

COTSWOLD DISTRICT COUNCIL

Independent Remuneration Panel

Mid-Term Report and Recommendations – November 2025.

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1. INTRODUCTION from Nick Craxton, Chair - Independent Remuneration Panel

- 1.1** *Initially described as a "light-touch" mid-term review, the panel has actually conducted an extensive and thorough examination. This approach is entirely justified considering the feedback received about increasing workloads and the ever-evolving environment in which the Council is operating.*
- It has been an honour to chair this panel, and I want to underscore the rigorous debates that shaped our decisions. We encountered diverse perspectives, and no conclusions were reached without careful consideration.*
- I am proud of the breadth of experience and representation on our panel. We brought together expertise from both the public and private sectors, with key HR and reward specialism, and included members from within the Cotswold District area as well as from further afield. This diversity has enriched our discussions and contributed to the depth of our review.*

The Panel is pleased to present the 2025 mid-term report, which presents the Panel's findings and interim recommendations for the current scheme for consideration by the Council.

2. PURPOSE OF REPORT

- 2.1. The current Members' Allowances Scheme was adopted by Full Council in May 2023 and remains in force until 1 April 2027. When the Council resolved to adopt this scheme, it committed to undertake a midpoint review of the scheme. The intention of holding a mid-term review was to review councillors' workloads specifically.
- 2.2. The Independent Remuneration Panel (IRP) convened three times in October 2025 to review evidence, interview Members, consider Members' responses to the 2024 questionnaire as well as new Member suggestions, and consider benchmarking and local governance developments.
- 2.3. The review was conducted between 2 October 2025 and 13 November 2025 and was supported by Andrew Brown, Head of Democratic and Electoral Services, Angela Claridge, Director of Governance (Monitoring Officer), and Nickie Mackenzie-Daste, Senior Democratic Services Officer. The Panel also gratefully acknowledges the support and input of all Members who took part in the 2024 survey and those who submitted further evidence or comments.

3. BACKGROUND AND REGULATORY CONTEXT

3.1 Legal and Regulatory Framework

The Local Government Act 2000 and the Local Authorities (Members' Allowances) (England) Regulations 2003, as amended ("the 2003 Regulations"), required all local authorities to appoint an Independent Remuneration Panel (IRP) to advise on their Members' Allowances Scheme. Councils are required to review their schemes periodically and seek the advice of their IRP before adopting or making any changes to their scheme. The Government's *Guidance on Consolidated Regulations on Local Authority Allowances* provided statutory provisions and non-statutory guidance to support this process.

3.2 Independent Remuneration Panel Composition and Terms of Reference

The Panel, convened to carry out the Mid-Term review as recommended in the May 2023 report, comprised six independent members of the public (one of whom subsequently resigned), appointed by the Council for their relevant skills and expertise. In accordance with the 2003 Regulations and consolidated guidance, the Panel's remit was to provide independent advice and recommendations to ensure that councillor remuneration was fair, transparent, and publicly accountable. Its advice covered:

- Basic allowance levels;
- Special Responsibility Allowances (SRAs);
- Childcare and dependents' care allowances;
- ICT and other remuneration-related matters, including travel and subsistence;
- Allowances for co-opted (non-elected) members;
- Any other issues within the Panel's remit and covered by the 2003 Regulations.

3.3. Basis for Recommendations

In making recommendations, the Panel was required to consider:

- Roles and responsibilities of Members, including portfolio holders;
- Benchmarking with other district councils;
- The statutory framework for councillor remuneration and the Council's discretion within it, with reference to professional guidance from bodies such as the LGA;
- Any additional considerations highlighted by the Council or through Member representations.

- It was noted that affordability and the economic context was a matter for elected Cotswold District Councillors, and these elements did not form part of the considerations.

3.4 **Public Service Principle**

The Panel noted that the principle of public service was central to the councillor role, emphasising that not all duties should be remunerated and that part of a councillors' time should be given voluntarily. Consolidated guidance had highlighted this principle when determining the recommended basic allowance. Responses to the 2024 questionnaire had supported this public service ethos, and this was considered during the review

4. **THE PANEL**

- 4.1. Cotswold District Council formally appointed the following persons to the IRP. The IRP undertook the mid-term review of the current allowances scheme, as requested by Council in May 2023, and made recommendations on its future scheme.

- Nick Craxton – Chair
- Stefan Robinson – Vice-Chair
- Michael Paget-Wilkes
- Nikki Clark
- David Hindle
- Graham Russell (resigned)

- 4.2. The Panel was supported by Council officers. Consideration was given to an officer report and supporting evidence, including a member survey and benchmarking data.

