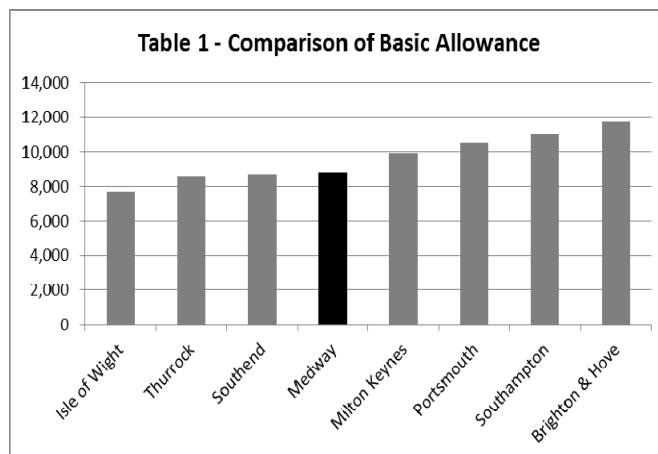
7.1 In formulating its recommendations the Panel has taken account of statutory guidance from the relevant government department.

7.2 In addition, the Panel considered comparative information relating to allowances paid by other local authorities, particularly other Unitary authorities in the South East and Kent County Council. In recognition of the comparatively smaller size of the other Unitary Authorities in the South East, the Panel also looked at comparative data from Thurrock and Southend Unitary Authorities in Essex. This is referred to as “the comparator group” in the remainder of this report. The panel also took into consideration submissions from the Conservative and Labour Groups of the Council and one individual Councillor.

7.3 The Panel also considered responses to a questionnaire it circulated to all Councillors to ascertain information about the number of hours spent on their ward work and other responsibilities and their views on other aspects of the members' allowances scheme. A total of 14 completed questionnaires were received, including one from a recently retired Councillor. The Panel also had discussions with a broad range of Councillors to discuss these issues in more detail, including the Leader, Cabinet members, Chairmen of Overview & Scrutiny Committees, the Chairman of Planning Committee, the Leader of the main Opposition Group, Opposition Spokespersons and other SRA holders.

## 8 Benchmark baseline information

The tables below indicate Medway's current position amongst the comparator group in terms of the basic allowance and some key SRAs.



average      £9,625

Medway percentile ranking      42%

Kent  
County  
Council      £12,805

**Table 2 - Comparison of key SRAs**

	Leader		Deputy Leader		Cabinet member	Chair of Planning Cttee	Chair of O&S Cttee	Opposition Group Ldr	Opposition Spokespersons	Mayor	Deputy Mayor
Isle of Wight	15,400		9,625		7,700	6,160	7,700	1,540	0	5,390	1,540
Thurrock	29,998		15,427		10,714	8,571	6,429	8,571	2,143	12,856	3,000
Southend	30,354		15,611		10,841	8,673	6,505	8,673	2,168	13,009	3,035
Medway	20,270	*	14,742	*	11,056	7,731	9,213	9,213	5,528	13,347	6,725
Milton Keynes	29,625		0		10,753	8,132	4,594	£620 per Group member	0	10,647	5,324
Portsmouth	18,952		0		7,370	3,685	2,632	6,317	0	7,100	923
Southampton	22,043		0		11,021	5,511	5,511	£459 per group	0	0	0
Brighton & Hove	31,200		21,840		NA	11,856	6,240	10,920	6,240	13,000	3,554
average	25,455		5,460		9,715	7,296	4,744	8,619	1,560	7,687	2,450
Medway percentile ranking	28%		57%		100%	42%	100%	80%	85%	100%	100%

\* - the Leader and Deputy Leader are also in receipt of 50% of the Cabinet Member SRA.

8.1 As can be seen the current basic allowance compares well amongst the comparator group; the picture across the range of SRAs is more varied, with Medway paying the highest or nearly the highest in the case of 6 of the SRAs and only below 50% of the SRA in one case. The SRAs for the Leader and Deputy Leader initially look modest but those post-holders are also currently in receipt of 50% of the Cabinet Member SRA. This makes their total SRA amongst the highest in the comparator group. None of the Members' Allowances Schemes of other authorities in the comparator group allow a councillor to receive more than one SRA at a time.

## 9. **Basic Allowance**

9.1 Each local authority must make provision in its scheme of allowances for a basic, flat rate allowance payable to all members. The allowance must be the same for each councillor.

9.2 The formula for calculating the basic allowance usually comprises three elements – an average number of hours spent on ward work and responsibilities of a non-executive councillor, an hourly rate and an element of discount to reflect the amount of time expected to be provided unpaid (called the Public Service Discount – PSD).

9.3 The parameters used in the current formula have been in place for some time and it is not clear what hourly rate and PSD discount had been used. The Panel therefore wanted to identify a coherent and robust future proof and transparent formula that was seen to be fair from the perspective of Councillors, Council staff and could be easily explained to the public and could be readily updated as appropriate.

### Average weekly hours on ward work

9.4 The Panel recognises that it is difficult to identify the average number of hours per week that Councillors spend on ward work; it will vary according to the type of ward the Councillor represents in terms of the issues that may be raised by constituents, how many Councillors represent the ward in question, and indeed the number of hours the councillor can make available due to other commitments. However, for the Panel to make its recommendations it needs to identify an average that adequately reflects the vast majority of councillors' experiences most of the time.

9.5 When the last full review was undertaken the average number of hours was deemed to be 22 and the Panel were keen to ascertain if this had changed. This was one area that was extensively addressed in the questionnaire sent to all Councillors and some Councillors who were not re-elected in May 2015.

