

EAST KENT JOINT INDEPENDENT REMUNERATION PANEL

SEPTEMBER 2019

- Subject:** **Review of the Councillor and Co-opted Members Allowances Scheme for Canterbury City Council**
- Director/Head of Service:** Chief Executive/Head of Corporate Governance
- Decision Issues:** These matters are within the authority of the Panel
- Classification:** This report is open to the public.
- CCC Ward(s):** **All**
- Summary:** *The East Kent Joint Independent Remuneration Panel (EKJIRP) is invited to consider and make recommendations in relation to the allowances contained within the council's Members Allowances Scheme.*
- To Consider:** **The EKJIRP is asked to consider the allowances for each role described in the council's Scheme of Members Allowances and make recommendations -**
- 1. based upon a reappportionment of the existing budget, and as an alternative,**
 - 2. what it would suggest if there were no budget cap applied.**
- Next stage in process:** The EKJIRP will conduct the review and make recommendations, which will be considered by CCC's Governance/Policy and Resources Committee [tbc], who will make final recommendations to Council.

SUPPORTING INFORMATION

1. Introduction

This review arises out of the requirement of Local Authorities (Members' Allowances) (England) Regulations 2003 to review the allowance scheme at least once every four years to ensure that there is periodic public scrutiny of Members' Allowances.

The Regulations mandate all local authorities to establish and convene an advisory Independent Members' Allowances Remuneration Panel to make recommendations on the level of the Basic Allowance, Special Responsibility Allowances (SRAs) and

associated expenses such as travel and subsistence and co-optees' allowances.

The East Kent Independent Remuneration Panel (EKIRP) last conducted a review of Canterbury City Council's Members Allowance Scheme in 2015. It made recommendations that covered the former Leader/Cabinet model and the new Committee model of governance, which the council had agreed to adopt from May 2015. A copy of the report can be found [here](#).

The regulations specify that the Council has to take the report of an independent panel into account when setting allowances, but, having considered it, can then take a decision that they believe is appropriate for the Council.

The last set of recommendations by the panel were carefully considered but were largely rejected, due in part to a political commitment to reduce the councillor budget in line with the reduction in councillors from 50 to 39 following a Boundary Commission review. The outcome of the review took effect at the local elections in May 2015, coinciding with the EKJIRP review and the change from the Leader/Cabinet model to the committee model.

The reduction in councillors was matched by a reduction in the councillors' allowance budget from £345,000 to £273,000. According to projections made at the time, full implementation of the last set of EKJIRP recommendations would have cost £459,817, which was felt to be unaffordable.

To be fair to the Panel, the recommendations were made without the knowledge of how the committee model would work in practice as it was still conceptual at the point when the review concluded. We now have the benefit of four years experience to draw upon for this review.

The context of this review is that the council's Medium Term Financial Strategy anticipates further downward pressure on budgets over the next four years.

Given that the last review was undertaken before the current model had been introduced the council would like the Panel to make two recommendations for the new Scheme of Allowances.

Firstly what would the Panel recommend working within the existing budget envelope?

Secondly, what it would recommend if there were no budget cap?

2. Detail

The budget available for Councillors allowances in 2019/20 is as follows:

2019/20	Budget 2019/20
Councillors basic allowances	£217,800
Special Responsibility Allowances (SRA's)	£74,960
Lord Mayor's allowance	£5,850

Sheriff's allowance	£4,250
Travel and Subsistence	£2,000
Car Allowances	£4,000

The current scheme of allowances was prepared in 2015 following the introduction of the committee model, since when they have increased annually at the same rate as the officer pay award. For the last four years that has resulted in the Basic Allowance and SRA's increasing by 1% (2016/17); 1.25% (2017/18); 2% (2018/19) and 2% (2019/20).

The committee structure

Since the council adopted the committee model of governance in 2015, there has been very little change to the committee structure.

A copy of the current structure is included as [Appendix 1](#). Council has discretion to determine the role of each committee through the Terms of Reference, which are agreed annually in the constitution. The role of each committee is summarised below.

