

A Review

Of

Members' Allowances

For

Bracknell Forest Council

The Eighth Report

By the

Independent Remuneration Panel

**Eric Gabriel
Dr Declan Hall (Chair)
Hilda Johnston
Neil MacGregor**

February 2014

Foreword

This is the eighth review by the Independent Remuneration Panel (or Panel) for Bracknell Forest Council. The first review, completed in January 2001, was undertaken as part of the wider implementation of the modernisation agenda arising out of the Local Government Act 2000, which in turn brought in new roles and responsibilities for Members. The first report made recommendations, which the Council broadly accepted. The 2001 review largely set the framework for the present allowances scheme; it has not altered dramatically since then.

The second review was required (as were all local authorities) under the *Local Authorities (Members' Allowances) (England) Regulations 2003*¹ and subsequent amendments. These Regulations mandated all local authorities to establish and convene an advisory Independent Members' Allowances Remuneration Panel to make recommendations on certain associated allowances such as travel and subsistence, Co-optees' allowances, and pensions for Councillors before 31 December 2003. The 2003 review also tasked a new Panel to review the range and levels of the Basic Allowance and Special Responsibility Allowances (SRAs) in light of experience of the new system of local government.

The third review was of a minor nature, prompted by an invitation by the Council to conduct a post-implementation review of the scheme to consider certain changes in roles of some Members and give further guidance on an issue surrounding the claiming of Members expenses. The fourth review arose out of issues the Panel was not in a position to address in its previous review due to lack of experience of two posts, namely Executive Support Members' and Chairs of the Licensing Panels, with a further consideration on conditions surrounding the mileage allowance. The fifth review arose out of the need to review the indices applied to the various allowances and further minor issues emerging as part of the annual review programme.

The sixth review arose out of the recommendation of the previous review to take the opportunity by the end of 2009 to undertake a fundamental review of the whole scheme, as it has not been reviewed in a deliberative fashion for a number of years and in light of emerging legislation that might have affected Members' roles and responsibilities. Again, it did not result in any significant changes in the Members' Allowances scheme. The seventh review in late 2011 arose of the need for a fresh authority for another four years to extend the right to join the Pension Scheme to review a number of specific posts and associated allowances and provide advice to the Council on whether the Council should continue with indexation provision.

This review arises out of a number of issues raised by an audit report that require guidance and clarification mainly in relation to Members' expenses that seeks to

¹ See Statutory Instruments 2003 Nos. 1021, 1022 and 1692 for further details.

address anomalies arising rather than undertaking a fundamental review as the broad framework of allowances in Bracknell Forest Council is still fit for purpose. Finally, the Panel has been mindful of its guiding principle that it has sought to reduce financial barriers to being an elected Member while ensuring that the remuneration and expenses received by Members represents value for money.

Dr Declan Hall
Chair of the Bracknell Forest Council Independent Remuneration Panel

February 2014

Executive Summary: Recommendations

The full proposed scheme alterations are detailed within the report but the main features of the Panel's recommendations are that:

- no indexation is applied to the Basic Allowance, Special Responsibility Allowances and Co-optees' Allowance until the Panel undertakes its next review; however, the indexation for the Dependants' Carers' Allowance and the Travel and Subsistence Allowances should remain in place as they relate to reimbursements of costs incurred by Members
- the Basic Allowance remains at £8,687 and is inclusive of broadband provision, in-borough travel, in-borough parking, occasional taxis and all incidental expenses not otherwise specified in the Scheme. Therefore Members can no longer claim a Broadband Allowance of £9 per month.
- a Minority Group Deputy Leader's SRA should be paid to no more than two minority groups, subject to each group reaching seven in number and should be proportionate to the SRA of a single Deputy Leader of a Minority Group
- there should be no exceptions to the claims for in-borough travel rule. Therefore Members can no longer claim for in-borough travel by bicycle.
- overnight stays are only appropriate for an approved duty which takes place less than 50 miles from the borough (Easthampstead House) if they are unable to return home before midnight
- overnight stays for attending approved duties over 50 miles from the Borough (Easthampstead House) are only appropriate where a Member would otherwise have to leave home before 7am to attend in time or when the Member is unable to return home before midnight
- the maximum rates for an overnight stay are:
 - £150 for overnight stays in London and
 - £95 elsewhere and that these rates should be indexed.
- all travel and subsistence claims must be submitted within 3 months except at the end of the financial year when submission deadlines will be reduced to enable claims to be processed before the financial accounts for that year are closed
- claims will only be reimbursed on production of a valid receipt or proof of purchase (excluding mileage)
- the scheme should be updated to reflect that a Member may not receive allowances from more than one authority in respect of the same duties
- the scheme should clarify that claims relating to approved duties at other authorities or bodies, which have their own expenses schemes in place, should be submitted to the outside body in the first instance
- exceptions to the out-of-borough travel and accommodation rules should only be permitted on verifiable health grounds and any such exceptions should be reconsidered on an annual basis by the Director of Corporate Services
- the scheme should be updated to clarify that travel claims outside of the borough would include the whole journey and the factors influencing cost effectiveness
- the scheme should be updated to restrict the exemption to standard class rail travel to verifiable health grounds only

- the scheme should be updated to include criteria for the use of air travel and taxis
- Members continue to be able to join the Local Government Pension Scheme if they so wish subject to the outcome of the government's consultation
- the recommendations within the report should be implemented from 1 April 2014 or sooner.