- 9.6 Out of the 14 responses received, 3 Councillors felt unable to identify an “average” due to either the level of work being undertaken as newly elected Councillors, or because their workload varied considerably week to week. However, of the remaining 11 responses, the average hours indicated was around 19 hours. This average was discussed with the selection of Councillors who kindly agreed to talk to the Panel individually, and the average of 19 was deemed appropriate.
- 9.7 The Panel has therefore determined to use the average hours of 19 per week in the formula for members’ basic allowance.

#### Hourly rate

- 9.8 Currently, it is understood that the hourly rate applied is the average hourly pay for all full-time workers in Medway using Office for National Statistics figures (ONS). The current hourly rate for 2014 is £13.70. However whilst this figure is adjusted annually it is only published each November which makes it unwieldy and administratively difficult to use as the annual index rate to uprate the basic allowance. The Panel was advised that the average hourly rate for Council staff is £13.89 and considers that this is a more transparent multiplier than the ONS rate which includes private sectors salaries. It will be simpler to use as it can be revised more readily than waiting for the ONS figure in November, and therefore be applied at or near the start of the new financial year. It also ensures that the rate of increase in Councillors’ allowances remains in line with Council staff pay increases and is again transparent.

#### Public Service Discount (PSD)

- 9.9 The Panel recognises that the recruitment of councillors should be drawn from across the social spectrum, and not just restricted to those people who can afford to give an open-ended time commitment in return for no more than honorary remuneration. A realistic scheme of allowances is needed to enable councillors do their work more effectively. Whilst a genuine concern for the welfare of the community and a commitment to public service has historically been one, if not the main, reason people seek election, and is one of the keystones of the effective local democracy, it is not enough in itself. However, it is expected that there is also a reciprocal obligation on councillors to do a proportion of their ward work without remuneration – this is called the Public Service Discount (PSD).
- 9.10 The level of PSD cannot, inevitably be calculated scientifically – as referred to earlier in this report, the average number of hours incurred on ward work varies considerably between Councillors depending on their personal circumstances.
- 9.11 The responses from Councillors to the questionnaire about the level of a fair PSD varied. Some were not aware that a PSD was applied to their Basic allowance, and other suggested the PSD should be anywhere between 10% and 66%.



- 9.12 The level of PSD in the comparator group varies considerably between none and 40% with the average being 32%. Medway's current PSD at 35% ranks it around the average.
- 9.13 Ultimately the Panel is minded to retain the PSD at 35% as a fair reflection of the average amount of hours councillors should be expected to work as a voluntary contribution. This translates to just under 7 hours of the average 19 hours undertaken on ward work is deemed to be a voluntary contribution.

#### Calculation of Panels' recommended basic allowance

- 9.14 Using the different parameters discussed above, the Panel recommend a basic allowance of £8,920.14 calculated using the following formula:

$$\begin{aligned} 19 \text{ hours per week} \times \text{£}13.89 \text{ hourly rate} &= \text{£}263.9 \times 52 \text{ weeks a year} = \\ &\text{£}13,723.3 \\ \text{PSD of 35\%} &= \text{£}4,803.16 \\ \text{£}13,723.3 - \text{£}4,803.16 &= \text{£}8,920.14 \end{aligned}$$

- 9.15 Whilst the Panel recognises the accuracy of some Councillors comments that the current level basic allowance does not necessarily compare favourably to others, they are also aware that neither the current economic situation nor the evidence from the questionnaire or discussions with Councillors, justifies a significant increase in the basic allowance. However, the revised formula does result in a very small increase of £14 per year (0.16%) which is effectively a rounding up but Medway's percentile ranking remains at 42% when analysed against the comparator group.

#### Indexing of basic allowance

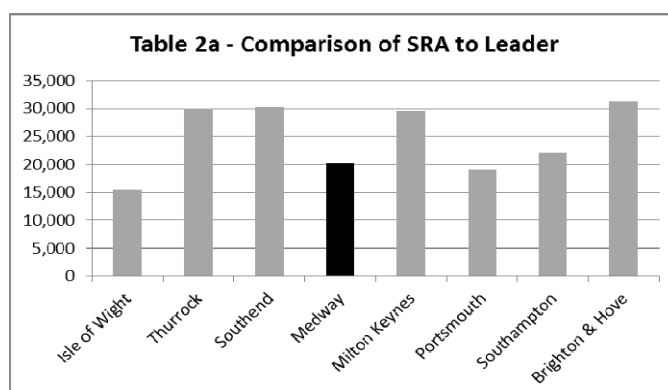
- 9.16 The Panel recommends that the Basic Allowance continues to be indexed annually against the Council's staff annual pay award for a maximum of 4 years.
- 9.17 The Panel notes that the Conservative Group submission mentioned that their allowances should be indexed to inflation, The Panel, whilst sympathetic to this concern, feels that the anticipated below inflation awards to Council staff and the economic situation for the foreseeable future precludes linking to inflation.

