

REPORT OF THE MEMBER REMUNERATION PANEL (MRP)
FOR KENT COUNTY COUNCIL (KCC)
JUNE 2021

REVIEW OF SCHEME MEMBERS' ALLOWANCE SCHEME

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BACKGROUND

The Members' Allowance Scheme regulations are set out in The Local Authorities Members' Allowances (England) Regulations 2003 (The Act) which is shown in attachment 1.

In summary, within the parameters of The Act, KCC practice is to arrange for the Scheme to be reviewed every 4 years by an independent Member Remuneration Panel (MRP), for the Panel to make recommendations in a Report for consideration by the full Council and for the Council to publish the report. Additionally, an annual uprating of Allowance levels according to pre-determined formulae is also reviewed, e.g. revisions based on an annual indexation formula. The Council may also request the MRP to conduct ad hoc reviews of the Scheme, or parts of the Scheme during the 4-year period.

The Council are not obliged to adopt the MRP recommendations. Historically, the Council have fully accepted, partially accepted or rejected MRP recommendations

The Terms of Reference for the work of the independent panel is contained in The Act and reflected in the KCC Constitution, clauses 17.9 to 17.14.

The last full review of the Scheme was presented to Council in July 2017. Accordingly, an independent panel (Member Remuneration Panel) was appointed on November 1st, 2020 to undertake a review of the Scheme and provide recommendations. The Panel comprises:

Chris Macklin (Chair)
Jemma Gowland
David Mercier

The Panel has now concluded its review and has prepared the recommendations contained in this report.

METHOD AND SCOPE OF THE REPORT

Much of the Scheme details will be familiar to Members. However, in developing content we have been mindful of all stakeholders, including members of the public, some of whom may not have familiarity with the content or technical basis of the Scheme. We have therefore included an overview of current scheme details before setting out our recommendations.

We have considered the following inputs:

1. The current scheme details (KCC Constitution clauses 17.9 to 17.14 and 21.13 to 21.29)
2. The Public Sector pay and budgetary considerations
3. Benchmark comparisons with 22 County Council schemes in England with comparable structures (referred to as the 'Peer Group' throughout the report)
4. Inputs from 22 Members through responses to a structured questionnaire and discussion follow, as well as discussions with selected Senior KCC Officers

Based on the inputs, an analysis of Allowance levels was prepared from which we derived our conclusions and recommendations, aiming to deliver benchmarked and cost - effective recommendations.

Whilst we received inputs from various stakeholders, we make no judgement on views provided. Rather, discussions were helpful to focus our analysis on issues to formulate our own recommendations contained in the Report.

In accordance with requirements of The Act, this report includes the following recommendations:

- Basic Allowance level
- Special Responsibility Allowance (SRA) levels
- Travelling and Subsistence Allowance level
- Co-optees' Allowance level
- Dependants' Carers' Allowance level and eligibility
- The effective date of any Allowance changes and extent of any backdating of payment
- Consideration of methodology and duration of indexation

In addition to the review required by The Act, the Report includes some additional perspectives related to the Scheme which the Panel would like to offer up.

All details and recommendations in the Report relate to the Constitution, Members' Allowance Scheme, Member population, as well as Cabinet, Executive and Committee structures and membership prevailing as at December 2020.

The data for all tables showing Peer Group rankings are as at 22nd December 2020*
Quartile thresholds in Peer Group rankings are approximate given the sample size.

*Data derived from source: <https://www.gov.uk/government/statistics/local-authority-revenue-expenditure-and-financing-england-2019-to-2020-individual-local-authority-data-outturn>

HIGH LEVEL SUMMARY OF KEY POINTS AND RECOMMENDATIONS

Review of Scheme

- **Total Allowance Spend** - Member Allowance levels in 22 dual tier Counties in England with Cabinet / Leader structures were analysed against a range of criteria. Overall spend on Allowance levels was the largest in the Peer Group. However, KCC Members serve the largest population per Member, and total Allowance spend as a percentage of population served and revenue managed is relatively low – in the 3rd and 4th quartiles respectively of the Peer Group. **(Detailed rankings shown on pages 11 and 12)**
- **Basic Allowance** is the largest in the Peer Group. We recommend the basic Allowance remains unchanged in view of this ranking and additionally bearing in mind budgetary pressures faced by KCC, the decision of the KCC Senior Officer team at Director level and above to forego the approved TCP annual increase and in view of the Public Sector pay ‘pause’ announced by the Government. **(Detailed ranking shown on page 13)**
- **The Council Leader SRA** is positioned high in quartile 1 of the Peer Group. Based on the ranking, we recommend the SRA remains unchanged. However, we believe the scope of role may have increased significantly since it was last evaluated. We therefore recommend it is re-evaluated against a broader range of comparators to determine whether an increase in SRA is appropriate. **(Detailed rationale provided on pages 14 and 15)**
- **All other SRAs (excluding Opposition Group Leaders)**. These SRAs are also positioned in quartile 1 of the Peer Group, with one high in quartile 2. All are positioned within the top 6 - sized Councils in the Peer Group. We therefore recommend these SRAs remain unchanged for the same reasons given above for the Basic Allowance. **(Detailed rankings shown on page 16 and Appendix 1)**
- **Opposition Group Leaders’ SRAs**. In contrast to the quartile 1 positioning of other SRA – entitled positions, the ranking of the Opposition Group Leader in its respective Peer Group appears inconsistently low. (Liberal Democrat - low in quartile 2, Labour in quartile 3). We recommend the SRA for all Opposition Group Leaders be set at £ 17,227 (34% of the Council Leader’s SRA) which more consistently positions these roles in quartile 1 of their respective Peer Group ranking. Other revisions to the formula for Opposition Group Leader SRAs are also proposed. **(Detailed rationale provided on pages 17 and 18)**
- **Co – Optee Allowance**. The current KCC Co-optee Allowance levels appears to be within the range offered by the Peer Group. The Panel does not therefore feel there is a need to adjust this Allowance. However, we recommend that it be subject to the indexation methodology we have proposed later in this Report. **(Further details provided on page 19)**

HIGH LEVEL SUMMARY (Cont'd)

- **Travel and Subsistence (T&S) Expense Scheme.** We recommend greater transparency through the publication of Member annual mileage claims and the introduction of a scale of mileage claims linked to emission levels, with the highest mileage claims pegged at the current rate of 45p per mile for the most eco-friendly vehicles. Examples are provided of good practice implemented by other Councils and we recommend the introduction of similar arrangements in KCC. In respect of Subsistence, we do not propose any changes. **(Detailed rationale provided on pages 19 and 20)**
- **Dependent Carer's Allowance.** Our review of the Peer Group showed that KCC are broadly within the range paid by other Councils, and we do not therefore make any recommendations for change on the hourly amount claimable. However, given the low take -up of the Allowance, we recommend raising the level of awareness of claim amongst prospective Members as part of the roadshow on 'Becoming a Councillor' and amongst new Members through the Induction process, and ensure that the Allowance is appropriately highlighted in these initiatives. **(Further details provided on page 21)**
- **Indexation.** We recommend revisions to the current indexation method to further distance Members from decisions about their own Allowance levels. The Panel proposes that, alongside the current method of indexation linked to the total staff pay progression pot determined through the Total Contribution Pay process (TCP), an additional benchmark should be included which is external to KCC and not determined by Members. We recommend the average percentage increase averaged across the 8 Pay Review Bodies (PRBs) which are independent non-departmental public bodies and cover 45% of Public Sector employees.
The actual percentage increase applied to Members should be the average of the TCP percentage and the Public Sector benchmark described above.
The Panel's view is that this would provide an appropriate balance recognising both KCC budgetary factors and an entirely independent measure and should be applied with effect from FY April 2022 and continue to apply for 4 years from that date. **(Detailed recommendations, including indexation formula and approach to data sourcing of Public Sector pay increases provided on pages 21 and 22)**
- **Practice of Member Discretion to Determine Re-allocation of Allowance Entitlement.** Member discretion to waive full or partial SRA entitlement is granted in the 2003 Act. However, Member discretion to determine to whom Allowances should be given is not. Neither is the practice specified within the KCC Constitution. We therefore recommend the practice of Member discretionary re-allocation be discontinued with immediate effect and any funds released through waiver be retained to reduce costs to the council rather than directed according to Members' personal preferences. **(Further details provided on page 23)**

HIGH LEVEL SUMMARY (Cont'd)