A Review of Members' Allowances

For

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Introduction: The Regulatory Context

1. This report is a synopsis of the deliberations and recommendations made by the Independent Remuneration Panel (the Panel) for Bracknell Forest Council to advise the Council on its Members' Allowances scheme. 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. 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.
2. On this particular occasion, the Panel has been reconvened as the Council is seeking to make alterations to its Members' Allowances scheme, mostly arising from an auditor's report that identified areas where the allowances scheme can be made more robust through greater clarity and guidance regarding the claiming of expenses. Consequently, the Council is required to obtain advice from its Independent Remuneration Panel before it considers and makes those changes.

The Panel

3. Bracknell Forest Council reconvened its Independent Remuneration Panel, constituted of the following members:
 - Eric Gabriel:
A retired Chartered Engineer with experience in senior management and as a project manager working on major building projects in both the private and public sectors. He is also an accredited Office of Government Commerce Gateway Reviewer and is a local resident.
 - Declan Hall PhD (Chair):
A former lecturer at the Institute of Local Government The University of Birmingham. He is a political scientist by training and is currently an independent consultant specialising in members' allowances. He has taught politics in Illinois and Indiana and worked as political lobbyist in the Chicago area.
 - Hilda Johnston:
A retired teacher, who has taught young people and adults in England, Scotland, and Singapore in both the state and private sector and is a local resident.
 - Neil MacGregor:
A former magistrate in East Berkshire, a local resident and businessman.
4. The Panel was supported by:
 - Ann Moore:
Head of Democratic and Registration Services, who acted as the 'Panellists' Friend'
 - Kirsty Hunt:
Principal Democratic Services Officer (Governance) who took the organisational lead in facilitating the work of the Panel

Terms of Reference

5. The Panel adopted the following terms of reference:
 - A. To review the overall level of allowances
 - B. To provide guidance on the remuneration package for Members as a whole including IT peripherals and consumables

- C. To consider the following issues arising from the previous IRP review (January 2012):
- (i) **Indexation** – The Panel wish to review their recommendation that no indexation should be applied to the Basic Allowance, Special Responsibility Allowances and Co-optees allowances
 - (ii) **Broadband Allowance** – The Panel recommended that this allowance should be set at the rate payable to officers. Since the last IRP review officers are no longer able to claim a broadband allowance. The Panel is asked to consider whether a broadband allowance should be payable to Members and if so:
 - at what level it should be set
 - whether the allowance can be claimed by more than one person at the address
 - whether the allowance can be claimed from more than one organisation including their employer, either by an individual or by the household
 - (iii) **Deputy Leader of the Opposition** – To consider aligning the provisions regarding allowances for the Leader and Deputy Leader of the Opposition by clarifying whether the Deputy Leader's allowance should be paid to more than one minority group, subject to each group reaching seven in number
- D. To consider the following issues raised in previous internal audits of Members' expenses:
- (i) **In-borough travel** - To consider amending the Scheme to:
 - make it explicit that Members cannot claim reimbursement for travel within the borough
 - consider whether there should be any exceptions e.g. allowing reimbursement for in-borough travel (including occasional use of taxis) as part of a longer journey using public transport
 - (ii) **Accommodation limits** – To consider updating the Scheme to include:
 - guidance relating to appropriate accommodation costs for an overnight stay
 - authorisation escalation procedures in respect of requests above the specified amount
 - parameters regarding what constitutes an appropriate situation for an overnight stay
 - (iii) **Escalation process** – To review the two month deadline for the submission of claims and the current escalation process

and to require instead that all claims must be submitted within the financial year that they occur

- (iv) **Submission of receipts** – To consider including a provision that states that expenses claims will only be reimbursed on production of a valid receipt (excluding mileage) and when exceptions might be made
- (v) **Compliance with the Local Authority (Member Allowance)(England) Regulations 2003** – To set out within the Scheme a provision which ensures that where a Member is also a Member of another authority, that Member may not receive allowances from more than one authority in respect of the same duties (the current Scheme does not contain this provision)

E. To consider the following issues that have arisen since the previous IRP review

- (i) **Out of borough travel** – To consider amending the Scheme as follows:
 - to make explicit reference to the ability to approve any cheaper alternative travel arrangements to those that are set out within the Scheme
 - to reimburse mileage costs incurred by a third party who provides a lift to a Member undertaking approved duties, if this proves more cost-effective
 - to provide guidance relating to the appropriate occasional use of taxis
- (ii) **Exceptions on health grounds** – To consider whether exceptions can be made to any aspect of the Scheme on health grounds and if so to provide guidance on what would constitute an appropriate exception, the criteria to be applied and the evidence required

F. To consider any other issues brought to the Panel's attention during the review

Process and Methodology

6. The Panel met at Easthampstead House and Brooke House on

- 9 December 2013
- 17 December 2013

7. The Panel meetings were held in private session to enable the Panel to meet with Members and Officers and conduct deliberations in confidence. All Members including Co-Opted Members were invited to make written submissions to the Panel and all those Members who wished to meet with the Panel were accommodated as far as practically possible. In arriving at its recommendations, the Panel took into account a wide range of information. The details of representations and evidence received and considered by the Panel are in the following appendices:
- Appendix 1: for Members and Officers who met with the Panel, including written submissions
 - Appendix 2: for a list of the full range of evidence considered by the Panel

