



Policy on Members' Allowances

Reviewed & Updated at the Meeting of 3rd June 2024

1. Background

- 1.1. In November 2023, Lewes District Council published a report of the Parish and Town Independent Remuneration Panel (please see Appendix A for details).
- 1.2. At its meeting of 15th January 2024, Wivelsfield Parish Council reviewed the report and indicated that, for budget-setting purposes, it would work on the principle of offering the maximum parish basic allowance permitted by the Report, to any *elected* member who may wish to claim it.
- 1.3. Payment of these allowances would be subject to Council resolution once Lewes District Council's Cabinet had approved the recommendations of the Remuneration Panel.
- 1.4. The Remuneration Panel's recommendations were approved by a Full Council Meeting of Lewes District Council on 19th February 2024.
- 1.5. This updated policy on Allowances was brought to the Council for its meeting of 3rd June 2024, following a resolution to pay the maximum basic allowance as outlined in section 2 below.

2. Value of Allowances

- 2.1. In line with the Independent Remuneration Panel Report, from May 2024, Town and Parish Councils are permitted to give a basic allowance up to a maximum value of:
 - 2.1.1. £750 for Councillors (15% of the Lewes District Council Basic Allowance)
 - 2.1.2. £1500 for the Chair (30% of the Lewes District Council Basic Allowance).

3. Rules Around the Issuing of Basic Allowances

- 3.1. Basic allowances may only be paid to elected members (not those who have been co-opted since an election).
- 3.2. Basic allowances must be paid through the Council's payroll scheme and will therefore be subject to tax and National Insurance.
- 3.3. An exception to this may be if the Chairman's Allowance is a 'reasonable reimbursement of the expenses of an unpaid office, and contains no element

of remuneration for the holder', then 'HMRC treat it as not chargeable for tax, but they ask councils how much is paid; and, where it is thought that there might be an element of remunerations, they might ask chairmen for details of the uses to which the allowances are put.'

- 3.4. Claiming of allowances is at the discretion of individual councillors. Any elected member not wishing to claim an allowance should notify the Clerk of this decision, in writing.
- 3.5. A Council "shall, as soon as reasonably practical after setting the levels at which any parish basic allowance is to be paid and to whom, arrange for the publication in a conspicuous place or places in the area of the authority, for a period of at least 14 days, of a notice or notices containing the following information
 - 3.5.1. any recommendation in respect of parish basic allowance made by the parish remuneration panel;
 - 3.5.2. the level or levels at which the authority has decided to pay parish basic allowance and to which members it is to be paid; and
 - 3.5.3. a statement that in reaching the decision on the matters referred to in sub-paragraph (3.5.2) the authority has had regard to the recommendation of the parish remuneration panel.
- 3.6. The Council shall ensure that it keeps a copy of the information referred to in paragraph (3.5) available for inspection by members of the public on reasonable notice."¹
- 3.7. At the end of the financial year, the Council must publish details of the recommendation (to pay allowances) and the sums actually paid.

4. Payment of Basic Allowances

- 4.1. Payment of allowances will be made in two halves, in September and March each year.
- 4.2. Payment is made in this way so that should a Member resign, or not get re-elected, prior to September, or prior to March, a final pro-rata payment may be made in the next possible pay period following the date of resignation, or non re-election.
- 4.3. Members elected prior to September or prior to March, will receive a proportionate payment from the date of Election, or election to claim to either 30 September or 31 March.
- 4.4. Where a Parish Councillor is suspended from their responsibilities or duties as a Parish Councillor (in accordance with Part III of the Local Government Act 2000 or regulations made thereunder), the part of any allowance payable to them in respect of the period for which they are suspended or partially suspended, shall be withheld by the Parish Council.

