

Independent Remuneration Panel Report 2025/2026

1. Introduction

- 1.1 The Independent Remuneration Panel (IRP) was convened to advise Oldham Council on its scheme of allowances for its Elected Members.
- 1.2 The Independent Remuneration Panel (IRP) comprises Peter Claber (Chair), John Barlow and Geoffrey Millard, who have all undertaken this role for many years. The IRP undertook a comprehensive review of Members Allowances for 2023/2024 and therefore the review for 2025/2026 has built on the recommendations arising from the previous review. Recommendations had been formulated by the Panel at its meeting on 24 April 2025; however, the Panel further met on 21 August 2025, following a review of Members' Allowances. Whilst the outcome of the review is outside the remit of the Remuneration Panel, the Panel were asked to consider the impact in relation to basic allowance and special responsibility allowances and make a recommendation.
- 1.3 The IRP at its April meeting considered information gathered by officers. The Panel also met with the Group Leader of the Administration, the Group Leaders of the two Main Opposition Groups, and the Group Leader of the Minority Opposition Group. A written representation was also received from the Chair of the Audit Committee regarding remuneration of independent members on the Audit Committee.
- 1.4 At its August meeting, the Panel considered the implications in respect of the outcome of the review work and the impact on basic and special responsibility allowances from 2022/2023. The Panel reviewed the financial information which had been gathered to date and were updated on improved control measures which would be introduced, all of which would be subject to a report to the Audit Committee.
- 1.5 The Panel noted that once Full Council have agreed the Members' Allowance Scheme, they are not involved in the operational administration of the process, for example, they do not submit claims for basic allowance or special responsibility allowance, it is purely a procedural matter for which officers are responsible for implementing.
- 1.6 The Panel acknowledges the hard work undertaken by Elected Members on behalf of the public and expresses its appreciation to all those Members who gave up their time to meet with them. The Panel learnt a great deal from those contributions which form the basis for the recommendations in this report, together with the legal framework setting the Panel's remit.

- 1.7 The Local Authorities (Members' Allowances) (England) Regulations 2003 require Councils to appoint an IRP and to have regard to its recommendations prior to amending their scheme of allowances.
- 1.8 Under Regulation 10 (5) of the Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities 'cannot rely on an index for Elected Member allowances for more than 4 years' before they invite the IRP to make further recommendations on the application and relevance of the index. In 2024/2025, the Panel recommended that Member basic and special responsibility allowances should be uplifted in line with any National Joint Council Pay award salary increases awarded to employees on Grade SCP 49.

2 Context and Current Scheme of Allowances

- 2.1 All Elected Members, irrespective of particular offices held on the Council, are entitled to the same level of basic allowance. Basic allowances are intended to reflect the expected time commitment of all its Elected Members. This includes, but is not limited to:
- Preparation and attendance at Council meetings and committees.
 - Meetings with residents and Council officers.
 - Responding to and dealing with casework and enquiries.
 - Knowing their ward and being aware of any issues.
 - Attending events within their local community, supporting and helping local community groups.
 - Leading local campaigns on behalf of residents.
 - Being an advocate for residents.
 - Keeping residents informed on issues that affect them.
 - Participating in activities of an outside body to which they are appointed.
 - Working with local organisations, interest groups and businesses.
 - Representing and supporting residents and communities.
 - Attending training and development events, including mandatory training.
- 2.2 The Panel were presented with details of how the nationally agreed pay award had been applied from 2022/2023, noting it had not yet been applied for 2025/2026.

Financial Year	Correct Basic Allowance	Approved % increase	Actual Paid	Annual Variance	Variance to date	Actual £ increase	Actual % increase
2021/22	£10,151		£10,151				
2022/23	£10,502	3.46%	£10,459	(£43)	(£43)	£308	3.04%
2023/24	£10,910	3.88%	£10,922	£12	£12	£463	4.42%
2024/25	£11,182	2.50%	£12,212	£1,030	£1,030	£1,290	11.81%
2025/26	£11,540	3.20%	£12,212	£672	£336	£0	0.00%

3 The Panel's Considerations

- 3.1 The Panel met with political leaders in April including the Administration, the two Main Opposition Groups and the Minority Opposition Group, to greater understand the responsibility attached to the role of being an Elected Member, including those with special responsibilities. The Panel acknowledged the commitment of time and effort of Elected Members and their role as community leaders.
- 3.2 The Panel considered the benchmarking information of allowances paid in other local authorities across Greater Manchester and Oldham's statistical neighbours. This information showed that the actual allowance payment of £12,212 placed Oldham Councillors closer to the mid-point when compared to others, and that the correct basic allowance of £11,540 would place Oldham Councillors towards the bottom when compared to others.

Authority	Basic Allowance	Date
Stockport	£ 11,059.87	May 2025
Trafford	£ 11,072.33	May 2025
Oldham	£11,540.34	Correct rate 2025/2026
Bury	£ 11,954.00	May 2025
Oldham	£12,212.04	IRP recommended rate 2025/2026
Bolton	£12,227.22	May 2025
Rochdale	£12,701	July 2021 (indexation for 4 years has been added to this figure)
Salford	£ 13,199.24	May 2025
Wigan	£ 14,822.00	May 2025
Tameside	£ 18,501.00	April 2025
Manchester	£ 20,703.08	May 2025

- 3.3 The Panel discussed the findings from the review including the issue of the national pay award being applied incorrectly to members allowances from 2022/2023. The Panel were concerned that applying the correct allowance of £11,540 retrospectively would place Oldham Councillors close to the bottom of the benchmarking, which may deter people standing for office.
- 3.4 The Panel considered the learning from other councils who had applied a methodology to calculate the basic allowance. This was based on the median gross daily salary for a full-time employee in the borough to better reflect local circumstances. The methodology includes a remunerated amount, based on the Local Government Association's (LGA) Councillor Census Survey in 2022 showing how much time Councillors spend on duties, and also an unremunerated amount, known as Public Service Discount. In Oldham the median gross salary for a full-time employee is £127.04. The average hours a Councillor works per week is 23.4 (taken from the LGA survey) and the Panel were minded to apply 35% Public Service Discount (equating to 53 days), which would leave 99 remunerated days totaling £12,573. The Panel agreed this methodology may be beneficial to use for the 2026/2027 scheme, which they would consider and make recommendations as part of the Council's budget setting process.