Setting the Context for the Review: Enhancing Clarity and Robustness

8. Many of the issues the Panel has been asked to consider are either technical in nature or where the Panel has been asked to clarify terms, conditions and exceptions in the claiming of allowances where the current scheme is largely silent. The broader context is to consider whether the Basic Allowance and SRAs are still at the right levels, and for SRAs the right scope.
9. The Panel recognises that it continues to be an economically tough climate for both the Council and the residents of Bracknell Forest. This was reiterated as a key message by all the interviewees and that the Council was unlikely to accept an overall increase in the current total spend on Members' Allowances. The current economic context cannot be ignored. There is little point in the Panel making recommendations that bear no relationship to economic constraints within which the Council has to operate; otherwise, the review would simply make aspirational recommendations for a future date rather than supporting Members in the present. As the recommendations stand there will be savings both immediately through the abolition of the Broadband Allowance and over time by freezing the Basic Allowances and SRAs until the next review.
10. This is not to say the role of the review is to pre-empt decisions properly reserved to the Council and seek to make savings on the current spend on Members' Allowances for the sake of it. If that were the case, the review would simply be making recommendations that would lead to 'a race to the bottom'. Ideally, the purpose of this review is to make recommendations based on knowledge of the current governance structures, an analysis of the evidence and representations and the levels and scope of allowances paid in comparator councils - thus arriving at an evidenced-based judgement on the monetary worth of the roles under consideration.

11. Yet, the Panel's recommendations need to have support of the Council as its Members make the final decision on the scope and levels of remuneration. If the Panel's recommendations do not have a large degree of acceptance amongst the Council then the Panel would be failing in its advisory duties. Furthermore, for Members it is important that, for the recommendations to be accepted, they have to stand up to public scrutiny. The expenses claimed by Members and the terms and conditions under which they are claimed have been under greater scrutiny than ever. Part of this scrutiny was the recent audit report, publication of the public notice and subsequent media coverage and queries. In particular, the audit report identified areas where clarification was required vis-à-vis the terms and conditions surrounding expenses claims and where certain conditions are met, exceptions can be specified.
12. There is no presumption that the recommendations regarding the claiming of expenses will necessarily lead to on-going savings. Rather the recommendations should put the claiming of expenses on a more transparent footing and therefore be comprehensible by both the public and Members. The Panel acknowledges that there is an enhanced requirement for transparency and the allowances scheme should be able to withstand robust challenge. Times have changed and the expenses regime needs to reflect that change. Therefore, as a general principle the Panel has sought to make expenses claims beyond reproach, which means that they should be robust, justifiable, verifiable and comprehensible.
13. However, the Panel accepts that to a certain degree this is an iterative process. As demands on Members change the approved duties they undertake change. There will be from time to time a requirement for the Panel to revisit the terms and conditions and provide further clarification regarding the reimbursement of expenses, not least due to the rapid development of information and communications technology and in response to on-going government legislation. Consequently, the recommendations contained in this report are not definitive and will require revisiting in light of experience and future developments to ensure the principles of robustness, justification, verification and comprehension are maintained.

The Panel's Recommendations – the Basic Allowance

14. The Panel received no evidence that the current Basic Allowance (£8,687) needed revising. Benchmarking shows that the average Basic Allowance paid in the 12 unitary councils that responded to the SEE 2013 allowances survey is £8,676. However, it should be clarified what the Basic Allowance covers – it is not simply time (the principal purpose). The 2006 Statutory Guidance (paragraph 10) states:

Basic allowance is intended to recognise the time commitment of all Councillors, including such inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs such as the use of their homes.

15. It would enhance transparency if the Bracknell Forest Council Members' Allowances scheme clarified that it covers in-borough travel, in-borough parking, occasional use of taxis and broadband provision (see below).

Broadband Allowance

16. The 2011 review recommended, and the Council accepted, that Members should receive a Broadband Allowance at the same rate that was applicable to Officers, which was £9 per month. Since then Officers have had their Broadband Allowance withdrawn as part of the Council's Flexible Working Policy on the assumption that most people already have broadband for personal use and the savings generated were used elsewhere to facilitate mobile and flexible working. In keeping with the principle that Members should also 'do their bit' to make savings then the Panel can see no reason why Members should continue to receive a Broadband Allowance. Moreover, in the last few years in particular, broadband has become a 'standard' utility rather than an exceptional one. The widespread adoption of broadband by the public gives it a universality that is now difficult to justify being treated as an exceptional expense incurred through holding elected office that merits a specific reimbursement. Moreover, if a Member is required to have a dedicated broadband line for Council duties then they should be able to claim tax relief for it as long the cost is wholly, necessarily and exclusively incurred in the performance of duties as a Councillor.
17. **The Panel recommends that Members should no longer be able to claim a Broadband Allowance of £9 per month and this should be reflected in the scheme in paragraph 3.**
18. **The Panel recommends that paragraph 3 of the Members' Allowances scheme is revised as follows:**

3. Basic Allowance

Subject to paragraphs x, y & z, for each year the Basic Allowance shall be paid to each Councillor.

This allowance covers broadband provision, in-borough travel, in-borough parking, occasional use of taxis and all incidental expenses not otherwise expressly specified in this scheme.

19. The Panel points out that there are special arrangements for Councillors who work at home and a standard deduction of £135 for relief for household expenses can be claimed. In particular, the “New Council Constitutions: Guidance on Regulation for Local Authority Allowances”, paragraph 126 (vi) “Household Expenses” states:

Where additional household expenses are incurred (light, fuel etc.) relating to those parts of members' homes that are set aside solely for use for duties as members, the Revenue will accept a standard deduction of £135 per year (an amount agreed between the Association of Councillors and Inland Revenue Head Office) to cover this.