## 10. Special Responsibility Allowances (SRA's)

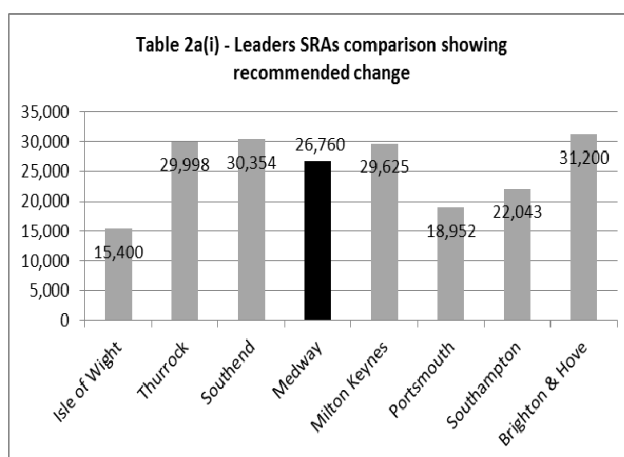
- 10.1 The Panel noted that the Labour Group in its' submission stated it's view that all SRAs should be reduced by 5% on the basis that the savings should go towards the paying of the Living Wage to the lowest paid Council Staff. The Panel took the view that whilst it might recommend reductions of 5% it could not be guaranteed that the savings would be applied where desired and that Councillors had agreed a 5% reduction to allowances previously. The Conservative Group submitted comments that indicated that generally allowances were too low but it was at this stage not possible to increase but also commented that there was a need for some rebalancing of SRAs between Cabinet members and Chairmen of Overview & Scrutiny Committees in particular.
- 10.2 In turning its' attention to the SRAs the Panel also noted that the SRAs could usefully be rationalised and simplified whilst as far as possible keeping the budget impact broadly neutral whilst recognising the responsibility and complexity of the different roles.
- 10.3 After some consideration of a variety of ways to calculate the SRAs, the Panel concluded that the fairest, most transparent way was to set them as a multiplier of the basic allowance which mirrors the method used by a broad range of other local authorities. The current method of calculating the Leader's SRA and setting it at 110% and then setting all other SRAs as a percentage of the Leader's SRA was seen by the Panel to be confusing and not as transparent as it could be.

### Leader's SRA

- 10.4 Table 2a shows the current situation against the comparator group. The average SRA is £25,455 with Medway falling within the middle bracket of the comparator group. As pointed out in paragraph 8.1 above, Medway's Scheme of Allowances provides for the Leader to also receive 50% of the SRA for Cabinet members which once added to the calculation, makes the Leader's total SRA payments towards the higher end of the comparator group. The Panel noted that none of the Members Allowances Schemes of other authorities in the comparator group allows a councillor to receive more than one SRA at a time.



- 10.5 After receiving evidence from Councillors' responses to the questionnaire and those who spoke to the Panel individually, looking at the comparator information, and the impact of the Leader's SRA in comparison with the comparator group without the additional 50% cabinet member SRA, the Panel concluded that the current level of the Leader's SRA does not adequately reflect the level and complexity of work involved in managing and giving political direction to a complex organisation, particularly in the light of developments such as the Local Economic Partnership (LEP) and Thames Gateway Group which has enhanced the regional/national role of the Leader that is not replicated in all unitary authorities.
- 10.6 Therefore the Panel recommends that the Leader's SRA is calculated as a factor of 300% of the basic allowance to reach a sum that more adequately reflects the complexity of the role. This would see the Leader's SRA change to £26,760 which brings it higher than the average but still well within the range of the comparator group. The Panel's desire to rationalise and simplify the Scheme of Allowances however, leads it to also recommend that the Leader does **not** receive an additional 50% of the cabinet members SRA in future. The level of the revised amount being recommended is slightly more than the combined SRA the Leader currently receives and the Panel feels it is more transparent and will be more easily understood by the public. Table 2a(i) shows the recommended SRA against the comparator group.



### Deputy Leader's SRA

- 10.7 The Panel considered the role of the Deputy Leader and concluded that the majority of the role comprises having a specific, albeit complex and wide ranging Cabinet portfolio rather than any significant deputising role, and that the SRA should reflect this. Amongst the comparator group only 5 of the 8 authorities paid a specific SRA to the Deputy Leader and the average was £9,656 although it ranged from zero to £21,840. Medway's current SRA at £15,396 is clearly higher than the average but lower than the maximum. Medway's Scheme of Allowances provides for the Deputy Leader to also receive 50% of the SRA for Cabinet members which once added to the calculation, makes the Deputy Leader's total SRA payments much closer to the maximum paid in the comparator group.

- 10.8 Consequently, the Panel recommends that the Deputy Leader's SRA should be calculated as a factor of 175% of the basic allowance which would change it to £15,610, a slight increase and reflects its seniority compared with Cabinet members particularly. However, the Panel's desire to rationalise and simplify the Scheme of Allowances leads it to also recommend that the Deputy Leader does **not** receive an additional 50% of the cabinet members SRA in future.

Determining the scope and numbers of SRAs

- 10.9 A concern of the Panel was the number of positions that attract an SRA at present. In particular, the Panel was cognisant that while the 2003 Members' Allowances Regulations do not specifically limit the numbers of SRAs that are payable in an authority the statutory guidance (May 2006, 2003 paragraphs 72 - 73) states that in relation to recommending SRAs:

*If the majority of members of a council receive a special responsibility allowance the local electorate may rightly question whether this was justified. Local authorities will wish to consider very carefully the additional roles of members and the significance of these roles, both in terms of responsibility and real time commitment before deciding which will warrant the payment of a special responsibility allowance.*

*It does not necessarily follow that a particular responsibility which is vested to a particular member is a significant additional responsibility for which a special responsibility allowance should be paid. Local authorities will need to consider such particular responsibilities very carefully. Whilst such responsibilities may be unique to a particular member it may be that all or most members have some such responsibility to varying degrees. Such duties may not lead to a significant extra workload for any one particular member above another. These sorts of responsibilities should be recognised as a time commitment to council work which is acknowledged within the basic allowance and not responsibilities for which a special responsibility allowance should be recommended.*

- 10.10 Under the current arrangements, there are a total of 33 positions which attract an SRA and 28 Councillors in receipt of an SRA.
- 10.11 The Panel acknowledges that having a range of positions that attract an SRA provides the Leader with opportunities to put in place succession planning arrangements as well as rewarding Councillors who are successfully undertaking important work. However, the reality would appear to the Panel to be that with so many posts attracting SRAs and more than half of all Councillors receiving an SRA, is likely that not all such duties lead to a significant extra workload. The Panel is of the opinion that these, less onerous roles should not attract an SRA and that instead they should be recognised as a time commitment to council work which is acknowledged within the basic allowance and which provide useful preparation for less experienced Councillors who aspire to the higher roles.

