

**To:** Council  
**Date:** 03 October 2022  
**Report of:** Head of Law & Governance  
**Title of Report:** Councillors' Allowances – Appointment of Independent Remuneration Panel

<b>Summary and recommendations</b>	
<b>Purpose of report:</b>	To explain the background to the Members' Allowances Scheme and to seek delegated authority for the appointment of an Independent Remuneration Panel to consider a new Members' Allowances Scheme. The Panel will recommend the proposed Scheme to Council in early 2023 for adoption.
<b>Key decision:</b>	No
<b>Cabinet Member with responsibility:</b>	Councillor Susan Brown, Leader of the Council and Cabinet Member for Inclusive Economy and Partnerships
<b>Corporate Priority:</b>	All
<b>Policy Framework:</b>	Council Strategy 2020-24
<b>Recommendation(s): That the Council resolves to:</b>	
1. <b>Delegate authority</b> to the Head of Law & Governance to make appointments to the Council's Independent Remuneration Panel as needed, in consultation with the Leader of the Council, up to the end of the four year period when the replacement Members' Allowances Scheme will expire (March 2027).	

## Introduction and background

1. The Council approved the Members' Allowances Scheme in January 2019. The scheme expires in March 2023 and a replacement scheme must be adopted by the Council having regard to the advice of an Independent Remuneration Panel (IRP) on the levels and types of allowances to be paid under that scheme.

## Members Allowances Scheme

2. The Local Government Act 2000 and the Local Authorities (Members' Allowances) Regulations 2003 require that the Council must appoint and maintain an Independent Remuneration Panel (IRP) for members' allowances. The Regulations require the Council to have regard to the advice of the IRP in deciding upon its

members' allowances scheme. Any scheme can remain in place without review for up to four years provided the amounts contained in the scheme are indexed in some way. A members' allowances scheme, once introduced, cannot be altered unless the Council has considered the advice of an IRP on the proposed changes.

3. The law permits the following allowances categories to be paid:
  - Basic allowances
  - Special responsibility allowances
  - Co-optees' allowances
  - Travel and subsistence allowances
  - Child care and dependant carers' allowances
4. The Local Authorities (Members' Allowances) Regulations 2003 permit Councils to determine whether adjustments to allowances should be made by reference to an index and, if so, to decide upon the index and the length of its application (up to a maximum of 4 years).

### **Independent Remuneration Panel**

5. An IRP must be appointed to consider the current allowances scheme and to advise the Council on the arrangements and details of a future scheme. The current Members' Allowances Scheme was introduced on the advice of a Panel consisting of Prisca Bradley (Director, Hedges Law), Professor Alistair Fitt (Vice-Chancellor, Oxford Brookes University) and Kathy Shaw (Chief Executive, Oxfordshire Community and Voluntary Action).
6. A new IRP needs to be appointed and will have the task of reviewing and suggesting adjustments to the current allowances scheme. Professor Alistair Fitt (Vice-Chancellor, Oxford Brookes University) and the current Chief Executive of Oxfordshire Community and Voluntary Action have volunteered to be on the IRP, subject to formal appointment. It is proposed that officers approach representatives of the business community to seek volunteers for a third IRP member
7. The IRP will be assisted by officers and will receive comparative information to inform its deliberations. Sources of information that will be used to inform a new scheme will, for example, include the current scheme, the Council's governance arrangements and structure chart, details of the Council's committees, the frequency of meetings and details of Cabinet portfolios. The IRP would probably also expect to receive comparative information such as that for South East employers, neighbouring authorities and CIPFA benchmarking authorities; as well as information about previous panels' recommendations and rationale. In addition, the IRP will be able to hold discussions with Caroline Green (Chief Executive), Susan Sale (Monitoring Officer) and other key officers and seek representations from the Council's political groups/parties.

### **Financial implications**

8. At this point there are no financial implications in connection with recommendations. The financial effect of any increase awarded by the Independent Remuneration Panel will be reported back to Council at a later date.

9. The appointment of members to the Independent Remuneration Panel is on a voluntary basis and no payment is made in respect of these duties, nor are any expenses paid.

**Legal issues**

10. The legal implications of the Members' Allowances Scheme are set out in the body of the report.

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**Background Papers:** None

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