Special Responsibility Allowances

20. The Panel received no evidence to suggest that the current levels and scope of SRAs currently payable needed revising. While benchmarking shows that the SRAs payable in Bracknell Forest are at the upper end of the comparative spectrum, they are by no means the highest. Moreover, the numbers of SRAs payable in Bracknell Forest are not as extensive as in authorities that have lower SRAs. The SEE 2013 allowances survey shows that for unitary councils in the South East the average “overall budget for Members’ Allowances” is £624,825, whereas the budget in Bracknell is £566,470.
21. **The Panel recommends that the current level and scope of SRAs payable remains unaltered, subject to clarifying the position if there is more than one Minority Group Deputy Leader meeting the qualifying criteria (see below).**

Guidance on remuneration wider package as a whole including IT peripherals and consumables

22. The Panel received no evidence to suggest that the current provision of IT peripherals and consumables, such as printer ink and paper, needed revision.
23. **The Panel does not recommend any changes to the current provision to Members of IT peripherals and consumables.**

Issues arising from the Seventh Report (January 2012)

Deputy Leaders of the Opposition (Minority) Groups

24. In the last review, the Panel recommended, and the Council accepted, that the SRA for the Deputy Leader of the Opposition should only be paid when

the Opposition Group attains a membership of seven or more. This was in a context whereby there was only one Opposition Group of fewer than seven Members, so the SRA is not payable.

25. Since then a second Opposition Group has emerged, neither have reached the threshold of seven members for the SRA to be paid to their Deputy Leaders. This may not necessarily be the case in the future and as the current scheme stands, it only expressly provides for an SRA for a Deputy Leader of the "Opposition Group."
26. To provide clarification the Panel proposes that provisions regarding allowances for the Deputy Leader of the Opposition should be aligned with those for the Leader and clarify that the Deputy Leader's allowance should be paid to no more than two minority groups, subject to each group reaching seven in number. The Panel also agreed that the wording should be changed to Minority Group to avoid confusion when there were two groups of the same size.
27. **The Panel recommends that the Members' Allowances scheme should be amended as follows:**

Minority Group Deputy Leader

The SRA for a single Deputy Leader of a Minority Group would be as specified in the schedule to this scheme. When there are two minority groups, each Deputy Leader's SRA would be proportionate to the SRA of a single Deputy Leader of a Minority Group.

A Deputy Leader's SRA would only be payable when a group reached seven in number and would be payable to no more than two minority groups.

Issues raised in previous internal audit reports of Members' Expenses

In-Borough Travel – Clarifications and Exceptions

28. Currently the scheme does not permit Members to claim reimbursement for undertaking approved duties within the Borough, the Basic Allowance is deemed sufficient to cover what for most Members is a relatively marginal expense. However, the auditor pointed out that although the current Members Allowances Scheme restricts reimbursement for approved duties within the borough to travel by bicycle it is not explicit that Members will not be reimbursed for travel in-borough This should be clarified in the published scheme of allowances.

29. The Panel considered whether there should be any exceptions to this rule, such as allowing reimbursement of the occasional use of taxis or other public transport. The Panel was informed that this type of “occasional” use of taxis or other public transport was just in fact that; being so occasional that the expense incurred can still be classed as incidental and therefore should be considered to be covered by the Basic Allowance.
30. It was further pointed out by the auditor that a Member may be undertaking travel within the Borough, as part of a longer journey outside the Borough using public transport, primarily by train. However, the allowances scheme is silent on whether a Member can be reimbursed travel costs for the in-borough element of the out of borough journey. The Panel addresses this issue below, under the out of borough travel clarifications, but recognises that is an issue requiring clarification.
31. The only other exception to not being able to claim for in-borough travel is the provision allowing Members to claim reimbursement for attending in-borough approved duties by bicycle at HMRC approved mileage rates. **The Panel acknowledges that this provision is no longer relevant and has not been utilised and therefore recommends should be deleted from the allowances’ scheme as an exception to the no claims for in-borough travel rule.**
32. **The Panel further recommends that the Members’ Allowances scheme (paragraph 14) should be amended to expressly clarify that Members are not able to claim reimbursement for travel costs for attending approved duties within the borough as follows:**

14. Travel Allowances

In-borough travel

- (1) *Councillors must meet the cost of any travel within Borough from their own basic allowance. There are no exceptions to this rule.***

Subsistence and Accommodation: Guidance, Limits and Exceptions

33. At present the allowances scheme does not permit a Member to claim subsistence for in-borough duties. The Panel received no evidence to change this view. For subsistence outside the borough Members are able to claim at the same rates that are applicable to Officers or for meals that cannot be pre-booked and paid by the Council and are in excess of Officer rates then

reasonable costs up to a maximum of £25 per day can be reimbursed upon production of receipts. Again, the Panel received no evidence to alter this approach.

34. However the scheme is silent in regards to 3 areas regarding overnight accommodation claims:
- guidance relating to appropriate accommodation costs for an overnight stay
 - parameters regarding what constitutes an appropriate situation for an overnight stay
 - authorisation to exercise discretion to exceed limits and under what conditions
35. The Panel reviewed other schemes and found that it is common to provide guidance on maximum costs and parameters for what constitutes an appropriate situation for an overnight stay. The Panel felt that a combination of the provisions within the Local Government Association (LGA) scheme and the staff expenses scheme best defined what the Panel considered an appropriate overnight stay. The Panel considered that overnight stays were not appropriate for an approved duty which took place less than 50 miles from the borough (Easthampstead House) unless the Member is unable to return home before midnight. Consequently, the Panel decided that overnight stays were only appropriate for an approved duty which:
- takes place over 50 miles from the borough (Easthampstead House) unless the Member is unable to return home before midnight or
 - when the approved duty takes place over 50 miles away where the Member would otherwise be required to leave home before 7am to attend the meeting in time or
 - when the Member is unable to return home before midnight
36. The Panel considered that the maximum rates imposed on overnight stays as set out in the recent report from the Independent Remuneration Panel for Wales were appropriate at
- £150 for overnight stays in London and
 - £95 elsewhere
37. The Panel considered that discretion to exceed these limits should only be exercised in relation to conference or training events due to the integral nature of many packages or the need for Members to be located in close proximity to officers attending from the borough.

