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<b>Subject:</b>	<b>MEMBERS' ALLOWANCES SCHEME 2024-25</b>
<b>Meeting and Date:</b>	<b>COUNCIL – 6 March 2024</b>
<b>Report of:</b>	<b>Rebecca Brough, Head of Corporate Services and Democracy</b>
<b>Classification:</b>	<b>UNRESTRICTED</b>

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<b>Purpose of the report:</b>	To consider the Members' Allowances Scheme for 2024-25
<b>Recommendation:</b>	To make the Members' Allowances Scheme for 2024-25

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## 1. Summary

Under Regulation 10 of the Local Authorities (Members' Allowances) (England) Regulations 2003/1021 the Council is required to make a scheme for the payment of allowances to Members.

## 2. Introduction and Background

2.1 The Council is required to make its Members' Allowance Scheme on an annual basis. In making its Scheme the Council must have regard to the non-binding recommendations of its appointed Independent Remuneration Panel. However, other than having regards to these recommendations it may set its allowances at any level that it decides.

2.2 The allowances that are payable as part of the Members' Allowance Scheme are established in the Local Authorities (Members' Allowances) (England) Regulations 2003. In summary, this provides for the following allowances to be made to councillors:

- Basic Allowance (to be received by all Members of the Council);
- Special Responsibility Allowances (for specific positions);
- Travel and Subsistence Expenses
- Dependent Carers Allowance
- Co-Optees' Allowance

2.3 The Council can also decide to index link uplifts in allowances (for example, but not limited to, the Consumer Prices Index or the Retail Price Index). The Council has previously made such arrangements but at the meeting of the full Council held on 4 March 2015 reference to Index Linking was removed as the allowances at the time had been frozen since 2011.

2.4 The levels of allowance for the Independent Persons and the Chairman and Vice-Chairman of the Council are set out for transparency purposes only as they do not form part of the Scheme.

### **Dependant Carers' Allowance**

2.5 The Dependant Carers' Allowance Scheme is an actual cost reimbursement. The revised scheme has operated successfully since its introduction in 2021.

## **Subsistence Allowances**

- 2.6 The Council at its meeting held on 26 January 2022 agreed to raise the travel allowance from 40 pence to 45 pence in line with HMRC rates. However, rates for subsistence were left unchanged at the time and have not been updated in over a decade.
- 2.7 It is proposed to increase the Member subsistence levels in line with HMRC levels as follows:

### **HMRC Levels**

Minimum Journey Time	Maximum amount of meal allowance
5 hours absence	£5
10 hours absence	£10
15 hours (and ongoing at 8pm)	£25

Where a scale rate of £5 or £10 is paid and the qualifying absence in respect of which it is paid lasts beyond 8.00pm a supplementary rate of £10 can be paid.

A meal is defined as a combination of food and non-alcoholic drink. The allowance is for actual expenditure and Members should provide appropriate evidence of their expenditure.

The Member should be absent from home or the council offices for a continuous period as above.

- 2.8 Additionally, a clause has been added in line with the officer subsistence policy that requires any claims to be for journeys to locations outside of East Kent as follows:

“Subsistence claims will only be paid where the Member is required to travel outside of the East Kent districts of Dover, Thanet, Canterbury and Folkestone and Hythe.”

### **Travelling Allowances**

- 2.9 Clarification has also been included in respect of the ability to claim travelling allowances for meetings organised at the request of the Chairman of the Council, Vice-Chairman of the Council, Leader and Cabinet members, Shadow Cabinet members as this was open to interpretation previously. The clarification confirms that travelling allowances can be claimed for meetings that these post holders have initiated with officers so long as it relates to their performance of their roles. It does not change the position that travelling allowances for meetings initiated by Members relating to ward work are considered as being covered by the Basic Allowance and are not eligible for separate payment under the travelling allowance scheme.

