



**WOKINGHAM**  
**BOROUGH COUNCIL**

**REPORT OF THE INDEPENDENT  
REMUNERATION PANEL APPOINTED TO  
REVIEW THE ALLOWANCES PAID TO  
COUNCILLORS OF WOKINGHAM BOROUGH  
COUNCIL FOR 2022/23**

**FOR SUBMISSION TO THE COUNCIL ON  
19 JANUARY 2023**

## Introduction

1. The Local Authorities (Members' Allowances) (England) Regulations 2003 provide for the payment of Allowances to Members of the Council in connection with their work as Councillors. Before the Council can make or amend a scheme of allowances, it should consider the recommendations made in relation to it by an Independent Remuneration Panel (IRP).
2. The Council appointed its first Independent Remuneration Panel in 2003. In each of the following Municipal Years, the Panel has made recommendations on the levels of Basic and Special Responsibility Allowances for consideration by the Council. Council resolved that future reviews of Members' Allowances would be carried out on a biennial basis at their meeting on 21 March 2019. An independent review of Members' Allowances has been carried out in 2022 and early 2023. Details of the Panel's remit are described in paragraph 4 below.

## The Independent Remuneration Panel

3. The Members of the Independent Remuneration Panel are:

**Diana Anderson** is married and has lived in Crowthorne (Wokingham Without) for 40 years and has strong connections with Wokingham. Both her children now live there; her daughter attended The Holt School, her granddaughter is in Year 3 at St Pauls Junior School and her grandson has just started at Walter Infant School. Before retiring Diana was Campus Administrator for 25 years at Imperial College's postgraduate campus at Silwood Park, Ascot, looking after both staff and students. She has been Clerk to the Local Advisors (Governors) at St Crispin's School for nearly nine years and for the last 18 years has been an independent member - and now Chair - of Wokingham's School Admission Appeals.

**David Harwood** has been living in the Wokingham Borough for seventeen years having moved to Twyford in 2004. He is married with a teenage daughter. He has been working as a company secretary for the past 11 years and previously worked in financial control in the retail and financial services sector.

**Bob Nancarrow** has lived in Remenham since 1991. At that time and until retirement he was and is still living in the village within the Wokingham Borough. He worked for the University of West London as Principal Lecturer in Management Accounting before retirement. There, he also volunteered for and undertook the role of Treasurer of the local branch of NATFHE, the Lecturers Union for several years. In 1994/5 and 1995/6 he was Berkshire Branch President of the Chartered Institute of Management Accountants. He is qualified as a Chartered Secretary and as a Chartered Management Accountant. He attended King Edward VI School, Bath. He has a BA in Business Studies from the University of Hertfordshire and a teaching Certificate from the University of Roehampton, London. He has also worked for and trained with Lucas Aerospace, Deloitte, Grant Thornton, Interpublic Inc. and Allied Domecq PLC.

**Ian Newlove** has lived in Crowthorne (Wokingham Without) since 1973. He is married with two grown up daughters who also live in Crowthorne. He is an independent Member and Chairs Education Appeals Panels for Wokingham,

Reading and Bracknell since around 2001. Prior to retiring he worked for a major food retailer based in Bracknell for 28 years. His role within the company at various times involved heading the Internal Audit function and also other Financial roles including systems and procedures. He was also a member of a Patient Participation Group in Crowthorne.

**Angela Slade** has lived in Wokingham since 1980. A graduate of the University of St Andrews, her early career was mostly in procurement with Unilever, 3M and Smithkline Beecham (now Glaxo Smithkline) her final position in the early 1990's involved personal responsibility for a portfolio valued at £13 million. Delighted to be made redundant shortly before her 40th birthday, she set up her own business and remained self-employed for 27 years. Sadly, the sudden unexpected death of her husband on Halloween 2021 has resulted in withdrawal from paid employment.

Callum Wernham, Democratic and Electoral Services Specialist, provided guidance and administrative support to the Panel.

