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The report of the Independent Remuneration Panel appointed to review the allowances paid to Councillors

of South Oxfordshire & Vale of White Horse District Councils

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#### October 2024

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# INTRODUCTION AND BACKGROUND

### The Local Authorities (Members’ Allowances) (England) Regulations 2003 (“the 2003 Regulations”), as amended, require all local authorities to appoint an independent remuneration panel (IRP) to advise on the terms and conditions of their scheme of councillors’ allowances.

### The Councils formally appointed the following persons to undertake this process and make recommendations on its future scheme.

David Rushton, Local resident, Chair IRP Panel

Eugenie Buchan, Local resident

Emeritus Professor Colin Copus

### Our terms of reference were in accordance with the requirements of the 2003 Regulations, together with “Guidance on Consolidated Regulations for Local Authority Allowances” issued jointly by the former Office of the Deputy Prime Minister and the Inland Revenue (July 2003). Those requirements are to make recommendations to the Council as to:

1. the amount of basic allowance to be payable to all councillors.
2. the level of allowances and whether allowances should be payable for:
	1. special responsibility allowances,
	2. travelling and subsistence allowance.
	3. dependants’ carers’ allowance.
	4. parental leave and.
	5. co-optees’ allowance.

and the amount of such allowances.

1. whether payment of allowances may be backdated if the scheme is amended at any time to affect an allowance payable for the year in which the amendment is made.
2. whether adjustments to the level of allowances may be determined according to an index and if so which index and how long that index should apply, subject to a maximum of four years before its application is reviewed.

# CURRENT SCHEME

### The last review of councillors’ allowances was undertaken by the IRP for both Councils in January 2020. A scheme of allowances was brought into effect from April 2021 with a revised scheme taking effect from April 2022. A further revised scheme, incorporating the payment of allowances to the independent member of the Joint Audit and Governance Committee and the independent persons appointed to assist the monitoring officer with code of conduct matters, was agreed in May 2023.

### The Scheme currently provides that all councillors are each entitled to a total basic allowance of £6,275 per annum, with effect from April 2024. In addition, some councillors receive special responsibility allowances for undertaking additional duties.

### Councillors may also claim the cost of travel and subsistence expenses and for expenditure on the care of children or dependants whilst on approved duties.

# PRINCIPLES UNDERPINNING OUR REVIEW

## The Public Service Principle

### This is the principle that an important part of being a councillor is the desire to serve the public and, therefore, not all of what a councillor does should be remunerated. Part of a councillor’s time should be given voluntarily. The consolidated guidance notes the importance of this principle when arriving at the recommended basic allowance.[[1]](#footnote-2) Moreover, we found that a public service concept or ethos was articulated and supported by many of the councillors we interviewed and in the responses to the questionnaire completed by councillors as part of our review.

### The principle of public service had been recognised in previous IRP reviews and was last quantified in 2020. To provide transparency and increase an understanding of the Panel’s work, we will continue to recommend the application of an explicit Public Service Discount (or PSD). Such a PSD is applied to the time input necessary to fulfil the role of a councillor. Further explanation of the PSD to be applied is given below in section 4.

## The Fair Remuneration Principle

### Alongside the belief that the role of the elected councillor should, in part, be viewed as unpaid voluntary service, we advocate a principle of fair remuneration. The Panel in 2020 continued to subscribe to the view promoted by the independent Councillors’ Commission:

*Remuneration should not be an incentive for service as a councillor. Nor should lack of remuneration be a barrier. The basic allowance should encourage people from a wide range of backgrounds and with a wide range of skills to serve as local councillors. Those who participate in and contribute to the democratic process should not suffer unreasonable financial disadvantage as a result of doing so.[[2]](#footnote-3)*

### We are keen to ensure that our recommended scheme of allowances provides reasonable financial compensation for councillors. Equally, the scheme should be fair, transparent, logical, simple, and seen as such.

### Hence, we continue to acknowledge that:

1. allowances should apply to roles within the Council, not individual councillors.
2. allowances should represent reasonable *compensation* to councillors for expenses they incur and time they commit in relation to their role, not *payment* for their work; and
3. special responsibility allowances are used to recognise the *significant*additional responsibilities which attach to some roles, not merely the extra time required.

### In making our recommendations, we have therefore sought to maintain a balance between:

1. the voluntary quality of a councillor’s role;
2. the need for appropriate financial recognition for the expenses incurred and time spent by councillors in fulfilling their roles; and
3. the overall need to ensure that the scheme of allowances is neither an incentive nor a barrier to service as a councillor.

