

**Report of the
West Berkshire Council
Independent Remuneration Panel
6 November 2017**

Contents

1.	Chairman’s Foreword	1
2.	Executive Summary – Recommendations.....	2
3.	Regulatory context	4
4.	Membership of the Independent Remuneration Panel	4
5.	Terms of Reference.....	5
6.	Method of Working	5
7.	Key Messages.....	7
8.	Basic Allowance	7
9.	Special Responsibility Allowances	9
10.	Travel Allowances	14
11.	Subsistence Allowances.....	15
12.	Dependants’ Carers’ Allowance (DCA)	15
13.	The Administration of the Scheme (including indexation).....	16
14.	Implementation.....	16
15.	Appendices	16
	Appendix A: The budgetary impact of the Panel’s recommendations	17
	Appendix B: List of information considered by the Panel	19
	Appendix C: Summary of benchmarking data referred to by Panel.....	20

1. Chairman's Foreword

At least once every four years, since 2003, West Berkshire Council has been required to commission an Independent Remuneration Panel (IRP) to produce a report and recommendations on its Members' Allowances scheme and any factors impacting on it. The IRP, which met on 11-12 February 2015, fundamentally updated the Scheme. On 6 November 2017, the IRP met to discuss current arrangements, consider the evidence that had been received, and provide 'a light touch' overview, in line with its terms of reference.

In arriving at its recommendations, the Panel has taken into account the views, written and oral, of Members; the scope and level of allowances paid in similar councils in Berkshire; and the current and future financial challenges facing the Council. It is worth noting here that the Panel received eight written submissions prior to the meeting, and heard five representations from Members on the day.

The Panel's recommendations are detailed in full below with explanatory text and tables but briefly:-

We found that the reasoning underpinning the Basic Allowance figure, as determined by the IRP in 2015, was sound and the Basic Allowance should remain unchanged. Also unchanged is the Public Service Discount of 50%, which reflects the voluntary principle that the statutory framework requires, and is recognised in the Basic Allowance.

We noted the overwhelming evidence provided to the Panel that the Special Responsibility Allowance (SRA) for the Deputy Leader of the Council needed to be increased to acknowledge the additional responsibility that this role has required in the light of recent experience. We have recommended a small uplift in the existing SRA for this role to reflect this, from 50% of the Leader's SRA to 60%.

We have been impressed by the application of the Leader of the Main Opposition Group and his spokespersons to their challenge of shadowing the Executive portfolio holders with a view to holding them to account for their policy and its implementation. To that end, we recommend that at least two Main Opposition Group spokespersons each be awarded an SRA, if not all four, with the Leader of the Main Opposition Group to decide who should receive an SRA. (This in addition to the Leader of the Main Opposition Group who already receives an SRA).

We have also recommended that the Chairman of the Personnel Committee should receive an SRA on a par with that received by the Chairman of the Governance and Ethics Committee, in view of the nature of the cases under consideration which are becoming more frequent and complex.

We recommend minor updates relating to the Travel and Subsistence Allowances and the dateline for the submission of claims. These will help provide an even more efficient service for Members.

Overall, the impact of these changes on the Members' Allowances Scheme budget for the financial year 2018-19 is expected to be minimal.

It was tentatively suggested at the meeting that the next IRP review might be in approximately May 2020; one year after the Boundary Review and following the local elections in West Berkshire in Spring 2019.

I would like to thank my fellow Panel members, Jonathan Hopson and Tim Renouf, for their contributions to the report, not least for their keen statistical eye. Our thanks

to the Council's Strategic Support team who demonstrated outstanding organisation skills and whose guidance on procedures and processes was very much appreciated. Most especially, our thanks to all those Members who provided input for us to consider.

David Danielli (Chairman)
9 November 2017

2. Executive Summary – Recommendations

2.1 The full proposed scheme alterations are detailed within the report and comparative data is shown in Appendix C, but the main features of the Panel's recommendations are that:

1. The Basic Allowance

The Basic Allowance remains unchanged, notwithstanding any increases associated with indexation, but that the Independent Remuneration Panel meets again in approximately May 2020; one year after the Boundary Review.

2. The Special Responsibility Allowances

The Special Responsibility Allowances be as follows:

Role	Proposed amount*
Leader of the Council (x1)	£18,494 (2.5 x the Basic Allowance)
Deputy Leader of the Council (x1)	£11,097 (60% of Leader's Allowance)
Executive Members (x8)	£9,247 (50% of the Leader's Allowance)
Chairman of Overview and Scrutiny Management Commission (x1)	£4,624 (25% of the Leader's Allowance)
Chairman of the Council (x1)	£5,548 (30% of the Leader's Allowance)
Vice-Chairman of the Council (x1)	£1,110 (20% of Chairman's Allowance)
Chairman of Planning Committee (x2)	£4,624 (25% of the Leader's Allowance)
Chairman of Licensing Committee (x1)	£2,775 (15% of the Leader's Allowance)
Chairman of the Governance and Ethics Committee (x1)	£2,775 (15% of the Leader's Allowance)
Chairman of Personnel (x1)	£2,775 (15% of the Leader's Allowance)
Leader of the main Opposition Group (x1)	£7,398 (40% of the Leader's Allowance)
Opposition Spokespersons (x4)**	£2,219 (30% of the Leader of the Opposition's Allowance)
Leader(s) of Minority Group(s) if have 5 Group Members	£1,849 (10% of the Leaders Allowance)

Those roles in italics have been amended from the existing scheme.

