

MIDDLESBROUGH COUNCIL	
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Report of:	Director of Legal & Governance Services, Charlotte Benjamin on behalf of the Independent Panel on Members' Remuneration
Relevant Executive Member:	Not Applicable
Submitted to:	Council
Date:	10 September 2025
Title:	Members' Scheme of Allowances
Report for:	Decision
Status:	Public
Council Plan priority:	Delivering Best Value
Key decision:	No
Why:	Not applicable
Subject to call in?	No
Why:	Not applicable

Proposed decision(s)	
<p>That Council consider the recommendations proposed by the Independent Panel on Members' Remuneration outlined in its report at Appendix 1, and agree or reject those recommendations, namely that:</p> <ol style="list-style-type: none"> 1. The Basic Allowance be increased from its current level of £7,608 to the Teesside Average of £8,999. 2. All other allowances, including Special Responsibility Allowances, remain at 2024 levels. 	

Executive summary
<p>Following its 2025 review of Members' allowances, the Independent Panel on Members' Remuneration recommend an increase to the Basic Allowance from £7,608 to £8,999 (the Teesside Average). The Panel also recommend freezing Special Responsibility Allowances, and all other allowances, at their current levels. Neither Basic nor Special Responsibility Allowances should reflect Staff Pay Awards.</p>

The Council is asked to consider the Panel's recommendations and either accept or reject them. If, after having due regard of the Panel's recommendations, the Council reject the Panel's proposals it will need to create its own Scheme of Allowances.

Purpose of this report and its contribution to the achievement of the Council Plan ambitions

- 1.1 To provide Members with the opportunity to consider the proposals of the Independent Panel on Members' Remuneration and adopt the Scheme of Allowances.

Our ambitions	Summary of how this report will support delivery of these ambitions and the underpinning aims
A successful and ambitious town	<i>Allowances offered to elected Members recognise the work they carry out under the well-established principle of voluntary unpaid public service. The work carried out by elected Members, both as community champions and representatives of Middlesbrough, actively contribute to the Council's ambitions as detailed in the Council Plan 2024-2027.</i>
A healthy Place	
Safe and resilient communities	
Delivering best value	

2. Recommendations

That Council consider the recommendations proposed by the Independent Panel on Members' Remuneration outlined in its report at Appendix 1, and agree or reject those recommendations, namely that:

1. The Basic Allowance be increased from its current level of £7,608 to the Teesside Average of £8,999.
2. All other allowances, including Special Responsibility Allowances, remain at 2024 levels.

3. Rationale for the recommended decision(s)

- 3.1 The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis.
- 3.2 The allowances should reflect the level of work, time and commitment of the role of Councillor and to provide a reasoned approach the impact the recommendations will have on the Council.

4. Background and relevant information

- 4.1 The establishment of an Independent Panel on Members Remuneration, and its resultant recommendations is required under sections 20 and 21 of the Local Authorities (Members' Allowances) (England) Regulations 2003. The Panel consists of three members (with two vacancies) and meets on an annual basis to review Members

Remuneration. The membership of the Panel for the 2025 review was Dr. S Green, Mr. P Thompson and Mr. M White.

- 4.2 The Panel is keen to stress that in its deliberations it has carefully reviewed all the relevant quantitative information; is sensitive to wider socioeconomic factors affecting Middlesbrough and the Council and have acted independently of all other considerations.
- 4.3 The Panel wants to convey to Members that when considering allowances, it has strong regard for the current socioeconomic conditions for local authorities; recent pay settlements for Middlesbrough Council employees; whether the levels of remuneration reflect the responsibilities and commitment expected of Members and if they are set at levels which also recognise the well-established principle of voluntary unpaid public service.
- 4.4 The Panel was provided with background information which included the Executive Scheme of Delegation, an overview of all roles currently receiving a Special Responsibility Allowance (SRA) and comparator information for other local and Mayoral authorities to assist the Panel with their deliberations. Providing comparator information against the other Tees, and North East, Councils was not possible on an exact like-for-like basis, as each authority has a different political structure and committee make-up. However, data was examined on a best fit basis.
- 4.5 The Panel's 2024 recommendation was to increase the Basic Allowance to meet the Teesside average and not reflect staff inflationary pay awards. However, this recommendation was rejected by Council and the Basic Allowance has remained static since 2022.
- 4.6 The Panel felt those roles attracting a Special Responsibility Allowance were all still relevant, recognising the time commitment and responsibilities involved. It was also recognised that, generally, the rates afforded to Special Responsibility Allowances in Middlesbrough were comparable to other Teesside Authorities. As the Council had not undergone any governance changes since the last review the Panel were confident that the comparators used in their deliberations continued to be relevant.

5. Ward Member Engagement if relevant and appropriate

- 5.1 An open consultation for all elected Members ran between 21 March and 18 April 2025 where all Members were invited to put written representations to the Panel. In addition, Group Leaders were invited to meet with the Panel. As part of the wider consultation, four individual one group representations were received. One Group Leader attended a meeting of the Panel and offered their views.

6. Other potential alternative(s) and why these have not been recommended

6.1 The Council could reject the Panel's recommendations and propose its own Scheme of Allowances having had due regard to the recommendations of the Independent Panel on Members Remuneration.

7. Impact(s) of the recommended decision(s)

Topic	Impact
Financial (including procurement and Social Value)	<p>Should Council agree the recommendations this would increase Basic Allowance spending from £357,576 to £422,953 an increase of £65,377. Importantly, the Independent Panel act independently from the Council and neither Council officers nor elected Members have any influence over its recommendations.</p> <p>While not directly related to the recommendations in the report, the spend for SRAs has increased by £27,975 between May 2024 and May 2025 (owing to the appointment of additional Executive Members and the creation of an additional Scrutiny Panel). As such if the recommendations are approved the combined Allowances spend would be £655,087. The Members Allowance budget is held within the Legal and Governance Directorate. The increase will be met from the corporate contingency budget for this financial year and will be included as growth within the Medium-Term Financial Plan in future years.</p>
Legal	The Council are required under The Local Authorities (Members' Allowances) (England) Regulations 2003 to publish a Members Scheme of Allowances on an annual basis and to have due regard to the recommendations of the Independent Panel on Members Remuneration.
Risk	Failure to adhere to Local Code of Corporate Governance and deliver governance improvements outlined in the Annual Governance Statement. A potential consequence of not having a comparable Scheme of Allowances with other Tees Valley authorities is that it may discourage a wider demographic for standing for Council.
Human Rights, Public Sector Equality Duty and Community Cohesion	The subject of this report is not a policy, strategy, function or service that is new or being revised. It is considered that an equality impact assessment is not required.
Reducing Poverty	The proposed recommendations in this report do not directly impact on Reducing Poverty.
Climate Change / Environmental	The proposed recommendations in this report do not directly impact on Climate Change/Environmental issues.

Children and Young People Cared for by the Authority and Care Leavers	The proposed recommendations in this report do not directly impact on Children and Young People Cared for by the Authority and Care Leavers.
Data Protection	The proposed recommendations in this report do not directly impact on Data Protection issues

Actions to be taken to implement the recommended decision(s)

Action	Responsible Officer	Deadline
Any changes to the Scheme of Allowances will be communicated to payroll	Head of Legal Services (People)	Within 28 days of the decision.

Appendices

1	IRP Report
2	Proposed Scheme of Allowances 2025
3	

Background papers

Body	Report title	Date
Legislation	The Local Authorities (Members' Allowances) (England) Regulations 2003	

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