10.12 The Panel strongly recommends that the Council reduces the number of positions that receive an SRA, and is of the view that the following positions do not represent significant additional responsibility and therefore the SRA should be abolished. Councillors were asked for their views on the relative ranking of SRAs in the questionnaire and amongst the responses there was general consensus that these particular positions were ranked lower. This further supports the Panels' view that they should not be eligible for an SRA.

- Vice-Chairmen of O&S Committees and Vice-Chairman of Planning committee

The Panel did not find strong evidence that these posts require particularly onerous duties on a regular basis and note that there was some support for the removal of the SRA for Vice-Chairman of O&S Committees amongst the Conservative Group and strong support amongst the Labour Group. However it is recognised that if the Vice-Chairman is expected to act as Chair of the meeting for a prolonged period of time due to the absence of the Chair, then they should receive a proportion of the Chairs SRA for the appropriate period. Of the group of 8 comparator authorities, 5 (including Medway) pay the Deputy or Vice-Chairman of Planning Committee an SRA and 3 (including Medway) pay an SRA to the Vice-Chairman of Overview & Scrutiny Committees.

- Group Whips

The Panel has concerns about the payment of special responsibility allowances to group whips. It is concerned that much of their work is performed in the interest of the party group rather than in the interests of the council as a whole, and noted that none of the authorities in the comparator group or indeed the whole of the South-East pays allowances to whips. It is accepted that there may be a higher level of activity by Whips in arranging nominations, appointments, and substitutions and therefore some out-of-pocket expenses – including phone calls – in dealing with these issues, but the Panel feels these should be recognised as a time commitment to Council work which is acknowledged within the basic allowance and not responsibilities for which an SRA should be paid.

- Opposition spokesperson on Planning Committee
- Chairman of Employment Matters Committee

The Panel is less convinced that either of these positions is substantial enough to warrant an SRA and note that there was some support amongst the Conservative Group submission for the SRA to the Chair of Employment Matters and SRAs to any spokespersons to be removed. Of the 8 comparator authorities, 3 (including Medway) pay an SRA to the Chairman of the Employment Matters Committee (or equivalent) and none other than Medway pays an SRA to Opposition Spokespersons on any committees.

10.13 Abolishing these SRAs would reduce the costs of the Scheme in the order of £28,500 although it is difficult to calculate accurate figures because of the discounting that currently takes place if more than one SRA is paid.

## Other SRAs

- 10.14 Having come to conclusions about the Leader and Deputy Leader SRAs and those positions it thought should be abolished, the Panel then considered the relativities of the other SRAs to each other and the level of complexity and seniority. The responses to the questionnaire showed that there was more or less common agreement amongst Councillors about their ranking. The Panel has tried to simplify the Scheme so that there are fewer different benchmark figures used and recommends that each of the positions is calculated as a multiplier of the basic allowance rather than derived from the Leaders SRA as is current practice. This should improve transparency and make the Scheme clearer to understand. The Panel recommends that the levels of other special responsibility allowances should be as follows:

<b>POSITION</b>	<b>Current SRA £</b>	<b>Proposed SRA £</b>	<b>% multiplier of basic allowance</b>	
Leader of the Cabinet	20269	26760	300	
Deputy Leader	14741	15610	175	
Cabinet Portfolio Holder (8)	11056	13380	150	
Chairman, Overview & Scrutiny Committee (4)	9213	11150	125	
Chairman of Health & Well Being Board	7370	11150	125	Only payable if held by Councillor who is not Cabinet member
Chairman of Planning Committee	7370	11150	125	
Chairman of Audit Committee	5528	5352	60	
Opposition Group Leader (more than 20% of members)	9213	11150	125	
Overview & Scrutiny Spokespersons (group more than 20% of members) (4)	5528	5352	60	
Deputy Opposition Group leader (more than 20% of members)	3685	4460	50	
Opposition Group Leader (more than 10% of members)	4606	5352	60	Not currently payable

- 10.15 The Panel is particularly conscious that the position of Chairman of the Health & Well Being Board is a particularly complex role and notes that this is now included in the role of the Portfolio holder responsible for Adult Care. As and when the Chairman position is held by a Councillor who is not a Cabinet Member the Panel has included an SRA in the Scheme to save the Council having to seek their views on it separately.

## Indexing of SRAs

- 10.16 The Panel recommends that SRAs continue to be indexed annually against Council's staff annual pay award for a maximum of 4 years.

## **11. Licensing Hearing Panels and 1982 Licensing Hearing Panel**

- 11.1 No specific comments were made by Councillors about the current session rates paid to those who sit on these Panels but the Panel is advised that the regularity and workload has now settled and is fairly well-established and are of the opinion that the current payment of an allowance per day reflects fairly the time commitment and workload involved.
- 11.2 The current day rate is £31.78 which breaks down to £10.59 per hour on the basis that most Hearings last no more than a half day (3 hours). As the basic allowance has been calculated using the average hourly rate for Council staff (£13.89), the Panel recommends that the two Licensing Hearing Panels day rates are also based on this hourly rate and, therefore should be increased to £41.67 to make it equitable. The Panel understands that the annual spend on this is relatively low so this would not have a huge impact on overall spend on members' allowances.
- 11.3 The Panel also recommends that the amount be index-linked to Council staff annual pay rates for a further four years.