### The Panel, as in 2020, continues to ensure that the scheme of allowances is understandable in the way it is calculated. This includes ensuring the bandings and differentials of the allowances are as transparent as possible.

### In making our recommendations, we wish to emphasise that any possible negative impact they may have is not intended and should not be interpreted as a reflection on any individual councillor’s performance in the role.

# CONSIDERATIONS AND RECOMMENDATIONS

## Basic Allowance

### A Council’s scheme of allowances must include provision for a basic allowance, payable at an equal flat rate to all councillors. The guidance on arriving at the basic allowance states, “Having established what local councillors do, and the hours which are devoted to these tasks the local authorities will need to take a view on the rate at which, and the number of hours for which, councillors ought to be remunerated.”[[3]](#footnote-4)

### In addition to the regular cycles of Council and committee meetings, a number of working groups involving councillors may operate. Many councillors are also appointed by the Council to a number of external organisations.

### We recognise that councillors are responsible to their electorate as:

* Representatives of a particular ward.
* Community leaders.
* Decision makers for the whole Council area.
* Policy makers for future activities of the Council.
* Scrutineers and auditors of the work of the Council; and
* Regulators of planning, licensing and other matters required by Government.

### The guidance identifies the issues and factors an IRP should have regard to when making a scheme of allowances.[[4]](#footnote-5) For the basic allowance we considered three variables in our calculation: the time required to execute the role effectively; the public service discount; and the rate for remuneration.

### Each of the variables is explained below.

Required Time Input

### We ascertained the average number of hours necessary per week to undertake the role of a councillor (with no special responsibilities) from questionnaires and interviews with councillors and through reference to the relevant Councillor Role Profiles. In addition, we considered information about the number, range, and frequency of committee meetings.[[5]](#footnote-6)

### Discounting attendance at political meetings (which we judged to be centred upon internal political management), we find that the average time commitment required to execute the role of a councillor with no special responsibilities is around 12 hours per week.

Public Service Discount (PSD)

### From the information analysed, we found councillors espoused a high sense of public duty. Given the weight of evidence presented to us concerning, among other factors, the levels of responsibility, the varied nature of the role, the need for learning and development, and the increasing accessibility and expectations of the public, we recommend a Public Service Discount of 33% to the calculation of the basic allowance. This percentage sits within the mid-range of PSDs applied to basic allowances by councils in the south east.

Remuneration Rate

### After establishing the expected time input to be remunerated, we considered a remuneration rate. That is to say, we came to a judgement about the rate at which the councillors ought to be remunerated for the work they do.

### To help identify an hourly rate for calculating allowances, we utilised relevant statistics about the local labour market published by the Office for National Statistics. We selected the average (median), full-time gross[[6]](#footnote-7) wage per hour for both South Oxfordshire and Vale of White Horse Council areas. We then identified a median for both Councils £20.07[[7]](#footnote-8)

Calculating the basic allowance

### After determining the amount of time required each week to fulfil the role (12 hours), the level of PSD to be applied (33%) and the hourly rate to be used (£20.07), we calculated the basic allowance as follows:

### The gross Basic Allowance before the PSD is applied is **£12,524**. Following the application of the PSD this leads to a basic allowance of **£8,391** per annum.

### This amount is intended to recognise the overall contribution made by councillors, including their work on council bodies, and ward work and attendance on external bodies.

### We did also note the levels of basic allowance currently allocated by other Oxfordshire district and city councils (see table below). South & Vale were slightly above average. Similarly, we looked at the Basic Allowances paid by 27 similarly sized District Councils in the south of England (see Appendix 3) and noted that South and Vale were in the bottom half of the range. Neither seemed particularly generous in paying a Basic Allowance.

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| **Council** | **Oxfordshire District Councils: Basic Allowances (£) 2023[[8]](#footnote-9)** |
| Cherwell District Council | 4,836 |
| Oxford City Council | 5,471 |
| South Oxfordshire District Council | 5,585 |
| West Oxfordshire District Council | 5,227 |
| Vale of White Horse District Council | 5,585 |
| **Average** | **5,341** |

### The Panel wished to ensure the level of basic allowance does not constitute a barrier to candidates from all sections of the community standing, or re-standing, for election as councillors. The Panel was of the view that the 2017 review had begun to make recommendations to ensure that the current basic was in accordance with the principle of fair remuneration and the 2020 review had consolidated this approach. The 2024 Review seeks to continue this approach.