Council

All councillors are members of Council. Under the committee system, Council is the governing body and decides the budget and policy framework. Only Council has the power to agree matters outside of that framework. It also has the power to determine the design of the committee system and the Terms of Reference of each committee. At the annual meeting in May of each year, Council appoints the Lord Mayor and Sheriff, councillors to each of the committees, sub-committees and boards, and agrees the constitution for the coming year.

All committees and sub-committees are politically proportionate, with membership and subs determined by Council. The exception to the proportionality rules are the area forums where membership is determined by ward representation in the geographical area covered by the forum.

The chairman of each committee is selected by Council at the annual meeting. Any changes during the year are made by the committee itself.

Three service [or standing] committees

The council has three service committees that oversee decision making:

1. Policy and Resources Committee (P&R)
2. Community Committee
3. Regeneration and Property Committee

The responsibilities of each committee are summarised below.

Policy and Resources Committee

The Policy and Resources Committee has a broad remit which includes, among other things, approval of council policies other than those reserved for Council or regulatory committees; recommending the capital and revenue budget and the Medium Term Financial Strategy to Full Council; oversight of performance monitoring and oversight of the constitutional and governance aspects of shared services which include East Kent Services, East Kent Human Resources, East Kent Housing and the South Thames Building Control Partnership.

The chairman of the Policy and Resources Committee is also designated Leader of the Council. This reflects the committee's coordinating role, practical examples of which include the referral of decisions within the budget and policy framework that exceed £400,000 and referral of decisions that cut across the terms of reference of more than one committee.

Regeneration and Property Committee

Responsibilities include oversight of property acquisitions and disposals, save for those referred to P&R committee; economic development and regeneration through development; parking, travel and roads. It can make decisions on these matters up to a value of £400,000. The one exception to this limit is property disposals, where the threshold is up to £1m. Decisions exceeding the thresholds are referred to P&R committee. The committee also considers and recommends policies within its remit to P&R committee.

Also within the remit are matters such as the beach hut service including site provision and letting; public rights of way and joint working with Kent County Council on highways issues. Where property is no longer required for service delivery, this committee may decide on its retention or disposal.

Community Committee

The terms of reference include housing; environmental health; culture; leisure; enforcement and community safety. It considers and recommends policies within its remit to P&R committee.

Also within the remit of the Community Committee are matters such as health and wellbeing, countryside and allotments, community development and safety and voluntary sector funding.

Planning Committee

The main work of the Planning Committee is to consider planning applications. The committee can also deal with a variety of other matters under the Town and Country Planning Acts. Last year the committee considered 125 applications.

Planning Sub-Committee

The Planning Sub-Committee will support its parent committee by considering any matters referred to it. Primarily, it considers the planning enforcement report on a quarterly basis.

Licensing Committee

This committee has responsibility for licensing . including alcohol licences, taxis, late-night refreshments, scrap metal dealers and sex establishments. In practice, the determination of individual applications is carried out by its sub-committee so it only meets once a year to consider the annual report from the various public authorities (including Kent Police and Kent Fire and Rescue) with responsibilities under the Licensing Act 2003.

Licensing Sub-Committee

This sub-committee mainly considers applications for the opening hours and alcohol licensing arrangements of commercial premises. The sub-committee will consist of three panel members plus a reserve member. The membership is determined by a rota which is agreed at the beginning of the council year.

Area Forums

There are four area forums covering Canterbury, Herne Bay, Whitstable and the Rural area. They are advisory committees providing a platform for debate between councillors and the public on matters of local interest. The public is permitted to join the debate so there are no formal speaking rules at the Forums. Planning and licensing issues are excluded from forum debates, but most other matters of geographical interest can be discussed. Membership is determined by the ward location so the forums are not politically proportionate.

Whitstable Harbour Board

The Harbour Board makes strategic decisions about harbour land, property and marine safety. There are eight members of the Board comprising of five councillors, selected on a politically proportionate basis, and three co-opted independent members.

Appointments Sub Committee

The committee primarily considers the appointment or dismissal of the council's senior officers (director level and above) and appoints the independent members of the Whitstable Harbour Board.

