

# **WOKINGHAM BOROUGH COUNCIL**

## **REPORT OF THE INDEPENDENT REMUNERATION PANEL ON MEMBERS' ALLOWANCES LEVELS FOR 2007-2008**

**For submission to the Council on  
28 June 2007**

## Introduction

1. In accordance with regulations laid down by government the Council appointed an Independent Remuneration Panel in 2003 to review levels of allowance paid to Members. In each of the following Municipal Years, the Panel has made recommendations on the levels of Basic and Special Responsibility Allowance for consideration by the Council. Details of the Panel's remit are described below.

### The Independent Remuneration Panel

2. The Panel comprised the following Members:

#### Robin Cops

Robin Cops has been a resident of Wokingham Borough for the last 23 years. Following a 35 year career with an international chemical engineering company he now acts part time as a management consultant. He is also a Governor at St.Crispin's School and Bracknell and Wokingham College and a Magistrate on the E.Berks Bench.

#### Michael Forrer

Revd. Michael Forrer is a resident of Charvil and is the Associate Vicar of the local Parish Church. Following a career in the Royal Artillery, he was ordained as a priest in 1960, later becoming a Worker Priest working in the private sector with such companies as IBM and Cable & Wireless.

#### Geoff Wilde

Geoff Wilde has been a resident of Wokingham Borough for the last 23 years. He worked for IBM for 33 years until his retirement in 2002. He is a Community Governor at St.Crispin's School and a volunteer with Wokingham CAB.

Ella Hutchings, Principal Democratic Services Officers, provided guidance and administrative support to the Panel.

### Background and national context

3. The Local Government (Local Authority Members in England) Regulations which came into force into 2003 stated that Independent Remuneration Panels established by local authorities should make recommendations in respect of the following issues:
  - **Basic Allowance (BA)** – each local authority must make provision for a basic, flat rate payable to all Members;
  - **Special Responsibility allowance (SRA)** – each local authority may make provision for the payment of Special Responsibility Allowances to those Councillors who have significant responsibilities. The Panel has to recommend the responsibilities that should be remunerated and the levels of each allowance;
  - **Childcare and dependents' carers' allowance** – local authorities may make provision for the payment of an allowance to those Councillors

who incur expenditure for the care of children or dependent relatives whilst undertaking particular duties;

- **Travel and subsistence allowance** – local authorities may make provision for the payment of a travelling and subsistence allowance to its Councillors for undertaking a list of eligible duties as defined in the current scheme;
- **Co-optees' allowance** – local authorities may make provision for the payment of an allowance to co-optees for attending meetings, conferences and seminars.

4. The Regulations also made provision for Panels to make recommendations in respect of the following issues:

- The cessation of payments to members who have been suspended or partially suspended from their duties, and the repayment of allowances;
- The backdating of allowances to the beginning of the financial year in which they are set, and provision to recommend annual adjustments by means of an index;
- Whether some or all Councillors should be eligible to join the Local Government Pension Scheme.

#### **Terms of reference for the 2007-2008 review**

5. The Panel's 2006-2007 Members' Allowances Scheme recommendations were agreed by the Council on 29 June 2006.

6. The Panel had conducted a detailed review for 2006-2007 and felt that the 2007-2008 review enabled it to check that this review was satisfactory and to revisit some specific issues that had arisen since, including inflation of costs.

7. The Panel was asked to consider the following issues raised by Members and Officers during the course of the year:

- The absolute Basic Allowance;
- The increase in administration generated by the use of email;
- The possibility of conducting an 'hours worked' survey of Members' time;
- The Benchmarking of allowances against other local Councils;
- An increase in SRA payment for Members' of the Executive;
- The payment of an SRA to the Members of the Standards Committee;
- A payment to encourage car sharing;
- Mobile phones and call allowances;
- Travel claims from outside of the Borough boundary.

