

Report Title:	<b>Members' Allowances Scheme</b>
Contains Confidential or Exempt Information?	NO - Part I
Member reporting:	Councillor Dudley, Leader of the Council
Meeting and Date:	Full Council – 25 July 2017
Responsible Officer(s):	Alison Alexander, Managing Director
Wards affected:	All

www.rbwm.gov.uk



## REPORT SUMMARY

The Independent Remuneration Panel considers amendments to the Members' Allowances Scheme. This report sets out the Panel's recommendations. If approved, the Constitution would be amended to include the new Special Responsibility Allowances (SRA).

### 1 DETAILS OF RECOMMENDATION(S)

**RECOMMENDATION:** That Full Council notes the report and considers proposals detailed in Appendix A by the Independent Remuneration Panel:

- i) A Special Responsibility Allowance be paid to the Chairman of the borough-wide Development Management Panel, payable at a level of the Leader's allowance multiplied by 30% (£7185). The principle of one SRA per Member to be maintained as follows: If the postholder is already a Development Management Panel Chairman, they would receive the higher SRA of £7185 only. If the post holder is not already a Development Management Panel Chairman, they would receive an SRA equivalent to the incremental difference (£1,198) between the Development Management Panel Chairman SRA (£5,987) and the Borough-wide Development Management Panel Chairman SRA (£7185).
- ii) A Special Responsibility Allowance of £3,000 be paid to the Mayor and a Special Responsibility Allowance of £1,000 be paid to the Deputy Mayor. The principle of one SRA per Member be maintained.
- iii) Amendments to the scheme relating to Special Responsibility Allowances for the Chairman of the Borough-wide Development Management Panel, the Mayor, and the Deputy Mayor, be backdated to 23 May 2017, the start of the 2017/18 municipal year.
- iv) A Special Responsibility Allowance of £3,000 per annum be paid to the three councillors appointed as Non-Executive Directors to the Optalis Board and be backdated to 1 April 2017, the date of the formation of the new joint service. The principle of one SRA per Member be maintained.
- v) £5,198 be added to the Members Special Responsibility Allowance budget to cover the full year costs.
- vi) Delegates authority to the Monitoring Officer to amend the Members' Allowance Scheme in the Constitution as appropriate.

## 2 REASON(S) FOR RECOMMENDATION(S) AND OPTIONS CONSIDERED

- 2.1 Local authorities are required to appoint an Independent Remuneration Panel (IRP) to advise Council on the terms and conditions of their Scheme of Members' Allowances. No changes can be made to the allowances scheme without reference to the recommendations of the IRP. The only exception is in relation to annual inflation adjustments and then only for up to four years without an IRP report.
- 2.2 The IRP has recommended a number of amendments to the Scheme of Allowances, the reasons for which are outlined in its report, see Appendix A.

**Table 1: Options**

<b>Option</b>	<b>Comments</b>
Approve the recommendations  <b>The recommended option</b>	The recommendations are designed to recognise the responsibility attached to the roles.
Amend the recommendations	Members can endorse the recommendations in part or amend them as appropriate.
Do nothing	Members can decide not to accept any of the recommendations.

## 3 KEY IMPLICATIONS

- 3.1 N/A

## 4 FINANCIAL DETAILS / VALUE FOR MONEY

- 4.1 The approval to award the new Special Responsibility Allowances for the Borough-wide Development Management Panel Chairman, Mayor and Deputy Mayor would have a full year cost of £5,198. There is currently no provision in the Members' allowance budget for the additional SRAs:
- Borough-wide Development Management Panel Chairman - £1,198.
  - Mayor and Deputy Mayor - £4000.
- 4.2 The approval to award a SRA to the councillors appointed as Non-Executive Directors to the Optalis Board would have no financial impact to the council as the allowance would be funded by Optalis.
- 4.3 Where a Councillor holds more than one of the positions attracting a Special Responsibility Allowance as specified in Schedule 1 of the Members' Allowance Scheme, the Councillor will only be eligible to receive one such allowance. The sum to be paid to be the highest eligible allowance.

