

The Recommendations of West Oxfordshire District Council's Independent Remuneration Panel of Members' Allowances for the Financial Year 2020/21

Introduction

West Oxfordshire District Council is required under *The Local Authorities (Members Allowances) (England) Regulations 2003 (SI 1021)* to appoint and maintain a Panel to advise on an annual basis the level of allowances payable to District Councillors. This Panel is independent of the Council and representative of the communities within the area that the local authority serves. The Council, before the beginning of each financial year must publish a scheme for the payment of a basic allowance for councillors and shall also make provision for a special responsibility allowance, dependants' carers' allowance, travelling and subsistence, and payments to co-opted members. This scheme of Allowances was designed to ensure that the allowances were set at levels that fairly reflected the responsibilities and workload that members were required to undertake, but without the Council having the responsibility to set them. Before the Council makes or amends the scheme they shall have regard to the recommendations made in relation to it by the Independent Remuneration Panel.

The Panel first commissioned in 2001, is made up of four members, Susan Corrigan, Janet Eustace, Margaret Watts and Michael Ryan (Chair). The Panel is grateful for the assistance given by Keith Butler, Head of Democratic Services in enabling the undertaking of this review.

The Panel met on the 30 October 2019 and then, later than usual because of the disruption of the General Election, on 3 January 2020.

A number of previous Panel reports and other information can be found at www.westoxon.gov.uk/allowances

Preface to the Review Findings.

The Panel first met in October to consider the allowances to be paid to District Councillors for the financial year commencing April 2020. In recent years the Panel, following a significant period of austerity when no increase in allowances was decided by the Council, has followed the lead of Central Government by recommending increasing allowances in line with public sector pay increases; and this year a similar approach was taken.

This year, as in previous years, we invited the views of Councillors prior to our meeting and were grateful for those who responded. In particular to Councillor Luci Ashbourne for her communication on potential loss of earnings / benefits, and to Councillor James Mills, Leader of the Council, for his response and for finding the time to come and speak to us when we met in January.

Councillor Ashbourne expressed a concern that with allowances being regarded as taxable income by HMRC, their payment could effectively be negated if the recipient was in receipt of any kind of tax / universal credit, to the unfair detriment of that Councillor.

The Panel considered this concern at its January meeting. The points made by Councillor Ashbourne were acknowledged, but the Panel concluded that neither it nor the Council has any control over the way in which HMRC treats the various allowances for tax purposes meaning that, regrettably, there was no action it could take.

Councillor Mills asked the Panel to consider the significant work of those councillors who were directly involved in the work of the Oxfordshire Growth Board and its various Sub-Groups and Scrutiny Panel, including reference to Arc Leaders meetings.

Review Considerations and Recommendations for 2020/21

The recommended figures for 2020/21 are based on a staff pay award of 2.5%. It is not known when the staff award will be finalised, and it is recognised (i) that the figures will change if the award is different from 2.5%; and (ii) that it is likely that the staff award will not be in place for 1 April, meaning in turn that the increased payments for Councillors will require to be backdated when implemented.

Basic Allowance

The Panel recommends that the Basic Allowance should be increased in line with staff awards. If this figure is confirmed as 2.5% this will lift the current payment from £4800 to £4920, with effect from April 2020.

Special Responsibility Allowances

Special Responsibility Allowances (SRA) recognise the additional responsibilities and workload undertaken by the Leader, his Deputy, and members of the Cabinet, the Chairs of various Committees listed in the current scheme, and Opposition Group Leaders.

The Panel acknowledged the work referred to by Councillor Mills, but was mindful that the level of the SRA remuneration set for West Oxfordshire Councillors had historically been set within the top percentiles of SRAs for District Councils within the South East Region and did not feel that an increase over and above the percentage for the Basic Allowance should be recommended.

Accordingly, the Panel recommends the same percentage increase for all SRAs as for the Basic Allowance. For a cabinet member, this payment would rise from £12000 to £12300.

The Panel continues to recommend that the restrictions for Members of the Cabinet to receive only one SRA, and those entitled to receive more than one SRA to be limited to a maximum of £12300 should remain in place.

This recommended percentage increase is carried through the other posts that receive Special Responsibility Allowances, and are listed in the [schedule of recommended allowances](#) at the end of this report.

Travel, Subsistence and other Expenses

The Panel continues to recommend in relation to travel that the mileage rate is that as set by the Inland Revenue's non-profit making rate that continues to be set at 45p/mile. All other allowable travel claims to remain as currently set.

Claims for subsistence should remain as applicable to Local Authority staff.

Dependant Carers' Allowance.

The Panel continues to believe they are in line with similar allowances in other Councils and recommends no change for the coming year.

Co-opted Members' Allowances.

The Panel is of the opinion that there should be no changes to their level of allowance or payments.

In Conclusion

The Panel trusts the Council will find favour with these recommendations when the scheme is considered at its meeting on 26 February 2020.

M. Ryan

Panel Chair

January 2020

SUMMARY OF RECOMMENDATIONS AND SCHEDULE OF CURRENT AND RECOMMENDED BASIC AND SPECIAL RESPONSIBILITY ALLOWANCES

Recommendations

The Panel recommends: (i) the payment of basic and special responsibility allowances as set out in the Table below or, if the staff pay award is different from 2.5%, in accordance with the recalculated figure and rounding; and (ii) that no other changes are made to the Council's Scheme of Allowances, meaning that mileage for approved duties will remain at the Inland Revenue non-profit rate, currently 45p per mile; subsistence will remain at the rate for Staff; and no change in relation to allowances for Dependant Carers and co-optees.

Table of Basic and Special Responsibility Allowances

POSITION	CURRENT	PROPOSED	TOTAL (inc BASIC)
Basic Allowance (all members)	£4,800	£4,920	
Leader of Council	£21,600	£22,140	£27,060
Deputy Leader	£14,400	£14,760	£19,680
Cabinet Member	£12,000	£12,300	£17,220
Chairman of Council	£4,800	£4,920	£9,840
Chairmen of O&S Committees	£4,800	£4,920	£9,840
Chairmen of Area Planning Sub-Committees	£6,000	£6,150	£11,070
Chairman of Development Control Committee	£1,200	£1,230	£6,150
Chairman of Licensing Committee	£1,200	£1,230	£6,150
Chairman of Audit & GP Committee	£1,200	£1,230	£6,150
Chairman of Misc. Licensing Committee	£600	£615	£5,535
Opposition Group Leader	£2,400	£2,460	£7,380

* currently there are two opposition groups, with 10 and nine members respectively. The SRA increases by the basic amount of £1,200 when there are six, 11, 16 etc members in the applicable political group, so both currently receive £2,400 pa.