**WE THEREFORE RECOMMEND that the Basic Allowance payable to all members of South Oxfordshire and the Vale of White Horse District Councils be £8,391 per annum.**

## Special Responsibility Allowances (SRAs)

### Special Responsibility Allowances are awarded to councillors who perform significantadditional responsibilities over and above the roles and expenses covered by the basic allowance. These special responsibilities must be related to the discharge of the council’s functions.

### The 2003 Regulations do not limit the number of SRAs which may be paid, nor do they prohibit the payment of more than one SRA to any one councillor. They do require that an SRA be paid to at least one councillor who is not a member of the controlling group of the Council. As the guidance suggests, if the majority of councillors receive an SRA, the local electorate may rightly question the justification for this.[[9]](#footnote-10)

### We conclude from the evidence we have considered that the following offices bear *significant* additional responsibilities:

* Leader of the Council
* Deputy Leader of the Council
* Members of the Cabinet
* The Chair and Vice Chair of Council
* Chair of Scrutiny
* Chair of the Planning Committee and Vice Chair of Planning
* Chair of the Joint Audit and Governance Committee
* Chair of the General Licensing/Licensing Acts Committee
* Chair of the Community Governance and Electoral Issues Committee
* Chair of the Community Grants Panel
* Leaders of Political Groups
* Chair of the Climate Emergency Advisory/Climate Ecological Emergencies Committee

One SRA Only Rule

### To improve the transparency of the scheme of allowances, we feel that no councillor should be entitled to receive at any time more than ***one SRA***. If a councillor is able to receive more than one SRA, then the public are unable to ascertain the actual level of remuneration for an individual councillor from a reading of the Scheme of Allowances.

### Moreover, the One SRA Only Rule avoids the possible anomaly of the Leader receiving a lower allowance than another councillor. If two or more allowances are applicable to a councillor, then the higher-valued allowance would be received. The One SRA Only Rule is common practice for many councils. Our calculations for the SRAs are based on this principle, which should be highlighted:

**WE THEREFORE RECOMMEND that that no councillor shall be entitled to receive at any time more than one Special Responsibility Allowance and that this One SRA Only Rule be adopted into the Scheme of Allowances.**

The Maximum Number of SRA’s Payable

### In accordance with the 2006 Statutory Guidance (paragraph 72) the Panel is of the view that the Council should work towards no more than 50% of Council Members receiving an SRA at any one time.

 **WE THEREFORE RECOMMEND that the Council work towards a maximum**

 **number of SRA’s payable at any one time does not exceed 50% of Council**

 **Members (19 Members in the Vale of White Horse and 18 Members in South**

 **Oxfordshire District Council).**

Calculating SRAs

### The Panel continued to the criteria and formula for calculating the Leader of the

 Council allowance. Based on a multiplier of the Basic Allowance, this role carries the

 most significant additional responsibilities and is the most time consuming.

### We applied a multiplier of the basic allowance to establish the Leader’s SRA. Other SRAs are then valued downwards as a percentage of the Leader’s allowance. This approach has the advantage that, when future adjustments to the SRAs are required, changing the Leader’s SRA will have a proportionate and easily calculable effect on the other SRAs within the scheme.

We grouped together in Tiers those roles that we judged to have a similar level of responsibility. The outline result of this approach is illustrated in a pyramid of responsibility:

4.24 The rationale for these seven tiers of responsibility is discussed below.

Leader (Tier One)

### The Council elects for a four-year term of office a Leader who is ultimately responsible for the discharge of all executive functions of the Council. The Leader is the principal policy maker and has personal authority to determine delegated powers to the rest of the Executive. The Leader is also responsible for the appointment (and dismissal) of members of the Cabinet and their respective areas of responsibility.

### The multiplier we applied to calculate the Leader’s SRA is 350% (times) the basic allowance. If the recommended option of a basic allowance with a PSD of 33% is adopted, this results in a Leader’s Allowance of £29,369

**WE RECOMMEND that the Leader of the Council continue to receive a Special Responsibility Allowance of 350% of the basic allowance, £29,369**

Deputy Leader (Tier Two)

### The Deputy Leader usually acts on the Leader’s behalf in their absence. From the information we gathered, we continue to consider this additional responsibility should be reflected in the level of allowance. Therefore, we recommend the Deputy Leader’s SRA be set at 60% of the Leader’s SRA. If our recommendations concerning the basic allowance and the Leader’s SRA are adopted, this results in an allowance of £17,621.

