

By: Linden Kemkaran, Leader of the Council

To: County Council – 10 July 2025

Subject: Members' Allowances Scheme 2025 – 2026

Status: Unrestricted

Summary: This report summarises the amendments proposed to the Members' Allowances Scheme and asks the Council to agree the Scheme for 2025-2026.

1. Introduction

- a) Member Allowances were introduced to Local Authorities in accordance with Section 18 of the Local Government and Housing Act 1989 (as amended by the Local Government Act, 2000). The regulations governing Local Authorities schemes is set out in "The Local Authorities Members' Allowances (England) Regulations 2003."
- b) Full Council is the decision-maker on Members' allowances. However, there is a legal requirement under the regulations for Members to have before them a report by an independent Member Remuneration Panel setting out their recommendations regarding the scheme.
- c) The current Member Remuneration Panel (MRP) were appointed by County Council on 7 November 2025 to a four-year term.
- d) As agreed by the Selection and Member Services Committee on 9 March 2023, and subsequently endorsed by County Council, the Panel was asked to first produce recommendations for a one-year Member Allowances Scheme covering 2025/26. This is the subject of the current paper.
- e) The next review that the Panel will undertake will make recommendations for the next four-year scheme covering April 2026 to March 2030. The intention is that following this one-year transition period, each four-year scheme will be offset from the election year. This will mean clarity for individuals considering standing for election, and will enable the new Council to consider what will be needed for the next scheme.

2. Members' Allowances Scheme 2025-26

- a) The review and recommendations from the Member Remuneration Panel for the current year are set out at Appendix B. In sum, the recommendations of the Panel are:
 - a. Increase allowances by 3.8%, in line with the CPIH measure of inflation. This would increase the Basic Allowance, Dependents'

Carers' Allowance and Leader's Special Responsibility Allowance (SRA). As the other SRAs are a percentage of the Leader's, they would also increase.

- b. Increase the annual allowance for the two Co-Opted Members of the Governance and Audit Committee from £1,500 to £1,700. This is based on a comparison with other County Councils.
- b) Appendix C sets out what the changes to the allowances would be if the Council accepted all the recommendations.

3. Response to the MRP Recommendations

- a) We would like to thank the Panel for the work they have put into making their report and recommendations and look forward to working with them on the four-year review in due course.
- b) We also recognise that the majority of the review was undertaken prior to the election in May. With a new administration in place, there is a need to consider the recommendations from the Panel in the context of its priorities. **We are therefore recommending to the Council that the allowances are reduced by 5% for 2025-26. The intention is to use the savings released by doing so to increase the money available for Member Grants.**
- c) We also recognise that it is best practice to have independent Co-Opted Members on the Governance and Audit Committee and takes seriously the role that this Committee has in providing a high-level focus on the adequacy of governance, risk, finance, and control arrangements. In order to ensure we are able to recruit the most able people to this role, **we will be supporting the Panel's recommendations regarding the increase to the Co-Opted Member allowance** and their entitlement to the Carer's Allowance (on a par with elected Members).
- d) Appendix A sets out what the changes to the allowances would be if the Council accepted all the recommendations set out in this report.

4. Recommendations

The County Council is asked to:

- a) Note the report of the Member Remuneration Panel and thank the Panel Members for their work; and
- b) Agree the Member's Allowances Scheme for 2025/26 as set out in Appendix A, incorporating:
 - i. A reduction of 5% to the Basic Allowance.
 - ii. A reduction of 5% to the Leader's Special Responsibility Allowance, with all other SRAs being reduced in accordance with the scheme.
 - iii. A reduction in 5% to the Dependent's Carers' Allowance.

- iv. An increase in the allowance for Co-opted Members of the Governance and Audit Committee to £1,700, and an entitlement to the Carer's Allowance.

5. Appendices

Appendix A – Member's Allowance Scheme showing the changes recommended by the Leader.

Appendix B – Interim Review of the Member Remuneration Panel with recommendations for the 2025/26 Member Allowances Scheme.

Appendix C - Member's Allowance Scheme showing the changes recommended by the Member Remuneration Panel.

6. Background Documents

None.

7. Report Author and Relevant Director

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