Regulatory and Appeals Sub Committee

This is a sub-committee of the Policy and Resources Committee. Among its duties are appeals brought by employees and discretionary rate relief (charities' discount on business rates.).

Decision Review Committee

This committee has the ability to review the decisions that have been made by the three main service committees (Policy and Resources Committee, Community, and Regeneration and Property). It met once in the four years of the last council.

If the call-in meets the criteria the committee meets to decide whether to refer the matter back to the committee that took the decision, or to Full Council (if outside the Budget and Policy Framework), or decide that no action is necessary.

Audit Committee

The Audit Committee considers the internal audit reports submitted by the East Kent Audit Partnership; reports submitted by the council's external auditors Grant Thornton; the council's statement of accounts and treasury management reports. It has oversight of the council's corporate risk register.

The committee also looks at anti-fraud measures, corruption and whistle-blowing and monitors complaints to the Ombudsman.

Governance Committee

This committee meets as and when required to consider detailed governance matters within the constitution.

Standards Committee

The main role of this committee is to promote high standards of conduct from the council's elected representatives. It does this by considering relevant new guidance and legislation that is referred to it by the Monitoring Officer and advising on any reviews of procedures and policies relating to them. It also deals with any complaints referred to it relating to breaches of the code of conduct. Membership includes three co-opted parish council members.

Joint Transportation Board

The Joint Transportation Board (JTB) is a forum for consultation between Kent County Council and Canterbury City Council on policies, plans and strategies related to highways, road traffic and public transport. Membership of JTB will consist of an equal number of County and City Councillors, plus a representative of the parish and town councils within the district. It also

receives recommendations from the Area Forums on the annual parking review.

Working Groups

Working Groups are formed to oversee a particular task or subject matter. Responsibility for establishing working groups rests with Policy and Resources Committee but thereafter the working group reports to the parent committee with responsibility for the matter. Membership will be politically proportionate where possible and officers will support their work.

Working Group meetings are generally conducted in private, but they will often instigate public consultation or invite witnesses to attend a meeting as part of their research. A list of current working groups is contained within the Allowance Scheme in Appendix 4.

Review of the current committee arrangements

A report describing how the committee structure has operated over the last four years was recently considered by the council's Governance Committee in April 2019 (minute 815 refers). The purpose of the report was to invite them to consider any changes they might wish to recommend to the successor Council in light of their experience. In the event they were generally satisfied with the way the committee model was operating and recommended very few changes.

A copy of the report is attached as [Appendix 3](#), and will be helpful to the Panel in providing a commentary about the role of the committees under the new model.

Frequency of meetings

Details of the council's programme of meetings for 2019/20 is available [here](#). With the exception of Licensing, very few meetings are cancelled, but for an accurate picture of the actual number of meetings held a table is provided covering 2018/19 (excluding the AGM).

Committee	Meetings held 2018/19
Policy & Resources Committee	8
Regeneration & Property Committee	5
Community Committee	5
Planning Committee	13
Licensing Committee	1
Whitstable Harbour Board	5
Audit Committee	4
Governance Committee	2
Canterbury Forum	4
Herne Bay Forum	4
Rural Forum	4

Whitstable Forum	3
Decision Review Committee	0
Appointments Sub Committee	0
Standards committee	0

The role of councillors

The roles and functions of councillors are described in the constitution, along with those of the Council Leader, Deputy Leader, committee chairman and vice-chairman. These are appended to the report as Appendix 2.

Councillors allowances

The full list of committee roles and allowances for 2019/20 is set out below and also covered in the full scheme of Members Allowances set out in Appendix 4. Some roles do not carry an allowance but have been included in the list below so that the Panel are aware.