Additional Perspectives offered up by the Panel

- **Potential for Reducing SRA Costs.** There is naturally alignment between Cabinet Member and Cabinet Committee portfolios, with each Cabinet portfolio having at least 3 SRA-entitled roles focused on each portfolio activity, taking into account Cabinet Member, Deputy Cabinet Member and Committee roles. There is therefore considerable common ground across these roles. We recommend that the Deputy Cabinet Member role be expanded to include Committee Chair-ship of the portfolio on which they are focussed, with the Deputy Cabinet Member SRA being maintained at the current level, and with the separate Committee Chair SRAs being discontinued. **(Detailed rationale, including analysis of advisory V scrutiny impact of our proposals in respect of Cabinet Committee activities, provided on pages 24 and 25)**
- **Diversity – Greater ambitions for More Diverse Representation.** Our analysis of Kent demographics compared to the KCC Member population shows that the Kent population is significantly under-represented in terms of female participation, under-represented in the under-49 years age group and over-represented in the 65+ age group. Notwithstanding the efforts already in play to pursue equality and diversity objectives, the Panel believe it is in the interest of the electorate to be served by KCC Members more broadly aligned with the Kent population than is currently the case. The Panel feel these areas may therefore benefit from more focussed attention and recommend the Council consider establishing a dedicated 'Lead Member' role for Diversity to champion ambitions for Equality and Diversity, with a strong focus on creating a more inclusive working culture amongst Members. Whilst there is a view that better diversity is not necessarily within the control of Members, creating a more inclusive working environment, which encourages input from all Members at times and places to better suit those with for example family commitments and employment, will lead to better diversity longer term. Alternatively, we recommend the Council consider a Cabinet Member be given specific accountability for these initiatives and that this role be written into the Cabinet portfolio chosen. **(Detailed rationale provided on page 26)**
- **Transparency Issues.** We consider it important that KCC is as transparent as possible with information it maintains regarding Member workload - particularly in relation to attending formal Council meetings. Though this in no way reflects the total contribution Members make, it is information that should be available to the public in an easily accessible format. Our benchmarking indicates that KCC is out of step in terms of making attendance information available to the public. Given this information is already held by KCC but is simply not displayed, we recommend that KCC website is updated to include this information. **(Further details provided on page 27)**
- **Overall Cost impact of Recommendations.** Total annual Scheme costs in respect of all Basic Allowance and SRA recommendations proposed, reduce to £ 1,951,601 from current costs of £ 1,962,160 assuming full take-up of entitlements under the scheme. **(Detailed breakdown of proposed changes and costs provided in table on page 28)**

OVERVIEW OF CURRENT SCHEME

The following is a summary of the key features of the Scheme. Reference should be made to relevant clauses in the KCC Constitution (clauses 21.13 to 21.29) for detailed scheme text.

BASIC ALLOWANCE AND SPECIAL RESPONSIBILITY ALLOWANCE (SRA)

All elected Members are entitled to receive a Basic Allowance (£15,406.25 for 2020/21) to perform their duties required under the Constitution.

Some elected Members receive an additional Special Responsibility Allowance (SRA) for any special responsibility that they might have as a Member of the council (such as Cabinet Member). These amounts vary and are normally expressed as a percentage of the SRA of the Council Leader.

The SRA percentages shown below took into account recommendations provided in 2017 by Korn Ferry Hay Group. (The exception being the Lead Member for Partnerships SRA, subsequently approved by the Council in 2020, based on a recommendation by the then Member Remuneration Panel)

BASIC & SPECIAL RESPONSIBILITY ALLOWANCES PERMISSABLE UNDER THE CURRENT SCHEME

	Allowance Amount *	% of Leader's SRA	Number of Members	Cost *** (£ p.a.)
BASIC ALLOWANCE** - All Members	15,406		81	1,247,906
SPECIAL RESPONSIBILITY ALLOWANCES (SRA) **				
Paid in addition to the Basic Allowance to members holding the following positions			Number of Positions eligible for SRAs	
Leader	50,663	100%	1	50,663
Cabinet Member	32,931	65%	9	296,379
Lead Member for Partnerships	22,798	45%	1	22,798
Council Chair	16,719	33%	1	16,719
Deputy Cabinet Member	15,199	30%	11	167,188
PAC Chair	11,146	22%	1	11,146
Regulation Committee Chair	11,146	22%	1	11,146
Council Vice-Chair	8,866	17.5%	1	8,866
Other Committee Chairs	8,866	17.5%	11	97,527
Opposition Group Leader	7,599	15%	2	15,199
Opposition Group - Additional Payment per member****	602	n/a		6,016
SRA Totals			39	703,647
Basic and SRA Allowance Total				1,951,553

Notes:
* Allowance amounts and costs to nearest £1
** Maximum 1 Basic Allowance and 1 SRA per Member irrespective of number of positions held
*** Actual cost may be lower where Member performs more than 1 SRA-entitled role or individual Member voluntarily accepts lower allowance
**** Actual cost may be higher or lower depending on Opposition Group size. Opposition Group minimum size is 5 Members for Additional Payment eligibility. Costs above reflect 10 Opposition Group members currently attracting additional payment (6 - Liberal Democrats and 4 - Labour, excluding respective Opposition Group Leader positions which are not eligible for the Additional Payment)

OVERVIEW OF CURRENT SCHEME (cont'd)

The above table shows that the number of positions eligible for Special Responsibilities as a percentage of total elected Members is potentially 48%, with SRA costs being 36% of combined Basic Allowance and SRA costs assuming full take-up of all Allowance entitlements permitted under the Scheme. In practice, the number and / or amounts of Allowances paid may be lower where Members perform more than 1 SRA–entitled role or fore-go their Allowance entitlement.

OTHER ALLOWANCES.

In addition to the above Allowances, the following are also available to Members, subject to meeting the eligibility requirements of the Scheme. Actual Allowances paid are available for public scrutiny and those paid for the period 1st April 2019 to 31st March 2020 are published on KCC's website*

In summary The Constitution stipulates that Members' Allowances are as follows:

- **Travel & Subsistence (T&S) Allowance** (Constitution clauses 21.16 – 21.23): Travel by private vehicles (reimbursed at the rates set for tax allowance purposes by the HM Revenue and Customs for business travel), air or rail travel, parking fees, public transport fares and any hotel expenses, taxi fares, are paid for travel on Council duties, subject to meeting all criteria for Allowance payment. The total T&S Allowance paid in the 12 months to 31/03/20 was £113,690.86 (9 members claimed subsistence expenses)
- **Carer's Allowance** (Constitution clause 21.24): Members who incur expenses themselves in respect of care responsibilities for dependent children under 16 or dependent adults certified by a doctor or social worker as needing care and attendance will be reimbursed, on production of valid receipts, for actual payments to a carer while the Member is on Council duties, up to a maximum of £12.66 per hour for each dependent child or adult. One Member received this Allowance in the 12 months to 31/03/2020 at a total cost of £491.

Co-optee's Allowance (Constitution clause 21.26) Payment of an Allowance for each year to individuals who are not *elected* Members but who are Members of Council committees or sub committees. Payment for Independent Persons currently set at £500 p.a. and additionally a £100 per diem for days spent on co-optee work, is made in respect of attendance at conferences and meetings. MRP Members are considered co-optees for the purposes of remuneration and are paid a per diem of £100 for days worked with no annual payment.

*Source: [Kent County Council Members Expenses and Allowances Paid Between 1st April 2019 to 31st March 2020](#)

OVERVIEW OF CURRENT SCHEME (cont'd)

PENSIONS

The Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 removed the ability of councillors to enrol in any local government pension schemes provided by their authority, bar certain transitional arrangements which have since expired. Therefore, Member pensions are not a consideration for the Panel.

TAXATION

Allowances received are treated as income and subject to applicable HMRC tax and national insurance.

INDEXATION AND ANNUAL REVIEW WITHIN KCC

Allowance levels are indexed to the total staff pay progression pot, as agreed under the Council's Total Contribution Pay (TCP) process and have been adjusted annually on this basis since the approach was adopted in 2017.