**Figures are correct for 2017/18 and will be index linked for 2018/19 so may be subject to change.*

***Opposition Spokespersons – the IRP supports previous recommendation that four should be paid but that, if all are not paid for reasons of proportionality, then they recommend that at least two should be paid.*

A table showing the above information, the level of current allowance and the potential budgetary impact is attached at Appendix A.

3. Travel Allowances

The Travel Allowance rates remain unchanged and should continue to be in line with Inland Revenue approved rates.

- For clarification purposes, 14.1.6 of the Scheme should specify that valid insurance, MOT (if required), Tax and driving licence are required when claiming a Travel Allowance for attending an approved duty.

4. The Subsistence Allowance

The current Subsistence Allowances remain unchanged.

- For clarification purposes, the reference to the Subsistence Allowance being indexed to Officer rates in 14.1.13 of the Scheme, should be removed as this is no longer accurate.

5. Dependants' Carer's Allowance

The current wording of the Dependants' Carer's Allowance to be, "the UK Living Wage (currently £7.85) per hour up to a maximum of 40 hours per month per Councillor", is amended to be, "the UK Living Wage up to a maximum of 40 hours per month per Councillor". The level would be determined, as appropriate, at the time of any claim.

- For clarification, 14.1.4 of the Scheme should include specific reference to Childcare costs being eligible for the Allowance.

6. The Administration of the Scheme

The administration of the Scheme remains unchanged with the exception of the following change of wording to 14.1.10 with regard to the submission of claims:

"Members **may** submit claims for expenses relating to travel, subsistence and Dependants' Carer's Allowance that are incurred by their attendance at meetings and other approved duties. Claims must be made, in writing, and may be made in arrears up to two calendar months, if claimed by 5th of the third month. e.g. all expenses for 1st October to 30th November must be claimed by close of business on 5th December."

7. Indexation

That the level of indexation for the Basic Allowance and Special Responsibility Allowances remain unchanged and be automatically linked to that used for West Berkshire Council officers unless Members choose to forgo index linked increases in a particular year.

The Dependants' Carers' Allowance's maximum hourly rate remain indexed to the UK Living Wage but reference to a specific figure be removed, as noted above.

The mileage allowances remain indexed to HMRC rates.

That, in accordance with the 2003 Members' Allowances Regulations (21.1e), the level of indexation will be revisited in November 2021, if not before.

3. Regulatory context

3.1 This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (the Panel) for West Berkshire Council to advise the Council on its Members' Allowances Scheme.

3.2 The Panel was convened under *The Local Authorities' (Members' Allowances) (England) Regulations 2003 (SI 1021)* ("the 2003 Regulations"). These regulations, which arise out of the relevant provisions contained in the Local Government Act 2000, require all local authorities to establish and maintain an advisory Independent [Members] Remuneration Panel to review and provide advice on Members' allowances on a periodic basis.

3.3 All Councils are required to convene their Panel and seek its advice before they make any changes or amendments to their Members' Allowances Scheme. They must 'pay regard' to their Panel's recommendations before setting a new or amended Members' Allowances Scheme.

4. Membership of the Independent Remuneration Panel

4.1 The West Berkshire Council Independent Remuneration Panel last met in February 2015 to review the full scheme. Mr David Danielli was the only panel member from the 2015 process who was still available to take part in the 2017 process so the Council undertook to recruit two new panel members.

4.2 The membership and Terms of Reference (see section 5.1) of the November 2017 meeting of the West Berkshire IRP was considered by Corporate Board at the 17 August 2017 meeting. Full Council then agreed the appointment of the members to the Independent Remuneration Panel on the 14 September 2017.

4.3 The Council is required to ensure that the composition and regulation of its Independent Remuneration Panel accords with the 2003 Regulations. The Regulations require the following:

- (a) The Panel should consist of at least three members.
- (b) The members of the Panel cannot be members of any local authority in respect of which that Panel makes recommendations. Anyone who would be disqualified from being an elected member of a local authority is also disqualified from being a member of the Panel.
- (c) The members of the Panel cannot also be members of a Committee or Sub-Committee of an authority in respect of which the Panel makes recommendations. This includes co-opted members and members of the Governance and Ethics Committee.

4.4 Based on the above requirements, the Council's current Independent Remuneration Panel accords with the 2003 Regulations.

4.5 The current membership of the Panel is as follows:

David Danielli

A freelance Corporate Communications Consultant. David was formerly a Community Relations Manager at Vodafone, a major business in West Berkshire. David is a member of the West Berkshire Chamber of Commerce and is a former Chairman of Empowering West Berkshire.

Jonathan Hopson

Chief Executive of Camp Hopson & Co. Ltd. in Newbury from 2004 to 2014, now retired.

