

**Report to:** Governance Committee

**Date of meeting:** 11 November 2025

**By:** Deputy Chief Executive

**Title:** Members' Allowance Scheme

**Purpose:** To consider the proposals regarding the review of the Scheme of Member allowances.

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### ***RECOMMENDATIONS:***

The Governance Committee is recommended to recommend to the County Council:

- 1) to agree to postpone the full review of the Member Scheme of Allowances scheduled for 2026, with a view to the process commencing in 2027 ahead of implementation for Vesting Day in 2028. However, should Government not proceed with Local Government Reorganisation (LGR), to agree that a review be carried out and reported to Council in the autumn of 2026; and
  - 2) Note that the review of the annual adjustment mechanism will take place.
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## **1. Background**

1.1 East Sussex County Council operates a Members' Allowance Scheme, which outlines the types of remuneration and support available to elected Members for their responsibilities and duties. The scheme includes payments for basic allowances, special responsibilities, and covers travel, subsistence, and other expenses related to official Council business. These allowances are set to compensate Members for time spent and obligations carried out during their roles as representatives of the County Council.

1.2 In March 2013, the Council agreed that the Scheme would be reviewed every four years. The most recent full review took place in March 2022, and so the next review is scheduled for 2026.

1.3 It is a requirement under the Regulations that the Council appoints an Independent Remuneration Panel to review the Member Scheme of Allowances and make recommendations to the Council on Councillor allowances.

1.4 Set out in the Scheme is a mechanism which allows for annual adjustments to the scheme in between the full scheme reviews. For the past four years, annual increases in basic and special responsibility allowances have been indexed to the percentage increase in the salaries of managers on locally negotiated pay. This ensures that annual adjustments reflect the pay awards issued to LMG managers. It is a legal requirement that this adjustment mechanism is reviewed every four years.

## **2. Supporting information**

2.1 As members will be aware, the Council has submitted a proposal for Local Government Reorganisation (LGR) to Government, the outcome of which is not known at this stage, and we expect the Government to make a decision in March 2026. If approved, LGR will result in a unitary council and will lead to potentially significant changes to the roles

and functions of Members, which it is anticipated will impact on the Members Scheme of Allowances.

2.2 The process for conducting a full review of the Member Scheme of Allowances for implementation in April 2026 is detailed and would require starting in December 2025. The review would also involve incurring cost.

### **3. Conclusion and reasons for recommendations**

3.1 Bearing in mind the current proposal for LGR, which if agreed would have a potentially significant impact on the role of members and would include a review of members allowances as part of the process, it is proposed that the review currently scheduled for 2026 be postponed with view to the process starting in 2027 ahead of implementation for vesting day in 2028. Should however Government decide not to proceed with LGR then a review will be carried out and reported to Council in the autumn 2026.

3.2 In the meantime the annual adjustment mechanism will be reviewed in line with the legal requirements.

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