## **12. Discounts for more than one SRA**

- 12.1 The Panel considers the existing provisions in the Members Allowances Scheme whereby those in receipt of more than one SRA from Medway and/or the Kent Police Authority or Kent and Medway Fire and Rescue Authority, should have the second and subsequent Medway SRAs discounted by an appropriate amount.
- 12.2 As referred to previously, 28 Councillors are in receipt of an SRA, which represents 51% of Councillors. Of those 28 Councillors, 6 are in receipt of 2 SRAs and 1 holds 2 SRAs plus another allowance. In these cases the Councillor receives 50% of the second or third SRA. Broken down by political group, the Conservative administration hold 24 (73%) of those, and the Labour Group 8 (24%).
- 12.3 Whilst the Panel accepts that the Administration would expect to hold the majority of SRA positions, they are out of proportion to the number of seats they hold on the Council, which is 65%.
- 12.4 The Panel noted that none of the other 7 authorities in the comparator group provides for any one Member to be in receipt of more than one SRA at any one time. The Conservative Group suggested that discounts should mirror those in Kent County Council's Scheme of Allowances but their 2015 Scheme only allows each Councillor to receive one allowance at any one time. The Panel is mindful that public perception could be that this is a system whereby Councillors sought additional duties simply to receive an SRA. It would reiterate the points made about the number of positions attracting an SRA and the number of Councillors currently in receipt of more than 1 SRA. Therefore, the Panel is recommending that the existing provisions in the Scheme are amended so that it is clear that no Councillor should receive more than one SRA in relation to the Medway Scheme of Allowances at any one time.

12.5 The Panel is of the view that the current discount arrangements for any Councillor who serves on either the Police Authority or the Kent and Medway Fire and Rescue Authority and receives an SRA or allowance from both Medway and the other Authority, should continue as set out in the current Scheme,

### **13. Dependent carer's Allowance**

13.1 The Regulations authorise the payment to councillors of an allowance ('the Dependants' Carers' Allowance') in respect of the expenses of arranging for the care of children or dependants when the councillor attends meetings or is engaged in other official duties.

13.2 Several Councillors made the point, and the Panel would support the view, that access to dependants' carers' allowances can make it possible for a wider range of people to serve on councils. Specifically by payment of dependants' carers' allowance, Councils can attract some who would not normally expect to become councillors. Also these allowances can reverse any disadvantage to those Councillors who have caring responsibilities that impact their ability to engage in the full range of activities.

13.3 The Panel is strongly of the view that the maximum that can be claimed under this provision should be not less than the National Living Wage. The current maximum hourly rate claimable by Councillors is £3.57 per hour, and it has been index-linked for the past four years to the average rate for registered childminder's paid across Medway. However the Panel is conscious that this does not reflect the actual rate for an ad hoc childminder and that those with caring responsibilities may need specialist care, for example if their dependent has special needs. It is, therefore, recommending two maximum hourly rates - £8.25 an hour per child for child care (National Living Wage) and £13.65 per hour per person for adult care. The latter is based on the current home care in the community carers respite rate. The current Scheme sets out the eligibility arrangements for claiming as well as the maximum that can be claimed in any one 24 hour period while attending a conference. This section of the Scheme will need to be amended to show the maximum for child care and adult care and to reflect the new recommended hourly rates.

13.4 The Panel also recommends that the Members' Allowances Scheme contains a provision that gives the Head of Elections and Member Services some flexibility to assist Councillors who need specialist care that costs more than the rates approved.

13.5 The Panel recommends that the maximum child care rate is indexed to the National Living Wage that is upgraded during the first week of November each year and the adult care rate to the home care in the community respite care rate both for a maximum of four years.



## 14. Subsistence, travelling and other allowances

### Payments to co-optees and members of Education Schools Admission and Exclusion Appeals Panels

- 14.1 The Panel recommends that the current provisions for payments to co-optees and members of Education Schools Admission and Exclusion Appeals Panels as set out in the Scheme are retained without amendment.

### Duties for which subsistence and travelling allowances can be claimed

- 14.2 The Panel considered the existing list of duties that qualify for travelling and subsistence allowances in Appendix 1 to the Members' Allowances Scheme and would not recommend any changes to it.

### Travel allowances

- 14.3 The Panel is aware that, although the Government had increased the Approved Mileage Allowance Payment ("AMAP") rate for the first 10,000 miles to 45p per mile with effect from 6<sup>th</sup> April 2011, Councillors had taken the decision to retain their rate at 40p to reflect the economic situation. Not many Councillors responded to the points in the questionnaire relating to the travel scheme but those that did and those individual Councillors who met the Panel mentioned that the cost of fuel whilst fluctuating somewhat, has increased since 2011 and that as other aspects of the Allowances Scheme are indexed against Council staff rates, the travel scheme should be as well.
- 14.4 The Panel is of the view that the travel allowances for Councillors should be increased to 45p per mile for all engine sizes and indexed against the AMAP rate for the next four years.
- 14.5 The Panel recommends that the travel allowances scheme is also amended as follows to bring it into line with the Council staff scheme:
- No additional 1p per mile is paid for passengers
  - Journeys by car outside Kent and the London postal area are paid at the same flat rate of 45p rather than the first 60 miles being paid at 40p and 20p per mile thereafter. This is a confusing provision and is not mirrored in the Council staff scheme
  - The rate for travel by motor cycles should be 21.3p per mile to mirror that paid to Council staff
  - Travel by bicycle should continue to be at 20p per mile to mirror the rate paid to Council staff
- 14.6 The Panel considered the other provisions in the Scheme relating to travel set out in existing paragraph 7.3.2 and confirms that they do not require any amendments apart from those indicated above.