## **4 LEGAL IMPLICATIONS**

5.1 Local Authorities (Members' Allowances) (England) Regulations 2003 require the council to:

- (b) publish in one or more newspapers circulating in its area, a notice which –
  - (i) states that it has received recommendations from an independent remuneration panel in respect of its scheme;
  - (ii) describes the main features of that panel's recommendations and specifies the recommended amounts of each allowance mentioned in the report in respect of that authority.

## **5 RISK MANAGEMENT**

6.1 Regulations state that the council is required to have regard to recommendations of the IRP before making any changes to the Members' Allowances Scheme

## **6 POTENTIAL IMPACTS**

6.2 Updating the scheme to clarify the duties for which Members can claim allowances will improve the efficiency of administering the process and reflects the council's transparency agenda.

## **7 CONSULTATION**

7.2 The IRP received written representations from the Leader of the Council, on behalf of the Conservative Group, and the Leader of the Opposition on behalf of the Group of Five.

## **8 TIMETABLE FOR IMPLEMENTATION**

8.2

**Table 2: Implementation timetable**

<b>Date</b>	<b>Details</b>
27/6/17	Full Council considers the recommendations
28/6/17	Members' Allowance Scheme amended in Constitution

## **9 APPENDICES**

9.2 Eighth report of the RBWM Independent Remuneration Panel.

## 10 BACKGROUND DOCUMENTS

10.2 The Local Authorities (Members Allowances) (England) Regulations 2003.

## 11 CONSULTATION (MANDATORY)

<b>Name of consultee</b>	<b>Post held</b>	<b>Date sent</b>	<b>Commented &amp; returned</b>
Cllr Dudley	Leader of the Council	21/6/17 & 10/7/17	21/6/17 & 10/7/17
Alison Alexander	Managing Director	20/6/17 & 6/7/17	21/6/17 & 9/7/17
Rob Stubbs/Richard Bunn	Head of Finance /Chief Accountant	20/6/17 & 10/7/17	13/7/17
Mary Kilner	Head of Law and Governance	20/6/17 & 6/7/17	21/6/17

## REPORT HISTORY

<b>Decision type:</b> N/A	<b>Urgency item?</b> N/A.
Report Author: Karen Shepherd, Democratic Services Manager, 01628 796529	

**A Review of  
Members' Allowances  
for the  
Royal Borough of  
Windsor & Maidenhead**

---

**The Eighth Report**

**by the**

**Independent Remuneration  
Panel**

**Air Vice-Marshal Andrew Vallance  
(Chairman)  
Chris Stevens  
Karnail Pannu**

**June 2017**

## **Introduction: The Regulatory Context**

1. This report is a synopsis of the deliberations and recommendations made by the statutory Independent Remuneration Panel (the Panel) appointed by the Royal Borough of Windsor & Maidenhead (RBWM) to advise the Council on its Members' Allowances scheme.
2. The Panel was convened under *The Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021)* (the 2003 Regulations) to make recommendations to the Council on a number of amendments to the scheme of Members' Allowances. These regulations, arising out of the relevant provisions in the *Local Government Act 2000*, require all local authorities to maintain an independent remuneration panel (also known as an IRP) to review and provide advice on the councils' Members' Allowance Scheme. All Councils are required to convene their Independent Remuneration Panel and seek its advice before they make any changes or amendments to their allowances scheme and they must 'pay regard' to the Panel's recommendations before setting a new or amended Members' Allowances Scheme. This is in the context whereby Full Council retains powers of determination regarding Members' allowances, both levels and scope of remuneration and other allowances/reimbursements.

## **Terms of Reference**

3. To consider:
  - A Special Responsibility Allowance for the Chairman of the Borough-wide Development Management Panel
  - A Special Responsibility Allowance for the Mayor and Deputy Mayor
  - A Special Responsibility Allowance for councillors appointed as Non-Executive Directors to the Optalis Board

## **The Panel**

4. The Royal Borough of Windsor & Maidenhead reconvened its Panel and the following Members were appointed to carry out the independent allowances review, namely:
  - Air Vice-Marshal Andrew Vallance CB OBE MPhil FRAeS
    - Served in the RAF for 38 years, and from December 2004 to February 2017 was Secretary of the UK's Defence Press and Broadcasting Advisory Committee (now known as the Defence and Security Media Advisory Committee). He is the Chairman of the Services' Sound and Vision Corporation and is actively involved in his local church of St Michael and All Angels, Sunninghill, in addition to several local charitable bodies.