- 3.5 The Panel were of the view that introducing a methodology would provide greater consistency and they therefore proposed to recommend that the current basic allowance (£12,212.04) should remain in place. Whilst the panel noted that this would in real-terms, mean an increase in allowances, the panel were satisfied that this would mean that Oldham Councillors would remain closer to the mid-point when compared to other councils in Greater Manchester, and the allowance would better reflect local circumstances.
- 3.6 The Panel enquired about the Council's policy regarding overpayments. They noted that overpayments are re-claimed, generally over the period of time that the overpayment was made. However, it was noted that there is flexibility within the policy so that the individual does not face undue hardship, whilst still making payments to recover the full amount. The Panel were of the view that Councillors and former Councillors who have been overpaid, including those who have been paid two special responsibility allowances, should pay back monies over an agreed period of time related to personal circumstances.
- 3.7 The Panel enquired about Councillors and former Councillors who have been underpaid, and they were of the view that they should receive a letter stating the amount, with details of how to request that the allowance be paid.
- 3.8 The Panel noted that special responsibility allowances (SRAs) are calculated as a percentage of the Executive Leader's, which has traditionally been considered by Panels to be three times the basic allowance. The Panel saw no reason to alter that assessment and noted that this approach was widely recognised as standard practice. The exceptions to the indexation of the Executive Leader's allowance include roles in Greater Manchester, Chairs of Audit and Standards and the Mayor and Deputy Mayor allowance.
- 3.9 The Panel considered the current political context, whereby there are two Main Opposition Groups of equal number. The Panel were of the view that in circumstances where there is more than one Main Opposition Group of equal number, the scheme should provide an allowance for each Main Opposition Leader and Deputy Main Opposition Leader. In line with advice from the Local Government Association, the Panel were recommending that the allowance should be indexed at the same rate, which is currently 50% less than the Executive Leader, in line with the current members' allowances scheme.
- 3.10 The Panel considered representation in relation to the challenges of recruiting to the independent roles on the Audit Committee and Standards Committee. Having considered benchmarking information, the Panel recommend that the flat fee of £1200 be paid as an allowance to co-opted/independent members/persons serving in the Audit Committee or Standards Committee.
- 3.11 The Panel heard representations from some Group Leaders, who asked the Panel to review the remuneration of the Deputy Executive Members and District Leads, with a view to removing or reducing this allowance; together with representations on how Elected Members are appointed to those roles. Having considered all representations, the Panel were of the view that there should be no change to the SRA for Deputy Executive Members or District Leads for 2025/2026; however, as part of the Panel's work for the 2026/2027 allowances scheme, they would wish to review the workloads of the roles of Deputy Executive Members and District Leads

to consider evidence of what has been delivered over the past year to inform recommendations for the 2026/2027 report. The Panel noted it was not within their Terms of Reference to make recommendations in relation to the process of appointments, as this was a matter for the full council or the Leader depending on the role.

- 3.12 The Panel considered the requirement of the Council for all Elected Members to have a Disclosure and Barring Service (DBS) check and to subscribe to the DBS Update Service for ongoing checks to be made without the need to submit new applications each time. The Panel proposed to recommend under Regulation 10(3) of the 2003 Regulations, to amend the scheme to include this as an authorised administrative reimbursement.

4.3 Summary of recommendations

The Independent Remuneration Panel recommend the following to Council for due consideration:

1. That the Independent Remuneration Panel in 2026/2027 be requested to review the SRA for the roles of Deputy Executive Members and District Leads, seeking evidence of workloads and what has been delivered over the past year to inform recommendations for the 2026/2027 report.
2. That the current members' allowances scheme, as set out in Appendix 2, be updated to include the following:

1.	The current basic allowance of £12,212.04 should remain in place which would better reflect local circumstances, as this was closer to the new methodology the panel had agreed in principle to apply to next year's scheme; noting that this annual allowance in real-terms was an increase, but would mean that Councillors remain closer to the mid-point when compared to other council's in Greater Manchester.
2.	Allowances remain aligned to the pay award agreed for officers on grade SCP 49 of the National Joint Council for Local Government Services terms and conditions; however, no uplift should apply for 2025/2026.
3.	To include a separate authorised reimbursement category in the allowance scheme for a payment to Councillors for the DBS Update Service, as it is expected that Elected Members sign-up to this.
4.	In circumstances where there is more than one Main Opposition Group of equal number, the scheme should provide a Special Responsibility Allowance for each Main Opposition Leader and Deputy Main Opposition Leader. In line with advice from the Local Government Association, the allowance should be indexed at the same rate, which is currently 50% less than the Executive Leader, in line with the current members' allowances scheme.

5.	That a flat fee of £1200 be paid as an allowance to co-opted/independent members/persons serving on the Audit Committee and/or Standards Committee.
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