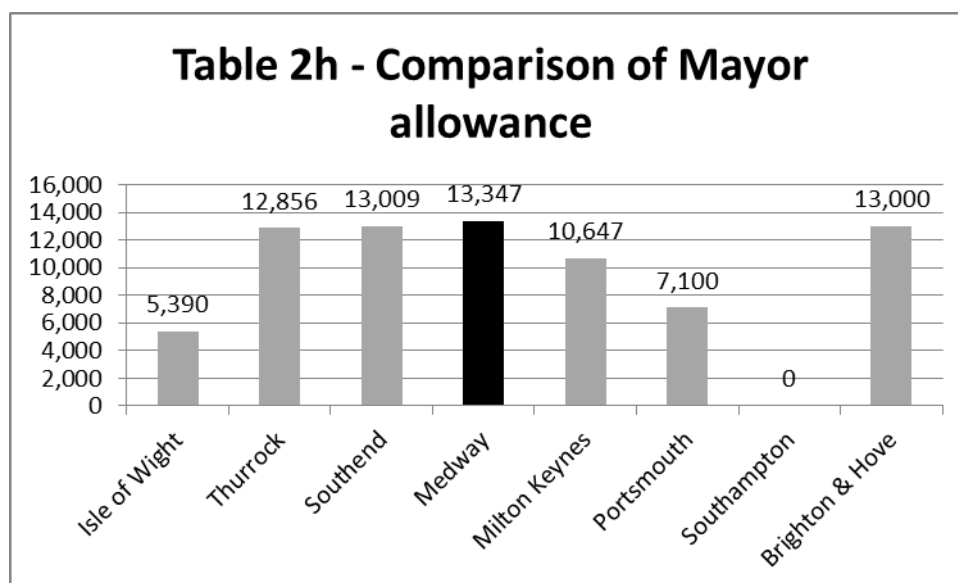
15. **Conference expenses, duties for which allowances can and cannot be claimed and how to claim**

15.1 The Panel could see no reason why any of these provisions in the current Scheme (paragraphs 8-10) require amendment and recommend that they stand unchanged.

16. **Mayor and Deputy Mayor allowances**

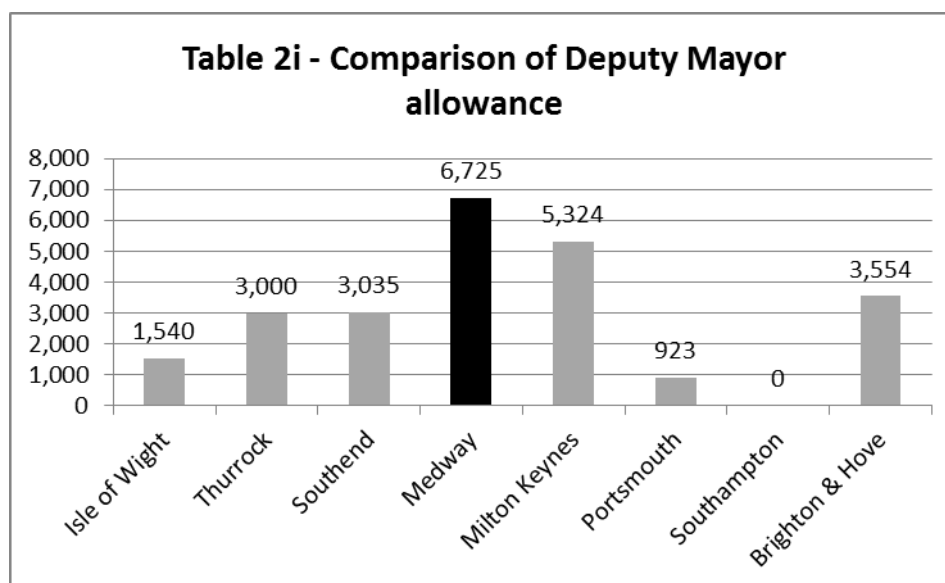
16.1 The Council asked the Panel to consider the allowances paid to the Mayor and Deputy Mayor although they are not technically part of the Members' Allowances Scheme because they are not provided for in the The Local Authorities (Members' Allowances) (England) Regulations 2003. The Labour Group, in their submission suggested the Panel consider the total cost of the mayoralty for tax payers but this is not within the remit of the Panel so it has limited its' consideration to the allowances payable to the Mayor and Deputy Mayor.

16.2 Of the 8 comparator authorities (including Medway), the average Mayoral allowance is £9,419, with Medway's current allowance at £13,347 being the highest. The lowest allowance paid is £5390. One authority in the comparator group does not pay an allowance at all. The table below shows this more clearly:



16.3 The Panel had discussions with the current Mayor as well as several Councillors who had been the Mayor. Their views were equally balanced between those who thought the current allowance was a bit high and those who thought it was about right. Comments were made about the importance of the role as the First Citizen of Medway and how time-consuming it is, with lots of anti-social hours involved. The Panel recognises this.

- 16.4 In terms of the Deputy Mayors allowance amongst the comparator authorities Medway is also paying nearly double the average of £3013 with the minimum being £923 with one authority not paying any allowance. The table below shows this:



- 16.5 The Panel was advised that Medway is currently funding two Mayoral vehicles and two Civic and Ceremonial Officers/chauffeurs which meant that the Deputy Mayor was often able to attend engagements at the same time as the Mayor, rather than merely deputising for the Mayor when he was not available. However, the Panel notes that over the last five years the number of engagements attended has reduced, by about 17%, from a high of 554 engagements in 2010-11 to 458 in 2014-15.
- 16.6 The Panel is mindful that the Mayoral allowance is higher than the SRA paid to Cabinet members who have significant responsibilities and that similarly the Deputy's allowance is more than the SRA for the Leader of the Opposition Group. There were similar points raised in the Conservative Group submission and clearly the Labour Group are also concerned about the costs. On that basis the Panel recommends that both allowances should be adjusted to figures that more adequately reflect their level of responsibility in comparison to the posts that attract an SRA.
- 16.7 The Panel could not identify the rationale previously used for the setting of the Mayor or Deputy Mayor's allowances and so took the view that, like the other SRAs, they should be a multiplier of the basic allowance to make the calculation more transparent and easier to administer.
- 16.8 The Panel is, therefore, recommending that the Mayoral allowance should be set at £11150 that is 125% of the basic allowance, matching it to the SRAs for the Leader of the Opposition Group, Chairmen of Overview & Scrutiny Committees and Chairman of Planning Committee.