Tim Renouf

IT Consultant and Governor at St Nicolas School, with particular experience of school finance.

4.6 The Panel was supported by:

- Moira Fraser, Democratic and Electoral Services Manager, who acted as advisor to the Panel.
- Jude Thomas, Members Services Officer, who provided administrative support and kept a record of proceedings.

5. Terms of Reference

5.1 The Terms of Reference of the Panel for this review were agreed as follows:

To review the West Berkshire Council Scheme of Members Allowances including:

- Basic Allowance
- Special Responsibility Allowances
- Allowances for Independent Members
- Dependants' Carer's Allowance
- Travelling Allowance
- Subsistence Allowance
- The administration of the scheme

6. Method of Working

6.1 The Panel met at the Council Offices at Market St in Newbury on Monday 6 November 2017, to consider the written evidence and to receive evidence from Members of West Berkshire Council, in accordance with the Terms of Reference.

6.2 The Panel received briefings from the following West Berkshire Council Officers:

- Moira Fraser, Democratic and Electoral Services Manager

- Andy Day, Head of Strategic Support

6.3 The Panel received representations in person from the following Members:

- Emma Webster, Chairman of Overview and Scrutiny Commission;
- Lee Dillon, Leader of the Opposition (Liberal Democrat);
- Pamela Bale, Chairman of Personnel Committee;
- Graham Jones, Leader of the Council;
- Hilary Cole, Executive Member and Deputy Leader of the Council

Councillors Webster and Jones were interviewed via conference call.

Councillor James Cole, Chairman of Governance and Ethics Committee, was unable to attend but his written submission was given specific consideration.

6.4 All Members were sent a questionnaire that formed the basis of an invitation to make written submissions to the Panel if they so wished. Written representations were received from the following Members:

- Peter Argyle (Conservative), Member of various committees including Licensing Committee and Eastern Area Planning;
- Dominic Boeck (Conservative), Executive Member for Culture and Environment;
- Graham Bridgman (Conservative) Chairman of Licensing Committee and Member of Eastern Area Planning Committee, Governance and Ethics Committee and Appeals Panel;
- Hilary Cole (Conservative), Deputy Leader and Executive Member for Planning, Housing and Leisure;
- James Cole (Conservative) Chairman of Governance and Ethics Committee;
- Richard Crumly (Conservative), Vice Chairman of Personnel Committee and member of various committees including Licensing Committee and Eastern Area Planning Committee;
- Tony Linden (Conservative), Member of various committees including Licensing Committee and Appeals Panel;
- Garth Simpson (Conservative), Member of various committees including Overview and Scrutiny Management Commission and Western Area Planning Committee;
- Quentin Webb (Conservative), Chairman of Council and Member of Licensing Committee and Governance and Ethics Committee.
- Comments were also received from Virginia von Celsing (Conservative), Member of Western Area Planning Committee.

6.5 For the full list of other evidence considered by the Panel see Appendix B.

6.6 For the full summary of allowances paid in other unitary councils included in the benchmarking group see Appendix C.

7. Key Messages

7.1 Comparison of Remuneration with Peers

Whilst evidence shows that the remuneration of West Berkshire Council Members is generally lower than many similar unitary authorities, the Panel noted that this is also the case for staff remuneration and an increase of 16.5% in the Basic Allowance recommended by the IRP in 2015, had brought Members' allowances more in line with others.

7.2 Recognising the Current Economic Context

The Panel was advised that the current financial situation of the Council was extremely challenging with £30.16 million savings having been made from the revenue budget since 2014/15 and further significant savings will be required for 2018/19. They were made aware that there is a sensitivity amongst the public regarding Members' allowances and were advised that changes to the current Members' Allowance Scheme should, ideally, be made within the same overall budget. The Panel was mindful of this throughout its deliberations.

7.3 Boundary Review

The Panel was advised that the Boundary Commission was currently undertaking a Boundary Review of West Berkshire and that, whilst the details were yet to be agreed, it had been confirmed that the Council would be reduced by nine Members to 43, with effect from the May 2019 election.

7.4 Governance Structure

Since the IRP last met in 2015, the one significant amendment to the governance structure of West Berkshire Council had been the merging of the Governance and Audit Committee with the Standards Committee to form the Governance and Ethics Committee.

A revised scrutiny model was adopted at the May 2017 Annual Council meeting. The Scrutiny role had been developed to integrate scrutineers into existing committees and groups. The Council's governance arrangements will also be amended to reflect the outcome of the Boundary Review.

8. Basic Allowance

8.1 In giving consideration to the level of Basic Allowance (BA), the Panel was mindful of the 2003 Statutory Guidance:

'Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which councillors ought to be remunerated' (2003 Guidance Para.67).