- Chris Stevens
    - Was born in Sunningdale, schooled at Windsor Grammar and has lived in Windsor for the past 35 years. He worked at The Sun for 30 years where he was Assistant Editor, and is now Senior Sub-Editor at the Daily Mail. Married with two daughters, he is a keen supporter of the Alexander Devine Children's Hospice Service.
  - Karnail Pannu
    - Chairperson of Windsor and Maidenhead Community Forum, President of the local Sikh temple and a governor of Newlands Girls' School. He has served as member of Housing Solutions, the Royal Borough's Standard Board as independent member for 18 years; a governor of East Berks College and Berkshire College of Agriculture for 8 years each. He has taught for 37 years in Buckinghamshire.
5. The Panel was supported by Karen Shepherd, Democratic Services Manager at the Royal Borough of Windsor & Maidenhead.
  6. The Panel received written representations from Councillor Dudley, Leader of the Council, on behalf of the Conservative Group and Councillor Jones, Leader of the Opposition, on behalf of the Group of Five.

## **Findings and Recommendations**

### Chairman of the Borough-wide Development Management Panel

7. The Panel considered a request to pay a Special Responsibility Allowance, equivalent to 50% of the SRA paid to a Chairman of a Development Management Panel (i.e. £2970 at the present time) to the Chairman of the Borough-wide DM Panel. In addition, the Panel considered a request that, given the role of Chairman of the Borough-wide DMP was likely to be undertaken by one of the three current area-based DMP Chairman, an exception be made to the current rule in the scheme limiting the payment of only 1 SRA to an individual councillor, no matter how many SRA positions they held.
8. The Borough-wide Development Management Panel (DMP) was created in February 2017 to deal with large scale planning applications that have an impact considered to be wider than that covered by one of the three area-based panels (Windsor Rural, Windsor Urban and Maidenhead DMP).
9. The Panel were of the opinion that it would be appropriate to pay an SRA for the role to recognise the responsibility associated with the position, particularly given a number of large scale, complex and potentially

contentious planning applications were anticipated during 2017 and over the coming years.

10. The Panel recalled its discussion during the full review of the Members' Allowance Scheme undertaken in 2015, and the conclusion that the principle of any Councillor being eligible to receive only one SRA should remain, detailed in the scheme as follows:

*Where a Councillor holds more than one of the positions attracting a Special Responsibility Allowance as specified in Schedule 1, the Councillor will only be eligible to receive one such allowance. The sum to be paid to be the highest eligible allowance*

11. The Panel noted there were a number of reasons why the rule was normally adopted, including: transparency, to avoid the anomalous situation where a councillor could receive more in allowance payments than the Leader, or to prevent concentration of SRAs in the hands of a small group of Members.
12. The Panel expressed significant concern that allowing the principle to be disregarded would set a precedent and could encourage further requests for multiple SRA payments, thereby undermining the principle. The Panel commented that other councillors, such as experienced members of the three area-based DM Panels, would be capable of undertaking the role, and the issue of more than one SRA could therefore be avoided.
13. The Panel noted that approximately 80% of councils applied the 1 SRA only rule. However, it was purely an internal rule and the 2003 Regulations did not prohibit the number of SRAs a Member may be paid. It was also noted that the council was undertaking large scale regeneration projects that would likely lead to more planning applications of the scale to be considered by the Borough-wide DM Panel.
14. The allowance currently paid to the Chairman of a Development Management Panel was the Leader's allowance multiplied by 25%. The Panel decided to recommend that the SRA for the Borough-wide DMP Chairman be set at the Leader's allowance multiplied by 30% (i.e. £7185), but that the 1 SRA rule to be maintained. This would recognise the additional responsibility that came with the role of Borough-wide DMP Chairman, whilst also maintaining the important principle of 1 SRA per councillor.
15. **RECOMMENDATION 1: The Panel recommends that an SRA be paid to the Chairman of the borough-wide Development Management Panel, payable at a level of the Leader's allowance multiplied by 30%, and that the principle of 1 SRA per Member be maintained.**