Role	No	2018/19	2019/20
Basic allowance	39	5,475.14	5,584.62
Chair Policy & Resources Committee (defacto Leader)	1	19,036.17	19,416.89
Vice Chair Policy & Resources Committee (who has also been nominated Deputy Leader)	1	2,607.73	2,659.87
Chair Regeneration & Property Committee	1	5,736.93	5,851.70
Vice Chair Regeneration & Property Committee	1	2,607.73	2,659.87
Chair Community Committee	1	5,736.93	5,851.70
Vice Chair Community Committee	1	2,607.73	2,659.87
Chair Planning Committee	1	5,736.93	5,851.70
Vice Chair Planning Committee	1	521.54	531.97
Chairman of Licensing Committee	1	5,736.93	5,851.70
Vice Chair Licensing-Committee	1	0	0
Chair Whitstable Harbour Board	1	1,043.07	1,063.90
Vice Chair Whitstable Harbour Board	1	0	0
Chair Audit Committee	1	521.54	531.95
Vice Chair Audit Committee	1	0	0
Chair Governance Committee	1	521.54	531.95
Vice Chair Governance Committee	1	0	0
Chair Canterbury Forum	1	1,043.07	1,063.90
Vice Chair Canterbury Forum	1	0	0

Chair Herne Bay Forum	1	1,043.07	1,063.90
Vice Chair Herne Bay Forum	1	0	0
Chair Rural Forum	1	1,043.07	1,063.90
Vice Chair Rural Forum	1	0	0
Chair Whitstable Forum	1	1,043.07	1,063.90
Vice Chair Whitstable Forum	1	0	0
Chair Decision Review Committee		0	0
Vice Chair Decision Review Committee		0	0
Chair Appointments Sub Committee		0	0
Vice Chair Appointments Sub Committee		0	0
Chair Standards committee	1	1,043.07	1,063.90
Vice Chair Standards Committee	1	0	0
Independent Member - Standards	3	486.07	495.84
Independent Member - WHB	3	486.07	496.84
Group Leader (Cons) - per cllr	22	139.77	142.57
Group Leader (Labour) - per cllr	10	139.77	142.57
Group Leader (Lib Dem) - per cllr	6	139.77	142.57
Deputy Group Leader (Cons) - per cllr	22	93.18	95.04
Deputy Group Leader (Labour) - per cllr	10	93.18	95.04
Deputy Group Leader (Lib Dem) - per cllr	6	93.18	95.04
Leader	1	See Chair P&R	See Chair P&R
Deputy Leader*	1	5,736.93	5,851.70
Lord Mayor	1	5,736.93	5,851.70
Sheriff	1	4,172.35	4,255.85

*The Deputy Leader can be the chairman of a standing committee or the vice-chairman of P&R, hence the Deputy Leader is listed as a separate amount.

It should be borne in mind that no councillor may claim more than one special responsibility allowance. Therefore the total cost to the council will vary from one year to the next depending on how many councilors hold more than one position.

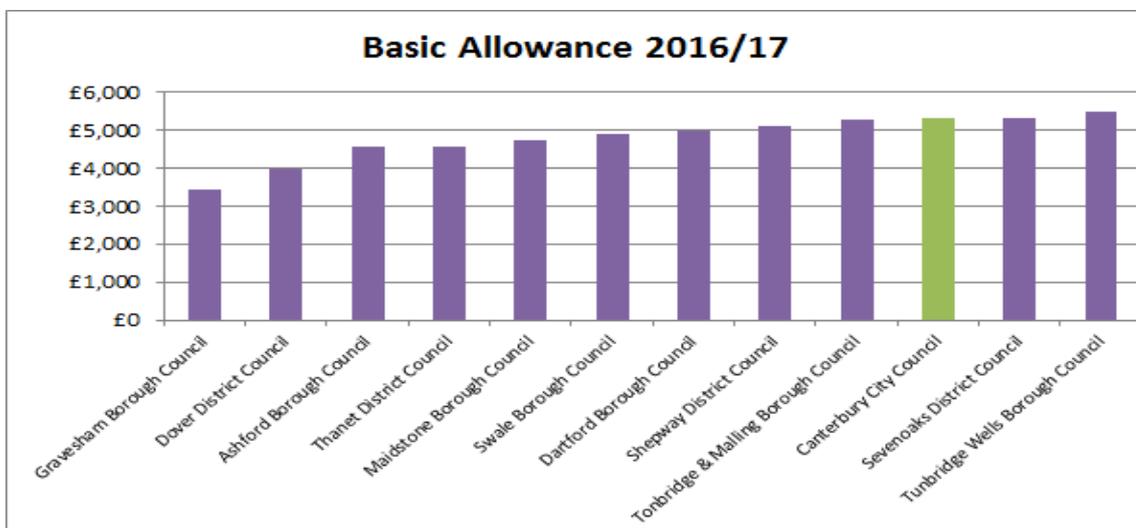
The weighting of the allowance for Chairman of Policy and Resources Committee recognises the fact that constitutionally the role is defacto the Leader of the council.