8.2 This guidance highlights three considerations when arriving at the recommended Basic Allowance namely:

- The 'hours' or time required to be an effective ordinary Member
- The amount of this time that should be remunerated

- The rate of remuneration
- 8.3** In effect, the Basic Allowance is primarily a time-based allowance, that must be paid equally to all Members and that takes into account the full range of duties and activities that Members are expected to undertake including:
- Attending various meetings of the Council and its committees
 - Ward work and constituent meetings
 - Attendance at meetings of external organisations (Outside Bodies)
 - Liaison with Town and Parish Councils
 - Reading, preparation and relevant training where necessary
- 8.4** The majority of Local Authorities have used a time based formula for setting a Basic Allowance. With this in mind, a panel should have regard to three variables, namely:
- The hours 'devoted to these tasks' (2003 guidance)
 - The number of these hours for which 'Councillors ought to be remunerated' and the element which should be conceptualised as the voluntary contribution by Members (often referred to as the Public Service Discount or PSD)
 - The rate of remuneration
- 8.5** The Panel noted that the hours dedicated to Council work in West Berkshire varied between Members. However, the written and verbal submissions suggested that Members typically spent between 14 to 16 hours a week on Council work. This figure had not changed from the 2015 IRP.
- 8.6** The Panel was aware of the difficulty that the political groups have in recruiting new Councillors, particularly with reference to the time commitment required and the relatively low level of remuneration. The Panel noted that, in order to attract candidates from more diverse backgrounds, as well as young employed professionals, the Basic Allowance should be set at a level to mitigate some of the factors that may dissuade some people from standing for election.
- 8.7** That said, the Panel was also mindful of not setting allowances at a level that attracts candidates for financial reasons as an element of public service is explicitly built into Members' remuneration. The Panel accepted that the current level of the Basic Allowance reflected a "reasonable recompense" that would allow most people to stand and be a Councillor without suffering undue financial hardship. It was further accepted that the rationale used in the 2015 review of Members' Allowances; that allowances should be an 'enabler' and seek to reduce financial barriers to being a Councillor rather than provide full compensation for work undertaken and responsibilities held, still stood true. The statutory guidance reminds Panels that, in arriving at the recommended Basic Allowance, they should recognise that not all the time put in by Members should be remunerated. There is an element of public service. Historically, at West Berkshire Council, the time expectation has been discounted by 50% for remuneration purposes.
- 8.8** Taking the evidence and rationale cited above into account, the Panel accepted that the formula for the Basic Allowance, agreed at the 2015 Review, was still appropriate as a baseline.

8.9 The Panel recommends that the Basic Allowance should remain unchanged at the current level of £7,398, inclusive of the same items agreed at the 2015 IRP and detailed in 14.1.2 of the Members' Allowance Scheme.

9. Special Responsibility Allowances

9.1 The Panel was mindful of Paragraph 72 of the 2003 Statutory Guidance which states, in relation to the total number of Special Responsibility Allowances (SRAs) and the number of SRAs payable to any one Member:

9.2 "However, these are important considerations for local authorities. If the majority of Members of a Council receive a Special Responsibility Allowance the electorate may rightly question whether this was justified. Local Authorities will wish to consider very carefully the additional roles of Members and the significance of these roles, both in terms of responsibility and real time commitment, before deciding which will warrant the payment of a Special Responsibility Allowance".

9.3 The Panel considered each of the Special Responsibility Allowances currently paid by the Council and also those roles that currently do not attract a Special Responsibility Allowance. The Panel was also guided in their deliberations by the evidence provided by the Members and officers.

9.4 All figures will be index linked and, therefore, may be subject to change annually.

9.5 Leader of the Council (x1)

The Panel gave consideration to the Special Responsibility Allowance paid to the Leader of the Council and accepted that the current allowance (2017/18) of £18,494 (2.5 times the Basic Allowance) was perceived to still be appropriate and that the role of the Leader was largely the same as it had been in 2015.

Benchmarking shows that the Leader's Special Responsibility Allowance for 2016/17 is below the average paid across the other Berkshire unitary councils (£19,624) and the South East Employers' Allowances Survey of Unitary Councils (£21,520). See Appendix C.

Aware of the benchmarking data, but mindful of the current financial situation, **the Panel recommends that the Special Responsibility Allowance for the Leader remains unchanged at £18,494 (2017/18).**

9.6 Deputy Leader of the Council (x1)

The Leader of the Council is supported by a Deputy Leader who also has historically had their own portfolio of service areas. Typically Deputy Leaders are remunerated at a higher level than other Executive Members. However this is not the case in West Berkshire Council. The Deputy Leader's Special Responsibility Allowance is the same as the eight other Executive Members (£9,247).

The Panel considered the written and verbal submissions of Members and acknowledged that the role of Deputy Leader attracted greater responsibility than that of Executive Members. Whilst the Panel accepted that the recent situation within West Berkshire Council had been extraordinary, with the death in office of the previous Leader, the situation did highlight the additional responsibility that could fall to the Deputy Leader. With this in mind, **the Panel recommends that the Deputy**

Leader of the Council should be paid a higher allowance than the other Executive Members and, therefore, recommends that the position should receive a Special Responsibility Allowance of 60% of the Leader's allowance which equates to £11,097 per annum.

9.7 Executive Members (x8)

By law, the Executive can comprise a maximum of ten Members including the Leader and Deputy Leader. Currently all the Executive Members receive the same Special Responsibility Allowance of £9,247.