**WE RECOMMEND that the Deputy Leader receive a Special Responsibility Allowance of 60% of the Leader’s Allowance, £17,621. Should the role of Deputy Leader be undertaken on a shared basis then both Councillors should receive 60% of the Leader’s Allowance on a pro-rata basis.**

Members of the Cabinet (Tier Three)

### From the evidence gathered, including questionnaire responses, face to face interviews and the Council’s Role Profiles, we consider the members of the Cabinet should receive an allowance of £14,685, 50% of the Leader’s Allowance.

### Evidence from the interviews we undertook with councillors, underlines the responsibility of the members of the Cabinet for many of the Council’s functions. Members of the Cabinet hold considerable responsibility for their respective portfolios. In addition, we found the time commitment for the role to be both significant and growing.

 **WE RECOMMEND that the Cabinet Members receive a Special Responsibility Allowance of 50% of the Leader, £14,685**.

 Chair of Planning (Tier Four)

### The role of the Chair of the Planning Committee continues to be a key role within a decision-making committee with high local impact across both Council areas.

 **WE RECOMMEND that the Chair of Planning should continue to receive an allowance of 30% of the Leader, £8,811**

 Chair of the Council (Tier Five)

### The Panel was of the view that the role of Chair of the Council continues to have a high impact and profile across the Councils and have a high number of engagements and commitments. We therefore recommend that the role continues to be recognised at Tier Five and receive an allowance of £7,342, 25% of the Leader’s Allowance.

 **WE RECOMMEND that the Chair of Council should continue to receive an allowance of 25% of the Leader’s allowance, £7,342.**

Chair of the Scrutiny Committee, Chair of Joint Audit and Governance, Leaders of Political Groups and Chair of the Climate Emergency Advisory

 Committee/Climate and Ecological Emergencies Committee (Tier Six)

### The Scrutiny Committee does not have formal decision-making powers but is influential and recent Government Statutory Guidance (May 2019) has sought to increase the scope and influence of the scrutiny function. We have considered the requirements of the Scrutiny Committee Chair and feel it is a significant function that has a statutory legal requirement. We consider this role should receive a Tier Seven allowance of £4,409, 15% of the Leader’s Allowance.

### The Climate Emergency Advisory Committee/Climate and Ecological Emergencies Committee is a relatively new committee, and the role of Chair has yet to be extensively evaluated by the Remuneration Panel. Having considered the Terms of Reference for the Panel and following responses during the interviews with councillors we are of the view that the role of Chair is of a similar size and importance to the Chair of Scrutiny. We therefore recommend that the Chair of the Climate Emergency Advisory Committee/Climate and Ecological Emergencies Committee should receive an allowance of 15% of the Leader’s allowance, £4,409.

4.2.18 The Joint Audit & Governance Committee is also considered to fulfil an important role

 within the Council and that the Chair should also receive an allowance of 15% of

 the Leader’s Allowance, £4,409

4.2.19 The Leaders of Political Groups also play a demanding role in helping to ensure accountability and scrutiny of Council leadership as well as managing a political group.

 We therefore recommend that each leader of such a group, which must consist of at least two members, should also receive an allowance of 15% of the Leader’s Allowance, £4,409

###  **WE RECOMMEND that the Chair of the Scrutiny Committee, the Chair of the Climate Emergency Advisory Committee, the Chair of the Joint Audit & Governance Committee, and Leaders of Political Groups receive a Special Responsibility Allowance of 15% of the Leader’s Allowance, £4,409.**

Vice Chair of the Planning Committee (Tier Seven)

4.2.20 The Planning Committee has a high local impact across both Council areas and the

 role of the Vice Chair supporting and working alongside the Chair is a

 demanding role in terms of workload and impact. The Panel therefore continue to be

 of the view that it receives a Special Responsibility Allowance proportionate to the

 Chair of the Planning Committee. We therefore recommend an allowance of 50%

 of the Chair’s allowance, £4,406

 **WE RECOMMEND that the Vice Chair of the Planning Committee continue to**

 **receive an allowance of 50% of the Chair’s allowance, £4,406.**

Vice Chair of Council, Chair of General Licensing/Licensing Acts Committee, Chair of the Community Grants Panel and Chair of the Community Governance and Electoral Issues Committee(Tier Seven)

### 4.2.22 The Panel is of the view that the Vice Chair of the Council should receive an allowance of 30% of the Chair of the Councils allowance, £2,203.