### **Background and National Context**

4. The Local Authorities (Members' Allowances) (England) Regulations, which came into force in 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 allowance 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 additional responsibilities. The Panel has to recommend the responsibilities that should be remunerated and the levels of each allowance.

**Childcare and Dependants Carers' Allowance** – local authorities may make provision for the payment of an allowance to those Members who incur expenditure for the care of children or dependant 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 Members 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.

**Mayoral and Deputy Mayoral Allowances** – these allowances are in place to defray reasonable costs in order that the officer holders are not out of pocket for fulfilling the roles of Mayor and Deputy Mayor.

5. The Regulations also provide 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.
6. Non-Executive Director (NED) payments can be made by Council-owned companies to Members who act in non-Executive roles. They are similar to SRAs but have a different legislative basis and are not included in the Council's Members Allowances Scheme. It is not within the remit of the Independent Remuneration Panel to review the level of payments to NEDs on the Council-owned companies unless a specific request for a review is made by one or more of the companies.

#### **Terms of Reference for the 2022/23 Review**

7. The Panel carried out a successful 'light touch' review of Members' Allowances in 2020/21, a highlight of which was an agreed 'higher tier' of the dependent and carers allowance where more specialist forms of care were provided by Members. In their second review of Members' Allowances, the Panel resolved to focus in on two key aspects of the Members' Allowances scheme. The first of which was to place each Special Responsibility Allowance within the midpoint of the 6 Berkshire Unitary Authorities (Bracknell, Royal Borough of Windsor and Maidenhead, Reading, Slough, West Berkshire and Wokingham). The second focus was to provide an indexation mechanism for allowances to rise over 4 years.

#### **Work Programme for the 2022/23 Review**

8. The Panel met on the following occasions this municipal year:
  - 24 May 2022
  - 1 July 2022
  - 20 September 2022
  - 25 October 2022
  - 22 November 2022
  - 13 December 2022
  - 9 January 2023

In addition to the above meetings, the Panel met a number of times between January and May 2022 to prepare for their review.

9. The Panel 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 January 2021 and previous versions.
  - Copies of the Local Authorities (Members' Allowances) (England) Regulations 2003;

- The summary of the South East Employers (SEEMP) Members' Allowances Survey 2020/21.
10. A number of Members from across all political groups agreed to meet with the Panel during their first review of Members' Allowances. To respect the independence and objectivity of the Panel, the Panel resolved to not meet with Members during this years' review.

### **Remuneration**

11. In considering its proposals concerning Members' remuneration, the Panel has tested each recommendation against three core principles:
- a) Is it affordable relative to Wokingham Borough Council budget constraints?
  - b) Is it reasonably similar to the practice in other unitary authorities in the region?
  - c) Would it be fair and reasonable for Borough residents?

These tests are particularly relevant to this year's review, as one of the core recommendations set out within this report is to place each of Wokingham's Special Responsibility Allowances within the midpoint of the 6 Berkshire Unitary Authorities. The Panel feel it both fair and balanced that Wokingham's Members which occupy a role which attracts a Special Responsibility Allowance are remunerated at a level which sits in the middle of that paid by their Berkshire counterparts.

The Panel understand the budgetary constraints faced by Wokingham Borough Council in the face of inflationary pressures and increasing demand for services. The Panel however feels that it is both fair and proportionate to place Special Responsibility Allowances within the midpoint of the 6 Berkshire Unitary Authorities. Whilst this represents a general increase in expenditure for Members' Allowances, it is felt necessary to remunerate the occupiers of these roles fairly for the responsibility required, when compared to our Berkshire neighbours.

With regards to the proposed mechanism for indexation of Members' Allowances, the Panel have carefully considered what residents would feel might be a reasonable yearly increase, balanced against the need to ensure that allowances do not lag so far behind their required value that a more substantive proposal (as outlined within the above two paragraphs) would be required. As such, the Panel have resolved to index allowances to the average percentage increase in officer pay for that financial year, the detail of which can be found within the remainder of this report. This figure represents a pragmatic balance between increasing allowances in line with inflation and presenting a cost-effective solution which residents would find fair.

