

INDEPENDENT REMUNERATION PANEL

Annual report – December 2023

Background

1. The members of the IRP David Shelmerdine, Martyn Hocking and Katherine Powley. David Shelmerdine is the chair of the panel.
2. Historically the local government annual pay award has been based on a percentage uplift for most employees. The award for 2022-23 agreed between the national employers and unions in November 2022 was for a lump sum of £1,925 for all employees and a national percentage increase was not quoted. The £1,925 uplift resulted in a 5.3% increase in employee costs for Oxfordshire County Council in 2022-23.
3. The Council considered the last report of the IRP on 28 March 2023. In line with the panel's recommendations, it was agreed to increase councillor allowances by 5.3% for the period 1 April 2022 to 31 March 2023 in line with the percentage rise in overall employee costs for Oxfordshire County Council arising from the 2022-23 local government pay award.

2023-24 pay award

4. The 2023-24 local government pay award agreed by the national employers and unions is for a lump sum of £1,925 for employees paid up to pay point 43 (£49,590), 3.88% for employees below Deputy Chief Officer and 3.5% for employees from Deputy Chief Officer upwards. After taking account of the number of Council employees on different points on the pay scale, the increase in employee costs will be 5.7% for 2023-24.

IRP recommendations for 2023-24 and indexation

5. We discounted the percentage increases of 3.88% and 3.5% as outlined above for councillor allowances. We believe that the same approach should be adopted for 2023-24 as in 2022-23. We are therefore proposing that councillor allowances should be increased by 5.7% with effect from 1 April 2023 in line with the percentage rise in employee costs for Oxfordshire County Council arising from the 2023-24 local government pay award.

6. This will result in the following allowances:

	2022-23	2023-24
Basic Allowance		+5.7%
All Members	£12,636	£13,356
Special Responsibility Allowances		
Leader of the Council	£37,908	£40,068
Deputy Leader	£25,272	£26,712
Cabinet Member	£20,220	£21,372
Scrutiny Committee Chair	£7,584	£8,016
Health Scrutiny Chair	£7,584	£8,016
Horton HOSC Chair	£5,688	£6,012
Audit and Governance Committee Chair	£7,584	£8,016
Planning and Reg. Committee Chair	£7,584	£8,016
Pension Fund Committee Chair	£7,584	£8,016
Chair of Council	£10,740	£11,352
Vice-chair of Council	£2,688	£2,856
Leader of the Opposition	£12,636	£13,356
Shadow Cabinet Members	£3,156	£3,336
Locality Committee Chairs	£1,260	£1,332

7. We propose that future increases in allowances for councillors, independent members and co-opted members are automatically increased in line with the annual percentage rise in overall employee costs for Oxfordshire County Council.

8. This approach will take account of those years when there is a lump sum increase, those years when there is a more usual percentage uplift and those years, like 2023-24, when there is a combination of a lump sum and percentage increase.

9. The current Councillor Allowance Scheme was effective from 1 April 2022 and any indexation is due to end on 31 March 2026. This will mean that indexation can be applied for 2024-25 and 2025-26.

10. We believe that there is value in meeting on at least an annual basis so that we can be kept up-to-date on developments at the Council. We may wish to make recommendations to the Council during the term of each Council if we believe that changes are required to the councillor allowances scheme.

David Shelmerdine

Chair of Independent Remuneration Panel