Comparisons and benchmarking

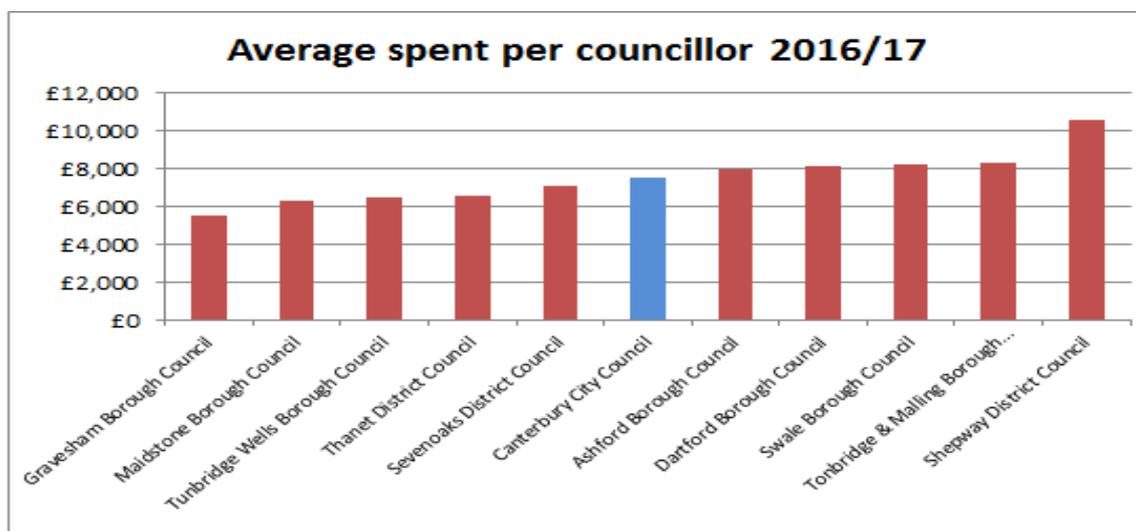
As part of the review, the Panel might wish to consider the comparative data on allowances published annually by South East Employers.

In 2017, the council undertook a comprehensive programme of commissioning reviews, covering all services. The Corporate Governance review included an assessment of the Members Allowances budgets to see how they compared with other Kent councils.