### 4.2.23 The Chair of the Community Grants Panel and Chair of the Community Governance and Electoral Issues Committee should receive an allowance of 7.5% of the Leader’s allowance, £2,203.

### 4.2.24 The Panel was also of the view that the role of Chair of General Licensing Committee was now of a similar size as that of the Community Governance and Electoral Issues Committee and Community Grants Panel. The Committee Chair should therefore receive an allowance of 7.5% of the Leader’s allowance, £2,203.

 **WE RECOMMEND that the Vice Chair of the Council to receive a Special Responsibility Allowance of 30% of the Chair’s allowance, £2,203 The Chair of the General Licensing Committee, the Chair of the Community Governance and Electoral Issues Committee and the Chair of the Community Grants Panel receive a Special Responsibility Allowance of 7.5% of the Leader’s Allowance, £2,203.**

## Co-optees’/ Independent Persons Allowance

### An IRP may recommend the payment and level of an allowance for those who serve on the committees or sub-committees of a Council but are not members of the Council. We recognise that in so doing, an element of the contribution made by the co-optees/Independent Persons should be voluntary. We therefore continue to recommend that co-optees/Independent Persons are entitled to travel, subsistence and other expenses in accordance with the scheme applicable to councillors.

### The Panel were asked to review the allowances paid to the Independent Person on the

Joint Audit & Governance Committee and noted the 2023 Report by the last IRP. This was that the Independent Person should receive an allowance of 50% of the Chair’s allowance, that is 50% of £4409, which is £2205.

4.3.3 The Panel also considered the allowances paid to any Independent Persons dealing with Code of Conduct issues and noted that the allowance was set at 33% of the above Independent Person, that is 33% of £2205, which is £728. This assumes that the estimated workload of 2 days per annum is still accurate.

**WE RECOMMEND that co-optees/Independent Persons continue to receive travel, subsistence and other expenses in accordance with the scheme applicable to councillors.**

**WE FURTHER RECOMMEND that the Independent Person serving on the Joint Audit & Governance Committee receive an allowance of 50% of the Chair’s allowance, £2205 and that Independent Persons working on Code of Conduct issues receive an allowance of 33% of the above figure, £728.**

## Travelling and Subsistence Allowance

### A scheme of allowances may provide for any councillor to be paid for travelling and subsistence undertaken in connection with any of the duties specified in Regulation 8 of the 2003 Regulations (see paragraph 5.10). Similarly, such an allowance may also be paid to co-opted/Independent Persons of a committee or sub-committee of the Council in connection with any of those duties, provided that their expenses are not also being met by a third party.

###  The requirement to evidence claims made by councillors should be in line with the staff policy on mileage and expenses claims.

**WE RECOMMEND that travelling and subsistence allowance should be payable to councillors and co-opted/Independent Persons in connection with any approved duties. The amount of travel and subsistence payable shall continue to be at the maximum levels payable to council staff in line with HM Revenue and Customs’ rates, and should be evidenced in the same way as staff claims. We propose no changes to the travel and subsistence allowances.**

## Dependants’ Carers’ Allowance

### The dependants’ carers’ allowance should ensure that potential candidates are not deterred from standing for election and should enable current councillors to continue despite any change in their personal circumstances. The current scheme awards reimbursement for Childcare at the National Living Wage Hourly Rate and for specialist Dependent Relative Care is reimbursed at the actual cost upon production of receipts. In the case of reimbursement for specialist care, medical evidence that this type of care is required must also be provided.

### The Panel therefore is of the view that the Dependants’ Carers Allowance should continue to be based on two rates, general care and specialist dependent relative care. The Panel was of the view that specialist care provision should be reimbursed for the actual cost incurred by the councillor upon production of receipts. Medical evidence that this type of care provision is required must also continue be provided and approved by an appropriate officer of the Council. Childcare should be reimbursed at the Real Living Wage Rate as recommended by the Living Wage Foundation.

