

Report subject	Members' Allowance Scheme
Meeting date	22 July 2025
Status	Public Report
Executive summary	<p>This report seeks Council's approval of the Scheme of Allowances for 2025-2026 Municipal Year and incorporates the recommendations of the Independent Remuneration Panel (IRP) on their review of the Members' Scheme of Allowances for 2025/26.</p> <p>Consideration of the Scheme of Members' Allowances was deferred by Council on 10 December 2024 pending the conclusion of the Pay and Reward review which is included as a separate item on the agenda for this meeting.</p>
Recommendations	<p>It is RECOMMENDED that:</p> <p>Council considers the attached report and Appendix 1 and its recommendations and adopts the proposed Scheme of Members' Allowances for BCP Council as set out in Appendix 2 to this report, subject to any amendments Council may wish to agree, with a commencement date of 6 May 2025.</p>
Reason for recommendations	To ensure that BCP Council has an appropriate Scheme of Members' Allowances as required by the relevant legislation.
Portfolio Holder(s):	Not applicable
Corporate Director	Graham Farrant, Chief Executive
Report Authors	Richard Jones, Head of Democratic Services and Deputy Monitoring Officer
Wards	Not applicable
Classification	For Decision

Background

1. The Local Authorities (Members' Allowance) (England) Regulations 2003 (the Regulations) require a relevant authority to make a scheme providing for the payment of a basic allowance (BA) to each member of that authority. The BA must be the same for each member of the authority.
2. The Scheme may make further provision for the payment of special responsibility allowances (SRA) for specific roles and payments to co-optees on specific committees.
3. The mechanism with which Councils consider allowances is by way of appointment of an Independent Remuneration Panel (IRP). This Panel considers the level of Member Allowances to be operated by a Council under the Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2003.
4. A panel was appointed for these purposes in order to recommend a scheme of allowances for BCP Council. The recommendations contained within this report arise from the IRP only in accordance with the regulations which helps maintain public trust and confidence in the independent remuneration process.
5. On 23 July 2024 the Council considered and approved an interim report from the Independent Remuneration Panel, as part of these recommendations, acknowledging that a full review would be required during the autumn 2024.
6. A similar report to this paper was accordingly presented to Council in December 2024 but it was determined that the review of the Scheme of Members' Allowances should be deferred pending the conclusion of pay and reward. Pay and reward is included as a separate agenda item on this agenda, and it would therefore be timely to reconsider the IRP recommendations.
7. It should be noted that since the meeting in December 2024, the annual pay award has been applied to the allowances for 2024/25 and are reflected in the base allowances within this report.

Consultation and Engagement

8. A questionnaire was sent to all Members, inviting comments in respect of the current scheme of Members allowances.
9. In addition, the Independent Remuneration Panel interviewed 14 Members of BCP Council and two Officers.
10. Full details of the consultation undertaken are contained in the report attached at Appendix 1.

Options Appraisal – Recommendations of the Independent Remuneration Panel

11. The Panel's recommendations are detailed in the attached report at Appendix 1. The following paragraphs provide a summary of the proposed recommendations and any changes to the existing Scheme of Allowances. The existing allowances are shown in *[italicised square brackets]*:

- (a) **the basic allowance be increased to £16,000 per annum [£15,109]**
- (b) **that the following special responsibility allowances be paid in recognition of the additional workload and levels of responsibility and accountability placed upon members appointed to these roles:**
 - i. **Leader - £40,000 [£32,730]**
 - ii. **Cabinet Members (including Deputy Leader) - £25,000 [£21,820]**

- iii. Lead Members - £12,200 [*£12,087*]
 - iv. Chair of the Council - £12,200 [*£12,087*]
 - v. Vice-Chair of the Council - £3,600 [*£6,045*]
 - vi. Chair of Audit & Governance Committee - £12,200 [*£12,087*]
 - vii. Chairs of Area Planning Committees - £9,000 [*£9,065*]
 - viii. Chair of Overview & Scrutiny Board - £9,000 [*£9,065*]
 - ix. Chair of Children's Services Overview & Scrutiny Committee - £9,000 [*£9,065*]
 - x. Chair of Environment and Place Overview & Scrutiny Committee - £9,000 [*£9,065*]
 - xi. Chair of Health and Adult Social Care Overview & Scrutiny Committee - £9,000 [*£9,065*]
 - xii. Chair of Licensing Committee - £9,000 [*£12,087*]
 - xiii. Chair of Appeals Committee - £9,000 [*£3,628*]
 - xiv. Chair of Standards Committee - £9,000 [*£3,628*]
 - xv. Group Leaders - £3,600 [*£3,628*]
- (c) No SRAs be paid to vice-chairmen of committees (with the exception of the vice-chairman of Council);
 - (d) members may not receive more than one SRA (*and may elect which SRA to receive*) with the exception that a Group Leader's SRA can be payable as a second SRA;
 - (e) with effect from 2025 the BA and the SRAs be increased in line with the Employees' National Salary Award, if such pay award is expressed as a fixed amount, the average pay award for BCP employees shall be applied for this purpose;
 - (f) the proposed increases in BA and SRAs be effective from the date of the resolution to adopt the revised scheme;
 - (g) the travel allowances continue to be paid to members and that these should reflect those allowances paid to officers and should include travelling to the BCP Councils offices for meetings and official business;
 - (h) subsistence allowances be paid to members in the event of an absence not involving an absence overnight from the usual place of residence, and that these reflect those payable to officers of the council;
 - (i) carers' allowance be paid to recompense the actual cost expended as set out within paragraph 13 of the appended report (and is not payable to a member of the claimant's own household subject to the Monitoring Officer having the discretion to approve claims on a case-by-case basis); and
 - (j) an allowance of £1,200 [*£1,211*] per annum be paid to co-optees and independent members as set out in paragraph 14 of the appended report.

