

REPORT TO COUNCIL

Date of Meeting: 13 January 2026

Report of: Independent Remuneration Panel

Title: Members' Allowances 2026/27

Is this a Key Decision?

No

Is this an Executive or Council Function?

Council

1. What is the report about?

1.1 To consider the findings of the Council's Independent Remuneration Panel which had met to discuss the level of Members' Allowances for the period 2026/27.

2. Recommendations:

That Council approves:

2.1 retains the basic structure and principles of the current Members' Allowances scheme for 2026/27;

2.2 retain the principle that any Member qualifying for more than one Special Responsibility Allowance (SRA) is paid the higher allowance only;

2.3 the Councillors' Basic and Special Responsibility Allowances, including the Lord Mayor and Deputy Lord Mayor's Expenses Allowances, should continue to be linked and updated in line with the national pay awards for the previous year. This was a rate of 3.2% for 25/26;

2.4 the principle that Special Responsibility Allowances be paid to no more than 50% of the overall number of Councillors would continue to be kept under review;

2.5 the current Dependents' Carers' Allowance scheme be maintained, with the continuation of the level of allowance matching the hourly Living Wage as applicable from April each year. In the case of Members who need specialist care for a child or adult dependent, a higher rate, of up to £25 per hour or part thereof, can be agreed by negotiation in advance with the Democratic Services Manager;

2.6 the sum of £50 be paid to the Independent Persons affiliated to the Audit and Governance Committee for up to four hours work, and £100 for four hours and over, payable to each of the two Independent Persons (up to a maximum of £500 per person in any one year) be retained;

2.7 Travel and Subsistence allowances available for staff continue to apply to Exeter City Councillors, where appropriate;

- 2.8 that the Deputy Chair of the Audit and Governance Committee receive a Special Responsibility Allowance (SRA) for their role;
- 2.9 that job descriptions be created for all Chair and Deputy Chair roles; and
- 2.10 that the Deputy Leader should receive a Special Responsibility Allowance (SRA) for their role, reflecting the higher level of duties undertaken.

3. Reasons for the recommendation:

3.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 and 2003 require Councils to establish and maintain an Independent Remuneration Panel to review and provide advice to the local authority on its scheme of Members' Allowances and in particular to recommend the allowance to be paid to Members.

4. What are the resource implications including non-financial resources:

4.1 A budget increase of 3.2% for the scheme of allowances in 2026/27 period totals £14,754. The Scheme recommended by the Independent Remuneration Panel, is attached to this report, at Appendix A with the detail of the current and proposed allowances. If the suggested increase of 3.2% is approved, this equates to a £226 increase in the level of Basic Allowance for each Member for 2026/27. With additional SRAs for the Deputy Chair of Audit and Governance and the Deputy Leader. This would bring the budget total to £529,674.

5. Section 151 Officer comments:

5.1 The financial implications of the recommendation are noted and, if approved will be added to the Council's budget for next year.

6. What are the legal aspects?

6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 require local authorities to establish and maintain an Independent Remuneration Panel consisting of at least three members which is tasked with making recommendations regarding the level of basic allowance for all members, the levels of discretionary allowances, and the responsibilities and duties for which the special responsibility allowances should be available, amongst other allowances.

The recommendations made by the independent remuneration panel are not binding on the council. The council is responsible for considering the panel's recommendations and deciding upon the members' allowances scheme, including any amendments or revocations. Accordingly, council has the discretion to adopt or reject the panel's recommendations, but it must publicise the recommendations and any scheme that it adopts.

7. Monitoring Officer's comments:

7.1 This report raises no issues for the Monitoring Officer, as it follows the legal requirements.

8. Equality Act 2010 (The Act)

8.1 In recommending this proposal no potential impact has been identified on people with protected characteristics as determined by the Act however, mitigating factors are in place.

9. Carbon Footprint (Environmental) Implications:

9.1 No direct carbon/environmental impacts arising from the recommendations.

10. Report details:

10.1 The City Council has an established Independent Remuneration Panel and remuneration scheme which provides for a reasonable recompense for the time, commitment and duties involved in being a Councillor. It allows for an element of public service (recognised as being 33% of time spent on Council business) and also reflects the level of time which the average Councillor spends on constituency matters, casework, local community work, and other Council work. The panel is comprised of three representatives.

10.2 The Panel met on one occasion in November 2025 and once in December 2025 to discuss the Members' Allowances Scheme for 2026/27.

10.3 The Panel discussed the Basic Allowance and proposed that for the 2026/27 allowances, it continue to be updated in line with national pay negotiations for the previous year. They noted that the staff pay award had been given at a rate of a 3.2% increase.

10.4 The Dependent Carers' Allowance is aligned to the Living Wage and will be updated with any increase in the Living Wage from 1 April 2026.

10.5 The Subsistence or Travel Allowances would remain unchanged and continue to match those paid to staff.

10.6 The Panel were mindful that 25 of the 39 would be receiving some form of SRA, representing 64% of Members and felt it important that this was highlighted as it was substantially over the recommended 50%.

10.7 The Panel discussed the role of the Deputy Chair of the Audit and Governance Committee and felt it was reasonable to establish an SRA for this position. It was proposed that this would be remunerated at a rate of 25% of the Basic Allowance.

10.8 The Panel were asked to review an SRA for the Deputy Leader and following a detailed review of the post and responsibilities felt that that it would be appropriate to provide the role of Deputy Leader with an SRA to remunerate them for the work carried out in that role. This would be given at a rate of 200% of the Basic Allowance.

10.9 The Panel noted that the Dependents' Carers' Allowance had been utilised since they last met.

10.10 The Lord Mayor and Deputy Lord Mayor's allowances, which were governed by the Local Government Act 1972 s.3 (5) were noted.

10.11 The Panel considered that, given the current situation with Local Government Reorganisation (LGR), that a wholesale change to the allowances scheme would be inappropriate at this time.

10.12 The panel reiterated the need for job descriptions to ensure Members were aware of their roles and responsibilities and to aide future discussions on levels of allowances.

11. How does the decision contribute to the Council's Corporate Plan?

11.1 The need for an up-to-date Scheme of Members' Allowances ensures that the Council supports the democratic process, therefore, contributing to leading a well-run council.

12. What risks are there and how can they be reduced?

12.1 There are no risks with what is being proposed.

13. Are there any other options?

13.1 The Council has the ability not to accept any recommendations put forward by the Panel and to propose those of its own.

Director: Strategic Director for Corporate Resources, Dave Hodgson.

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Local Government (Access to Information) Act 1972 (as amended)

Background papers used in compiling this report:

- South West Councils Survey Results 2025
- Member Allowances Survey Results 2025

List of Appendices:

- Appendix A: Member Allowances 2026/27
- Equality Impact Assessment.