- 16.9 The Panel recommends that the Deputy Mayor allowance is set at £5352 that is 60% of the basic allowance, matching it to the SRAs for the Chairman of Audit Committee, Overview & Scrutiny opposition spokespersons and the Minority Opposition Group Leader.
- 16.10 As with the SRAs, the Panel recommends that these allowances are indexed to the Council staff pay award for the next four years.

**17. Foster Panels**

- 17.1 One Councillor asked the Panel to consider introducing an SRA for the Councillor representative on the Foster Panel. The Councillor mentioned that it is difficult to arrange for anyone to substitute on the Panel because they meet during the day and there is a high volume of case papers to read for each meeting. Currently the Chair, vice-chair and other members of the Panels receive a payment per session, paid for by the relevant service department, but the Members' Allowances Scheme does not have a provision for the Councillor representative to receive any payment in recognition of the responsibility or time commitment involved.
- 17.2 Whilst accepting the practical difficulties of attending day time meetings and the volume of paperwork that goes with this role, the Panel is not convinced that the complexity or volume warrants a specific allowance for the Councillor representative. Also, such an allowance would run counter to the intention to reduce the number of SRAs. To ease the burden on the current representative the Panel understands that it may be feasible for a named substitute to be formally approved if the Foster Panel agrees to it.

**18. Foregoing and suspension of allowances and part-year entitlement**

- 18.1 Members Allowances Schemes must contain provisions regarding (a) the option for Councillors to forego all or part of their allowances; (b) the circumstances under which the payment of allowances can be suspended; and (c) the arrangements for part-year entitlements if a Councillor's term of office begins or ends otherwise than at the beginning or end of a year. Having reviewed the current Scheme, the Panel would recommend that there are not amendments to these provisions.

**19. Pension scheme**

- 19.1 The Panel noted that the legislation has been changed recently so that new Councillors are no longer eligible to join the Local Government Pension Scheme. Therefore, the Panel did not consider this matter any further.

## **20. Conclusions**

- 20.1 In approaching this review, the Independent Remuneration Panel has taken due account of statutory guidance, the current financial climate, the need to ensure that councillors are fairly compensated for the significant contribution they make, such that a broad cross section of the local population might be attracted to stand for election; and the need to ensure that stakeholders (Council staff and the public) can be confident that the scheme is transparent and making sensible use of public money. Also that the scheme is aligned with those of similar local authorities in the South East of England.
- 20.2 The Panel has, therefore, made recommendations that seek to produce a rational formula for the calculation of the basic allowance using the average hourly pay of council staff that provides adequate recompense for front line council activities. This basic allowance has been used as the foundation for the SRA scheme that is intended to reflect the considerable responsibilities of key roles in a unitary authority of the size of Medway Council. The number of small SRAs that Medway currently awards for less onerous roles has been reduced, thereby enabling the proposed scheme to remain broadly budget neutral.
- 20.3 Furthermore, the Panel has made recommendations to improve Dependent Carer's Allowances to maximize the ability of those with caring responsibilities to engage in council duties and to align other expenses and allowances to those payable to council staff.
- 20.4 Finally, in order to ensure that, over time, Councillor's allowances do not drift from the remuneration of council staff, the panel recommends that all allowances for Councillors are indexed to the annual pay awards made to council officers.
- 20.5 The Panel would like to extend their thanks to the Councillors who responded to the questionnaire and those who agreed to meet the Panel. We are conscious that Councillors are committed to providing the best service they can to their constituents and are giving a lot of their time.

## **21. Background Papers**

- South East Employers (SEE) Members' Allowances Survey May 2015–
- Members' Allowances Scheme 2015 – comparator group of authorities
- New Council Constitution: Guidance on Regulation for Local Authority Allowances (OPDM)– extract of sections 70-76 re: Special Responsibility Allowances
- Schedule showing Medway current SRA's and basic allowances
- Elected Member Profiles
- Submission from the Conservative Group dated 13 August 2014
- Submission from the Labour Group dated 14 August 2014
- Questionnaire responses from Councillors
- Information obtained from discussions with Councillors



# Diversity impact assessment

## Appendix 2

<b>TITLE</b> <i>Name/description of the issue being assessed</i>	Medway Independent remuneration Panel – report on Members’ Allowances Scheme December 2015
<b>DATE</b> <i>Date the DIA is completed</i>	December 2015
<b>LEAD OFFICER</b> <i>Name and title of person responsible for carrying out the DIA.</i>	Jane Ringham Head of Elections & Member Services

### 1 Summary description of the proposed change

- *What is the change to policy/service/new project that is being proposed?*
- *How does it compare with the current situation?*

The Local Government Act 2000 and subsequent regulations require every local authority to establish and maintain an Independent Remuneration Panel to make recommendations about the financial allowances to be paid to Councillors.

The Independent Remuneration Panel (IRP) has reviewed the Members Allowance Scheme and submitted its recommendations to the Council.

In summary, the changes are as follows:

1.6% increase to basic allowance

Increases to the following Special Responsibility Allowances (SRAs):

Leaders SRA

Cabinet/portfolio holders

Leader of Opposition

Chairmen of Overview & Scrutiny Committees

Leader of Minority Opposition SRA

Chairman of Planning Committee

Chairman of Licensing & Safety Committee and members of the Licensing Hearing Panel and Licensing 1982 Panel Hearings

Reductions to the following SRAs:

Deputy Leader

Opposition Spokespersons on Overview & Scrutiny Committees

Chairman of Audit Committee

Removal of SRAs to:

- Vice-Chairmen of O&S Committees
- Vice-Chairman of Planning committee
- Opposition spokesperson on Planning Committee
- Chairman of Employment Matters Committee
- Majority Group Whip
- Opposition Group Whip

# Diversity impact assessment

Reduction to Mayor and Deputy Mayor's allowances

That Councillors are only entitled to receive one SRA at any one time, with the exception of those in receipt of an SRA from Medway and/or the Kent Police or Kent Fire and Rescue Authorities, who should have the second and any subsequent Medway SRA discounted as described in the current Scheme

That the Members' Allowance Scheme be amended (a) to provide two maximum hourly rates for dependent care costs- £8.25 an hour per child for child care and £13.65 per hour per person for adult care; (b) to show the maximum for child care and adult care relating to conference attendance; (c) to contain a provision that gives the Head of Elections and Member Services some flexibility to assist Councillors who need specialist care that costs more than the rates approved.