There had been no representations to suggest amendments were required to the Executive Member Allowances.

The Panel, therefore, recommends that other Members of the Executive (up to eight) continue to receive a Special Responsibility Allowance set at 50% of the Leader's Special Responsibility Allowance (£18,494) which equates to £9,247 per annum.

9.8 Chairman of Overview and Scrutiny Management Commission (x1)

West Berkshire Council has one Overview and Scrutiny Management Commission, which is a statutory committee charged with holding the Executive to account. It is also responsible for reviewing wider policies, decisions and performance of the Council. The West Berkshire Council Overview and Scrutiny Management Commission typically meets four times per annum; a significant reduction from the situation in 2015, when the IRP last considered the allowance. The Chairman receives a Special Responsibility Allowance of £5,548, which historically was set at 30% of the Leader's Special Responsibility Allowance.

Taking into account the reduced role of the Chairman of the Overview and Scrutiny Management Commission, and considering it alongside other allowances within the Scheme, **the Panel recommends that the Chairman of the Overview and Scrutiny Management Commission receive a Special Responsibility Allowance set at 25% of the Leader's recommended Special Responsibility Allowance (£18,494); a reduction of 5% resulting in an allowance of £4,624 per annum.**

9.9 Chairman of Planning Committee (x2)

West Berkshire Council currently operates two Area Planning Committees reflecting the widespread geographical nature of the District. Each Planning Committee meets every three weeks in the evening and meetings are often lengthy. The Chairman of a Planning Committee has a high profile and demanding role and is, often, subject to high pressure. The role is also relatively time consuming in terms of attending the Planning meetings themselves, site visits and preparing for the meetings.

Benchmarking shows that the current Special Responsibility Allowance (£4,624) paid to the Chairmen of the two Planning Committees (which was set at 25% of the Leader's Special Responsibility Allowance) may appear lower than other authorities; this is balanced by virtue of paying two Chairmen a Special Responsibility Allowance which is not typical in Berkshire.

The Panel believes that, due to the workload, high public profile and sensitive nature of planning in West Berkshire, the current level of remuneration is correct and recommends that the Special Responsibility Allowance for Chairmen of the

Planning Committees be maintained at 25% of the Leader's Allowance which equates to £4,624 per annum.

Should the model change in the future, and Planning Committees be reduced to just one, **the Panel recommends that the level of remuneration is increased to 30% of the Leader's Special Responsibility Allowance for the one Chairman and that the level of remuneration be reviewed one year after the new model is introduced.**

9.10 Chairman of Council (x1)

West Berkshire Council has a Chairman of the Council rather than a Mayor, although the roles are similar. The Chairman of the Council fulfils a largely civic role that is extremely demanding in terms of the time commitment involved in attending a large number of events (normally around 150 a year). In addition, the Chairman of the Council chairs all the Council meetings, which can be a very demanding role when constitutional issues arise and acts as the ambassador for the Council. The following day to day costs are covered by their Special Responsibility Allowance:

- Clothing required to attend numerous high profile events, sometimes involving Royalty;
- Tickets for events such as charity concerts, plays and performances;
- Charity donations and raffle tickets;
- Gifts and thank you cards.

9.11 The Chairman currently receives a Special Responsibility Allowance of £5,548. There have been no representations to suggest amendments were required to the Chairman's Allowance and the role had not changed since the allowance was considered in 2015 so **the Panel recommends that the remuneration for the Chairman of the Council should stay unchanged at 30% of the Leader's Special Responsibility Allowance which equates to £5,548 per annum.**

9.12 Vice-Chairman of the Council (x1)

The Vice-Chairman of the Council is currently remunerated with a Special Responsibility Allowance of £1110.

The Vice-Chairman provides much needed support to the Chairman of the Council given the large number of events that the Chairman is expected to attend. The Vice-Chairman is also required to chair Council meetings in the absence of the Chairman of the Council.

Again, there have been no representations to suggest amendments were required to the Vice Chairman's Allowance and the role had not changed since the allowance was considered in 2015 so **the Panel recommends that the remuneration for the Vice-Chairman of the Council remains unchanged at 20% of the Chairman's Special Responsibility Allowance which equates to £1,110 per annum.**

9.13 Chairman of the Licensing Committee (x1)

The Special Responsibility Allowance (£2,775) for the Chairman of the West Berkshire Council's Licensing Committee was originally set at 15% of the Leader's Special Responsibility Allowance. While Licensing, like Planning, is a statutory and quasi-judicial committee, the nature of the work is not at the same level as Planning,

as evidenced by the Licensing Committee meeting approximately four times a year, with functions under the Licensing Act 2003 delegated to ad hoc sub committees. The Panel received no evidence to indicate that the current ratio of 15% requires revising.

The Panel recommends that the Special Responsibility Allowance for the Chairman of the Licensing Committee continues to be set at the current ratio of 15% of the Leader's Special Responsibility Allowance, which equates to £2,775 per annum.