5. **ROLE AND TIME COMMITMENT OF A DISTRICT COUNCILLOR**

- 5.1. Cotswold District Council comprises thirty-four elected Members. Members act as community leaders, undertake casework, and represent their wards in internal and external forums.
- 5.2. Councillors attend Full Council, committees, sub-committees, working groups, and may represent the Council externally. Although the Constitution allows for the Cabinet to comprise the Leader of the Council plus up to nine other members to be appointed by the Leader, the Cabinet currently comprises eight Members, including the Leader and Deputy Leader who both have full Cabinet Portfolio responsibilities, in addition to being Leader and Deputy Leader.

- 5.3. Evidence considered by the Panel highlighted:
- Increased workloads across Cabinet, Overview & Scrutiny (O&S), and Audit & Governance (A&G) committees
 - More complex planning and policy responsibilities
 - Additional working groups and scrutiny activity
 - Greater public engagement, primarily via digital channels
 - Implications of Local Government Reorganisation (LGR) on roles
- 5.4. Councillors maintain regular contact with town and parish councils, often in dual roles. Councillors representing rural wards engage with several parish councils.
- 5.5. The Panel recommends revisiting time commitments in the scheduled 2027 full review.

6. PRE-CONSULTATION AND EVIDENCE GATHERING

- 6.1. Ahead of the review, Members were invited to submit any matters they would like the Panel to consider - all Councillors were emailed on 1 September and given 15 days to reply. Two responses from members were received (Joe Harris and Tony Slater), and their concerns were discussed in the review meetings. The Leader of the Council also provided oral evidence on 10 October 2025. The evidence from a 2024 survey of Councillors around workload and responsibilities was also made available to the Panel.

Key points included:

- Increased workload for Leader, Deputy, Cabinet, and Committee Chairs
- Expanded scrutiny function and A&G responsibilities
- SRAs not fully reflecting current demands
- A sustained additional workload for members in leadership roles due to LGR.

7. CURRENT SCHEME

- 7.1 The IRP undertook the last review of councillors' allowances for the Council in May 2023. The Scheme currently provides that all councillors are each entitled to a total basic allowance of £6,288 per annum for 2025/26. The basic allowance is subject to an indexation linked to the NJC for Local Government employees. In addition, some councillors receive special responsibility allowances for undertaking additional duties. Councillors may also claim the cost of travel and

subsistence expenses and for expenditure on the care of children or dependents whilst on approved duties.

- 7.2 When compared with areas of similar demographic profiles, Cotswold's basic allowance is slightly below the regional average
- 7.3 Workload evidence indicates the basic allowance remains appropriate for the purposes of the mid-term review.

8. SPECIAL RESPONSIBILITY ALLOWANCES (SRAs)

- 8.1. Some Members have certain roles on the Council which attract a Special Responsibility Allowance (SRA). SRAs are paid in addition to the basic allowance, it was noted that SRAs recognise additional responsibilities of key roles, with workloads varying by position. These include roles such as being Leader, Deputy Leader and a Member of the Cabinet, chairs of committees, and opposition group leaders. SRAs are calculated as multiples of the basic allowance and will therefore increase in proportion to the basic allowance when uplifts are applied to the basic allowance.
- 8.2 When considering the SRAs the Panel considered benchmarking data for the South-East England Region and South-West Councils and specifically councils with similar demographic and constraints.
- 8.3 The current Leader was interviewed by the Panel and representation was made in person on the SRA's for the roles of Deputy Leader, Cabinet Member, Chair of Overview and Scrutiny Committee and Chair of Audit and Governance Committee.
- 8.4 The Panel systematically reviewed requests to increase SRAs for the Leader, Deputy Leader, Cabinet Members, and committee chairs, ultimately agreeing on moderate increases for most roles, balancing benchmarking data and the need for consistency. It was recognised that Local Government Reorganisation has resulted in extra workload for a high proportion of those roles that come with SRA's.
- 8.5 **Leader's Allowance:** A member who is a former Leader of the Council has requested that consideration is given to increasing the value of the Special Responsibility Allowance (SRA) paid to the Leader of the Council. After considering a request to increase the leader's SRA from three to four times the basic allowance, the panel agreed to recommend a 3.5 multiplier, citing benchmarking with neighbouring councils, the enabling nature of the allowance, and the significant responsibility and time commitment in undertaking the role.