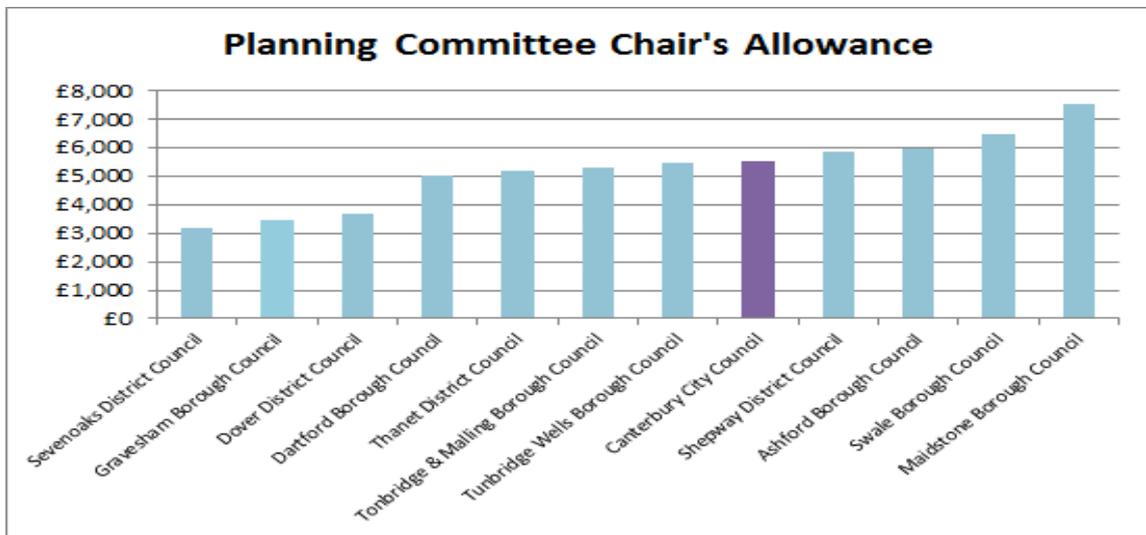
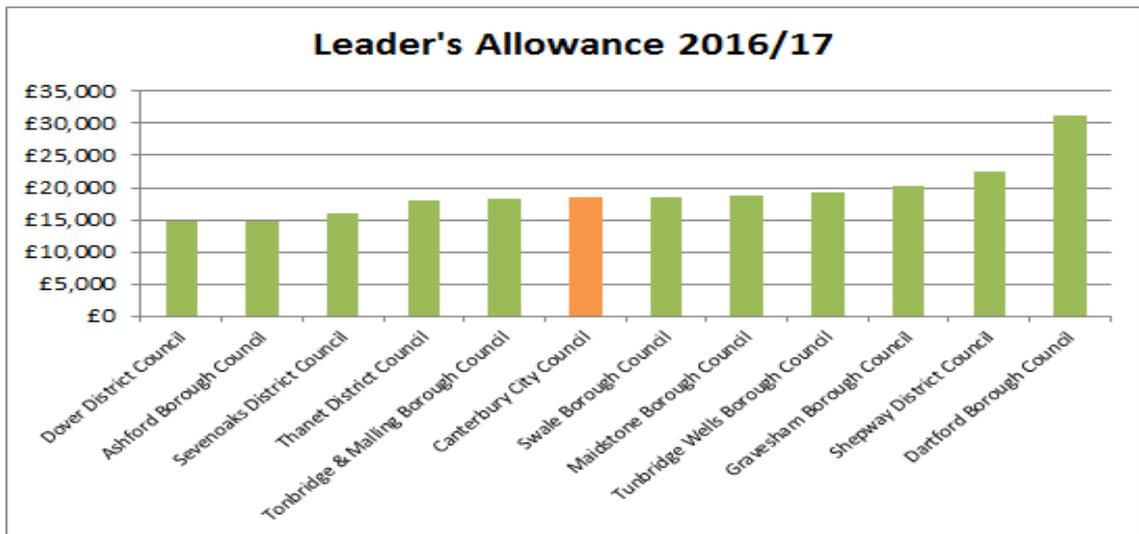
They established that in 2016/17 Canterbury's basic allowance, which at the time was £5303, was above average when compared with our neighbours. This is unsurprising given that the population of Canterbury is among the highest of the Kent districts. Details of Kent district population statistics can be found in Appendix 5.