9.14 Chairman of the Governance and Ethics Committee (x1)

In the 2015 IRP, the Chairman of the Council's Governance and Audit Committee was awarded a Special Responsibility Allowance of 15% of the Leader's allowance (currently £2775 per annum), for the first time. This was in recognition of the responsibility that lay with the Committee and, therefore, the Chairman:

- Signing off the Council's Statement of Accounts
- Monitoring the internal and external audit functions
- Acting as custodian of the Council's Constitution

Since the 2015 IRP, the role of the Governance and Audit Committee has changed to incorporate the functions of the Standards Committee and, as a result, has been renamed Governance and Ethics Committee.

The Panel acknowledged the increase in remit of the Governance and Ethics Committee but noted that the Chairman of the previous Standards Committee had not received a Special Responsibility Allowance and felt that the increase in responsibility was not sufficient to warrant an increase in the allowance. **The Panel, therefore, recommends that the Special Responsibility Allowance remains unchanged at 15% of the Leader's Special Responsibility Allowance which currently equates to £2,775 per annum.**

9.15 Chairman of the Personnel Committee (x1)

The Personnel Committee is responsible for making changes to Human Resources policies and procedures, appointing staff at Head of Service level and above, by means of an Appointments Panel, and for determining requests for the early release of pensions, although the financial implications of each request have to be approved by the Executive. It consists of five Members and meets on an ad hoc basis (historically two or three times a year).

The Panel acknowledged that, whilst the Personnel Committee does not meet regularly, the impact of its work is significant and the responsibility of the Chairman is, therefore, also significant. The panel felt that the responsibility was comparable with that of the Chairman of the Governance and Ethics Committee and the Licensing Committee and **recommends that the Chairman of the Personnel Committee be awarded a Special Responsibility Allowance of 15% of the Leader's Special Responsibility Allowance, currently £2775 per annum.**

9.16 Leader of the Main Opposition Group (x1)

The 2003 Regulations require that where the Council is controlled by one or more political groups (defined as having a minimum of two Members) then at least one Special Responsibility Allowance must be paid to an Opposition Member. Typically,

this statutory requirement is fulfilled by paying the Leader of the Opposition a Special Responsibility Allowance which in the case of West Berkshire Council is currently the Leader of the Liberal Democrat Group.

The role of the Opposition is to hold the Administration to account and challenge the Executive. These functions are carried out by the Leader of the Opposition and the Shadow Executive.

The Panel noted that the responsibility upon individual Opposition Members, and the Leader in particular, had increased significantly, following the 2015 election which resulted in their number diminishing from thirteen to 4 Members. All Opposition Members were now Shadow Executive Members. The Panel also noted that, following the election, the Opposition had lost their Group Support Officer and that this had further increased the responsibility of Shadow Members in scrutinising policies and decisions and holding Council to account.

Currently the Leader of the Opposition receives a Special Responsibility Allowance of £7,398. **The Panel recommends that the Leader of the Opposition's Allowance should remain unchanged at 40% of the Leader's Special Responsibility Allowance which equates to £7,398 per annum.**

9.17 Opposition Spokespersons (x4)

The 2015 IRP recommended that the Opposition Spokespersons should receive a Special Responsibility Allowance set at 30% of the Leader of the Opposition's Special Responsibility Allowance which currently equates to £2,219 per annum and that this Special Responsibility Allowance could be paid to a maximum of four members of the Opposition.

The Panel recognised the importance of the role of the Opposition Spokespersons in working with the Leader of the Opposition to hold the Executive to account. In a similar way to the Executive Members, the Opposition Spokespersons each have a shadow portfolio made up of a number of service areas that they are responsible for. Opposition Spokespersons are required to:

- Be fully aware of the issues within their shadow portfolio area;
- Scrutinise the decisions of the Executive;
- Attend regular officer briefings;
- Read briefing papers and prepare for meetings;
- Attend various task groups.

These recommendations were not agreed by Council in May 2015 and currently no Opposition Spokesperson allowances are paid. This was an historical arrangement based on concerns about proportionality and originally agreed by Council in September 2011.

As stated above, the Panel noted the increased responsibility upon individual Opposition Members, following the 2015 election, and the decline in number from thirteen to 4 Members. All Opposition Members are now Shadow Executive Members. The Panel also noted the impact of the loss of the Opposition Group Support Officer after the election and the resulting increase in workload and responsibility of Shadow Members in scrutinising policies and decisions and holding Council to account.

For these reasons, **the Panel recommends that the Opposition Spokespersons should receive a Special Responsibility Allowance set at 30% of the Leader of the Opposition's Special Responsibility Allowance which equates to £2,219 per annum and that this Special Responsibility Allowance should be paid to a maximum of four members of the opposition. The Panel further recommends that, if Council is not minded to award four allowances based on concerns of proportionality, that two allowances be paid.**

9.18 Leader(s) of Minority Group(s) (if have 5 group members)

The Members' Allowances Scheme allows for an SRA to be paid to any Leaders of Minority Groups with five or more members, although currently, there are no qualifying Members. This is set at 10% of the Leader's SRA (£1,849).

