



Title	Councillors' Allowances Scheme 2025/26
Purpose of the report	To make a decision
Report status	Public report
Report author	Michael Graham, AD of Legal & Democratic Services
Lead Councillor	Councillor Liz Terry
Corporate priority	Not applicable, but still requires a decision
Recommendations	1. A motion will be moved at the meeting to recommend the Councillors' Allowances scheme as set out in Appendix B.

1. Executive Summary

- 1.1. This report sets out the recommendations of the Independent Remuneration Panel ("the Panel"), as set out in Appendix A. Following a request from the Monitoring Officer, the Panel were asked to consider the Special Responsibility Allowances in relation to councillors' duties and functions of their roles.
- 1.2. The Panel met on 8 October 2024, 12 November 2024, 10 December 2024 and 18 December 2024 in relation to the review of the current scheme of Councillors' Allowances which is in place until April 2027. The Panel will continue to review the scheme each year of the four-year term.

2. Policy Context

- 2.1. The Panel reviews annually the Council's scheme for Councillors' Allowances and makes recommendations for a scheme of allowances to include:
 - The amount of basic allowance to be paid to all Councillors;
 - The duties in respect of which Councillors should receive a special responsibility allowance, and the amount of such an allowance;
 - Allowances for the care of children or dependants.
- 2.2. The Panel was established to include at least three and no more than five independent members appointed to represent stakeholders of the Council. Its current membership is:
 - Mick Pollek – member with experience of the local trade union movement
 - Lady Audrey Durant – member with experience of the local voluntary sector
 - Sally Swift - member with experience of the local media
 - Jeanette Skeats – member with experience of local politics

3. The Proposal

- 3.1. The recommendations of the Panel, set out in Appendix A, are reflected in the updated scheme at Appendix B. Following a request from the Monitoring Officer, the Panel invited Group Leaders and the Green Group members to discuss the Allowance Scheme and specifically the role of a Group Leader in relation to Special Responsibility Allowances (SRAs). Following the meetings and comments from councillors the Panel considered the SRAs for the Leader, Opposition Leader, Deputy Leader, Leader

Councillors, Chairs and Vice-Chairs and found that these reflected the level of responsibility and work involved in those roles.

- 3.2. The Panel considered that the Councillors' Allowances Scheme was still 'fit-for-purpose' and should continue predominantly in its current form. This would mean that the Basic Allowance (BA) and SRAs would continue to increase in line with the Local Government Pay Settlement (LGPS). Based on this analysis, the Panel decided not to recommend any significant changes to the scheme. However, the Panel believed that Leaders of the opposition groups should be members of Policy Committee as part of their Leadership role and their associated SRA.
- 3.3. The Panel noted that the Councillor allowances had been uplifted by the NJC pay award (2.5% for allowances) and backdated to April 2024 and endorsed this approach.
- 3.4. The Panel recommended Councillors should be able to receive benefits available to Council staff where this is possible.

4. Contribution to Strategic Aims

- 4.1. The provision for the payment of allowances to Councillors gives local authorities the scope to set allowances schemes to suit local needs and to help ensure that Councillors are not financially disadvantaged in serving as elected Members.

5. Environmental and Climate Implications

- 5.1. There are no environmental or climate implications as a result of this report.

6. Community Engagement

- 6.1. South East Employers conducts an annual survey of members' allowances that provides benchmarking data. The Panel was provided with a copy of the South-East Employers Members' Allowances Survey which shows a comparison of the level of allowances in Reading with other comparable authorities.

7. Equality Implications

- 7.1. An Equality Impact Assessment (EIA) is not relevant to this decision.

8. Other Relevant Considerations

- 8.1. There are none.

9. Legal Implications

- 9.1. The Local Government Act 2000 requires local authorities to set up and maintain an independent Remuneration Panel to make recommendations to the authority concerning the allowances to be paid to councillors.
- 9.2. Any decision to amend, revoke or replace an allowances scheme will have to be taken by the Authority having regard to the recommendations of the Panel.
- 9.3. The Council may not delegate this function to a Committee or to an officer. The Council has to take all decisions relating to the adoption of its Scheme of Councillors' Allowances.

10. Financial Implications

- 10.1. The 2024/25 budget for Members' Allowances is currently £642,400. It is anticipated that the budget will remain sufficient to meet the costs of the Scheme in 2025/26, subject to the number of councillors eligible for SRAs remaining similar to the current year.
- 10.2. The Medium-Term Financial Strategy includes a provision for the base budget to be increased in line with the Local Government Pay Settlement.
- 10.3. These costs will be reviewed annually as part of the Council's budget setting process.

11. Timetable for Implementation

11.1. Any changes to the Councillors' Allowances scheme should be effective from April 2025.

12. Background Papers

12.1. There are none.

Appendices

1. Appendix A - Recommendations of the Remuneration Panel
2. Appendix B – Councillors' Allowances Scheme 2025/26