Summary of financial implications

12. The existing members allowances budget for 2025/26 includes a provision to increase the allowances annually in line with the Employees' National Salary Award.

Although the salary award is not yet known and will require agreement nationally with the Trade Unions, provision has been made for an increase of 3.2%.

13. If Council were to decide not to approve the allowances, this pay award would still be applied to the existing scheme and therefore, for comparative purposes, the baseline allowances shown in the table below includes this projected increase. Similarly, the same percentage increase has been applied to the proposed allowances to calculate the impact on existing budgets.

Allowance	No. entitled to Allowance	Current Allowance (incl. projected pay award)	Recommended Allowance (incl. projected pay award)
Basic Allowance	76	£15,109	£16,512
Leader	1	£32,730	£41,280
Cabinet Members (including Deputy Leader)	9	£21,820	£25,800
Lead Members	1	£12,087	£12,590
Chair of the Council	1	£12,087	£12,590
Vice-Chair of the Council	1	£6,045	£3,715
Chair of A&G	1	£12,087	£12,590
Chairs of Area Planning Committees	2	£9,065	£9,288
Chair of O&S Board	1	£9,065	£9,288
Chair of Children's Services O&S Committee	1	£9,065	£9,288
Chair of E&P O&S Committee	1	£9,065	£9,288
Chair of H&ACS O&S Committee	1	£9,065	£9,288
Chair of Licensing Committee	1	£12,087	£9,288
Vice-Chair of Licensing Committee	1	£3,023	REMOVE ALLOWANCE
Chair of Appeals Committee	1	£3,628	£9,288
Chair of Standards Committee	1	£3,628	£9,288
Group Leaders	5	£3,628	£3,715
Co-opted and Independent Members	8	£1,211	£1,238

14. The Members Allowances base budget for 2025/26 is £1,599,500. The existing scheme of allowances, including the projected pay award, can be met from the established budget provision.
15. Members are reminded that the Director of Finance's Section 25 Statement within the 2025/26 Budget report, included provision to mitigate unforeseen events by establishing an in-year base revenue budget contingency of £2.603m. The statement explicitly referenced the potential need to adjust the budget for Members allowances.
16. The recommendation of the IRP is to apply the changes from the date of resolution of Council. However, it should be noted that as these recommendations were deferred from December 2024, it may be considered appropriate to now apply any

changes from 6 May 2025, being the date of Annual Council and the start of the Municipal Year.

17. The budget impact for an implementation date of both 6 May 2025 and 22 July 2025 are illustrated in the following table.

	Current Scheme including Pay Award	Proposed Scheme (incl. pay award) from 06/05/2025	Proposed Scheme (incl. pay award) from 22/07/2025
Budget Provision 2025/26	£1,599,500	£1,599,500	£1,599,500
Projected Annual Cost	£1,573,061	£1,622,735	£1,599,763
Surplus / (Shortfall to be met by the contingency budget referred to in paragraph 15.)	£26,4390	- £23,235	- £263

18. It should be noted that there is a consequential impact on the National Insurance Contributions (NIC) costs arising from the proposed changes to Members Allowances. The NI contributions of the existing scheme with the pay award can be contained within the existing budget provision, however, there would be an additional budget pressure of £24,000 if the allowances were backdated to 6 May, and £20,500 if implemented from the date of the Council meeting. This additional pressure will also be funded from the contingency budget referred to in paragraph 15 above.
19. In summary, the budget projection for the members allowances scheme for 2025/26 includes a 3.2% projected increase and the contingency budget provision will meet the additional allowances and national insurance contributions.
20. The budget growth requirements for 2026/27 will be dealt with in the budget report to be considered in February 2026.

Summary of legal implications

21. The Local Authorities (Members' Allowances) (Miscellaneous Provisions) Regulations 2003 govern the establishment of the Scheme necessary to determine the operation of Members allowances.
22. The process undertaken, and the proposed Scheme accords with the requirements of the legislation.

Summary of human resources implications

23. There are no specific Human Resources implications arising from the report.

Summary of sustainability impact

24. There are no specific issues arising in respect of this report.

Summary of public health implications

25. There are no specific issues arising in respect of this report.

Summary of equality implications

26. The needs of councillors with dependents, including those who are carers, have been considered and taken account of through the process and inclusion of specific allowances.

Summary of risk assessment

27. There are no specific risks arising from this report.

Background papers

None

Appendices

Appendix 1 – Report of the Independent Remuneration Panel

Appendix 2 – Schedule of Members Allowances for 2025/26