38. The Panel recommends that the Members' Allowances scheme (sections 15-16) is amended as follows:

15. Subsistence Allowances and Accommodation

(1) Councillors and Co-opted Members shall not be entitled to claim subsistence allowances in respect of approved duties within the Borough. There are no exceptions to this rule.

(2) Where Councillors or Co-opted Members attend approved duties outside of the Borough, Councillors shall be reimbursed subsistence at the same rates that are payable for officers. There are no exceptions to this rule.

(3) Councillors and Co-opted Members are not entitled to claim accommodation in respect of approved duties that take place within less than 50 miles from the Borough (Easthampstead House) unless it would mean that the Councillor would arrive back home after 12.00 midnight.

(4) Where an approved duty takes place over 50 miles away (Easthampstead House) it only qualifies for overnight accommodation

- **Where a Member would otherwise be required to leave home before 7am to attend the approved duty in time or**
- **Is unable to return home before 12.00 midnight**

(5) Where Councillors or Co-opted Members attend approved duties over 50 miles from the Borough (Easthampstead House):

- **wherever possible Member Services will organise meals and accommodation on behalf of the Councillor, in advance.**
- **where this is not practicable, Councillors shall be reimbursed accommodation costs at the following levels:**
 - **£ 150 overnight stay in London (subject to the criteria set out in paragraph 3)**
 - **£ 95 overnight stay outside London**
- **for meals that cannot be pre-booked and paid by the Council and are in excess of current rates payable to officers, Councillors' reasonable costs shall be reimbursed on production of receipts up to a limit of £25 per day.**

Discretion to exceed these limits should only be exercised in relation to conferences / seminars / training events.

16. Attending conferences/seminars

Members attending conferences or seminars, either on the Council's approved list or where prior approval has been obtained to attend the event under the procedure for attendance at non-approved conferences, may claim travelling allowance in accordance with paragraph x (Travel Allowances) and unless subsistence and accommodation is an integral part of a training or conference package then reimbursement limits will be as per paragraph x (Subsistence Allowances and Accommodation).

The accommodation limits referred to in paragraph x may be exceeded in exceptional circumstances at the discretion of the Head of Democratic and Registration Services, e.g., to enable a councillor and an officer attending a conference to stay at the same accommodation, subject to there being sufficient budget provision.

All conference bookings and arrangements for overnight accommodation and travel will be made by Member Services.

The list of approved conferences is attached as Schedule 4 together with the current guidelines for attendance at conferences not on the approved list. If a Member wishes to attend a conference not on the approved list, s/he should contact the Head of Democratic and Registration Services.

Unless otherwise stated the Council will usually send the relevant Executive Member(s) as its representative(s) at approved conferences. However, the Leader of the Council may appoint alternative Members if necessary. In order to minimise financial loss to the Council, Group Leaders are required to make substitution arrangements if a nominated Member is unable to attend.

Members should observe the requirement within the Council's Code of Conduct to register in writing, within 28 days, any gift or hospitality received at conferences exceeding £25 in value or declare the combined value of gifts or hospitality (of any value) once it exceeds £25 when received in one year from the same source.

Members will be invited to provide feedback evaluating the effectiveness and value of any conference they attend.

Members attending non-approved conferences and seminars without prior approval will not have their claims for reimbursement of expenses accepted.

Time Limits and Clarifications on Claims and Escalation Process

39. Currently all travel and subsistence claims are required to be submitted within 2 months of undertaking the approved duty. This should be extended to 3 months to match the submission timetable of the officer's expenses scheme. The exception to this should be at the end of the financial year when submission deadlines should be reduced to enable claims to be processed before the financial accounts for that year were closed. Claims outside of the three-month deadline should be escalated to the Head of Democratic and Registration Services for consideration. The Panel agreed that claims outside of the financial year deadline should be escalated for consideration by the Director of Corporate Services. Proposed wording was integrated with the proposed update to the scheme relating to the submission of receipts as below.
40. For clarification purposes, the Panel agreed that the scheme and claim form should be updated to state that claims would only be reimbursed on production of a valid receipt or proof of purchase (excluding mileage). The Panel also agreed that there should be no exceptions to this rule and if no valid receipt or proof of purchase could be submitted then the expense would be considered an incidental expense, in which case was covered by the basic allowance.
41. The Panel recommends that the claim form declaration should be amended to include the following statement:
- “I have either attached receipts or proof of expenditure in respect of each claim for reimbursement of costs incurred”**
42. In addition, the Panel recommends that Section 19 (How to claim) of the allowances scheme be amended to read as follows:

19.How to claim

The principle in claiming for reimbursement of expenses incurred is that all claims are readily corroborated against the Council's approved duties and therefore should include all relevant information to ensure claims can be substantiated, including dates of approved duties, place, purpose etc.

Only claims completed on the Members' Allowances claim forms and supported by valid receipts or proof of expenditure will be accepted (excluding mileage). No reimbursement will be made when valid receipts or proof of expenditure are not submitted as

the expense will be categorised as an incidental expense to be covered by the Councillor's basic allowance. There are no exceptions to this rule.

The Basic and Special Responsibility Allowances will be paid in twelve monthly instalments for which claims are not required.