### **Basic Allowance**

12. The current Basic Allowance is set at £7,784, made up of three components: £600 for out-of-pocket expenses, £6,684 for time contributed and £500 for IT, communication, and home office use. The basic allowance was last increased during the 2017/18 municipal year, where Members agreed to a one-percent

increase to the time contributed component. Since this date, a subsequent proposal (during the 2018/19 municipal year) for a two-percent increase to the time contributed component was not supported. Due to the Covid-19 pandemic, the Panel did not propose an increase during their last review. It has become apparent to the Panel that an indexation mechanism, agreed once per 4 years, set at a level which provides an appropriate increase at a fair cost to residents, may be more palatable than each subsequent Independent Remuneration Panel being required to propose a larger one-off increase to allow the Basic Allowance to 'catch-up'.

13. The Panel reviewed the out-of-pocket expenses segment of the Members' Basic Allowance scheme, taking in to account the £100 increase that was recommended and approved by Council in 2017.
14. The Panel recommends that the £500 component of the Basic Allowance for the provision of IT should only be claimed by those Members who provide facilities which allow constituents and Officers to communicate with them by e-mail, in addition to having adequate equipment and connections to allow for effective participation in virtual meetings and the self-certification process related to this component of the basic allowance be continued.
15. It is the Panel's view that remuneration should not be a barrier to attracting a diverse range of Members from a variety of backgrounds. Instead, the Panel wishes the Members' Allowances scheme to be an element of a wider drive to attract a range of Members from across the entire spectrum of protected characteristics under the Equality Act 2010. Therefore, this may be an area where further investigation and research is conducted in a future review of the Members' Allowances scheme.
16. In conclusion, the Panel recommends that the time contributed element of the Basic Allowance increase by 4% (the average increase for Wokingham's officer pay award for this financial year), backdated to April 2022, comprising the following components:
  - **£6,951** for time contributed; and
  - **£600** for out-of-pocket expenses; and
  - **£500** for IT, communication, and home office.

Following this, the Panel propose that the time contributed element of the basic allowance increase annually from April 2023 by the average increase in the national officer pay award for a period of 3 years, backdated as necessary.

The Panel noted that a 2% increase to the time contributed component of the basic allowance was proposed by the previous Panel in 2018 and subsequently refused by Council. Whilst a 4% increase represents growth in expenditure of £14,418, this year's review only recommends a further increase in expenditure of £7,209 compared to the proposal to Council in 2018.

### **Special Responsibility Allowances (SRAs)**

17. Special Responsibility Allowances are limited to one per Member, that being the one with the highest value. The Council previously agreed that the SRA = £5,000 and individual posts attracting an SRA be assessed as a factor of £5,000. The Panel now proposes that the SRA figure increase by the average increase in the national officer pay award for Wokingham officers for a period of 3 years, from April 2023, backdated as necessary. A 3-year period from April 2023 is proposed to align this with the proposal for a 4-year period for the increase to the time contributed element of the basic allowance backdated to April 2022. This would ensure that future proposals for larger one-off increases to specific SRAs would not be required as frequently. SRAs are not proposed to be subject to the proposed indexation mechanism for the 2022/23 financial year, as the proposed changes to place individual SRAs within the midpoint for the 6 Berkshire Unitary Authorities would also amount to an 'inflationary increase' for this financial year.
18. As outlined earlier within this report, the Panel has resolved to propose a set of changes to Wokingham Borough Council's SRAs which would place them within the midpoint for the 6 Berkshire Unitary Authorities. In some cases, this reflects no change to the current level of SRA, whereas for others this constitutes an increase.

