

East Herts Council Report

Date of meeting: Wednesday 22 October 2025

Report by: James Ellis, Director for Legal, Policy and Governance

Report title: Independent Remuneration Panel - Review of Members' Allowances 2026/27 for 2026/27

Ward(s) affected: (All Wards);

Summary

- The Council's Independent Remuneration Panel has made recommendations for the adoption of a scheme of allowances to be paid to Members. The report below has been compiled by the Panel, and is presented by the Director for Legal, Policy and Governance on the Panel's behalf.

RECOMMENDATIONS FOR COUNCIL:

- A) To increase the Basic Allowance by £821.21 a year from £5,678.79 to £6,500 for 2026/27.**
- B) To increase the Dependants' Carers Allowance from £30.00 per hour to up to £35.00 per hour for 2026/27, with discretion for the Leader to vary the sum if demonstrably necessary.**
- C) To increase the Childcare Allowance from £15.00 per hour to up to £20.00 per hour for 2026/27, with discretion for the Leader to vary the sum if demonstrably necessary.**
- D) To make no changes to the Members' current allowance scheme or to the civic allowances for 2026/27 other than those listed in the recommendations above.**
- E) To amend paragraph 20.7.1 of the Council's constitution replacing the current:**

20.7 Broadband Allowance

20.7.1 Contribution toward the cost incurred in providing

broadband connection is included within the basic allowance.

with:

20.7 Homeworking Allowance

20.7.1 Contribution toward the costs incurred in homeworking is included within the basic allowance.

1.0 Proposal(s)

- 1.1 The Panel concluded that it is appropriate to recommend changes to allowances scheme for the reasons set out at paragraph **4.0** below.

2.0 Background

- 2.1 The Independent Remuneration Panel for East Herts Council's review of Member Allowances in 2025 comprised of Nicholas Moss (Chair for 2025 review), Christopher Leage and Peter Raynsford. They were supported by Committee Support Officers. The Panel would like to express its appreciation to these Officers for their advice and help.
- 2.2 The Panel conducted its review of Members' allowances pursuant to the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 2.3 The Panel met three times: 29 July 2025, 12 August 2025 and 26 August 2025. It considered the current allowances and whether it should recommend to the Council a reduction, no change, or an increase for the 2026/27 Civic Year.

3.0 Evidence Gathering

- 3.1 The Panel took evidence in person from:
- Leader of the Council, Councillor Ben Crystall (Green)
 - Councillor Diane Hollebon (Conservative)
 - Councillor Martin Butcher (Independent)

- Councillor Graham McAndrew (Reform UK)

3.2 The panel received evidence in writing from:

- Deputy Leader, Councillor Mione Goldspink (Liberal Democrat)
- Councillor David Jacobs (Labour)

3.3 The Panel would like to express its appreciation to each of the above Members for the time they gave to answer its questions so thoroughly. Their contributions were helpful in enabling the Panel to confirm its understanding of the work of all Members of the authority – i.e., backbench councillors as well as those currently holding positions of special responsibility, or who have held such positions in the past.

3.4 The Panel also conducted an online survey, which all Members were encouraged to complete. Twenty-two Members did so, representing 44% of the Council. The results of the survey are attached at **Appendix A**.

3.5 In addition, the Panel reviewed benchmarking material provided by Officers setting out payments made to Members of the nine other boroughs and districts in Hertfordshire.

3.6 The Panel was satisfied that it had sufficient evidence on which to base its recommendations, including its suggested amendment to the council's constitution.

3.7 Based on the Regulations the Panel's rationale for its recommendations is set out below.

4.0 The Panel's Recommendations and Reasons.

4.1 Pursuant to Regulation 21 (1) (b) - basic allowance - the Panel considered a number of factors in recommending an increase:

- The last increase to the basic allowance was approved at a Council meeting on 18 October 2023 and backdated to April 2023. Since then, demands on Members and the costs which they incur have increased substantially, particularly those relating to homeworking. The Panel recognised that Members are incurring higher annual charges in respect,

typically, of broadband, mobile phones and utilities.

- The Panel took account also of the comparison between the East Herts basic allowance and the basic allowance payable to Members of the other Hertfordshire boroughs and districts. At present, the East Herts basic allowance is below that payable to the Members of those authorities. For information and noting years referred to, **Appendix B** shows the basic allowances payable to Members of the ten councils in Hertfordshire, including East Herts.
- In the Panel's view the proposed increase of £821.21 a year would place the basic allowance within an equitable band. The Panel felt that without the recommended increase, the basic allowance would fall further behind the sums payable to Members of the other authorities, creating a greater disparity in the future.
- The Panel also recognised that allowances are not salaries and that an element of a councillor's work is expected to be voluntary. The Panel's recommendation reflects that principle. Nevertheless, it felt that the current allowance had failed to keep pace with what might reasonably be expected to be paid to those holding elected office.
- In addition, the Panel took into account the importance of maximising the range of candidates from the East Herts community willing to stand for election. It felt that that imperative might be inhibited without the Panel's proposed increase in the basic allowance.
- In making its recommendation, the Panel drew attention to the fact that *all* Members, including those receiving a special responsibility allowance (SRA), would benefit from an increase in the basic allowance.

