

Meeting: COUNCIL

Portfolio Area: Members' Services

Date: 26 FEBRUARY 2025

MEMBERS' ALLOWANCES SCHEME 2025/2026 – REPORT OF THE INDEPENDENT REMUNERATION PANEL

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1. PURPOSE

- 1.1 To receive the report of the Independent Panel (IRP) on Members' Allowances and, subject to consideration, approve the Scheme of Allowances for 2025/26 onwards.

2. RECOMMENDATIONS

- 2.1 That the report of the Independent Remuneration Panel be noted and, subject to Members' consideration, that the findings of the report form the basis of the formal Members' Allowances Scheme for 2025/26 onwards, including:
- the Basic Allowance, Special Responsibility Allowances, and all other Discretionary Allowances remained unchanged from 2024/25 for 2025/26, and
 - That for 2026/27 and 2027/28 the Basic Allowance, Special Responsibility Allowances, and the Co-optees' Allowances increase in line with the Retail Price Index [RPI].
- 2.2 That, in the light of Recommendations 2.1 above, the draft formal Members' Allowances Scheme, as shown at Appendix B to this report, be approved for 2025/2026 onwards.
- 2.3 That an Independent Remuneration Panel be convened in the Autumn of 2027 to consider the Members' Allowances Scheme for 2028/2029 onwards.
- 2.4 That the Democratic Services Manager undertakes a campaign in advance of 2027 to recruit new members to form the Independent Remuneration Panel.

3. BACKGROUND

- 3.1 In accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003, before an authority makes or amends a Members'

Allowances Scheme, that authority shall have regard to the recommendations made to it by an independent remuneration panel.

3.2 The Council's Independent Remuneration Panel currently comprises –

- Marian Hurlle BEd, DMS, Former CEO Stevenage Citizens Advice Bureau;
- Nicholas Moss OBE JP, Independent Person, North Hertfordshire District Council; and
- Bill Welch ACIS, Former Corporate Director, Stevenage Borough Council

3.3 The last full review of the Stevenage Members' Allowances Scheme by an Independent Panel was reported to Council in January 2024.

4. REASONS FOR RECOMMENDED COURSE OF ACTION AND OTHER OPTIONS

4.1 The report of the Panel is attached at Appendix A and the proposed Members' Allowance Scheme for 2025/26 can be seen at Appendix B.

4.2 As well as convening to consider the Members Allowances in the context of amounts payable to members of other boroughs and districts in Hertfordshire, the IRP also included benchmarking information with comparator authorities which, like SBC, still possess their own Housing stock, as recommended by Council at its meeting on 24 January 2024.

4.3 Following on from the report of the previous year, the Panel acknowledged that the allowances currently paid to Members of Stevenage Borough Council remain higher than those paid to members of most other Borough and District councils in Hertfordshire.

4.4 The Panel further noted that there was no correlation between the size of a council's housing stock and allowances paid to Members. The basic allowance payable to Stevenage Members is still the highest even though the Council's housing stock is not the largest in the comparator group.

4.5 The Panel therefore recommended that that the Basic Allowance, Special Responsibility Allowances and Discretionary Allowances remain unchanged for the year from 1 April 2025.

4.6 In accordance with the regulations, on receipt of the Panel's report the Council has ensured that copies are available for inspection by members of the public at Daneshill House and placed a public notice in the 6 February 2025 edition of the Comet newspaper. The public notice stated that recommendations from the Panel have been received; describes the main features of the Panel's recommendations and the recommended amounts for each allowance; and stated that copies of the report were available for inspection at the Council's offices.

4.7 It is for Council to consider the report of the Panel and agree a Scheme.

5. IMPLICATIONS

5.1 Financial Implications

5.1.1 Subject to approval of the recommendations in this report, the funding for the proposed Scheme is included in the Cabinet's February 2025 Council Tax and General Fund Budget report for 2025/26.

5.2 Legal Implications

5.2.1 The provisions of the Local Authorities (Members' Allowances) (England) Regulations 2003 have directed the convening of the Independent Panel; its consideration, report and recommendations; and the process of publicising the recommendations

5.2.2 In making or revising the Scheme, the Council must have regard to the Panel's report but is not strictly obliged to follow its recommendations, although it would be advisable to have good reasons for not doing so.

5.2.3 The 2003 Regulations stipulate that a Panel can make recommendations for one year or index-link annual increases to Members' Allowances for a maximum of four years. However, as the Stevenage Panel's recommendations only relate to the years 2025/26, 2026/27 and 2027/28, the Panel will need to be convened in the Autumn of 2027 to consider a Scheme for 2028/2029 onwards.

APPENDICES

- Appendix A – Report of Independent Remuneration Panel: December 2024
- Appendix B – Proposed Members' Allowances Scheme for 2025/2026

BACKGROUND DOCUMENTS

- Local Authorities (Members' Allowances) (England) Regulations 2003
- Comparative Benchmarking Information – Members' Allowances paid by other Hertfordshire Borough/District Councils