ALLOWANCE ADJUSTMENTS SINCE THE 2017 MRP FULL REVIEW

Basic Allowances have been adjusted as follows:

- 2017: 15.0% increase
 - 2018 – 19: 2.8% indexation increase
 - 2019 – 20: 2.8% indexation increase
 - 2020 – 21: 4.2% indexation increase (June)
 - 2020: 5.0% decrease by Council decision (September)
-
- The 2017 Basic Allowance increase of 15% was implemented by majority Council vote whereas the then MRP's recommendation was 1.5% increase.
 - The 2018, 2019 and June 2020 increases were implemented taking into account the indexation approach recommended by the then MRP, namely to base the increase on the percentage pay progression awarded to staff. However, the Council voted to index to the overall pay pot progression percentage as opposed to the MRP's recommendation to index to the percentage awarded to staff at the 'Achieving' level of performance.
 - The September 2020 reduction of 5% was a decision agreed by majority Council vote without MRP involvement.

KCC 2021 PAY REVIEW

Taking into account the unique circumstances arising from the Covid pandemic affecting working life, and the consequent budgetary pressures, KCC announced a 2% across the board basic salary increase for all staff.

The Senior Officer team at Director level and above elected to forego this increase.

PUBLIC SECTOR PAY ENVIRONMENT*

Over the same period 2017 – 2020, Public Sector pay rises announced by the Government have been as follows*:

- 2017 - 1%
- 2018 - 2019 (5.6% over two years)
- 2020 - 2.75%

Beyond 2020, The Government's 'Spending Review' published in November 2020, announced that Public Sector pay will be "paused" for 2021/22, with the exception of NHS staff for whom a 1% pay increase was subsequently announced, and with the exception of workers earning below £24,000 who will receive a minimum pay rise of £250.

*Source: <https://commonslibrary.parliament.uk/research-briefings/cbp-8037/>

EXISTING ALLOWANCES – BENCHMARKING AND RECOMMENDATIONS

The Member Allowance levels in 22 dual tier Counties in England with Cabinet / Leader structures (the Peer Group) have been analysed against a range of criteria. The positioning of Kent County Council in relation to the Peer Group is shown in the tables below. Our recommendations are also provided below based on the findings in respect of each benchmark.

Please refer to the following key when reviewing the tables below:

Key		Column rank ordered
		Kent CC Positioning in rank order
		Top 6 Councils by County population size or Revenue or both

Firstly, analysis is provided below on the benchmarking of overall spend against several criteria to provide some context on overall cost generated by current Allowance levels and how Kent compares with the Peer Group.

TOTAL ALLOWANCE - ACTUAL SPEND 2019 -2020

TOTAL MEMBER ALLOWANCE SPEND					
Council	Districts	Total Number of Members	Population	Revenue (£'000 p.a.)	Spend (£ p.a.)
Kent	12	81	1,581,600	1,877,910	1,916,008
Surrey	11	81	1,196,236	1,449,485	1,534,080
Essex	12	75	1,489,189	1,531,070	1,516,009
Lancashire	12	84	1,219,799	1,788,161	1,274,347
Hertfordshire	10	78	1,184,365	1,485,180	1,248,932
Norfolk	7	84	907,760	1,041,106	1,222,286
West Sussex	7	70	863,980	1,131,095	1,197,413
Hampshire	11	78	1,382,542	785,380	1,192,014
Lincolnshire	7	70	761,224	802,948	1,182,823
Suffolk	5	75	761,350	786,430	1,095,728
Derbyshire	8	64	1,053,516	990,052	1,041,877
Devon	8	60	802,375	920,486	1,020,565
Staffordshire	8	62	879,560	850,116	986,044
Oxfordshire	5	63	691,667	758,705	973,984
Cumbria	6	84	498,888	712,722	947,054
Leicestershire	7	55	1,053,486	671,035	929,957
North Yorkshire	7	72	618,054	739,716	914,331
Worcestershire	6	57	595,786	656,848	879,430
East Sussex	5	50	557,229	690,506	862,660
Somerset	4	55	559,400	597,733	843,505
Gloucestershire	6	53	637,070	804,228	834,288
Warwickshire	5	57	577,933	672,041	765,001

KCC total Allowance spend of £1,916,008, including Basic Allowance of £1,265,440, is the largest in the Peer Group. (top of quartile 1)

TOTAL SPEND - BENCHMARKS AGAINST SELECTED CRITERIA

TABLE 1		TABLE 2		TABLE 3	
POPULATION SUPPORTED PER MEMBER		TOTAL MEMBER ALLOWANCE SPEND PER HEAD OF POPULATION		TOTAL MEMBER ALLOWANCE SPEND AS %AGE OF COUNCIL REVENUE	
Council	Population	Council	Spend (£ p.a.)	Council	%
Kent	19,525	Cumbria	1.90	Hampshire	0.15
Lancashire	14,521	Lincolnshire	1.55	Lincolnshire	0.15
Essex	19,856	East Sussex	1.55	Somerset	0.14
Hertfordshire	15,184	Somerset	1.51	Suffolk	0.14
Surrey	14,768	North Yorkshire	1.48	Leicestershire	0.14
West Sussex	12,343	Worcestershire	1.48	Worcestershire	0.13
Norfolk	10,807	Suffolk	1.44	Cumbria	0.13
Derbyshire	16,461	Oxfordshire	1.41	Oxfordshire	0.13
Devon	13,373	West Sussex	1.39	East Sussex	0.12
Staffordshire	14,186	Norfolk	1.35	North Yorkshire	0.12
Gloucestershire	12,020	Warwickshire	1.32	Norfolk	0.12
Lincolnshire	10,875	Gloucestershire	1.31	Staffordshire	0.12
Suffolk	10,151	Surrey	1.28	Warwickshire	0.11
Hampshire	17,725	Devon	1.27	Devon	0.11
Oxfordshire	10,979	Kent	1.21	West Sussex	0.11
North Yorkshire	8,584	Staffordshire	1.12	Surrey	0.11
Cumbria	5,939	Hertfordshire	1.05	Derbyshire	0.11
East Sussex	11,145	Lancashire	1.04	Gloucestershire	0.10
Warwickshire	10,139	Essex	1.02	Kent	0.10
Leicestershire	19,154	Derbyshire	0.99	Essex	0.10
Worcestershire	10,452	Leicestershire	0.88	Hertfordshire	0.08
Somerset	10,171	Hampshire	0.86	Lancashire	0.07

Whilst KCC has the highest overall Allowance spend, this should be looked at in the following context:

- KCC Members serve the largest population per Member at 19,525 -Table 1 above.
- Total Allowance spend as a percentage of population served is relatively low at 1.21% in the 3rd quartile -Table 2 above.
- Total Allowance spend as a percentage of revenue managed is relatively low at 0.10% in the 4th quartile -Table 3 above

KCC has relatively high degree of complexity in terms of geographic scale, border / port interface and structural complexity in terms of numbers of District Councils with which it interacts.

Overall spend ranking appears appropriate relative to other County Councils based on the above criteria.

However, this should not preclude exploration of opportunities for cost reduction in Allowance spend where feasible and this features in our recommendations later in this report.

ALLOWANCE LEVELS - BENCHMARKING

Secondly, analysis is provided below on the benchmarking of each Allowance level against the Peer Group.

BASIC ALLOWANCE – ALL MEMBERS

BASIC ALLOWANCE				
Council	Districts	Total Number of Members	Population	Basic Allowance
Kent	12	81	1,581,600	15,406
Devon	8	60	802,375	13,213
East Sussex	5	50	557,229	13,149
Surrey	11	81	1,196,236	12,660
Hampshire	11	78	1,382,542	12,833
West Sussex	7	70	863,980	12,202
Essex	12	75	1,489,189	12,000
Leicestershire	7	55	1,053,486	11,430
Somerset	4	55	559,400	11,540
Lincolnshire	7	70	761,224	11,055
Oxfordshire	5	63	691,667	11,014
Suffolk	5	75	761,350	10,983
Lancashire	12	84	1,219,799	10,969
Norfolk	7	84	907,760	10,924
Derbyshire	8	64	1,053,516	10,896
Hertfordshire	10	78	1,184,365	10,668
Gloucestershire	6	53	637,070	10,500
North Yorkshire	7	72	618,054	10,142
Staffordshire	8	62	879,560	9,786
Warwickshire	5	57	577,933	9,637
Worcestershire	6	57	595,786	9,108
Cumbria	6	84	498,888	8,744

KCC has the highest Basic Allowance level out of the 22 Councils listed.