The Panel recommends that a Special Responsibility Allowance remain unchanged at 10% of the Leader's Special Responsibility Allowance which equates to £1,849 and is only payable to Leaders of any Minority Groups provided they have a minimum of five Members.

The Panel further recommends that, should a minority Group be in existence at West Berkshire Council, the SRA should be promptly reviewed.

9.19 Confirming the one Special Responsibility Allowance only rule

The Panel also recommends that the rule that no Councillor shall be entitled to receive more than one Special Responsibility Allowance be retained.

10. Travel Allowances

10.1 No evidence was received to indicate that the current terms and conditions, including approved duties, and rates at which these allowances are claimable, needed revisiting.

10.2 The Panel recommends that the current travel allowances, including the approved duties and terms and conditions for which they are claimable, be maintained at current rates subject to any indexation that may be applicable.

10.3 For clarification purposes, the Panel further recommends that the Scheme be amended to specifically state that, when claiming a Travel Allowance for attending an approved duty, Members should have valid insurance, MOT (if appropriate), tax and driving licence. This would bring the Scheme into line with the requirements of staff.

10.4 In the interests of transparency and the requirements of internal audit for Officers to carry out the necessary checks of Members travelling claims, **the Panel felt that the current requirement that reimbursements for travelling expenses should only be provided with evidence of expenditure was still appropriate. Where receipts or evidence of expenditure (in the case of car parking payments made by phone) are not provided, the expenditure will be treated as an 'incidental expense' under the Basic Allowance.**

11. Subsistence Allowances

- 11.1** No evidence was received to indicate that the current terms and conditions, including approved duties, and rates at which these allowances are claimable needed revisiting.
- 11.2** The Panel recommends that the current subsistence allowances, including the approved duties and terms and conditions for which they are claimable, be maintained as follows:
- Claims for Subsistence Allowance for meetings that take place at any of the Council Offices are liable to tax but those that take place 'off-site' are not, and any claims made should reflect this.
 - Claims for Subsistence Allowance must fall within the relevant time periods, as set out below, and therefore start and finish times of journeys must be included with each claim. The following rates are currently payable:
 - Breakfast Allowance (more than four hours away from normal place of residence or, where the Authority permits, a lesser period, before 11.00am) - £5.00;
 - Lunch Allowance (more than four hours away from normal place of residence or, where the Authority permits, a lesser period, between 12 noon and 2.00pm) - £7.00;
 - Tea Allowance (more than four hours away from normal place of residence or, where the Authority permits, a lesser period, including the period 3.00pm to 6.00pm) - £3.00;
 - Evening Meal Allowance (more than four hours away from normal place of residence or, where the Authority permits, a lesser period, ending after 7.00pm) - £12.00.
- 11.3** In the interests of transparency and the requirements of internal audit for Officers to carry out the necessary checks of Members' subsistence claims, the Panel felt that the current requirement that reimbursements for subsistence expenses should only be provided with evidence of expenditure, was still appropriate. Where receipts or evidence of expenditure are not provided, the expenditure will be treated as an 'incidental expense' under the Basic Allowance.

12. Dependants' Carers' Allowance (DCA)

- 12.1** The Panel discussed the importance of continuing to pay the Dependants' Carers' Allowance in order to not discourage people who undertake a caring role from standing for Election and becoming a Councillor.
- 12.2** For clarity, the Panel recommends that the current Scheme should be amended to state that the allowance be paid at the UK Living Wage rate, up to a maximum of 40 hours per month per Councillor, removing the reference to a specific amount.
- 12.3** For further clarity, the Panel also recommends that a statement be included within the Scheme to specifically include Childcare costs within the Allowance.

13. The Administration of the Scheme (including indexation)

13.1 The Panel noted that the current wording contained in the Members' Allowances Scheme reads as follows:

13.2 'Members **shall** submit all claims relating to travelling, subsistence and Dependants' Carers' Allowance in writing and in arrears within two months of the date of the meeting in respect of which the entitlement to the allowance arises and must be received for processing by the Members' Services Officer by the 5th of each month.

13.3 The Panel noted that this wording had caused some confusion and frustration for Members and recommends that the Scheme be amended to read:

"Members may submit claims for expenses relating to travel, subsistence and Dependants' Carer's Allowance that are incurred by their attendance at meetings and other approved duties. Claims must be made, in writing, and may be made in arrears up to two calendar months, if claimed by 5th of the third month. e.g. all expenses for 1st October to 30th November must be claimed by close of business on 5th December."

13.4 The Panel noted that the scheme already made provision for Members who are unable to submit claims within the timescales due to illness.

13.5 The Panel confirms the following indices are applied from 2018/19 and run for up to four years:

- That the level of indexation for the Basic Allowance and Special Responsibility Allowances be automatically linked to that used for West Berkshire Council Officers unless Members choose to forgo index linked increases in a particular year.
- The Dependants' Carers' Allowance's maximum hourly rate is indexed to the UK Living Wage.
- The mileage allowances are indexed to HMRC rates.