### Leader of the Opposition

19. In one specific instance, the SRA for the Leader of the Opposition, this would have constituted a decrease from the current level of £7,500 to approximately £6,875. The Panel carefully considered whether, in this specific instance, a decrease to this SRA would be wholly appropriate. The Panel considered whether a reduction to this SRA could be perceived as the Borough having a reduced level of respect for an effective opposition. Whilst this would never be the intention of such a change, it was felt inappropriate to propose any decrease to this SRA. **Recommendation:** SRA to remain at 1.5xSRA = £7,500.

### Deputy Leader

20. The Panel considered the additional responsibility placed on the Deputy Leader of the Council when compared to that of any other Executive Member. In addition to (usually) having their own Executive portfolio, they are responsible for substituting for the Leader of the Council in a variety of circumstances, including in an instance where the Leader was unwell or unavailable for an extended period. Having considered how equivalent roles were remunerated at neighbouring Berkshire Unitary Authorities, the Panel recommends a new SRA be implemented for the Deputy Leader of the Council, where the Deputy Leader is also responsible for an Executive Portfolio, set at 2.74xSRA, £13,700. It should be noted that this SRA would replace the existing SRA of £10,000 received by the Deputy Leader for being an Executive Member.  
**Recommendation:** New SRA to be set at 2.74xSRA = £13,700, to be backdated to April 2022.

#### Leader of the Council

21. When reviewing data for the SRA paid for the Leader of the Council compared with our Berkshire neighbours, it became apparent that the current SRA level set for WBC was within one percent of the median value. As such, the Panel resolved this to be within the margin of error and propose no change.

**Recommendation:** SRA to remain at  $4 \times \text{SRA} = £20,000$ .

#### Executive Members

22. When reviewing data for the SRA paid for Executive Members (of which there are eight excluding the Leader and Deputy Leader at Wokingham) compared with our Berkshire neighbours, it became apparent that the current SRA level set for Wokingham was below the average. As such, an increase is proposed as follows. **Recommendation:** SRA to be set at  $2.11 \times \text{SRA} = £10,550$  (this amounts to a £550 increase to the current rate), to be backdated to April 2022.

#### Deputy Executive Members

23. When reviewing the SRA paid to Deputy Executive Members (of which there were currently none appointed) compared to our Berkshire neighbours, the Panel considered that there was not enough data to suggest a change from the current level of SRA. **Recommendation:** SRA to remain at  $0.4 \times \text{SRA} = £2,000$ .

#### Chair of the Audit Committee

24. When reviewing data for the SRA paid for the Chair of Audit Committee compared with our Berkshire neighbours, it became apparent that the current SRA level set for Wokingham was below the median average. As such, an increase is proposed as follows. **Recommendation:** SRA to be set at  $0.6 \times \text{SRA} = £3,000$  (this amounts to a £500 increase to the current rate), to be backdated to April 2022.

#### Chair of the Planning Committee

25. When reviewing data for the SRA paid for the Chair of the Planning Committee compared with our Berkshire neighbours, it became apparent that the current SRA level set for Wokingham was below the median average. As such, an increase is proposed as follows. **Recommendation:** SRA to be set at  $1.125 \times \text{SRA} = £5,625$  (this amounts to a £625 increase to the current rate), to be backdated to April 2022.

#### Members of the Planning Committee

26. When reviewing the data for the SRA paid for Members of the Planning Committee, the Panel considered that there was not enough data to suggest a change from the current level of SRA. **Recommendation:** SRA to remain at  $0.25 \times \text{SRA} = £1,250$ .

#### Chair of Overview and Scrutiny Management Committee

27. When reviewing data for the SRAs paid for the Chair of the Overview and Scrutiny Management Committee compared with our Berkshire neighbours, it became apparent that the current SRA level set for Wokingham was the median average. As such, the Panel propose no change. **Recommendation:** SRA to remain at  $1 \times \text{SRA} = £5,000$ .