8. In respect of the further provisions identified in paragraphs 3 and 4 above, the Council had previously adopted the Panel's recommendations as follows:

- That allowances be withheld from any Member for the duration of any suspension;

- That, in the event of a Member being partially suspended, the allowance(s) applicable to the areas of activity from which the Member was suspended be withheld;
- That the allowances scheme should continue to include reference to a mechanism whereby a Member may elect to forgo any part of their entitlement to allowances under the Scheme.

After consideration the Panel decided there were no reasons to change the above recommendations.

### **Work programme**

9. The Panel met on the following occasions:

- 23 April 2007;
- 9 May 2007;
- 21 May 2007;
- 30 May 2007;
- 5 June 2007.

In addition, Members of the Panel maintained regular telephone and e-mail contact between each other and with Officers in the Democratic Services Section.

10. The Panel received, and had made reference to, the following information to provide background, context and assistance in reaching its conclusions:

- Copies of the current Members' Allowances Scheme agreed by the Council in June 2006;
- Copies of the Local Authorities (Members' Allowances) (England) Regulations 2003;
- Benchmarking information on allowance levels paid by other local authorities;
- Budgetary provision for Members' Allowances – projected 2006-2007 outturn and 2007-2008 base budget.

11. A letter was sent to all Members on behalf of the Panel seeking verbal and written representations. The following Members were interviewed:

- Pauline Helliard-Symons, Executive Member for Social Care Services and Housing (to May 2007), Deputy Mayor (from May 2007);
- Malcolm Bryant, Champion to the Executive for Youth and Leisure;
- Frank Browne, Leader of the Council.

The following Members made written representations:

- Robert Stanton, Executive Member for Corporate Services and Chairman of the Planning Committee;
- Gerald Cockroft, Vice-Chairman of the Licensing and Appeals Committee;
- Perry Lewis, Ward Member for Wokingham Without
- Michael Firmager, Ward Member for Hawkedon (Earley.)

12. The Panel also met with Anita Grosz, Chairman of the Standards Committee, and Susanne Nelson-Wehrmeyer, Corporate Head of Legal and Democratic Services, to discuss the changing role of the Standards Committee and consider any necessary changes to allowances as a result.

### **Basic Allowance**

13. The Panel considered the level of Basic Allowances, currently £6,500 per Member, paid to all Councillors.
14. Since there had been no increase in the provision of centrally provided IT, the Panel decided that the £250 they had included in last years Basic Allowance should continue to be provided.
15. The Panel considered the comments of Members regarding increasing the Basic Allowance, and as requested looked at benchmarking the allowance against other Local Authorities.
16. The Panel were provided with the details of the Basic Allowance and other payments provided to Members of other Local Authorities in the area and whilst they recognised that some Authorities did pay more, there were also Authorities that paid less. Therefore the Panel felt that in comparison to other Local Authorities in Berkshire, Wokingham was paying a fair amount which lay somewhere in the middle of these ranges.
17. The Panel also considered the request for an 'hours worked' by Members survey to be conducted. The Panel felt that the Members' Allowance Scheme was not a pay per hour salary and there was a strong element of voluntary service in the role. Therefore it would be hard to relate the findings of such a survey to what would be a "commercial" payment.
18. It was felt that the Basic Allowance should be increased in line with the budget inflation assumptions.
19. The Panel were asked to consider whether any extra allowances should be made for the use of mobile telephones. The panel understood that the basic allowance is designed to cover telephone, stationery and postage costs and recommended that no separate allowance should be made for mobile telephones.

***Taking all the relevant factors into account, the Panel recommended to the Council that the Basic Allowance be increased to £6,750 per Member.***

### **Special Responsibility Allowance (SRA)**

20. The Panel considered representations regarding SRA payments, including raising the amount paid in general and raising the level paid to Members of the Executive.
21. The Panel felt the level of the SRA to be adequate and that budgeted increases in funds should be focused on improving the Basic Allowance.

22. The Panel were sympathetic to the amount of work that Executive Members had to do, but felt that the SRA payment reflected this additional workload and so felt that there was no basis for an increase.