### **East Kent Joint Independent Remuneration Panel**

- 2.10 The East Kent Joint Independent Remuneration Panel (EKJIRP) is a joint body appointed by Dover District Council, Canterbury City Council and Thanet District Council in accordance with the requirements of the Local Authorities (Members'

Allowances) (England) Regulations 2003 (Regulation 20(b)). The Council must have regard to its recommendations in setting its Members' Allowances Scheme.

- 2.11 The East Kent Joint Independent Remuneration Panel has previously made a set of recommendations as to the levels of Basic and Special Responsibility Allowance that it felt were appropriate for Dover District Council. These are for reference set out at Appendix 3 of this report.

### **3. Identification of Options**

- 3.1 Option 1: To make the Members' Allowances Scheme 2024-25 as set out in Appendix 1. This represents no change to the levels set for 2023-24, with the exception of changing the subsistence rates in line with HMRC levels.
- 3.2 Option 2: To make the Members' Allowances Scheme set out in Appendix 1 with amendments. This could include increasing the levels of allowance or reducing the levels or a combination of both.

Members could make the Members' Allowances Scheme as set out in Appendix 1 subject to minor changes. In the event of a more significant change, it is recommended that Members request a further report setting out the changes and the resource implications arising.

A significant change in the Members' Allowances Scheme may also require a further consultation with the East Kent Joint Independent Remuneration Panel prior to the Council being able to adopt it.

- 3.3 Option 3: To make the Members' Allowances Scheme 2024-25 as set out in Appendix 1 without the changes to the HMRC subsistence allowance levels. This option would leave the subsistence levels unchanged from 2023-24.

### **4. Evaluation of Options**

- 4.1 Option 1 would result in a very minor increase due to the changed subsistence allowances.
- 4.2 Option 2 would place additional pressure on the required 2024-25 budgetary provision if any increase in allowances were to be adopted. Conversely, a reduction in allowances would result in budgetary savings.
- 4.3 Option 3 would result in no resource implication as it replicates the existing scheme. It would maintain the existing subsistence allowances scheme that is not in alignment with the HMRC levels.

### **5. Resource Implications**

- 5.1 There are no direct resource implications if Option 1 is adopted. The level of subsistence claims is very low and can be sustained from within the current budget.
- 5.2 If Members wish to make significant changes the Members' Allowances Scheme it is recommended that, unless discussed with officers prior to the Council meeting to enable accurate costings to be developed, any proposals be subject to a further report setting out the financial implications of the changes.

### **6. Corporate Implications**

- 6.1 The Council is required to make arrangements for a Members' Allowances Scheme on an annual basis.

## 7. **Climate Change and Environmental Implications**

- 7.1 There are no direct climate change implications arising from the report.
- 7.2 The Members' Allowances Scheme does make provision for a cycling mileage allowance and travel by public transport as an alternative to using individual cars and motorbikes.

## 8. **Corporate Implications**

- 8.1 Comment from the Director of Finance (linked to the MTFP): Accountancy has been consulted on the report and have no further comments to add.
- 8.2 Comment from the Solicitor to the Council: The Solicitor to the Council has been consulted in the preparation of this report and has no further comments to make.
- 8.3 Comment from the Equalities Officer: This report regarding the Members' Allowances Scheme 2024/25 does not specifically highlight any equality implications, however in discharging their duties members are required to comply with the public sector equality duty as set out in Section 149 of the Equality Act 2010 <http://www.legislation.gov.uk/ukpga/2010/15/section/149>
- 8.4

## 9. **Appendices**

- Appendix 1 – Draft Members' Allowances Scheme 2024-25
- Appendix 2 – Comparison of the draft Members' Allowance Scheme 2024-25 against the last Quadrennial Review of the East Kent Joint Independent Remuneration Panel
- Appendix 3 – Comparison of the draft Members' Allowance Scheme 2024-25 against other Kent authorities.
- Appendix 4 – East Kent Joint Independent Remuneration Panel Recommendations in respect of the draft Members' Allowances Scheme 2024/25 (to follow)

## 10. **Background Papers**

- Constitution of the Council – Issue 24

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