#### Chair of Overview and Scrutiny Sub-Committees

28. When reviewing the data for the SRAs paid for the Chairs of the Overview and Scrutiny Sub-Committees, the Panel considered that there was not enough data to suggest a change from the current level of SRAs. **Recommendation:** SRA to remain at  $0.5 \times \text{SRA} = £2,500$ .

#### Chair of Licensing Committee

29. When reviewing data for the SRA paid for the Chair of the Licensing Committee compared with our Berkshire neighbours, it became apparent that the current SRA level set for Wokingham was far below the median average. As such, an increase is proposed as follows. **Recommendation:** SRA to be set at  $0.86 \times \text{SRA} = £4,300$  (this amounts to a £1,800 increase to the current rate), to be backdated to April 2022.

#### Chair of Standards Committee

30. When reviewing the data for the SRA paid for the Chairs of the Standards Committee, the Panel considered that there was not enough data to suggest a change from the current level of SRA. **Recommendation:** SRA to remain at  $0.25 \times \text{SRA} = £1,250$ .

#### Chair of the Personnel Board

31. When reviewing the data for the SRA paid for the Chairs of the Personnel Board, the Panel considered that there was not enough data to suggest a change from the current level of SRA. **Recommendation:** SRA to remain at  $0.25 \times \text{SRA} = £1,250$ .

#### **Travel and Subsistence Allowance**

32. This was not previously raised as a top priority, or as something that was holding Members back from carrying out their duties. As such, the Panel recommends no changes to the existing Travel and Subsistence allowances for the time being.
33. The Panel has made a note of the Council's Green Climate Emergency agenda and wishes for the Members' Allowances scheme to be able to aid and assist this going forward. As such, the Panel may decide to investigate recommending implementation of schemes relating to sustainable travel and electric vehicles in a future review.
34. The Panel wishes to make it known that a claimable rate of £0.35p per mile bicycle allowance is available for Members to claim when travelling to and from an approved duty. Some Members were previously not aware of this element of the existing Members' Allowances Scheme.

#### **Children and Dependant Carers Allowance**

35. Following approval of the Panel's previous recommendation to amend the Children and Dependent Carers Allowance, the Panel is satisfied that the scheme is fit for purpose and requires no amendment during this review.
36. The Panel would like to reiterate from previous years' recommendations that Members should feel confident about claiming for expenses they are entitled to.

### **Mayor and Deputy Mayor**

37. The Panel were given dispensation to review the allowances for the Mayor and Deputy Mayor during their previous review. The Panel have taken the same approach as that given to SRAs, being that they wish for Wokingham's allowances for the Mayor and Deputy Mayor to be placed in the midpoint for the 6 Berkshire Unitary Authorities.
38. After analysis of the data, the Panel concluded that the allowance paid to the Mayor was less than two percent out from the median average. As such, the Panel proposes no change to this amount. **Recommendation:** That the Mayor's allowance remain at £7,420.
39. After analysis of the data, the Panel concluded that the allowance paid to the Deputy Mayor was below the median average. As such, the Panel proposes the following change to this amount. **Recommendation:** That the Deputy Mayor's allowance be set at £2,180 (this amounts to an increase of £220 compared to the current allowance), to be backdated to April 2022.
40. The Panel recommends that both the Mayor's and Deputy Mayor's allowances are subject to the proposed indexation mechanism to the average increase in officer pay award, beginning in April 2023, backdated as necessary.