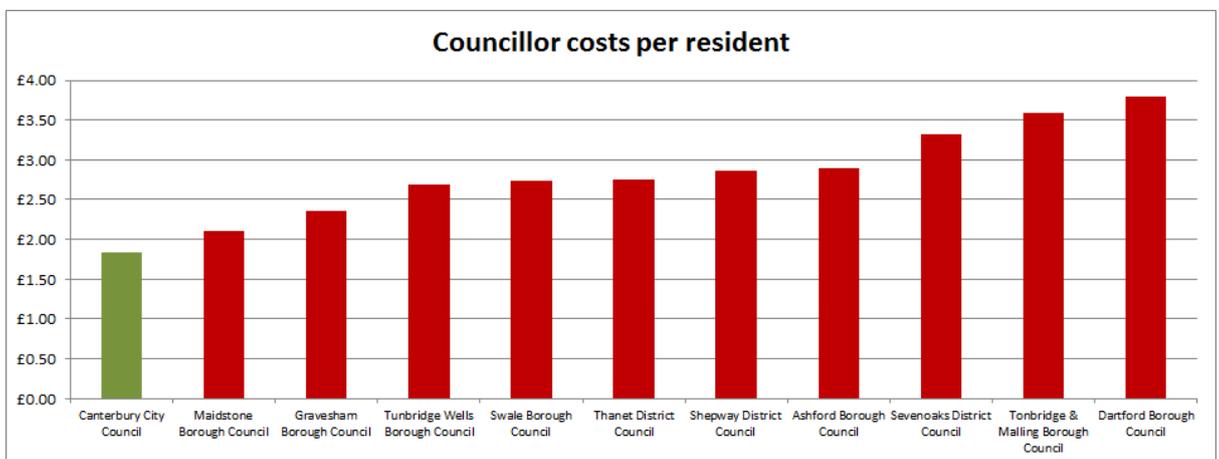
Calculating the cost of the Allowance Scheme on the basis of a cost per councillor found that Canterbury was close to the Kent average overall. We have 39 councillors.



Comparing individual allowances with other Kent authorities was more difficult because we operate the committee model. The roles of Leader and Chairman of Planning committee were used as illustrations as they can be found in most councils. The results showed that we were approximately mid-table when compared with our Kent neighbours. The tables enabled the commissioning review panel to conclude that allowances paid by Canterbury were broadly comparable with our near neighbours.



The one statistic that stood out was the overall cost per resident, which was calculated by dividing the overall costs of allowances by the number of residents in the district. The fact that our allowance rates are broadly similar, but our population higher than most other Kent districts led to the conclusion that on a 'cost per resident' basis the councillors were demonstrably offering good value for money.



Whilst a direct comparison of the South East Employers data is not always possible because it depends on how each council interprets the questions, it does provide a useful indicator for benchmarking purposes.

In addition to the comparative work undertaken in 2016/17, I have attached the SEE survey raw data for Kent districts for 2018/19 in Appendix 5. If there are specific indicators that the Panel would like to explore in more detail they can be incorporated into the review.

Other provisions included in the allowance scheme

The allowance scheme also includes rates for travel and subsistence, which can be claimed by councillors for attendance at the approved duties set out in the scheme. They fall within the scope of the review although there has been no indication of particular areas that they would wish to see reviewed.

One item to draw your attention is the section headed 'carers allowance' and 'support for councillors with disability'. The council was keen to support payments to councillors who have caring responsibilities in order to remove it as a possible barrier to participation in public life, therefore the carers allowance was revised this year to incorporate a broader range of caring responsibilities and simplify the process of claiming the allowance.

Support for councillors with disability is something we do as a matter of course but there was nothing in the scheme clarifying the council's position. By making a positive statement of support it is hoped that a clear message is given that steps will be taken to ensure reasonable adjustments are made where necessary.

3. Conclusions

As mentioned in the introduction, the Panel is now able to draw upon four years experience of the committee model. The benchmarking data enables the Panel to compare some of the allowances paid by Canterbury with those of neighbouring authorities.

Each district has its own unique challenges and we are one of only two in Kent operating the committee model, Maidstone being the other, so the comparisons are merely offered for guidance and context.

Given that there is still uncertainty about future levels of local government funding the council invites the Panel to consider what Scheme of Allowances it would recommend if the council had to operate within existing budgets and secondly, what it would recommend if there were no budget cap.

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Appendices (copies of the appendices can be provided on request)

Appendix 1 - [Current committee structure](#)

Appendix 2 - [Role of Councillors \(extract from constitution\)](#)

Appendix 3 - [Review of the council's committee system 2019](#)

Appendix 4 - [CCC's Councillor and Co-opted Members Allowances Scheme](#)

Appendix 5 - SEE Members Allowances survey raw data 2018/19 - [Basic](#) and [SRA](#)