We recommend that the Basic Allowance remains at the current level based on:

- The above ranking
- Budgetary pressures faced by KCC
- The decision of the KCC Senior Officer team at Director level and above to elect to forego the approved TCP annual increase
- The Public Sector pay 'pause' announced by the Government

SPECIAL RESPONSIBILITY ALLOWANCES
COUNCIL LEADER ROLE

LEADER (RANKED ON SRA)				
Council	SRA (£ p.a.)	Basic Allowance (£p.a.)	Basic Allowance & SRA combined	SRA as multiple of Basic Allowance
Essex	54,000	12,000	66,000	4.5
Kent	50,663	15,406	66,069	3.3
Surrey	43,820	12,660	56,480	3.5
Hertfordshire	42,672	10,668	53,340	4.0
Leicestershire	38,730	11,430	50,160	3.4
Staffordshire	37,963	9,786	47,749	3.9
East Sussex	36,817	13,149	49,966	2.8
Derbyshire	36,000	10,896	46,896	3.3
Worcestershire	35,494	9,108	44,602	3.9
Lincolnshire	35,026	11,055	46,082	3.2
Gloucestershire	34,170	10,500	44,670	3.3
West Sussex	33,849	12,202	46,051	2.8
Somerset	33,694	11,540	45,234	2.9
North Yorkshire	33,079	10,142	43,221	3.3
Devon	33,033	13,213	46,246	2.5
Norfolk	32,981	10,924	43,905	3.0
Suffolk	32,948	10,983	43,931	3.0
Oxfordshire	31,941	11,014	42,955	2.9
Lancashire	31,322	10,969	42,291	2.9
Hampshire	30,967	12,833	43,800	2.4
Cumbria	26,270	8,744	35,014	3.0
Warwickshire	24,137	9,637	33,774	2.5

LEADER (RANKED ON COMBINED BASIC ALLOWANCE SRA)				
Council	SRA (£ p.a.)	Basic Allowance (£p.a.)	Basic Allowance & SRA combined	SRA as multiple of Basic Allowance
MP Salary (UK Parliament)	-	-	81,932	
Kent	50,663	15,406	66,069	3.3
Essex	54,000	12,000	66,000	4.5
Surrey	43,820	12,660	56,480	3.5
Hertfordshire	42,672	10,668	53,340	4.0
Leicestershire	38,730	11,430	50,160	3.4
East Sussex	36,817	13,149	49,966	2.8
Staffordshire	37,963	9,786	47,749	3.9
Derbyshire	36,000	10,896	46,896	3.3
Devon	33,033	13,213	46,246	2.5
Lincolnshire	35,026	11,055	46,082	3.2
West Sussex	33,849	12,202	46,051	2.8
Somerset	33,694	11,540	45,234	2.9
Gloucestershire	34,170	10,500	44,670	3.3
Worcestershire	35,494	9,108	44,602	3.9
Suffolk	32,948	10,983	43,931	3.0
Norfolk	32,981	10,924	43,905	3.0
Hampshire	30,967	12,833	43,800	2.4
North Yorkshire	33,079	10,142	43,221	3.3
Oxfordshire	31,941	11,014	42,955	2.9
Lancashire	31,322	10,969	42,291	2.9
Cumbria	26,270	8,744	35,014	3.0
Warwickshire	24,137	9,637	33,774	2.5

The above left – hand table shows the Leader SRA is positioned close to the top of quartile 1 in the Peer Group and has a 2/6 ranking amongst the top 6 - sized County Councils.

We have also considered possible additional comparators for the Leader role, given the substantial breadth and scale of responsibility. The right – hand table above shows how the Leader is ranked based on the combined Basic Allowance and SRA and includes the salary* of a UK Member of Parliament.

We have selected the Public Sector MP comparison because we feel that a full job evaluation of both positions (using the original Korn Ferry Hay evaluation methodology mentioned earlier) may show that the evaluation scores are, in the round, comparable.

*Source: <https://www.parliament.uk/about/mps-and-lords/members/pay/mps/>

LEADER ROLE (Cont'd)

We are mindful of the differences in roles but feel that the comparison is valid to explore for the following reasons:

- The breadth and complexity of the KCC Leader role in particular has expanded significantly over the period since the Korn Ferry evaluation was carried out.
- Although the MP role tends to be a full-time, dedicated role, responsibilities of the KCC Leader role are also of a scale requiring full time dedication
- Whilst there may be possible scoring differences between the 2 roles *within* each of the 'Know-How', 'Problem Solving' and 'Accountability' components of the Hay evaluation methodology, our view is that the *total* evaluation scores may be on par.

We were unable to access Korn Ferry full and detailed evaluation scores to arrive at final conclusions on this. We therefore recommend that a full evaluation of the role should be conducted, taking into account the original Korn Ferry assessments, to determine the current Leader job size as a basis for determining the correct SRA level. This may also include other Public Sector comparator roles.

In summary, the Panel are of the view that the Leader SRA is appropriately positioned in relation to County Council peer rankings given the relative size, scope and complexity of KCC and recommend that the Allowance remains unchanged at this time pending the outcome of the full evaluation based on broader comparators recommended above.

We would argue that the expansion of the leader role is a function of increase in *breadth of responsibility* overseeing the *full range* of Cabinet activity. However, we do not feel that this increase in oversight breadth applies equally to other SRA 'portfolio' positions.

Since other SRAs have historically been calculated as a percentage of the Leader's SRA, if the re-evaluation of the Leader role were to lead to an SRA increase, a revision of other SRA percentages would be required to maintain them at current levels. Alternatively, the basis for other SRA calculations could be revised to a percentage of the Basic Allowance level.

ALL OTHER SRA – ENTITLED POSITIONS (Excluding Opposition Group Leaders)

Rankings of all other SRAs against the Peer Group are similarly presented in Appendix 1. In summary, rankings are as follows:

POSITION	RANKING		
	Quartile	Ranking - Entire peer Group	Top 6 County Councils
Deputy Leader	Top Quartile	2 / 22	2 / 6
Cabinet Member	Top quartile	2 / 22	2 / 6
Deputy Cabinet Member	Top quartile	1 / 22	1 / 6
Council Chair	2nd quartile	6 / 22	4 / 6
Council Vice Chair	Top quartile	4 / 22	3 / 6
Chair of Committees	Top Quartile	5 / 22	3 / 5

All SRAs for the above roles are similarly positioned in quartile 1 against their respective Peer Group, with one high in quartile 2, and all positioned within the top 6 - sized Councils within the Peer Group.

We therefore recommend that the SRAs for these roles remain at the current level based on:

- The above rankings
- Budgetary pressures faced by KCC
- The decision of the KCC Senior Officer team at Director level and above to elect to forego the approved TCP annual increase
- The Public Sector pay 'pause' announced by the Government

OPPOSITION GROUP LEADERS

OPPOSITION GROUP LEADERS			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA (including 'Additional Amounts')
Staffordshire	18,982	1.9	50
Lancashire	17,227	1.6	55
Norfolk	16,490	1.5	50
Essex	16,200	1.4	30
Derbyshire	16,200	1.5	45
East Sussex	13,420	1.0	25
West Sussex	13,352	1.1	39
Hampshire	13,099	1.0	42
Cumbria	12,784	1.5	49
Kent	11,209	0.7	22
Worcestershire	10,512	1.2	30
Somerset	10,386	0.9	31
Lincolnshire	9,949	0.9	29
Hertfordshire	8,616	0.8	22
Warwickshire	8,376	0.9	35
Oxfordshire	8,000	0.7	26
Devon	6,607	0.5	20
Gloucestershire	6,360	0.6	19
Surrey	6,115	0.5	14
Suffolk	6,040	0.5	18
North Yorkshire	5,223	0.5	16
Leicestershire	5,121	0.4	13

Kent Calculation of Opposition Group Leader Allowance
* Opposition Group Leader SRA is calculated as 15% of Leader SRA, plus an 'Additional Amount' of £601.57 per Opposition Member in the group (excluding the Leader)
* An Opposition Group becomes eligible for 'Additional Amounts' only when it achieves a threshold of 5 Members, including the Leader.
* The figure highlighted in green for Kent in the ranking relates to the Liberal Democrat Leader plus 6 Opposition Group Members. The total allowance for the labour leader calculated on the same basis is £ 10,006 (Labour Leader plus 4 Opposition Group Members)

The above ranking shows that, based on current Opposition Group sizes, the Opposition Group Leader (Liberal Democrat) is positioned:

- low in quartile 2 against Opposition Group peers
- around the median of Opposition Group peers in the top 6 - sized County Councils
- at the bottom of quartile 3 in terms of %age of Leader SRA

On the same basis, The Labour Opposition Group Leader is positioned in quartile 3.