23. Following the detailed review conducted by the Panel in 2006, the following SRAs were still considered appropriate for the roles:

- Leader of the Council – 4 x SRA;
- Deputy Leader of the Council – 2 SRA;
- Members of the Executive – 2 x SRA;
- Chairman of the Scrutiny Committee – 0.5 x SRA;
- Chairman of Health, Overview and Scrutiny Committee – 0.5 x SRA;
- Chairman of Planning Committee – 1 x SRA;
- Members of the Planning Committee – 0.25 x SRA;
- Chairman of the Licensing and Appeals Committee – 0.5 x SRA;
- Chairman of the Standards Committee – 0.25 x SRA;
- Chairman of the Personnel Board – 0.25 x SRA;
- Leader of the Opposition where there is a majority group – 1.5 x SRA.

24. The Panel also considered that the SRA payment of 0.25 x SRA for the Chairman of the Highways Consultative Board was still appropriate, but noted that at the present time the Board was under review and therefore no Councillor was currently receiving this payment. If the Board were not to be re-appointed to, and so disbanded, the SRA payment would cease.

25. Members of the Standards Committee:

- i. The Panel heard representations regarding the payment of an SRA to Members of the Standards Committee. This was because the Standards Board for England would be referring all local cases in future to the Committee for determination, which could result in a significant increase in workload for the Committee. The Committee was made up of two Borough Councillors and three independent members. The Chairman of the Committee currently receives 0.25 SRA;
- ii. Susanne Nelson-Wehrmeyer, Corporate Head of Legal and Democratic Services, explained the changes in responsibilities, and Anita Grosz, 2006/07 Chairman of the Standards Committee, spoke to the Panel in favour of the payment;
- iii. The Panel understood that the level of extra work for the Committee could not be predicted at this stage. In addition there appeared to be no significant differences from being an independent member on the Standards Committee to many other forms of unpaid voluntary services. Therefore the Panel decided that there was no basis for making an SRA payment to all Members of the Standards Committee at the current time.

26. Champions to the Executive:

- i. During the past three years, the panel has been concerned about how the Champions to the Executive demonstrated their accountability to justify the SRA payment that they received. To help the Panel, a job

description was written by the Council in June 2005. Based on this description and to increase the accountability of the role, last year's report by the Panel contained four specific recommendations supporting the SRA. They were that:

- (a) Champions should be appointed by collective resolution of the Executive rather than the Leader;
  - (b) Each Champion should work to a detailed brief;
  - (c) Quarterly progress reports should be presented to the Executive as well as the annual report;
  - (d) The Council should consider limiting the number of Champions to five;
- ii. The Panel is disappointed that these recommendations have not been implemented. Whilst the Panel accepts and welcomes the concept of Councillors championing specific areas to influence and drive policy, it feels that the lack of targets and accountability shown in the current system does not justify an SRA;
- iii. The Panel would suggest that Champions only continue to receive an allowance if it's previous recommendations (as at 26.i.(a) to (d) above) are enacted.

***The Panel recommended to the Council that:***

***(1) The Special Responsibility Allowance remains at the current level (£4,000);***

***(2) There be no changes to the Special Responsibility Allowance payments made to Members, as agreed by Council on 29 June 2006 (as detailed in paragraphs 23 and 24 above);***

***(3) The Members of the Standards Committee are not paid a Special Responsibility Allowance at the current time;***

***(4) Champions only continue to receive a Special Responsibility Allowance if it's previous recommendations (as at paragraph 26.i.(a) to (d) above) are enacted.***

**Pensionability and Indexation**

27. The Panel were asked to look again at pensionability of allowances, but saw no reason to change its previous recommendation.
28. The Panel still felt that it was better to meet annually to allow discussion and review on changes during the year, including inflation, rather than index link allowances without a review.