### **Total Proposed Increase in Expenditure**

41. The approximate increase in budget for Members' Allowances as proposed comprises of the following:

**SRAs and Deputy Mayor - £11,245**

**Basic Allowance - £14,418**

**Total - £25,663**

### **Closing Thoughts**

42. The Panel's sole focus is to propose changes to the Members' Allowances scheme which provide a fair level of remuneration to Members at a fair cost to residents. It is the Panel's duty to present a report and a set of associated recommendations which reflects their independence and their objective approach to analysis of Members' Allowances.
43. The Panel wishes to stress that the recommendations set out below have been reached based on objective data analysis, whilst considering what residents might feel was an acceptable level of increase. The Panel have, at times, found the current system for agreement of proposed changes to the Members' Allowances scheme unsatisfactory. The Panel noted that for Members of Parliament (MPs), the Independent Parliamentary Standards Authority (IPSA) agrees any changes to the MPs pay, which does not require a vote by MPs. This process was felt to de-politicise (to an extent) the issue of any pay increase, by allowing an independent authority to objectively review datasets and circumstances and subsequently set out any changes to MPs pay. Whilst the Panel does not expect nor have the authority to request such powers to set Members' Allowances here in the Wokingham Borough, they respectfully request

that Members consider that their recommendations are driven by objective data analysis and independent thinking.

## MEMBERS ALLOWANCES SCHEME 2022/23

### RECOMMENDATIONS OF THE INDEPENDANT REMUNERATION PANEL

*The Panel's analysis has shown that some Members' Allowances for Wokingham Borough Council have fallen behind their Berkshire neighbours, in part due to Wokingham Borough Council not accepting increases for a number of years. The following recommendations seek to rebalance these allowances and introduce an indexation mechanism for the future. Each Member is only entitled to one Special Responsibility Allowance (SRA), that being the one with the highest value.*

*The Panel recommends to the Council that:*

- (1) The time contributed component of the basic allowance be increased by 4%, backdated to April 2022 and increased annually from April 2023 by the average increase in the national officer pay award for a period of 3 years;*
- (2) The £500 component of the Basic Allowance for the provision of IT should continue to only be claimed by those Members who provide facilities which allow constituents and Officers to communicate with them by e-mail, in addition to having adequate equipment and connections to allow for effective participation in virtual and hybrid meetings and the self-certification process related to this component of the basic allowance be continued;*
- (3) No one-off changes are made to any of the following SRAs: Leader of the Council, Leader of the Opposition, Deputy Executive Member, Chair of the Standards Committee, Chair of the Personnel Board, Member of the Planning Committee, Chair of the Overview and Scrutiny Management Committee, Chair of Overview and Scrutiny Sub-Committees;*
- (4) A new SRA be agreed for the role of Deputy Leader of the Council, where the Deputy Leader is also responsible for an Executive Portfolio, set at  $2.74 \times \text{SRA} = \text{£}13,700$ , backdated to April 2022;*
- (5) A one-off increase be agreed for the SRA paid to an Executive Member, set at  $2.11 \times \text{SRA} = \text{£}10,550$ , backdated to April 2022;*
- (6) A one-off increase be agreed for the SRA paid to the Chair of the Audit Committee, set at  $0.6 \times \text{SRA} = \text{£}3,000$ , backdated to April 2022;*
- (7) A one-off increase be agreed for the SRA paid to the Chair of the Planning Committee, set at  $1.125 \times \text{SRA} = \text{£}5,625$ , backdated to April 2022;*

- (8)     *A one-off increase be agreed for the SRA paid to the Chair of the Licensing Committee, to be set at  $0.86 \times \text{SRA} = \text{£}4,300$ , backdated to April 2022;***
- (9)     *No one-off increase be made to the Mayor's allowance;***
- (10)    *A one-off increase be agreed for the Deputy Mayor's allowance, set at  $\text{£}2,180$ , backdated to April 2022;***
- (11)    *The value for an SRA, currently set at  $1 \times \text{SRA} = \text{£}5,000$ , be subject to an inflationary mechanism of the average increase in the national officer pay award for a period of 3 years, to be applied from April 2023;***
- (12)    *The Mayor's and Deputy Mayor's allowances be subject to an inflationary mechanism of the average increase in the national officer pay award for a period of 3 years, to be applied from April 2023;***
- (13)    *No changes are made to the Travel and Subsistence Allowances;***
- (14)    *No changes be made to the Dependent and Carers Allowance scheme.***

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