In contrast to the quartile 1 positioning of all other SRA – entitled positions including the Leader role ranked at 2/22 within the Peer Group, the ranking of the Opposition Group Leader in its respective Peer Group appears inconsistently low within the context of the same KCC size, scope and complexity dimensions we have mentioned earlier.

Whilst we acknowledge that the total Allowance level for an Opposition Group Leader would be higher, and more consistently positioned with a larger number of elected Members, we do not feel there is a *direct* correlation between scope of responsibility of the Opposition role and the size of an elected group. The Opposition role, including that of 'challenge', 'check and balance' and 'holding to account' the majority party, remains key and constant irrespective of Group size, and arguably is more onerous where the Opposition Group is smaller.

OPPOSITION GROUP LEADERS (Cont'd)

Furthermore, based on the current approach, the Opposition Group total Allowance varies after each election event depending on changes to group size, thus making planning and organisation more difficult given variable Allowance support available.

We do not therefore believe the Allowance should be a function of group size.

The selection of an alternative formula for the Opposition Groups is challenging. It is apparent from our research that there is a wide range of approaches across the Peer Group on this issue. Beyond there being an Allowance for at least one Opposition Group Leader, there is little consensus in approach. The Table in Appendix 2 illustrates the diversity of practice.

Given as we have mentioned, the key role of Opposition Groups, bearing in mind the scale and complexity of Kent, and the quartile 1 positioning of other Kent Member SRAs within their respective Peer Group, we recommend a more clearly delineated approach as follows:

- The SRA for an Opposition Group Leader be positioned at the same level within its respective Peer Group as Leader and Deputy Leader are positioned within theirs, i.e. 2/22. This would set an Opposition Group Leader SRA at £17,227, 34% of the Council Leader's SRA.
- The maximum total Allowance funding for Opposition Group Leaders be set £51,681 (i.e. sufficient to fund 3 Opposition Group Leaders at £17,227 each. (In the event that there are more than 3 Opposition Groups formed, the 51,681 is equally shared amongst the groups.
- The current threshold requirement for Opposition Group size to be a minimum of 5 should be retained
- The 'Additional Allowance' should be dis-continued

Based on our recommendation above, the total potential SRA cost of Opposition Groups would be capped and predictable as opposed to the open-ended formula currently used.

Furthermore, whilst the Panel's view is that the above recommendation will appropriately position the SRA in the context of the peer rankings, we are of the view that Opposition Group SRAs generally across all County Councils do not adequately recognise the Opposition role in the context of our earlier comments on scope and complexity. We therefore additionally recommend that the role be more comprehensively evaluated, consistent with our recommendations for the Council Leader role.

OTHER ALLOWANCES

CO-OPTEE ALLOWANCE LEVELS

Details of formal scheme descriptions for Co-optee Allowances in the Peer Group are patchy. However, from the limited sample we have obtained it appears that annual Allowances range from £500 p.a. to £900 p.a.

The KCC Co-optee Allowances level of £500, together with an additional per diem of £100 for days spent on Co-optee work, appears to be within this range.

We do not therefore feel there is a need to adjust this Allowance. However, we recommend that it be subject to the indexation methodology we have recommended later in this Report.

TRAVEL & SUBSISTENCE (T&S) EXPENSE SCHEME

TRAVEL

In 2019-20, claims of £11,899 were made in public transport expenses in contrast to £99,054 in mileage claims. Member mileage claims ranged from one under £20 in total for one year to over £4000, though the higher levels of claims generally were from Members with senior Cabinet responsibilities.

Member mileage was understandably down during the last year due to the Covid pandemic. However, there were a number of views reported to the Panel that, because of flexibility concerning what is regarded as Councillor business, there has been an ability for Members to 'over do' mileage claims.

We do not make judgement on this point, but it would appear sensible to have greater transparency in this area. Good practice was observed with one Council (Derbyshire County Council) publishing their Member expense claims utilising an online template form.

For wider public interest and related to the need to travel to physical meetings, we also received commentary that online meetings had improved participation by Members. Some female Members felt more able to contribute greater input in an online setting, seen by some to be a less aggressive environment. Whilst we cannot evidence this and make no judgement on it, if there is the opportunity for more diverse participation in meetings, it is clearly in the interests of the Kent Electorate to work towards this.

We reviewed other Councils' mileage rates and caps and have noted Worcestershire Council as good practice on differentiating mileage claims of Members based on vehicle emissions, a practice which would also align with Kent County Councils Green agenda strategy.

TRAVEL (Cont'd)

In view of the above observations, we therefore make the following recommendations:

- Eco-friendly mileage ranges should be introduced. For claims between 1 and 8,500 miles the rates are based on the following VED bands (emissions in grams per kilometre g/km):
 - band 1 - VED bands A to C (0 -120g/km): 45p per mile
 - band 2 - VED bands D to H (121-175g/km): 40p per mile
 - band 3 - VED bands I to M (175g+ g/km): 36p per mile
 - Vehicles registered before 1 March 2001 to be included in band 2. ¹
 - Claims for mileage exceeding 8,500 miles to be paid at 12p per mile irrespective of CO2 emissions.
 - The number of miles claimed annually per Councillor should be published on the KCC website, with the geo-location of Councillors to factor in distances involved. Consideration should be given to utilising the Derbyshire County Council template*

- Good practice compliance on the following to be incorporated more specifically into scheme rules:
 - Mileage should be calculated based on the most reasonable route possible for the journey. Where it is reasonable to use Public Transport then Members should be expected to do so.
 - Members should be encouraged to take reasonable steps to minimise the need to travel, wherever possible, continuing online meetings given the favourable commentary concerning more diverse participation in an online setting.
 - In making claims, Members must hold a current full driving licence.
 - All vehicles used on Member Council business should be taxed, have a valid MOT certificate (if older than 3 years) and current insurance policy. The insurance policy must cover Members for business use and indemnify the Council against all third - party claims (including those concerning passengers) when the vehicle is used on official business. Vehicle insurance covering only 'Social and Domestic Pleasure only' will prohibit mileage claims.

SUBSISTENCE

In respect of Subsistence, in the financial year (FY) to March 2020, 9 Members claimed subsistence totalling £2,736.

On the basis that, as the Constitution stipulates (clause 21.23) Subsistence should not normally be paid and we assume specific claims made were exceptional and made against receipts for authorised Council – related business, we do not recommend any changes.

¹ The VED band/CO2 emissions for vehicles registered after 1 March 2001 is found on the tax disc and/or registration document (Form V5). There are no passenger rates included in the new scheme.

* [TR16 Members claim form \(derbyshire.gov.uk\)](https://www.derbyshire.gov.uk/tr16-members-claim-form)

DEPENDENT CARER'S ALLOWANCE

Most Councils in the Peer Group examined, offer Dependent Carer's Allowance and Childcare Allowance. Hourly rates published varied between the range from £5.50 to £15.57 (for childcare) and from the minimum hourly wage to £20.24 for adult care. The ability to claim was consistently prescriptive and required receipts based on actual expenditure. KCC are broadly in the range, so we do not make any recommendations for changes to the hourly amount claimable.

A minority of Councils capped the Allowance. This ranged from £50.33 per day to £3621 (Childcare) and £7654 (Dependant). However, it appears a cap is somewhat irrelevant when considering that few Members claim the Allowance, either in Kent County Council or elsewhere ² (One KCC Member did so FY19-20) and we decided against recommending the introduction of any cap.

We therefore recommend:

- To raise awareness of the existence of the claim availability amongst Members through the New Member Induction process.
- There should be exclusions on claiming dependency Allowance for adult care in the event a Councillor receives a Carer's Allowance from the Department for Work and Pensions.

INDEXATION – CHOICE OF METHOD AND DURATION

Since 2017, the method used to determine the annual increase for the Basic Allowance, Special Responsibility Allowances and Carer's Allowance has been to index-link these Allowances to total staff pay progression pot agreed for the previous financial year, expressed as a percentage, as determined through the KCC Total Contribution pay Process (TCP).

The primary intention of aligning Member increases with staff TCP percentage was to distance Members from decisions about their own Allowance increases. The method also aligns Members with KCC- related criteria and circumstances which underpin TCP recommendations.

Whilst we recognise that the above TCP indexation approach goes some way to achieving the intent and is a relevant input, the arrangement is not entirely effective in this regard.

Staff increase proposals arising from the TCP review require final approval through full Council vote. Members are therefore able to vary the proposed staff pay increase potentially impacting Members' own increase. Consequently, there remains a potential conflict of interest in this arrangement.