***Taking all the relevant factors into account, the Panel continued to recommend to the Council that no Members be made eligible to join the Local Government Pension Scheme and that the allowances should not be index-linked.***

## Travel and subsistence allowance

29. The Panel was asked by Officers to consider from where travel allowances should be paid, i.e. when a Member was travelling from somewhere outside of the Borough to a meeting or other event. The Panel looked at how other Local Authorities dealt with the issue and felt that travel cost starting from outside of the Borough should be calculated only from the Borough boundary.
30. The Panel considered the mileage rates paid to Members and felt that due to the rising costs of fuel, the rate should increase by 2.5% per mile. This would increase the rates to the following:

	<b>Per Mile</b>
Car Cylinder Capacity greater than 1199cc	49.7p
Car Cylinder Capacity greater than 999cc but not exceeding 1199cc	40.5p
Car Cylinder Capacity not exceeding 999cc	35.5p
Motorcycle Cylinder Capacity exceeding 500cc	16.9p
Motorcycle Cylinder Capacity greater than 150cc but not exceeding 500cc	12.6p
Motorcycle Cylinder Capacity not exceeding 150cc	8.7p

31. The Panel was again asked to recommend an additional rate being put in place for car sharing when on Council business. Having considered this it saw no reason to change its view from last year that no special rate should be applicable.
32. However, the Panel felt they wanted to encourage more environmentally friendly ways of travel so looked at the rate paid per mile for the use of a pedal cycle. The Panel decided to recommend that the rate be brought in line with Council employees at 35p per mile.

***The Panel recommended to the Council that:***

***(1) Unless there were exceptional circumstances which had previously been approved by the Democratic Services Manager all claims for travel allowance should be deemed to start and finish from the Member's usual place of residence or work if within the Borough, or from the Borough Boundary, and claims would need to be made on this basis;***

***(2) The mileage rates for cars and motorcycles be increased to the rates listed at point 29 above;***

***(3) No separate mileage rate be introduced for car-sharing;***

***(4) The rate paid for the use of a pedal cycle should be increased to 35p per mile.***

## RECOMMENDATIONS OF THE INDEPENDENT REMUNERATION PANEL

- (1) That the Basic Allowance be increased to £6,750 per Member;
- (2) That the Special Responsibility Allowance amount remains at the rate of £4,000;
- (3) That all Special Responsibility Allowances remain as agreed by the Council on 29 June 2006;
- (4) That Champions to the Executive only continue to receive a Special Responsibility Allowance if the Panel's previous recommendations are enacted;
- (5) That Members of the Standards Committee are not paid a Special Responsibility Allowance;
- (6) That the level of childcare and dependants' carers allowance remain at £6 per hour;
- (7) That unless there were exceptional circumstances which had previously been approved by the Democratic Services Manager all claims for travel allowance should be deemed to start and finish from the Member's usual place of residence or work if within the Borough, or from the Borough Boundary, and claims would need to be made on this basis;
- (8) That the mileage rates for cars and motorcycles be increased to:

	Per Mile
Car Cylinder Capacity greater than 1199cc	49.7p
Car Cylinder Capacity greater than 999cc but not exceeding 1199cc	40.5p
Car Cylinder Capacity not exceeding 999cc	35.5p
Motorcycle Cylinder Capacity exceeding 500cc	16.9p
Motorcycle Cylinder Capacity greater than 150cc but not exceeding 500cc	12.6p
Motorcycle Cylinder Capacity not exceeding 150cc	8.7p
Pedal Cycles	35.0p

- (9) That no separate mileage rate be introduced for car-sharing;
- (10) The rate paid for the use of a pedal cycle should be increased to 35p per mile;
- (11) That the Resolutions of the Council on 29 April 2004, set out in paragraph 7 of that report, be unchanged. These are:
  - That no Members be eligible for inclusion in the Local Government Pension Scheme;
  - That allowances be withheld from any Member for the duration of any suspension;

- **That, in the event of a Member being partially suspended, the allowance(s) applicable to the areas of activity from which the Member was suspended be withheld;**
- **That the allowances scheme should continue to include reference to a mechanism whereby a Member may elect to forgo any part of their entitlement to allowances under the Scheme;**
- **That, due to the likelihood of further changes in the Council's political structure, no annual index be introduced;**
- **That no allowances be backdated.**