 **WE THEREFORE RECOMMEND that the Dependants’ Carers’ Allowance should continue as outlined in the current Scheme of Allowances and be based on two rates. Rate one for general care to now be linked to the Real Living Wage as recommended by the Living Wage Foundation, with no monthly maximum claim. This rate is reviewed by the Living Wage Foundation in November each year.**

 **Rate two should be for specialist care based at cost upon production of receipts and requiring medical evidence that this type of care is required, with no monthly maximum claim when undertaking Approved Duties.**

 **WE ALSO RECOMMEND that any costs incurred for the arrangement of care should be reimbursed at cost to the councillor. Finally, the current eligibility conditions for receipt of this allowance is payable when undertaking the list of Approved Councillor duties. The Council should also actively promote the allowance to prospective and new councillors both before and following an election. This may assist in supporting greater diversity of councillor representation.**

## Parental Leave

4.6.1 As part of our previous deliberations, we expressed support for the introduction of a parental leave policy and recommended that in the absence of a uniform national policy, both councils explore the introduction of a policy to support councillors. We note and welcome the fact that both councils have adopted such policies and support their retention.

## Indexing of Allowances

### A scheme of allowances may make provision for an annual adjustment of allowances in line with a specified index. The present scheme makes provision for the basic allowance, the special responsibility allowances and Co-Optees/ Independent Persons allowance to be adjusted annually in line with staff salaries.

 **WE RECOMMEND that the basic allowance, each of the SRAs and the Co-Optees’ /Independent Persons Allowance be increased annually in line with the percentage increase in staff salaries from May 2024 for a period of up to three years. After this period the Scheme shall be reviewed again by an independent remuneration panel.**

## Revocation of current Scheme of Allowances / Implementation of new Scheme

### The 2003 Regulations provide that a scheme of allowances may only be revoked with effect from the beginning of a financial year, and that this may only take effect on the basis that the authority makes a further scheme of allowances for the period beginning with the date of revocation.

 **WE THEREFORE RECOMMEND that the new scheme of allowances to be agreed by the Council be implemented with effect from the beginning of the 2025-26 financial year, at which time the current scheme of allowances will be revoked.**

# OUR INVESTIGATION

##  Background

### As part of this review, a questionnaire was issued to all councillors to support and inform the review. Responses were received from just 7 South Oxfordshire District Councillors, which represents 19% of councillors. A further 11 responses were received from Vale of White Horse District Councillors, which represents 29% of councillors The information obtained was helpful in informing our deliberations, however the response rate was disappointing and much below the 2020 response rate. The Panel do not consider such a small sample to be useful in any detailed statistical analysis, and therefore no such analysis has been done.

### We interviewed ten current councillors using a structured questioning process. We are grateful to all our interviewees for their assistance.

##  Councillors’ views on the level of allowances

### A summary of the councillors’ responses to the questionnaire and at interview are attached as Appendix 2.

##  Councillors’ views on performance

### During the course of previous interviews with councillors, various comments were made regarding the payment of allowances regardless of individual councillor performance.

 Phrases noted included “efficiency” and “value for money”, whilst “some councillors just

 take the money” and “those councillors who put the time in should be rewarded” were

 also said at the time.

### However, there is no question of this review investigating possible performance related

 issues, such matters being outside the scope of the review. Therefore, any such

 comments have not been taken forward by the Panel, although councillors may wish

 to consider this aspect in a different context.

## Pension Provision

5.4.1 During the course of interviews, several councillors expressed concern that the lack of any pension provision was proving harmful to attracting new councillors. However, this subject is outside the scope of this review and, again, councillors may wish to consider this aspect in a different context.

## Basic Allowance (BA)

### During the course of interviews, several councillors expressed the view that the Basic Allowance was still not high enough to compensate new councillors especially against potential loss of income. Hence it would seem that previous Panels’ stated aims of reducing the exclusivity of potential councillors have not been entirely successful. The 2024 Panel have recognised this in making its recommendations.

## Public Service Discount (PSD)

### During the course of interviews, several councillors expressed the view that the high rate of PSD applied previously was now a historic concept and out of date in the modern world. However, others felt there should still be an element of public service in being a councillor, and that some time should be given on that basis. The Panel’s recommendation of a 33% PSD is an attempt to balance these views.

## Special Responsibility Allowance (SRA)

### Views were expressed to the Panel that in certain cases – the Planning Committee being the obvious one – there was an increasing problem in finding councillors willing to serve due to the heavy workload. It could well be that if a way could be found to award an SRA to ever councillor serving on such a committee, the problem might be minimized. However, the Panel at present cannot see a way to do this and stay within the Guidelines on the number of SRA’s awarded. It may be that Councils can find a way to make an honorific payment to such councillors.