² Of the peer review, 18 Councils that published their dependency Allowance claims for FY19/20. One Council had received 2 Member claims for Dependency Allowance, but most had either one or no claims against this Allowance.

INDEXATION (Cont'd)

We therefore recommend the following:

- The current method of indexation to TCP is retained.
- Use of an additional benchmark external to KCC, not determined by Members, namely a Public Sector pay benchmark. Whilst the Public Sector pay review process is varied and complex, we recommend use of an average percentage increase (API) decided by Government Ministers averaged across the 8 Pay Review Bodies (PRBs) which are independent non-departmental public bodies and cover 45% of Public Sector employees. The API should be calculated on the percentage increase in the overall pay bill arising from each Minister's decision, arising from the 8 PRBs. The pay bill is defined as the basic pensionable pay bill, excluding any incentive or bonus payments
- The actual percentage increase applied to Members should be the average of the TCP percentage and the Public Sector benchmark described above.
- This percentage should apply to Basic Allowance, Special Responsibility Allowances, Co-optee Allowance and Carer's Allowance.
- The indexation approach is recommended to apply from FY April 2022 onwards and continue to apply for 4 years from that date.
- Full Council approval for any index – based adjustment should nevertheless be obtained on an annual basis. Such approval should be restricted to either confirming the increase calculated by the index formula or a lower increase taking into account any prevailing factors relevant to Kent County Council (such as budgetary constraints / affordability). However, the adjustment should not exceed the increase calculated by the index formula.

This approach would then provide a measure which is entirely removed from Member decision making whilst also preserving a link to any KCC budgetary considerations

Whilst the effective date of pay reviews in the public sector covered by Pay Review Bodies (PRBs) is April annually, we do recognise that the actual timing of Minister decisions and approvals may mean some backdating of Member Allowances as is often currently the case.

We are also aware that the data necessary to calculate the index formula proposed originates from multiple sources and becomes available at different times during the year. If our recommendation on indexation is accepted, the Panel are prepared to liaise over the coming months with the relevant Parliamentary / Government Departments and Agencies to create a single document format from which the required data can be sourced.

PRACTICE OF MEMBER DISCRETION TO DETERMINE RE-ALLOCATION OF SRA ENTITLEMENT

Member discretion to waive full or partial SRA entitlement is granted in the 2003 Act. However, Member discretion to determine to whom Allowances should be given is not. Neither is the practice specified within the KCC Constitution.

Whilst we regard the waiving of Allowances is entirely laudable, we propose that funds released by this process should be retained to reduce costs to the council rather than directed according to Members' personal preferences.

We therefore recommend the practice of Member discretionary re-allocation be discontinued with immediate effect.

The Panel is however mindful that, in contrast to the majority party where multiple SRAs are available considering all SRA-entitled, Cabinet-related roles, currently each Opposition Group has only 1 SRA available to support its activities. In practice Opposition workload may be shared by others in addition to the Leader role. If, in the future, proposals were forthcoming to create a formal Deputy Opposition position supported by a specific role description and formally recognised within the Constitution, the Panel would likely recommend that Opposition Groups be allowed to reallocate a portion of the Leader SRA to that position.

In our view, this is the only exception that should be allowed which, implemented as described above, would be properly controlled and permitted on the basis of formally recognised responsibilities

ADDITIONAL PERSPECTIVES OFFERED BY THE PANEL

NUMBER OF SRA POSITIONS - POTENTIAL FOR REDUCING SRA COSTS

Whilst benchmarking shows that for most roles, except for Opposition Group Leaders, SRA Allowance levels are appropriately aligned with the Peer Group, the Panel nevertheless see opportunities to reduce the number of SRA – entitled positions and related costs in respect of Cabinet - related SRA roles.

The following table**** shows total SRA costs permissible under the current scheme, including Cabinet Committee SRA roles, aligned to Cabinet portfolios. Personnel and Regulation Committees, although covering cross – Council business, are included as they relate closely to Cabinet portfolios.

CABINET MEMBER / COMMITTEE / DIRECTORATE ALIGNMENT - SRA COSTS* (Excluding Leader and Deputy Leader roles)											
DIRECTORATE	CABINET				COMBINED SRA COST*	COMMITTEE CHAIRS					
	PORTFOLIO		NUMBER OF SRA-ENTITLED ROLES	SRA*		SRA*	NUMBER OF SRA-ENTITLED ROLES	PORTFOLIO	CATEGORY / NUMBER OF MEETINGS	NUMBER OF KCC COMMITTEE MEMBERS	
Strategic & Corporate Services	FINANCE, CORPORATE & TRADED SERVICES	Cabinet Member	1	32,931	72,193	8,866	1	Chair	Policy and Resources	Cabinet Comm / 5	15
	Deputy (Corporate & Traded Services)	Deputy	1	15,198							
	Deputy (Finance)	Deputy	1	15,198							
Strategic & Corporate Services	COMMUNICATIONS, ENGAGEMENT & PEOPLE	Cabinet Member	1	32,931	48,129	-	0	Chair	Personnel	Ordinary	9
	Deputy (Communications & Engagement)	Deputy	1	15,198							
Adult social Care & Public Health	ADULT SOCIAL CARE & PUBLIC HEALTH	Cabinet Member	1	32,931	65,861	8,866	1	Chair	Adult Social Care	Cabinet Comm / 6	14
	Deputy	Deputy	1	15,198							
Children, Young People & Education	INTERGRATED CHILDREN'S SERVICES	Cabinet Member	1	32,931	52,562	8,866	1	Chair	Children's, Young People and Education	Cabinet Comm / 6	15
	Deputy	Deputy	1	15,198							
	EDUCATION & SKILLS	Cabinet Member	1	32,931							
	Deputy	Deputy	1	15,198							
Growth, Environment & Transport	ECONOMIC DEVELOPMENT	Cabinet Member	1	32,931	56,995	8,866	1	Chair	Growth, Economic Development and Communities	Cabinet Comm / 6	16
	Deputy	Deputy	1	15,198							
	COMMUNITY & REGULATORY SERVICES	Cabinet Member	1	32,931	59,274	11,145	1	Chair	Regulation	Ordinary / 3	14
	Deputy (Communities)	Deputy	1	15,198							
	ENVIRONMENT	Cabinet Member	1	32,931	52,562	8,866	1	Chair	Environment & Transport	Cabinet Comm / 5	17
	Deputy	Deputy	1	15,198							
	HIGHWAYS & TRANSPORT	Cabinet Member	1	32,931	52,562	8,866	1	Chair	Environment & Transport	Cabinet Comm / 5	17
Deputy	Deputy	1	15,198								
	TOTAL		19	448,359	512,700	64,341	7				

* Reflects SRAs allowable under Scheme. One SRA shown where member has multiple roles. Full SRA entitlement shown irrespective of individual member decision to waive full or partial allowance

** Chair, CYPE - assumes 50% allocation each to Intergrated Children's Services and Education & Skills Cabinet portfolios

*** Chair, Environment & Transport - assumes 50% allocation each to Environment and to Highways & Transport Cabinet portfolios

****Table derived <https://www.kent.gov.uk/> and KCC Strategic and Corporate Services – Governance, Law and Democracy

The table shows:

- Each Cabinet portfolio has at least 3 SRA-entitled roles focused on each portfolio activity with average SRA cost per Cabinet portfolio being £56,880 p.a., taking into account Cabinet, Deputy Cabinet and Committee chair roles.
- The total number of SRA – entitled positions related to specific Cabinet portfolios is 26, which is 66% of all SRA-entitled positions across the Council.
- Of the 26 roles, 10 roles are Deputy Cabinet Members and 7 roles are Cabinet Committee Chairs

Deputy Cabinet Member portfolios are aligned with their respective Cabinet Committee portfolios which are also chaired by SRA – entitled positions, and there is therefore some common ground across these roles.

NUMBER OF SRA POSITIONS - POTENTIAL FOR REDUCING SRA COSTS (Cont'd)

We therefore recommend that the Deputy Cabinet Member role be expanded to include Committee Chair-ship of the portfolio on which they are focussed, with the Deputy Cabinet Member SRA being maintained at the current level, and with the separate Committee Chair SRAs being discontinued.

This recommendation is made on the basis that the Deputy Cabinet Member is already focussed on, and knowledgeable about, the committee portfolio they would chair.

In considering this proposal we have been mindful of the need to maintain political balance in the appointment of these roles. However, we do not believe the recommendation compromises political balance beyond current arrangements.