Mayor and Deputy Mayor

16. The Panel considered payment of a Special Responsibility Allowance for the Mayor and Deputy Mayor to reflect their specific responsibilities in relation to the chairing of Council meetings and other constitution- related activity.
17. The Panel noted that under the Local Government Act 1972, the Council may pay the Chairman of the Council (the Mayor) and the Vice Chairman (the Deputy Mayor) such allowance as the Council considers reasonable 'for the purpose of enabling him to meet the expenses of his office'. Unlike the allowances paid to Members with Special Responsibilities the allowances paid to the Mayor and the Deputy Mayor are intended to cover actual expenditure that the Mayor/Deputy incurs in the performance of their civic role. The current allowances were £10,000 and £5,000 respectively.
18. The Panel noted that the Mayor of RBWM undertook significantly more engagements than those in neighbouring authorities, although a direct comparison was not possible as functions, budget and time commitments varied significantly. The Panel took into consideration that in addition to the ceremonial role as First Citizen of the Royal Borough, the Mayor is also required to chair Council meetings (approximately 8 per year) and ensure that council business is conducted fairly and efficiently in accordance with the council's constitution. The Panel considered that Council meetings were large scale meetings that often had significant public interest and involvement.
19. It was noted that in recent years it had proven difficult to attract people to undertake the role of Mayor and Deputy Mayor. However, finance was only one of a many of reasons why people did not put themselves forward for the role of Mayor, for example, a large number of Councillors now were younger and of working age and were therefore unable to commit to the demanding time constraints expected of the Mayoral role.
20. The Panel were of the opinion that the payment of a SRA (in addition to the allowances paid to meet the expenses of office) to the Mayor and Deputy Mayor would not only acknowledge the fact that chairing Council meetings is an added responsibility which has not been recognised previously, but should also broaden the appeal of the position of Mayor from a wider range of Members.
21. **RECOMMENDATION 2: The Panel recommends that an SRA of £3000 be paid to the Mayor and an SRA of £1000 be paid to the Deputy Mayor. The principle of 1 SRA per Member to be maintained.**

Non-Executive Directors of the Optalis Board

22. The Panel noted that the council had recently entered into a partnership

with Wokingham Borough Council to deliver its adult services through Optalis, a local authority trading company. The partnership was governed by the Shareholder Reference Group comprising Members and officers from both councils who have knowledge and experience in adult social care and finance.

23. Three RBWM councillors had been appointed Non-Executive Directors (NED), as had three for Wokingham BC). Optalis Holdings Limited had agreed to pay the members £3,000 per annum from the 1<sup>st</sup> April 2017 in respect to their duties as a NED. One of the key roles of the Shareholder Board would be to monitor delivery of the business plan.
24. The Panel was of the opinion that the SRA of £3000 proposed was an acceptable figure given the anticipated work of the Optalis Board. It would be important to include the payment in the council's Members' Allowance Scheme, to ensure the 1 SRA rule was applied.
25. The IRP noted that a full review of the scheme, considering all aspects including the Basic Allowance, SRAs, ICT allowance, and Carer Dependent Allowance would be due by 2019, and would take into account any changes resulting from the electoral review of the borough currently being undertaken. The IRP was of the view that any shorter time period for review of the SRA in question would not provide a representative picture of the workload for the three representatives.
26. **RECOMMENDATION 3: The Panel recommends that an SRA of £3000 be paid to the three councillors appointed as non-Executive Directors to the Optalis Board. The principle of 1 SRA per Member to be maintained.**

#### Backdating

27. **RECOMMENDATION 4: The Panel recommends that the amendments to the scheme relating to SRAs for the Chairman of the Borough-wide Development Management Panel, the Mayor, and the Deputy Mayor, be backdated to 23 May 2017, the start of the 2017/18 municipal year**
28. **RECOMMENDATION 5: The Panel recommends that the amendment to the scheme relating to an SRA for councillors appointed as non-Executive Directors to the Optalis Board be backdated to 1 April 2017, the date of the formation of the new joint service.**