Claims should be submitted to Member Services by the last working day of the month and within three calendar months from the date when the approved duty occurred. Claims outside of the three month deadline will be referred to the Head of Democratic and Registration Services. However at the end of the financial year claims will need to be submitted in good time to be processed before the end of the financial year and close of accounts. Claims made at this time of year must be submitted by the date in April specified each year.

No claims relating to a financial year for which the accounts have been closed will be considered except in exceptional circumstances. The Director of Corporate Services will be the arbiter of whether an exception to this deadline can be accepted.

Claims should clearly indicate the duty concerned, including the name of the committee or body attended and in the case of meetings with Officers, the names of the Officers concerned and the place of the meeting. This will avoid any uncertainty about the eligibility of the duty and any consequent delay that might entail in processing claims.

Members are advised to refer to the guidance issued by the Head of Democratic and Registration Services in the completion of their claim form.

Where a Member is also a Member of another Authority

43. The auditor identified a technical issue regarding compliance with the Local Authority (Member Allowance) (England) Regulations 2003 to ensure that where a Member is also a Member of another authority, that Member may not receive allowances from more than one authority in respect of the same duties. Despite the presumption that where a Member is also a Member of another authority that Member will not receive allowances from more than one authority in respect of the same the current allowances scheme is silent on this issue.
44. This was a technical issue and the Panel confirms that it should be rectified. As part of its discussions, the Panel discussed claims relating to approved duties at other authorities or bodies that had their own expenses schemes in

place. The Panel decided that the allowances scheme should be updated to clarify for Members that such claims should be submitted to the outside body in the first instance.

45. **The Panel recommends that the allowances scheme should be amended as follows:**

00.Membership of another authority

As required by regulations, where a Councillor is also a member of another authority, that Councillor may not receive allowances from more than one authority in respect of the same duties.

19.How to claim

When expenses claims relate to an approved duty as the council's representative on an outside body, and the outside body has established its own expenses scheme, the claim should be submitted to the outside body in the first instance.

Issues arising since the previous review

Out of Borough Travel – Guidance, Clarifications and Cost Effectiveness

46. In keeping with the principle of ensuring that the allowances scheme represents value for money the Panel accepted that the scheme encouraged travel by public transport but there was not currently scope for Officers to approve alternative modes of transport even when they were cheaper for the authority. As noted above the Panel also considered it pragmatic to allow claims for travel to approved duties being completed outside of the borough to be for the complete journey and not be split at the borough's borders. The Panel determined that in principle the complete journey should be considered to be continuous and end to end with all parts of the journey integral to the trip and not via multiple destinations.
47. The Panel requested additional legal advice relating to the reimbursement of costs incurred by a third party. The advice received by the Panel was that the allowance must be payable to the Member in respect of expenses incurred by the Member. However, it would be open for the scheme to allow for payment to be made to a Member in respect of a payment which they had made to a third party for travel or subsistence.
48. The Panel was asked to consider whether the allowances scheme should permit the reimbursement of mileage costs of a return journey by a Councillor's family or friend to drop them at a local station. Specifically where

this cost was significantly less to the authority than driving and parking, travelling by bus or taking a taxi (subject to the exceptions set out elsewhere in this report). Strictly speaking, a relative or friend constitutes a ‘third party’. Thus, by them dropping a Councillor at a local station, who then paid them, that Councillor could seek reimbursement of that cost, as long as a receipt was produced.

49. However, the Panel were minded not to adapt the scheme to allow this scenario; it did not feel that a friend or relative constituted a ‘third party’ as normally understood. It would be difficult to justify to the public why a Member was paying a friend or relative to drop them at a local station.
50. The Panel accepted that it might be a cheaper option for the Councillor to be given a lift rather than driving and parking or taking public transport. However, the Panel was not provided with evidence that this was other than occasional or that the difference in cost would be significant enough to outweigh the issue of public perception.
51. The Panel also considered whether there should be exceptions to the current policy on travel by rail, namely, Members are normally expected to “travel standard class unless exceptional circumstances require otherwise.” It was noted that senior Officers were permitted to travel first class and it could lead to a situation whereby they were accompanied by senior Members the latter would be required to travel standard class, or pay the surcharge to upgrade.
52. The Panel decided that there should be no exception to the requirement for Members to travel by standard class, bar on health grounds – see below. Public perception outweighs any potential benefits that might accrue a Member travelling by first class rail. The Panel considered that the Basic Allowance and SRAs would cover the marginal difference between first class travel, when booked in advance, and standard walk-up fares and considered the surcharge an incidental expense.

Exceptions on Health Grounds

53. The Panel was asked to consider whether exceptions could be made to any aspect of the allowances scheme on health or any other grounds and if so to provide guidance on what would constitute an appropriate exception, the criteria to be applied and the evidence required.
54. The Panel decided that exceptions to the out-of-borough travel and accommodation rules should only be permitted on verifiable health grounds.