It is the case that this recommendation would mean a move away from the process whereby Committee Members are responsible for voting in the Chair to a process whereby the majority party would effectively be nominating Committee Chairs from Deputy Cabinet Members. However, in practice the majority group are already able to prevail in voting in their preferred Committee Chairs, and under principles of proportionality, the majority group dominates the vote. Furthermore, Deputy Cabinet Members do not have executive authority, cannot make cabinet decisions, and are not entitled to Cabinet vote.

We have also been mindful of potential concerns that our recommendations may, beyond current arrangements, compromise the Cabinet Committee Chair's ability to 'hold the Cabinet Member to account'. However, we do not believe this is the case for the following reasons:

- Clause 18.20 of the Constitution defines the Cabinet Committee role as advisory and does not extend to scrutiny which is independently handled elsewhere within the Council framework.
- This functional separation is reinforced by Clause 18.28 which states that Cabinet Committee Members may not serve as ordinary or substitute Members of the Scrutiny Committee when the latter is dealing with issues that are within their Cabinet Committee's area of responsibility. This would strongly suggest to us that Cabinet Committees hold the function of advisers to the Executive but not scrutinising functions.
- Under current arrangements the Council Leader already has powers to nominate Committee Chairs, and Committee terms of reference are also determined by the Leader.

This recommendation would reduce SRA - entitled positions by 6 (excluding Regulation Chair) and SRA costs by £ 53,196 p.a.

DIVERSITY - GREATER AMBITIONS FOR MORE DIVERSE REPRESENTATION

The following overviews a comparison of Kent county-wide demographic compared to that of Kent County Council Member. Dimensions of diversity used have been based on information in the public domain and therefore is limited on some aspects including gender definitions, sexual orientation, disabilities and religion. The following table shows the comparison covering age and gender*.

DIVERSITY PROFILE - KENT POPULATION V KCC MEMBERS (Percentages)								
POPULATION (18 Years +)	AGE			GENDER IDENTITY		ETHNICITY		DISABILITY
	UNDER 49	50 - 64	65+	MALE	FEMALE	WHITE	BLACK / MINORITY	
KENT GENERAL PUBLIC	48.3	25.6	26.2	49	51	93.7	6.3	
KCC MEMBER POPULATION	11.3	36.3	52.5	74	26			

The average age of Kent population (all ages) is 41.2. The average age of KCC Members is 63.5 (as at March 16, 2020)

The table shows the Kent population is significantly under – represented in terms of female participation and younger age groups. We feel it is in the interest of the Kent electorate to have the elected Member population as closely aligned with the general population demographic to ensure:

- The interests of all demographic groups in Kent are well represented and Members with first-hand experience of needs and concerns of various groups can provide informed contribution to Council activity
- KCC accesses and fully leverages the talent and experience present in all demographic groups
- Both the letter and the spirit of KCC’s Equality and Diversity policy principles are fully enacted

We note efforts already in play in various council activities to pursue equality and diversity objectives. However, whilst the Council’s policy emphasises equality and diversity issues are the responsibility of all Members, the KCC Constitution does not appear to make it clear which Cabinet portfolio takes the lead in co-ordinating effort and resource in this complex area.

We therefore recommend the Council consider establishing a dedicated ‘Lead Member’ role for Diversity to champion ambitions for Equality and Diversity and ensure focus and attention on these wide-ranging issues. We would envisage that a key accountability of the role would be to embed behaviours to promote a more inclusive culture amongst Members in their day-to-day activities to help attract and retain a more diverse Member profile and ensure that contribution is encouraged, respected and valued from such a diverse profile.

Illustratively, pending fuller evaluation, we have included an SRA for this role of £22,798 in our costings, equivalent to that of the Lead Member for Partnerships, (see table, page 28) to show that, inclusive of this SRA level, our overall proposals achieve a cost reduction.

Alternatively, the Council may wish to consider giving specific accountability for co-ordinating Equality and Diversity issues to a Cabinet Member and ensure that this role be written into the Cabinet portfolio chosen. Arguably this could be within the remit of the Cabinet Member for Communications, Engagement and People.

*Population data derived from: <https://www.kent.gov.uk/about-the-council/information-and-data/facts-and-figures-about-Kent/population-and-census#tab-1>

*Age data derived from: https://www.kent.gov.uk/_data/assets/pdf_file/0019/14725/Mid-year-population-estimates-age-and-gender.pdf

TRANSPARENCY ISSUES

One of the considerations of the Panel has been the matter of Member workload. Throughout our discussions and interviews we have considered the actual time that elected Members spend on their duties, whether they hold positions of special responsibility or not.

Though Member workload has an inherent form of recognition through Special Responsibility Allowances, this obviously does not apply to Members who do not hold such roles. A backbench Member could be one of the most active on the authority, but this is not measured or acknowledged in any particular way within the Allowances scheme.

However, we recognise Member workload is challenging to quantify in this respect, given the various elements that can comprise core Member duties - from attending formal Council meetings, to meeting with residents, organisations and dealing with casework. It is not possible, nor indeed practicable, to adopt a policy which would directly link Allowances to such a complex web of duties and responsibilities.

However, we do consider it important that the authority is as transparent with the information it does maintain about Member workload - particularly in relation to attending formal Council meetings. Though this in no way reflects the total contribution Members make, it is information that should be available to the public in an easily accessible format. During the course of benchmarking information between other authorities and Kent, it became apparent that the authority is out of step in terms of making attendance information available to the public.

Out of the 12 districts/borough councils in Kent, 10 provide clearly tabulated information on Member meeting attendance on their respective Modern.gov*/Member pages only Ashford, Dartford and Medway (a unitary authority) do not. Such information is also provided by the neighbouring county authorities in East Sussex and Surrey. In order to locate the same level of information in Kent, residents would have to manually search the minutes of every authority meeting for each Member, which would be incredibly time-consuming.

Given this information is already held by the authority but is simply not displayed, we recommend that Kent County Council's website is updated to include this information, which can be easily integrated into the Modern.gov system. It is a simple but effective measure of transparency which reveals, at least in part, an element of a Member's workload and commitment to the authority, an example of which is adopted by Surrey County council. *

*Example of 'Mod.gov good practice: Surrey County Council's [Member page](#)

COST IMPLICATIONS - SUMMARY OF RECOMMENDATIONS AND COST IMPACT

Total annual Scheme costs, inclusive of all Basic Allowance and SRA recommendations proposed in this report, reduces to £ 1,951,601 compared to current Scheme costs of £ 1,962,160 . The following table shows the comparison of current versus proposed costs with changes highlighted in yellow.

SCHEME STRUCTURE COST COMPARISON* - CURRENT V PROPOSED (Costs £ p.a. rounded)								
(Proposed changes highlighted in yellow)								
SPECIAL RESPONSIBILITY ALLOWANCE (SRA) **	NUMBER OF SRA - ENTITLED POSITIONS		ALLOWANCE AMOUNT		% OF LEADER'S SRA		COST	
	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED	CURRENT	PROPOSED
Leader	1	1	50,663	50,663	100%	100%	50,663	50,663
Cabinet Member	9	9	32,931	32,931	65%	65%	296,379	296,379
Lead Member for Partnerships	1	1	22,798	22,798	45%	45%	22,798	22,798
Lead Member for Diversity (illustrative SRA) **	0	1	-	22,798	0%	45%	-	22,798
Council Chair	1	1	16,719	16,719	33%	33%	16,719	16,719
Deputy Cabinet Member	11	11	15,199	15,199	30%	30%	167,188	167,188
PAC Chair	1	1	11,146	11,146	22%	22%	11,146	11,146
Regulation Committee Chair	1	1	11,146	11,146	22%	22%	11,146	11,146
Council Vice-Chair	1	1	8,866	8,866	17.5%	17.5%	8,866	8,866
Other Committee Chairs ***	11	5	8,866	8,866	17.5%	17.5%	97,527	44,330
Opposition Leaders****	3	3	7,599	17,227	15%	34%	22,798	51,681
Opposition - Additional Payment per member (15 members)	0	0	602	-	n/a	n/a	9,023	-
SRA TOTALS	40	35					714,254	703,715
BASIC ALLOWANCE** - All Members	81	81	15,406	15,406	N/A	N/A	1,247,906	1,247,886
TOTAL - BASIC ALLOWANCE & SRAs COMBINED							1,962,160	1,951,601