14. Implementation

14.1 The implementation of any recommendations will take place from the Annual Council meeting in May 2018. In accordance with the Members' Scheme of Allowances, the Basic and Special Responsibility Allowances are paid over 11 months from June – April, with no payment made in May. Any amendments made to the Basic and Special Responsibility Allowances would therefore be payable from June 2018. All other changes would be implemented from May 2018 onwards.

15. Appendices

Appendix A - The budgetary impacts of the Panels' recommendations

Appendix B - List of information considered by the Panel

Appendix C - Summary of benchmarking data

Appendix A: The budgetary impact of the Panel's recommendations

Position	Amount November 2017	Proposed Allowance May 2018***	Difference	Change as a % of Leader's SRA	Budgetary Impact
Basic Allowance (52)****	£7,398	£7,398	£0	0%	£0
Special Responsibility Allowances					
Chairman of Council (1)	£5,548	£5,548	£0	0%	£0
Vice-Chairman of Council (1)	£1,110	£1,110	£0	0%	£0
Leader of Council (1)	£18,494	£18,494	£0	0%	£0
Deputy Leader of the Council (1)	£9,247	£11,097	£1,850	+10%	+£1,850
Executive Members (up to 8)	£9,247	£9,247	£0	0%	£0
Chairman of the Overview & Scrutiny Management Commission (1)	£5,548	£4,624	-£924	-5%	-£924
Chairman of Licensing Committee (1)	£2,775	£2,775	£0	0%	£0
Chairman of Governance and Ethics Committee (1)	£2,775	£2,775	£0	0%	£0
Chairman of Personnel (1)	£0	£2,775	£2,775	15%	+£2,775
Chairman of Planning Committee (2)*****	£4,624	£4,624	£0	0%	£0
Leader of the Main Opposition (1)	£7,398	£7,398	£0	0%	£0
Opposition Spokespersons (up to 4)*	£2,219	£2,219	£0	0%	£0*
Leader(s) of Minority Group(s) **	£1,849	£1,849	£0	0%	£0**
Total***					£3,701

* The current Scheme allows for payment to four Opposition Spokesmen although payments are not currently made. The recommendation is that these allowances are paid.

** The Special Responsibility Allowance for Leader(s) of Minority Groups is only payable if a Minority Group attains 5 Members. At present no Minority Group has reached that threshold.

*** The proposed allowances for May 2019 and the total additional yearly spend do not include any indexation that may be applied.

**** Following the implementation of the Boundary Review in May 2019, the number of Councillors will reduce from 52 to 43 and with a resulting budgetary impact.

***** Should the model change in the future, and Planning Committees be reduced to just one, the Panel recommends that the level of remuneration is increased to 30% of the Leader's Special Responsibility Allowance for the one Chairman and that the level of remuneration be reviewed one year after the new model is introduced.

Appendix B: List of information considered by the Panel

1. Arrangements for the Day (6th November 2017)
2. The Terms of Reference for the Panel
3. West Berkshire Council Profile – District Needs Assessment
4. WBC IRP Report February 2015
5. WBC Allowances Scheme - Constitution (part 14)
6. WBC Statutory Publication of Allowances and Expenses Received by Members 2016/17
7. WBC Special Responsibility Allowances 2017/18
8. WBC Member Claim Form
9. WBC Governance Structure
10. WBC Committee Membership
11. WBC Timetable of Meetings 2017/18
12. WBC Member Attendance 2016/17
13. LGA Councillors Census 2013
14. SE Employers Summary of Members' Allowances Survey 2016/17
15. Berkshire & Swindon Local Authorities' Comparative Data
16. WBC Member Questionnaire Summary
17. Written representations received from Members
18. Presentation by Andy Day, Head of Strategic Support

Appendix C: Summary of benchmarking data referred to by Panel

West Berkshire Unitary Authorities - SE Employers Allowances Survey Unitary Councils 2016/17														
Berkshire Unitary Authority	Basic Allowance	Leader	Deputy Leader	Executive Members	Overview & Scrutiny Chairman	Governance & Ethics/Audit Chairman	Council Chairman/Mayor	Council Vice Chairman/Deputy Mayor	Planning Chairman	Licensing Chairman	Personnel Chairman(Direct from UAs for 2017/18)	Opposition Group Leader	Opposition Spokes-person	Minority Group Leader
Bracknell Forest	8,687	28,954	17,372	15,926	5,791	2,201	4,234	9,651	7,239	5,626	2,201	965	2,201	N/A
Reading	8,220	7,004	5,722	3,816	N/A	2,147	N/A	N/A	2,147	2,147	2,147	3,816	N/A	2,147
RBW&M	7,983	23,949	13,171	11,975	5,987	4,790	3,000	1,000	5,987	5,987	N/A	4,790	0	0
Slough	7,476	19,348	13,606	10,691	6,805	2,916	7,185	2,818	4,860	2,916	1,943	5,831	0	3,888
West Berks	7,398	18,494	9,247	9,247	5,548	2,775	5,548	1,110	4,624	2,775	N/A	7,398	2,219	1,849
Wokingham	7,618	20,000	N/A	10,000	5,000	2,500	7,420	1,960	5,000	2,500	1,250	7,500	N/A	N/A