4.2 Pursuant to Regulation 21(1) (a) (i) – special responsibility allowance (SRA) - the Panel recommended that the roles currently attracting such payments should continue to do so. Consistent with the regulations, in making its recommendation to maintain the principle of the payment of SRAs the Panel took into account the additional responsibilities or duties carried out by Members in these roles.

- 4.3 However, in the light of its rationale for an increase in the basic allowance, the Panel felt it would not be appropriate, or necessary, to recommend increases to any of the SRAs listed in the allowance scheme and that they should remain unchanged for 2026/27. The Panel noted that it would consider revisiting these allowances at its next review.
- 4.4 Pursuant to Regulation 21(1) (a) (ii) – travelling and subsistence allowance – the Panel was satisfied that the mileage allowance should be maintained at 45p per mile for motor vehicles and for electric vehicles and at 20p a mile for bicycles. As to subsistence, the panel was satisfied that any increases in 2026/27 should be in line with current arrangements.
- 4.5 Pursuant to Regulation 21(1) (c) – dependents’ carers’ allowance - as noted above, the Panel’s recommendation to increase the basic allowance was prompted significantly by its recognition of the substantial increases in cost for Members, especially for homeworking.
- 4.6 In addition, it recognised that costs for dependants’ carers, i.e., for adult dependants and for childcare had increased and that too low a sum might inhibit serving Members from undertaking additional responsibilities and might cause them to be out of pocket. Further, it felt that too low a sum might discourage those with caring responsibilities from becoming candidates. On those grounds, the Panel recommended that these allowances should continue to be available to Members and that the amounts payable as receipted reimbursement for these expenses should increase.
- 4.7 In respect of the adult carer allowance, the Panel recommended an increase to up to £35.00 per hour. In respect of the childcare allowance, it recommended an increase up to £20.00 per hour. The Panel felt that, as costs might vary among providers, it would be appropriate to give discretion to the Leader of the Council to increase these amounts for specific claims on a case-by-case basis if demonstrably necessary.
- 4.8 Pursuant to Regulation 21(1) (e) - indexing allowances - the

Panel decided that it would not be appropriate to recommend that the Member's allowance scheme is indexed linked for up to four years. In the Panel's view the spirit of the indexation provision is to enable, in each indexed year, an increase to *all* allowances – the mandatory basic allowance and discretionary allowances, such as SRAs – and not just one allowance.

- 4.9 As set out in this report, the Panel's recommendation is to increase only one allowance - the mandatory basic allowance - and none of the others, except for those that amount to reimbursement for expenses incurred. Thus, in the Panel's view to index-link one and not all would not only be inconsistent with its understanding of the aim of the regulations but also it would risk creating undesirable complexity and inconsistency for future reviews.
- 4.10 The Panel noted that the Civic Allowances for Chairman and Vice Chairman of the Council were outside the regulations. However, the Panel had been invited to consider these allowances also. It reached the same view, for the same reason, that it reached in respect of the SRAs: that there should be no increase for the Civic Year 2026/27.

5.0 Options

- 5.1 That there be no change to the allowances. This option is NOT RECOMMENDED for the reasons set out paragraph at **4.0** above. The Panel considered it would be inequitable to make no change and that the basic allowance should take into account general increases in living costs, particularly in respect of homeworking.
- 5.2 To make the changes set out by the IRP. This option is RECOMMENDED for the reasons set out in the report.

6.0 Risks

- 6.1 It is in the public interest that elected representatives to a district council are not debarred, or discouraged, from carrying out their duties through financial disadvantage. It is also in the public interest that members of the public should not be deterred from standing as councillors due to potential financial disadvantage. If an inadequate scheme of

allowances were to be adopted, there would be a risk that Members or the public would not be willing or able to serve as elected representatives or to be candidates for local elections.

7.0 Implications/Consultations

7.1 Representatives of all the groups present on the Council were consulted as set out at paragraph 3.1 and 3.2 of the report.

Community Safety

No

Data Protection

No

Equalities

Yes, the recommendations include provision for ensuring reimbursement of reasonable expenses for dependants' carers. Such payments would help to avoid impeding Members with caring commitments in the discharge of their duties; and help to avoid discouraging individuals from standing for office.

Environmental Sustainability

No

Financial

Yes - in 2024/25, a total of £429,940.13 was paid out for Members' allowances comprising: (Basic Allowance £283,678.49, Special Responsibilities Allowances (SRA) £145,710.24, Civic Allowance £7,950.00 and £551.40 for travel and subsistence claims.

If approved, the cost to the Council in 2026/27 of an increase of £821.21 a year to the Basic Allowance for each Member, would be £41,060.50

Cost implementations would also exist should the recommendations relating to the increase in the hourly rate of the Dependence Carers (DC) and Childcare Allowance (CA) be approved. These costs cannot be quantified as DC and CA are only claimed by those Members with such caring responsibilities when required.

Health and Safety

No

Human Resources

No

Human Rights

No

Legal

Yes, the scheme of allowances must comply with the Local Government and Housing Act 1989 and The Local Authorities (Members' Allowances) (England) Regulations 2003. The regulations require the Council to have a scheme of allowances, and to have regard to the recommendations of an independent remuneration panel.

Specific Wards

No

8.1 Background papers, appendices and other relevant material

8.1 Appendix A – Responses to the Members' Allowance Survey

8.2 Appendix B – Basic Allowances paid in Hertfordshire (Benchmarking)

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