Assumes full take-up of Basic Allowance and SRA entitlements for all entitled roles for both the 'Current' and 'Proposed' scheme costs. Any Employer N.I. costs not included
Addition of Lead Member for Diversity
Absorption of SRA - entitled Cabinet Committee Chair responsibilities into Deputy Cabinet Member role and deletion of Cabinet Committee SRAs
Increase of Opposition Leader SRA to Council peer group level of 2/22, consistent with Leader and Deputy Leader rankings in their respective peer groups. Elimination of the 'Additional Payment' per Opposition Member.
For the purpose of consistent cost comparison, the number of Opposition Leaders in both 'Current' and 'Proposed' have been set at 3. Under our recommendations, the 'Proposed' cost of Opposition group SRAs would be capped at the number shown, whereas the 'Current' cost could potentially be higher depending on the size of Opposition groups elected
NOTE: Variance in current position numbers and costs compared to current scheme details in earlier 'Overview of Current Scheme' section due to different assumption on Opposition Group numbers

APPENDIX 1

RANKING OF SRA – ENTITLED POSITIONS, EXCLUDING COUNCIL LEADER AND OPPOSITION GROUP LEADERS

DEPUTY LEADER SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
Essex	42,000	3.5	78
Kent	32,931	2.1	65
Hertfordshire	32,004	3.0	75
Staffordshire	28,473	2.9	75
Surrey	28,400	2.2	65
Derbyshire	27,000	2.5	75
Devon	26,426	2.0	80
West Sussex	24,371	2.0	72
Leicestershire	23,245	2.0	60
Lincolnshire	22,986	2.1	66
Oxfordshire	22,028	2.0	69
Suffolk	21,965	2.0	67
Lancashire	21,925	2.0	70
Norfolk	21,438	2.0	65
Somerset	20,104	1.7	60
Gloucestershire	19,130	1.8	56
Worcestershire	18,846	2.1	53
East Sussex	18,792	1.4	51
Hampshire	18,082	1.4	58
North Yorkshire	17,410	1.7	53
Cumbria	14,711	1.7	56
Warwickshire	14,482	1.5	60

CABINET MEMBER SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
Essex	36,000	3.0	67
Kent	32,931	2.1	65
Surrey	22,930	1.8	52
West Sussex	21,663	1.8	64
Hertfordshire	21,336	2.0	50
Leicestershire	20,681	1.8	53
Devon	19,820	1.5	60
Lincolnshire	19,702	1.8	56
Suffolk	19,220	1.8	58
Gloucestershire	19,130	1.8	56
Worcestershire	18,503	2.0	52
Hampshire	18,082	1.4	58
Derbyshire	18,000	1.7	50
Somerset	17,969	1.6	53
Oxfordshire	17,623	1.6	55
Lancashire	17,227	1.6	55
Norfolk	16,490	1.5	50
East Sussex	16,107	1.2	44
North Yorkshire	15,669	1.5	47
Staffordshire	12,528	1.3	33
Warwickshire	10,783	1.1	45
Cumbria	10,508	1.2	40

APPENDIX 1 (Cont'd)

DEPUTY CABINET MEMBER SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
Kent	18,999	1.2	38
Essex	12,000	1.0	22
Hertfordshire	10,668	1.0	25
Surrey	10,170	0.8	23
Derbyshire	9,000	0.8	25
Lincolnshire	8,757	0.8	25
Lancashire	8,613	0.8	27
Leicestershire	7,839	0.7	20
Staffordshire	7,830	0.8	21
Somerset	6,739	0.6	20
Suffolk	5,491	0.5	17
West Sussex	4,650	0.4	14
North Yorkshire	1,741	0.2	5
Norfolk	0	0.0	0
Devon	0	0.0	0
Gloucestershire	0	0.0	0
Hampshire	0	0.0	0
Oxfordshire	0	0.0	0
Cumbria	0	0.0	0
East Sussex	0	0.0	0
Warwickshire	0	0.0	0
Worcestershire	0	0.0	0

COUNCIL CHAIR SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
West Sussex	21,663	1.8	64
Essex	21,600	1.8	40
Hampshire	19,127	1.5	62
Surrey	18,350	1.4	42
Staffordshire	18,239	1.9	48
Kent	16,719	1.1	33
Lancashire	16,447	1.5	53
Worcestershire	14,233	1.6	40
Suffolk	13,728	1.2	42
East Sussex	13,420	1.0	36
Lincolnshire	13,266	1.2	38
Norfolk	13,192	1.2	40
Hertfordshire	10,668	1.0	25
Devon	10,570	0.8	32
North Yorkshire	10,446	1.0	32
Somerset	10,108	0.9	30
Gloucestershire	9,570	0.9	28
Oxfordshire	9,362	0.8	29
Derbyshire	9,000	0.8	25
Warwickshire	5,763	0.6	24
Cumbria	5,374	0.6	20
Leicestershire	N/A		

APPENDIX 1 (Cont'd)

COUNCIL VICE CHAIR SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
Essex	10,000	0.8	19
Hampshire	9,796	0.8	32
Staffordshire	9,116	0.9	24
Kent	8,866	0.6	18
West Sussex	8,616	0.7	25
Lancashire	8,224	0.7	26
Surrey	6,630	0.5	15
East Sussex	5,374	0.4	15
Lincolnshire	4,422	0.4	13
Suffolk	4,393	0.4	13
Devon	3,680	0.3	11
Derbyshire	3,600	0.3	10
North Yorkshire	3,482	0.3	11
Worcestershire	3,233	0.4	9
Warwickshire	2,893	0.3	12
Gloucestershire	2,860	0.3	8
Hertfordshire	2,667	0.3	6
Norfolk	2,473	0.2	7
Oxfordshire	2,341	0.2	7
Somerset	2,246	0.2	7
Cumbria	2,034	0.2	8
Leicestershire	N/A		

CHAIR OF COMMITTEES SRA			
Council	Amount (£ p.a.)	Multiple of Basic Allowance	%age of Leader SRA
Essex	14,850	1.2	28
Worcestershire	14,508	1.6	41
Hertfordshire	13,335	1.3	31
Hampshire	10,523	0.8	34
Kent	10,006	0.6	20
West Sussex	9,552	0.8	28
Surrey	9,180	0.7	21
Cumbria	8,833	1.0	34
Lincolnshire	8,291	0.7	24
Lancashire	7,830	0.7	25
Suffolk	6,864	0.6	21
Leicestershire	6,726	0.6	17
East Sussex	6,711	0.5	18
Devon	6,474	0.5	20
Gloucestershire	6,360	0.6	19
Derbyshire	6,300	0.6	18
Staffordshire	6,140	0.6	16
North Yorkshire	6,094	0.6	18
Oxfordshire	5,783	0.5	18
Warwickshire	5,139	0.5	21
Norfolk	4,535	0.4	14
Somerset	4,493	0.4	13

APPENDIX 2

OPPOSITION MODELS/METHODS	
Council	Model/Method
Cumbria	Opposition leader
Derbyshire	Multiple opposition leaders
Devon	Multiple opposition leaders
Lincolnshire	Multiple opposition leaders
Worcestershire	Opposition leader
East Sussex	Multiple opposition leaders and deputy leader of largest opposition group
Hampshire	Opposition leader and shadow cabinet/spokesmen receive own allowances
Hertfordshire	Opposition leader and two shadow cabinet/spokesmen receive own allowances
Lancashire	Opposition leader, deputy, whip and secretary
Norfolk	Multiple opposition leaders, deputies and shadow cabinets/spokesmen
North Yorkshire	Multiple opposition leaders and secretaries
Oxfordshire	Opposition leader and shadow cabinet/spokesmen
Somerset	Multiple opposition leaders and deputy leader of largest opposition group
Staffordshire	Opposition leader and deputy leader
Suffolk	Multiple opposition leaders, deputies and (up to 6) shadow cabinets/spokesmen per group
Essex	A fixed opposition leader allowance amount, split between multiple group leaders if necessary
Gloucestershire	Opposition leader, but a different amount depending on group size (range of 2-5 members)
Kent	Opposition leader, plus fixed sum per member – leader's discretion on any allocation
Leicestershire	Opposition leader and whip on a per-member/group size scale
Surrey	A fixed opposition leader allowance amount, split between multiple group leaders if necessary
Warwickshire	Leader and deputy leader allowances for groups above a 10% of member threshold, a smaller allowance for leaders of groups below this – and a per member sum for any of the 10% groups, allocated at leader's discretion (similar to Kent's)
West Sussex	Opposition leader, plus fixed sum per member