The Panel considered that the grounds and evidence required should mirror the criteria as stated in the information about the Access to Elected Office Fund (paragraph 7) and which is applicable to Councillors in England, namely:

- A letter from your doctor to say you have a disability or
- evidence to show that you are in receipt of one of the following benefits or support
 - Disability Living Allowance (DLA)
 - Access to Work grant
 - Disabled Students Allowance
 - Support from Social Services
 - Direct Payments from a Council

55. The Panel also considered that ownership of a Blue Badge was a common sense addition to the evidence that could be provided.
56. **The Panel further recommends that where an exception has been granted that it should be reconsidered on an annual basis for each Councillor requesting an exception be made for them by the Director of Corporate Services. Consideration would be made in relation to how this affected specific aspects of the scheme due to their medical needs rather than resulting in a removal of all travel, subsistence and accommodation rules for that individual. An audit trail of the exception would therefore be created.**
57. **The Panel recommends that the allowances scheme should be amended as follows:**

00. Exceptions

Exceptions to the out-of-borough travel and accommodation rules can only be made on health grounds and must be supported by submission of the following evidence:

- ***A letter from your doctor to say you have a disability or***
- ***evidence to show that you are in receipt of one of the following benefits or support***
 - ***Disability Living Allowance (DLA)***
 - ***Access to Work grant***
 - ***Disabled Students Allowance***
 - ***Support from Social Services***
 - ***Direct Payments from a Council***
 - ***Blue Badge***

The Director of Corporate Services will consider how medical needs affect specific aspects of the scheme rather than the removal of all

travel, subsistence and accommodation rules for that individual including whether reasonable alternatives are available. Where an exception has been granted it will be reconsidered on an annual basis by the Director of Corporate Services.

58. The Panel recommends that the Section 14 (Travel Allowances outside of the Borough onwards) is replaced by the following:

14. Travel Allowances

Travel outside the Borough

Councillors and/or Co-Opted Members are eligible to claim for travel to an approved duty when this is conducted at a venue outside of the borough. Travel should be undertaken as one continuous journey and start either from the Councillor's home or from, not via, another approved duty in the borough. All elements of the journey would be eligible for reimbursement including parking and travel within the borough.

(2) Use of car

If a Councillor or Co-opted Member uses his or her own car to travel to an approved duty outside of the Borough and the mileage rate exceeds the cost of an ordinary class rail fare, the cost of the rail fare only will be reimbursed, unless good reason could be given for necessitating car travel. For instance, if it is significantly quicker to use a car, thus not necessitating the cost of an over night stay or for medical reasons (see below for this exception).

If a Councillor or Co-opted Member uses a hire car (other than a taxi) the rate of travel shall not exceed the rate which would have been applicable had the vehicle belonged to the Councillor or Co-opted Member who hired it (see above).

Mileage allowances payable to Councillors or Co-opted Members are the same as those payable to officer casual users, with the maximum rate for car journeys outside the borough subject to a maximum of 45p per mile to avoid the need to submit tax returns. The rates are set out at a level to cover fuel consumption, vehicle wear and tear, and to contribute towards maintenance and insurance costs. If a Councillor or Co-opted Member is claiming such allowances, s/he will be asked to provide details of their vehicle to the Head of Democratic and Registration Services and may be required to produce evidence to confirm insurance cover.

(3) Passenger supplement – approved duties outside the Borough

Councillors or Co-opted Members shall be eligible to claim a Passenger Supplement Rate at HMRC rates limited to a maximum of 4 passengers, who must be fellow Councillors and/or Officers in Bracknell or from a neighbouring authority.

(4) Air travel

The cost of air travel will only be reimbursed:

- **If, in the UK the saving in time is so significant as to justify payment of the fare for travel by air**
- **If, the amount paid is based on the ordinary (economy) fare or any available cheap fare for travel by regular air service**
- **If, approval has been given by the Director of Corporate Services in advance**
- **If, reimbursement does not exceed the rate applicable to travel by an appropriate alternative means of transport, together with an allowance equivalent to the amount of any saving in subsistence allowance resulting from travel by air**

(5) Travel by Train

Standard Class rail travel should always be used. There are no exceptions to this rule other than on health grounds as set out in paragraph x.

(6) Travel by Taxi

If a Councillor chooses to travel by taxi only the equivalent of the fare for appropriate public transport or the relevant mileage / parking is claimable UNLESS:

- **no public transport is reasonably available**
- **luggage or equipment has to be carried**
- **the claimant has a medical condition or disability which precludes the Councillor from driving or using public transport.**
- **the claimant can demonstrate that this is cheaper than driving or using public transport.**

In these cases a claim may be submitted for the actual fare and any reasonable gratuity paid. This means, for example, a councillor using a taxi on non-urgent business during the day when there is a bus service available or the Councillor could have driven will only be reimbursed the cost of the bus fare or the mileage/parking.

Issues Arising – Member Champions and In Borough Travel

59. It was raised during the course of the review that Champions should be an exception to the restrictions preventing claims for travel and parking within the borough due to the nature of that role necessitating a significant additional amount of travelling within the borough. The Panel accepted that there was an associated cost of undertaking this role but were led to understand that it varies between Member Champions. Consequently, it decided that this cost was compensated through the current Special Responsibility Allowance.

The Co-optees' Allowances

60. The Panel received no evidence to suggest that the current scope and levels of Co-optees Allowances needed revising. **The Panel recommends that the Co-optees' Allowances remain unaltered.**

The Dependants' Carers' Allowance (DCA)

61. The Panel received no evidence to suggest that the DCA needed revising. **The Panel recommends that the rates applicable for the DCA and conditions by which it can be claimed remain unaltered subject to any indexation that may apply.**

Membership of the Local Government Pension Scheme (LGPS)

62. Under the current legislation, the single decision-making power possessed by the Panel is in relation to eligibility for Members to join the LGPS. Even then, it is a negative decision-making power, if the Panel decides that no Members, or only defined Members, are eligible for access to the LGPS, the Council cannot ignore any restrictions determined by the Panel. However, the Council does not have to accept the recommendations if they are positive.
63. Historically, the Panel has decided that all Members should be eligible to join the LGPS, applicable to both their Basic Allowance and any SRAs payable. This leaves the door open for the Council to decide whether to accept the recommendation, which historically it has done – although not all Members have chosen or are able (mostly through age restrictions) to the join the LGPS. The Panel received no evidence to alter its view that all Members should be able to join the LGPS if they wish, as long as they meet the age restrictions, applied to both their Basic Allowance and, if applicable, their SRAs. It helps to reduce a financial barrier to under-represented groups on Council, most notably younger people who are in employment.
64. **The Panel recommends that the Council should continue to enable all Members to join the LGPS, subject to the outcome of the government's**

consultation on councillor access to the LGPS, which is currently due to be announced for implementation from April 2014.