## The Leader’s Allowance

### In previous Reviews, the Leader’s Allowance has been calculated by applying a factor of 400% to the Basic Allowance. However, in an attempt to increase the BA by a meaningful amount whilst keeping the Leader’s Allowance to realistic levels, the Panel have used a factor of 350%. This is in no way a reflection on the Panel’s view of the workload or responsibilities of the Council Leaders.

## Leader of the Opposition

### Previous reviews had recommended an SRA for the Leader of the Opposition Group within Council. This has not always been straightforward given political alliances within Council and shared duties, and the changing nature of political groups within Council and their sizes.

5.9.2 This Review believes therefore that each Leader of a Political Group – and any such Group must consist of at least two Members – should receive an SRA. Given the difference in role, we recommend this be set at Tier 6, some 15% of the Leader’s allowance, £4409.

# APPROVED COUNCILLOR DUTIES

### The Panel reviewed the recommended duties for which allowances should be payable and recommend that no changes be made.

 WE THEREFORE RECOMMEND: That no changes are made to the Approved Duties as outlined in the Members’ Allowance Scheme.

 David Rushton (Chair of the Independent Remuneration Panel)

 October 2024

**Appendix 1: Summary of Panel’s Recommendations**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Allowance | Current Amount for 2024-25 | Number | RecommendedAllowance (33% PSD) | RecommendedAllowance Calculation |
| **Basic (BA)** |  | V & S |  |  |
| **Total Basic:** | **£6,275** | **38 & 36** | **£8,391** |  |
|  |
|  |
| **Special Responsibility:** |  | V & S |  |  |
| Leader of the Council | £25,101 | 1 & 1 | £29,369 | 350% of BA |
| Deputy Leader | £15,060 | 1 & 1 | £17,621 | 60% of Leader’s Allowance |
|  Cabinet Members[[10]](#footnote-11) | £12,550 | 7 & 6 | £14,685 | 50% of Leader’s Allowance |
| Chair of Council | £6,275 | 1 & 1 | £7,342 | 25% of Leader’s Allowance |
| Vice Chair of Council | £1,883 | 1 & 1 | £2,203 | 30% of Chair’s Allowance  |
| Chair of Planning Committee | £7,530 | 1 & 1 | £8,811 | 30% of Leader’s Allowance |
| Vice Chair of Planning | £3,765 | 1 & 1 | £4,406 | 50% of Chair’s Allowance |
| Chair of Scrutiny Committee | £3,765 | 1 & 1 | £4,409 | 15% of Leader’s Allowance |
| Chair of the Joint Audit & Governance Committee | £3,765 | 1 & 1 | £4,409 | 15% of Leader’s Allowance |
| Chair of General Licensing/Licensing Acts Committee | £1,883 | 1 & 1 | £2,203 | 7.5% of the Leader’s Allowance |
| Chair of the Community Grants Panel[[11]](#footnote-12) | £1,883 | 1  | £2,203 | 7.5% of Leader’s Allowance |
| Leaders of Political Groups (currently paid to leader of the opposition) | £6,275 | 2 & 3 | £4,409 | 15% of Leader’s Allowance |
| Chair of the Community Governance and Electoral Issues Committee | £1,883 | 1 & 1 | £2,203 | 7.5% of the Leader’s Allowance |
| Chair of Climate Emergency Advisory/Climate Ecological Emergencies Committee  | £3,765 | 1 & 1 |  £4,409 | 15% of the Leader’s Allowance |

**Appendix 2: Councillor Responses**

**Basic Allowance Too Low:**

“I don’t think this stops people standing for Council, but it may affect what they can deliver for residents.”

“We lose out on diversity, life experience and context.”

“It is probably not fair for the amount of hours we put in”

“It should be considerably more if we want to attract talented members.”

“The allowance is an incentive to give time to the role where one could have used that time for additional work income.”

“Without the BA, I couldn’t have afforded to reduce my part time work status and wouldn’t have time to be a Cllr.”

“If the BA were increased, it would allow more people from different demographics to become Cllrs.”

**Opposition Groups:**

“We should consider an allowance for all political group leaders.”

**Travel Expenses**:

“SODC covers a large geographic area, and it can take an hour to cross the district”

“I don’t claim due to having to produce receipts, which is a barrier.”

“The current system is unfair. Producing bus tickets in the modern world!”