That the current provisions for payments to co-optees and members of Education Schools Admission and Exclusion Appeals Panels as set out in the Scheme are retained without amendment.

That the existing list of duties that qualify for travelling and subsistence allowances in Appendix 1 to the Members' Allowances Scheme remain unchanged.

That the travel allowances for Councillors should be increased to 45p per mile for all engine sizes and indexed against the Approved Mileage Allowance Payment (AMAP) rate for the next four years.

That the travel allowances scheme is amended to bring it into line with the Council staff scheme:

- No additional 1p per mile is paid for passengers
- Journeys by car outside Kent and the London postal area are paid at the same flat rate of 45p rather than the first 60 miles being paid at 40p and 20p per mile thereafter.
- The rate for travel by motor cycles should be 21.3p per mile
- Travel by bicycle should continue to be at 20p per mile

That the other provisions in the Scheme relating to travel set out in existing paragraph 7.3.2 remain unchanged.

That paragraph 8 of the Members' Allowances Scheme relating to Conference expenses, duties for which allowances can and cannot be claimed and how to claim remain unchanged.

That no allowance is paid to the Councillor representative on the Fostering or Adoptions Panels

Alternative proposals have been submitted by the Cabinet and these are set out in the report being considered by Full Council on 21 January 2016.



# Diversity impact assessment

## 2 Summary of evidence used to support this assessment

- Eg: Feedback from consultation, performance information, service user records etc.
- Eg: Comparison of service user profile with Medway Community Profile

The IRP report is based on evidence from a variety of sources, including the levels of allowances paid in similar, comparator authorities, responses by Councillors to a questionnaire and interviews with a selection of Councillors.

## 3 What is the likely impact of the proposed change?

Is it likely to :

- Adversely impact on one or more of the protected characteristic groups?
- Advance equality of opportunity for one or more of the protected characteristic groups?
- Foster good relations between people who share a protected characteristic and those who don't?

(insert ✓ in one or more boxes)

Protected characteristic groups	Adverse impact	Advance equality	Foster good relations
Age		✓	
Disability		✓	
Gender reassignment		✓	
Marriage/civil partnership		✓	
Pregnancy/maternity		✓	
Race		✓	
Religion/belief		✓	
Sex		✓	
Sexual orientation		✓	
Other (eg low income groups)		✓	

## 4 Summary of the likely impacts

- Who will be affected?
- How will they be affected?

The IRP recommendations to remove SRAs from the positions listed, or reduce others, are based on their assessment that the positions do not warrant a special responsibility allowance and/or the current rates do not compare with those paid by the comparator group of authorities.

# Diversity impact assessment

All Councillors are paid a Basic Allowance to cover expenses. Travel and carers allowances can be claimed where additional expenses are incurred due to attendance at meetings.

Therefore there is unlikely to be an adverse impact on any of these characteristic groups.

## 5 What actions can be taken to mitigate likely adverse impacts, improve equality of opportunity or foster good relations?

- *Are there alternative providers?*
- *What alternative ways can the Council provide the service?*
- *Can demand for services be managed differently?*

It is recommended that the basic allowance which is paid to all Councillors is increased, and this allowance is aimed at recompensing Councillors for any additional costs incurred in their role as a Councillor.

In addition to the Basic Allowance Councillors can claim travel and carers allowances if they incur additional costs to attend meetings due to these reasons.

A provision is proposed that gives the Head of Elections and Member Services some flexibility to assist Councillors who need specialist care that costs more than the rates approved.

## 6 Action plan

- *Actions to mitigate adverse impact, improve equality of opportunity or foster good relations and/or obtain new evidence*

Action	Lead	Deadline or review date
Travel, carers and specialist care costs will be monitored, as a large increase in these may indicate an impact on one or more of the protected characteristics. Results will be fed into future IRP reviews	Jane Ringham	31.03.2017

## 7 Recommendation

*The recommendation by the lead officer should be stated below. This may be:*

- *to proceed with the change, implementing action plan if appropriate*
- *consider alternatives*
- *gather further evidence*

*If the recommendation is to proceed with the change and there are no actions that can be taken to mitigate likely adverse impact, it is important to state why.*

The Panel's report is submitted to Full Council on 21 January 2016 to seek their approval.

# Diversity impact assessment

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## 8 Authorisation

*The authorising officer is consenting that:*

- *the recommendation can be implemented*
- *sufficient evidence has been obtained and appropriate mitigation is planned*
- *the Action Plan will be incorporated into service plan and monitored*

### Assistant Director

Perry Holmes, Assistant Director, Legal and Corporate Services

### Date

5 January 2016

Contact your Performance and Intelligence hub for advice on completing this assessment

RCC: phone 2443 email: [annamarie.lawrence@medway.gov.uk](mailto:annamarie.lawrence@medway.gov.uk)

C&A: (Children's Social Care) contact your normal P&I contact

C&A (all other areas): phone 1481 email: [paddy.cahill@medway.gov.uk](mailto:paddy.cahill@medway.gov.uk)

BSD: phone 2472/1490 email: [corppi@medway.gov.uk](mailto:corppi@medway.gov.uk)

PH: phone 2636 email: [david.whiting@medway.gov.uk](mailto:david.whiting@medway.gov.uk)

Send completed assessment to the Corporate Performance & Intelligence Hub (CPI) for web publication ([corppi@medway.gov.uk](mailto:corppi@medway.gov.uk))