



OFFICER REPORT TO COUNCIL

MEMBERS' ALLOWANCES ANNUAL ADJUSTMENT

KEY ISSUE/DECISION:

1. To agree the annual adjustment to Members' Allowances for the financial year 2025-2026.

BACKGROUND:

2. In accordance with The Local Authorities (Members' Allowances) (England) Regulations 2003, all Local Authorities are required to make an annual scheme for the payment of allowances to Councillors and the scheme must include a basic allowance payable equally to all Councillors and may include provision for Special Responsibility Allowances (SRAs).
3. Regulation 19 of the legislation states that local authorities have a duty to have regard to recommendations from an Independent Remuneration Panel (IRP) before a scheme can be amended.
4. In February 2024, the Council accepted the IRP's 2023 report recommending the indexing of Members' Allowances to the Consumer Price Index (CPI). Additionally, a cap was applied at the average level of staff salary increase from the most recent staff pay award if it was lower than CPI.
5. Where an authority has regard to an index for the purpose of annual adjustment of allowances, it must not rely on that index for longer than four years before seeking a further recommendation from its independent remuneration panel.
6. The CPI increased by 1.7% in the 12 months to September 2024, while the average staff pay award for 2024-2025 was 4.5%.
7. The Members' Allowances Schedule (Table 1) in Part 7 of the Council's Constitution has been updated to reflect the 1.7% CPI indexing, rounded up to the nearest £10.

Type of Allowance	Allowance (£)
Basic Allowance	14,410
Leader	49,820
Deputy Leader	32,290
Chair of the Council	20,880
Vice-Chair of the Council	7,550
Cabinet Member	26,080
Deputy Cabinet Member	11,580
Select Committee Chairman	11,610
Select Committee Task Group Leads	1,750
Planning and Regulatory Committee Chairman	13,930
Audit and Governance Chairman	11,610
Surrey Pension Fund Committee Chairman	11,610
Opposition Leaders	13,930 (total amount, divided between two posts proportionally)
Members of Adoption and Fostering Panels	130 per session attended plus travel expenses

Table 1: Members' Allowances Schedule

8. The annual adjustment only applies to the allowances listed in the schedule and does not apply to the other expense payment types (i.e. travel, subsistence, hybrid working payment) outlined within the Members' Allowances Scheme.
9. When the only change made to a scheme in any year is an annual adjustment, the scheme shall be deemed not to have been amended.
10. An updated guide to Members' Allowances and Expenses will be published on the SCC external website and circulated to members at the start of the new financial year.

RECOMMENDATIONS:

Council is asked to approve the updated Members' Allowances Schedule (Annex A).

LEGAL IMPLICATIONS – MONITORING OFFICER:

The report complies with the Council obligations under section 18 of Local Government and Housing Act 1989, Local Government Act 2000 and the Local Authorities (Members Allowances) (England) Regulations 2003 which govern the making of allowances for Members and to have regard to the recommendations of the Independent Remuneration Panel.

Under the Council's Constitution, Full Council is authorised to make the decisions as requested within the report.

Lead/Contact Officers:

Elliot Sinclair, Support Services Manager, Democratic Services.

Sources/background papers:

Officer Report to Council, 6 February 2024: [REVIEW OF MEMBERS' ALLOWANCES FOR 2024 - 2025 – REPORT OF THE INDEPENDENT REMUNERATION PANEL](#)

Annex A of Officer Report to Council, 6 February 2024: [Item 9 - Report of the Independent Remuneration Panel.pdf](#)

[The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003](#)

[Consumer price inflation, UK - Office for National Statistics](#)

Annexes:

Annex A: Part 7 - Members Allowances Scheme April 2025

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