

MEMBERS' ALLOWANCES

Report of the Independent Remuneration Panel to Oxfordshire County Council, September 2004

Introduction

1. The Council in January 2004 agreed to give recognition in the Council's Constitution to an Opposition "Shadow Executive", granting its members the rights to briefings by officers and to present an Opposition view on issues at meetings of the Executive. The Panel has been invited to consider, in view of this formal recognition:
 - whether the role of Shadow Executive member should attract a Special Responsibility Allowance (SRA);
 - if so, what should be the level of that allowance; and
 - whether the activities undertaken by the Shadow Executive members justify the payment of travel and subsistence allowances.
2. Our conclusions (set out in more detail below) are that an SRA at a fairly modest level should be allocated to members of the Shadow Executive, and that their duties should carry an entitlement to travel and subsistence allowances.

The Panel's Proceedings

3. The Independent Remuneration Panel comprises the five members who undertook the review which reported to the September 2003 meeting of the County Council. For the present review two of the members were not available and the review was therefore conducted by the remaining three members:
 - Sir Peter North Principal of Jesus College, Oxford (Chairman)
 - Dr Graham Curtis Chairman of the Independent Advice Centre, Wantage
 - Mr Bruce Moore Deputy Chief Executive of the Anchor Trust
4. The Panel has met twice, on 21 June to identify the pertinent issues and decide on the process for the review; and on 27 July to hear submissions and formulate recommendations. At the second meeting we had useful discussions with two members of the Shadow Executive (Councillors Barbara Gatehouse and Terry Joslin), the Leader of the Council (Councillor Keith Mitchell), a non-Executive member of the Liberal Democrat Group (Councillor Bob Johnston), and a representative of CCMT (John Jackson, Director for Resources) and received a written submission from the Leader of the Opposition. We are grateful to them for their valuable insights, as we are to the Democratic Services staff, led by Glenn Watson, who provided support for the Panel in our deliberations.

The Panel's Views

5. In reviewing the allowances payable to councillors a year ago, the Panel considered again the issue put to us on one or two occasions that SRAs should be paid to "shadow" members of the Executive. We noted that the Opposition Group at that time operated a shadow executive but that these positions had not been established formally, as part of the Council's new structure. They appeared to us to be essentially voluntary positions, adopted for party political purposes. We did however recommend that the Leader of the Opposition should receive an SRA and this was agreed by the Council in September 2003.
6. Since then the Council has formally recognised a Shadow Executive. We understand that the objective behind this was to facilitate constructive political opposition within the Council's decision making processes and (by replacing the practice of Opposition members chairing all the Scrutiny Committees) to make clearer the non-political nature of the Scrutiny function and thereby enhance its effectiveness. From our discussions with members and the Director for Resources there is clearly a belief that the Council now has a much more robust and complementary check on the Executive: Scrutiny can properly focus on policy development and

holding the Executive to account while the Shadow Executive can more effectively provide a political challenge to the Council's administration and alternatives to its policy proposals.

7. We considered these points carefully in assessing how far the creation of a Shadow Executive serves a public purpose, rather than purely party political one. As in 2003 we started from the standpoint that certain roles are sanctioned (indeed some are required) by the legal framework within which the County Council operates; and this – coupled with our appreciation of the practical implications of those roles - is the basis on which our previous recommendations to the Council on the payment of SRAs were made. However, we found the submissions which have been made to us as to the purpose and effects of the creation of the Shadow Executive persuasive and we accept that there is material public benefit in the contribution it makes to the business of the authority.
8. In this light we propose, given the SRA already payable to the Leader of the Opposition, that the responsibilities of the other members of the Shadow Executive should be reflected in the payment to them of an SRA. As to the level at which this should be pitched, we looked for evidence of practices in other counties but found no consistency of approach: some do not recognise a Shadow Executive role at all; some do but make no provision as to allowances; and some make such provision but at rates which vary widely from one authority to another.
9. In the outcome we concluded that a reasonable level of SRA for an "ordinary" member of the Shadow Executive would be 20% of the SRA payable to a member of the Executive itself (ie £2,100 per annum at the rates agreed last September.) We felt that this would acknowledge the public benefit element of the role, while taking account of the substantial party political element. We were also conscious that the system is in its infancy and it is difficult to foresee how the Shadow Executive role may develop over time. For this reason we think it is important that the level of the allowance should be reviewed after, say, 18 months to 2 years.
10. We also think that members of the Shadow Executive should be entitled to claim travel and subsistence allowances for the attendances specifically in that capacity. All members may in any event make such claims for attending meetings of the Executive, but Shadow Executive members may incur costs for other activities which are not covered by the present Allowances Scheme, such as the exercise of their right under the Constitution to briefings from officers.

The Panel's Recommendations

11. We therefore recommend that:
 - (a) in addition to the Basic Allowance, a Special Responsibility Allowance be payable to those members (not counting the Leader of the Opposition, who is remunerated separately) who have for the time being been appointed by the Opposition to shadow the responsibilities of the members of the Executive;
 - (b) the amount of such Special Responsibility Allowance be one fifth of the amount for the time being payable to each member of the Executive, this to be reviewed after a period of 18 months to 2 years;
 - (c) the list of duties approved for the purpose of travel and subsistence allowances be extended to include the performance of any duty reasonably required in the capacity of a member of the Shadow Executive, including the attendance at briefings with officers when acting in that capacity;
 - (d) these allowances be effective from 1 April 2004.

PETER NORTH
Chairman, Independent Remuneration Panel

August 2004