- 8.6 **Deputy Leader and Cabinet Members:** The Panel discussed the SRA for the role of Deputy Leader and recommended an increase from 2 to 2.5 times the basic allowance. The SRA for Cabinet Members was also discussed resulting in a recommendation to increase their SRA from 1.5 to 2 times the basic allowance, with the Panel noting the importance of maintaining appropriate differentials and recognising additional workload due to local government reorganisation.
- 8.7 **Committee Chairs: Overview and Scrutiny and Audit and Governance:** The Panel reviewed the responsibilities and workload of the committees and, based on evidence of increased duties and the crucial role these committees play in holding leadership to account—particularly in the context of LGR—recommended increases to the SRAs. Specifically, the Panel recommended raising the SRA for the Chair of Overview and Scrutiny from 1.0 to 1.5, and for the Chair of Audit and Governance from 0.5 to 1.0.
- 8.8 **Opposition Group Leaders:** The Panel agreed that the current allowance remained proportionate to the responsibilities of the role, which focuses primarily on holding the administration to account and coordinating political group activities. The Panel therefore agreed to recommend that no change to the calculation method was required.
- 8.9 **Co-opted Members** are recommended to be added to the scheme, as they have been appointed since the previous review. Co-opted members of the District Council, drawn from the public for their skills and expertise, are appointed to specific committees to support their functions and provide relevant expertise. It was noted that Co-opted Members of the Audit and Governance Committee were currently paid £1,000 per annum. The Panel concluded that there was no reason to recommend any changes to the current allowance.
- 8.10 The Panel felt that the recommended increases reflected additional workload, responsibility, and accountability under current governance and LGR changes.

9. OTHER ALLOWANCES AND EXPENSES

- 9.1. ICT allowances and use of AI: The Panel noted that IT and data-security risks are at an unprecedented high, underscoring the importance of appropriate training and ongoing awareness for all councillors. To support safe and effective digital working, the Panel requests that, ahead of the next full review, the Council's IT team provide clear guidance on the secure use of emerging technologies, including AI, in the course of councillors' duties. This will enable the Panel to assess whether the current £300 per-annum ICT allowance remains adequate or

whether an alternative approach—such as the provision of Council-managed laptops to ensure stronger control over software access, downloads, and cyber-security—would offer improved protection and value.

- 9.2. Travel Allowances: The Members' Allowances Scheme outlined claimable allowances but did not define "approved duties" within the Scheme itself. An existing list of approved duties confirmed that district councillors could claim travel expenses for attending parish council meetings as district representatives, but not where they were also parish councillors. The Panel recommended appending the list of approved duties to the scheme for clarity.
- 9.3. The requirement for VAT receipts was also discussed. An email had been sent to all Members on 24 March 2025 which explained that following an Internal Audit report on Members' Allowances (which had been considered by the Audit and Governance Committee in January 2025), a VAT receipt was required for all travel claims submitted by Members for journeys in the 2025/26 financial year and beyond. The Panel agreed that including a statement, as advised by the Auditors, confirming that this approach reflected standard practice and supported VAT recovery, would be appropriate.
- 9.4. The Panel also reviewed the Council's mileage rates against HMRC-approved rates and noted that higher rates for bicycles and passengers could create taxable benefits and increase administrative complexity. It was agreed that aligning rates with HMRC would simplify administration and prevent creating unintended tax liabilities for councillors, while acknowledging that higher rates may reflect support for sustainable travel. The Panel recommends aligning mileage rates with HMRC rates.
- 9.5. The Panel considered whether mileage claims should be calculated from councillors' home addresses. It was agreed that claims should ordinarily start from home, with travel from other locations limited to the equivalent home mileage. The Panel recommended adding clarifying wording to the Members' Allowances Scheme. It was noted that HMRC regarded councillors' home as their usual place of work and that future government regulation might permit remote attendance at statutory meetings, which currently require in-person attendance.
- 9.6. It was agreed that clarification on Allowances for Co-opted Members was necessary: Co-opted members may be reimbursed for legitimate expenses incurred in the course of their duties.
- 9.7. The Panel discussed the introduction of a two-to three-month deadline for Councillors to submit expense claims to ensure timely and accurate financial

reporting. This timeframe would help the Council manage budgets effectively, reduce the risk of errors or omissions, and ensure transparency and accountability in the use of public funds. It would also allow any queries or discrepancies to be addressed promptly, providing confidence to both Councillors and the public. It was noted that although the 2–3-month rule would be recommended there might be place for some leniency to allow for ‘special circumstances’.

9.8. Childcare, dependents’ care, and subsistence allowances were noted but no representations had been made about them, and other than the recommended requirement for subsistence claims to be made within 3 months of them being incurred no changes were proposed.

9.9. **Recommendations:**

- Append the list of approved duties to the Scheme (Annex A) for clarity.
- Introduce 2–3 month claim deadline with an exception clause.
- Clarify VAT receipt requirements.
- Consider alignment with HMRC mileage rates.
- Clarification around expense claims that mileage should be calculated from home address unless otherwise justified.