Indexation of Allowances

65. The seventh review, which took place at the end of 2011, was required to take a view on the indexation of allowances under the '4-year rule.' The 2003 Regulations permit allowances to be indexed on an annual basis but for no longer than a period of 4 years before a Council is required to reconvene and seek a view from their Panel before it can be renewed for another four years. In the seventh report, the Panel recommended that the Basic Allowance, SRAs and Co-optees' Allowance should not be indexed and it would look at the issue once more at the time of the next review. The Council accepted this recommendation.
66. The rationale behind this recommendation was to show that by freezing Members' allowances it demonstrated to staff and the electorate that Members were sensitive to the adverse economic conditions. The broader economic context has not substantially changed since the end of 2011 and the Panel has received no evidence to revise the view it took then.
67. The Panel reiterates that the Basic Allowances, SRAs and Co-optees' Allowances should not be indexed until the Panel is able to take another view on the issue. However, the Panel accepts the case for the indexation of allowances that are a reimbursement of expenses as they relate to actual costs incurred by Members rather than remuneration. The Panel points out that if these allowances are not indexed then the Council is not able to apply an annual cost of living increase without coming back to the Panel for advice after this year. However, where a Council has adopted indices they are under no obligation to apply them each year. Councils retain the right not to apply an index to their allowances even though the provision may have been adopted.
68. **The Panel recommends that the Bracknell Forest Council Members Allowances are indexed as follows:**
- **Basic Allowance, SRAs and Co-Optees' Allowances:**
 - They are not to be indexed and remain frozen until the Panel undertakes a further review
 - **Travel Allowance – Out of Borough Mileage Rates:**
 - Continue to be indexed to Officer casual users rates
 - **Subsistence Allowance – Out of Borough:**

- Continue to be indexed to Officer rates, unless related to actual cost reimbursement
- **Overnight Accommodation:**
 - Both London and outside of London maximum rates indexed to the annual local government pay increase as agreed each April (linked to spinal column 49 of the National Joint Council for Local Government Services), to be implemented in that year from the date of the next following Annual Council meeting
- **Dependants' Carers' Allowance – Maximum Rates £50 per approved duty:**
 - Continue to be indexed to the annual local government pay increase as agreed each April (linked to spinal column 49 of the National Joint Council for Local Government Services), to be implemented in that year from the date of the next following Annual Council meeting

Implementation of Recommendations

69. As permitted by the 2003 Members' Allowances Regulations (paragraph 10.6) it is recommended that the new Members' Allowances scheme as recommended in this report be implemented from 1 April 2014 or from any date before then as agreed by the Council.

Appendix One: Members and Officers who contributed to the Review**Elected Members:**

Cllr Bettison	Leader of the Council and Conservative Group and Chairman of the Executive
Cllr Mrs Pile:	Leader of UKIP Group
Cllr Mrs Temperton:	Leader of Labour Group
Cllr Thompson:	Older People's Champion and Chairman of the Licensing & Safety Committee
Cllr Turrell:	Executive Member for Planning & Transport
Cllr Virgo:	Chairman of the Health Overview & Scrutiny Panel
Cllr Ward:	Executive Member for Transformation & Finance and Vice-Chairman of the Executive

Officers:

Kirsty Hunt:	Principal Democratic Services Officer (Governance)
Alex Jack	Borough Solicitor
Ann Moore:	Head of Democratic & Registration Services
Alison Sanders:	Director Corporate Services and Deputy Chief Executive
Timothy Wheadon:	Chief Executive

Appendix 2: Papers and other Written Material Received by the Panel

Ref	Document
1	Contact Details
2	Terms of reference
3	New Council Constitutions: Guidance on Regulation for Local Authority Allowances (May 2006)
4	Itinerary for 9 December 2013
5	Itinerary for 17 December 2013
6	Part 6 – Members Allowances Scheme
7	IRP report – November 2011
8	Political structure chart
9	Membership list
10	Terms of reference for key committees
11	Executive portfolios
12	Member role profiles
13	Meetings schedule 2013 – 2014 and 2014 - 2015
14	Cost of scheme including positions held and allowances received
15	Current Mileage Rates - August 2011
16	Current Subsistence Rates - April 2010
17	Expenses policy for BFC employees
18	Internal audit report
19	South East Employers survey of allowances – March 2013 Unitary
20	Berkshire Unitaries and Family Authority Summary of Allowances
21	Berkshire Unitaries and Family Authority Public Notices re. 2012-13 payments
22	Berkshire Unitaries and Family Authority Comparison chart of support
23	Current blank claim form including advice
27	Draft wording for receipts and time limits
28	Example wording for limits re. accommodation etc.
30	Aide memoir for Panel re. context

33	Extract from recent draft report from IRP for Wales (covers all unitary councils there) re. limits they impose on overnight stays.
34	Local Government Association's Members Allowances Scheme
35	Durham County Council's Members Allowances Scheme
36	Information re. Access to Elected Office Fund
37	FAQs re. Access to Elected Office Fund
38	Draft wording for basic allowance
39	Draft wording for claims relating to outside bodies
40	Draft wording for travel
41	Draft wording for Minority Group Deputy Leader
42	Draft wording for membership of another authority