**Support & Resources**:

“We should have support in research. It is crazy to think we can read 100 pages of text a week before a meeting and then have time/energy to do more research around that.”

“Cabinet members need more support.”

**Structure:**

“The Cabinet system is working well”

“We should change to a committee system”

“Cabinet should focus on policy and not operations”

**Appendix 3: Comparative Data on Basic Allowances for Similar Sized District Councils**

|  |  |  |  |
| --- | --- | --- | --- |
|  | County | Basic Allowance | PSD |
| Test Valley | Hants | £8,388 | 45% |
| Eastleigh | Hants | £7,842 | 30% |
| Basingstoke | Hants | £7,746 | 33% |
| Woking | Surrey | £7,380 |  |
| New Forest | Hants | £7,149 | 30% |
| Crawley | W Sussex | £6,948 |  |
| Spelthorne | Surrey | £6,531 | 33% |
| Canterbury | Kent | £6,426 |  |
| Sevenoaks | Kent | £6,044 | 40% |
| Arun | W Sussex | £6,033 | 30% |
| Reigate | Surrey | £5,956 | 40% |
| Havant | Hants | £5,906 | 0% |
| **Vale** | **Oxon** | **£5,892** | **40%** |
| Horsham | W Sussex | £5,738 | 35% |
| Folkestone | Kent | £5,727 | 0% |
| Waverley | Surrey | £5,609 | 50% |
| **South Oxon** | **Oxon** | **£5,585** | **40%** |
| Worthing | W Sussex | £5,530 | 45% |
| Elmbridge | Surrey | £5,512 | 50% |
| Ashford | Kent | £5,286 |  |
| Adur | W Sussex | £5,279 | 45% |
| East Hants | Hants | £5,200 |  |
| Chichester | W Sussex | £5,200 | 0% |
| Tonbridge | Kent | £5,175 |  |
| Dover | Kent | £5,000 | 40% |
| Wealden | E Sussex | £4,846 |  |
| Eastbourne | E Sussex | £2,808 |  |

Source: SSE Allowances Survey 2023

**Appendix 4 – Public Sector Discount (PSD) Ranges**

**Public Sector Discount (PSD) Ranges**

0% 30% 40% 50%

Eastbourne 0% Arun 30% Fareham 40% Basingstoke 50%

Chichester 0% W Sussex 25-30% Reigate 40% Elmbridge 50%

Oxford City 0% Ashford 30% Dover 40% Runnymede 50%

Swale 0% Eastleigh 30% Sevenoaks 40% Surrey Heath 50%

Tunbridge 0% New Forest 30% Adur 45%

Medway 5% Spelthorne 33% Test 45%

 Bracknell 33% Worthing 45%

 Hasham 35% Windsor 49%

 Waverley 50%

 Wokingham 50%

Source: SSE Allowance Survey 2023

1. The former Office of Deputy Prime Minister – now the Department for Communities, Housing and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 68. [↑](#footnote-ref-2)
2. Rodney Brooke and Declan Hall, *Members’ Remuneration: Models, Issues, Incentives*

*and Barriers*. London: Communities and Local Government, 2007, p.3. [↑](#footnote-ref-3)
3. The former Office of Deputy Prime Minister – now the Department for Housing, Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 67. [↑](#footnote-ref-4)
4. The former Office of Deputy Prime Minister – now the Department for Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraphs 66-81. [↑](#footnote-ref-5)
5. The summary responses to the questionnaires are available on request. [↑](#footnote-ref-6)
6. The basic allowance, special responsibility allowance, dependants’ carers’ allowance, and co-optees’ allowance are taxable as employment income. [↑](#footnote-ref-7)
7. The Nomis official labour market statistics: Hourly Pay – Gross median (£) For full-time employee jobs by place of residence: UK December 2023. [↑](#footnote-ref-8)
8. Figures drawn from the South East Employers, Members’ Allowances Survey 2023. [↑](#footnote-ref-9)
9. The former Office of Deputy Prime Minister – now the Department for Housing Communities and Local Government, and Inland Revenue, *New Council Constitutions: Guidance on Consolidated Regulations for Local Authority Allowances*, London: TSO, July 2003, paragraph 72. [↑](#footnote-ref-10)
10. Excludes the Leader and Deputy Leader [↑](#footnote-ref-11)
11. Chair of Community Grants Panel is applicable to South Oxfordshire District Council only. [↑](#footnote-ref-12)