10. TOWN AND PARISH COUNCIL ALLOWANCES

- 10.1. Under the Local Authorities (Members’ Allowances) (England) Regulations 2003 district councils must have an Independent Remuneration Panel (IRP) whose responsibility it is to review and recommend allowances for the district council’s own councillors. The same panel forms a “parish remuneration panel” (PRP) to advise town and parish councils in the district area.
- 10.2. Parish and town councils cannot set up their own IRPs and must have regard to the recommendations of the PRP when deciding on their members’ allowances (such as a basic allowance or travel expenses).
- 10.3. It was agreed by the PRP that Town and Parish Councils be considered for member allowances in response to a request made by Cirencester Town Council, noting that allowances had not been reviewed for many years and that the sector had evolved significantly.
- 10.4. The PRP can make recommendations and the Parish or Town council then decide whether to adopt, modify, or reject those recommendations — but they must consider them before making any decision to adopt or amend an allowances scheme.

- 10.5. It was noted that the PRP's role is advisory only and that the district council has no role in parish councillors' allowances other than through supporting the work of the PRP. Each parish/town council remains responsible for deciding and paying its own allowances.
- 10.6. Cirencester Town Council requested consideration due to its £2m budget, 25 FTE staff, and major projects. Cirencester Town Council requested that the PRP consider adopting a tiered framework for town and parish councillor allowances based on population (which largely determines the level of responsibilities of the town/parish councils).
- 10.7. The PRP agreed to recommend an allowance for Cirencester's Chair and Members set at 20% of the district basic allowance (the population of Cirencester being broadly 20% of that of the Cotswold district area), recognising the urgency of their request and the town's population which is far higher than any of the other towns or parishes in the district. It was noted that a tiered approach, linked to population, may address differences between councils. It was also noted that co-opted town/parish councillors could not receive allowances (though expenses could be paid) and that carers allowances could not be paid to town and parish councillors under current law.
- 10.8. The PRP reviewed a draft tiered proposal for parish and town council allowances, agreeing to recommend a specific allowance for Cirencester and to consult further with other town and parish councils (in the form of a survey) before considering any broader recommendations. It was recognised by the PRP that a tiered approach, linked to population, could help Town and Parishes consider allowances going forward but that such a tiered approach would form part of the broader 2026/27 review.
- 10.9. **Recommendations:**
- Interim allowance for Cirencester Town Council: 20% of District Basic Allowance (Chair and Members)
 - Circulation of a Teams survey to Town and Parish Councils to gather feedback.

11. EQUALITY IMPACT

- 11.1. The intention of the regulations in requiring the establishment of an IRP on members' allowances by each local authority, included the desire to extend the opportunity to become a councillor to as wide a cohort as possible, through the development of local remuneration schemes. This is in line with one of the three

aims of the Public Sector Duty of the Equality Act 2010 – to advance equality of opportunity between people who share a relevant protected characteristic and people who do not share it. The IRP has consistently held this intention as one of the principles under which it has made its recommendations.

12. SUMMARY OF RECOMMENDATIONS

Element	Proposed Change	Rationale
Leader's SRA	3.5 × Basic Allowance	Full strategic and operational workload; Cabinet chair; LGR demands
Deputy Leader's SRA	2.5 × Basic Allowance	Deputises for Leader; portfolio leadership; LGR workload
Cabinet Members' SRA	2.0 × Basic Allowance	Service area leadership; policy & performance; resident engagement
Chair O&S	1.5 × Basic Allowance	Scrutiny leadership; work programme; task group oversight
Chair A&G	1.0 × Basic Allowance	Governance, audit, risk oversight; technical complexity
Co-opted Members	Include existing allowance of £1,000 p.a. in Scheme	For completeness
Travel / Expenses	Append approved duties list; clarify VAT & deadlines; mileage to be claimed from home address; consider HMRC mileage rates	Clarity, compliance, simplified administration

Element	Proposed Change	Rationale
To consider the introduction of a tiered system for Parish/Town Councils' allowances for elected members	<p>Create and circulate a survey to be addressed to Town and Parish Councillors to enable an accurate assessment of workload to be made.</p> <p>Interim decision that Cirencester Town Council (CTC) Councillors should receive an allowance set at 20% of the basic allowance paid to district councillors.</p>	<p>To establish a tiered, evidence-based system reflecting workload and council size, providing Town and Parish Councils with a structured basis to adopt if they choose to pay allowances to elected members.</p> <p>CTC interim allowance recommended based on evidence about the responsibilities of CTC Councillors.</p>

The panel recommends that all increases in SRA's are backdated to 1 April 2025.

13. CONCLUSION

- 13.1. The Panel recognised the dedication of Councillors and the increasing complexity of their roles under LGR, expanded scrutiny, and service pressures. The recommendations balance fairness, workload, and affordability. A full review of the scheme will be undertaken in late 2026 to inform a new scheme effective **1 April 2027**.

(End)