¹ STATUTORY INSTRUMENTS 2003 No. 1021 LOCAL GOVERNMENT, ENGLAND The Local Authorities (Members' Allowances) (England) Regulations 2003, Part 5, points 6 & 7 (see Appendix B for the full document)

5. Travel & Subsistence Allowance

5.1. Instead of a travel and subsistence allowance, all members (elected and co-opted) are entitled to claim travel and certain other expenses, in line with the Council's policy on Travel & Expenses.



REPORT OF THE INDEPENDENT REMUNERATION PANEL

FOR

**LEWES PARISH AND TOWN
COUNCILS**

NOVEMBER 2023

Index

| | |
|---------------------------------|--------|
| Introduction | Page 1 |
| Terms of Reference | Page 2 |
| Approach | Page 2 |
| Arriving at the Recommendations | Page 3 |
| Recommendations | Page 3 |

Report from the Parish and Town Councils Independent Remuneration Panel November 2023

1. Introduction

The Parish Remuneration Panel was convened by Lewes District Council as the 'Responsible Authority' so required by the 2003 Regulations:

The Local Authorities (Members Allowances) (England) Regulations 2003

Statutory Instrument 2003 No. 1021 and the amendment – Statutory Instrument 2003 No. 1692

The Guidance issued on these regulations for Parish Allowances/ or Members of Parish Council is:

“91. Parish councils may choose to pay their members an allowance, known as ‘parish basic allowance’, to recognise the time and effort they put into their parish duties. There is no obligation on parish councils to pay such allowances. Each parish council may make an allowance available to its chair only, or to each of its members. Where all members receive an allowance, the amount payable to the chair may be different to that paid to other members, but otherwise the amount paid to each member must be the same. Parish basic allowance is a discretionary allowance. It may be paid in a lump sum, or at intervals throughout the year.

92. If a parish council wishes to pay a basic allowance, it should have regard to a recommendation from its parish remuneration panel. This is a panel set up to make recommendations to parishes in its area. The membership of a parish remuneration panel will be the same as the independent remuneration panel of the district or county council within whose area the parish is situated. The panel will make a recommendation as to whom basic allowance should be paid, and the level of the allowance.”

(New Council Constitutions: Guidance on Regulation for Local Authority Allowances, DCLG, 2003)

2. Terms of Reference

The Panel was asked to consider and make recommendations to Parish and Town Councils regarding:

- Basic Allowance
- Chairs Allowance
- Travel and Subsistence Allowance
- Indexing

The Parish and Town Independent Remuneration Panel

The Parish Independent Remuneration Panel comprised of the same membership as the Independent Remuneration Panel which met via MS Teams on the **14th and 15th November 2023** to review the allowances for Lewes District Council and Eastbourne Borough Council. The members of the panel are set out below:

The Panel comprised the following members:

- Mark Palmer, Development Director, South East Employers (Chair)
- Daphne Bagshawe, .MA JP, Consultant on Local Government
- Ian Buckingham, Management Consultant and Former Local Resident.

The Panel meeting was held in private session.

The report recommendations apply to the twenty-two Parish and Town Councils within the boundaries of Lewes District Council. The last review was undertaken in January 2020.

3. Approach

All Parish and Town Councils were invited to provide views through a questionnaire that was sent to all twenty-two Councils and responses were received from **eleven** of the Councils. A summary of the responses is included as Appendix 1.

The Panel paid close attention to the Government Guidance in arriving at the recommendations.

4. Arriving at the Recommendations

The Panel was of the view that whilst parish councillors did not stand for office for any financial reward, an allowance could actively support someone in the councillor role and that it was essential to be able to attract parish councillors from a wide range of backgrounds. Councillors should also not be out of pocket for undertaking the role.

The recommendations are based on the information provided from the responses to the questionnaire, the interviews and consideration was given to:

- Frequency of meetings
- The number of Committees
- Levels of responsibility and
- Hours worked

5. Recommendations

Basic Allowance

The Local Authorities (Members Allowances) (England) Regulations 2003 Statutory Instrument 2003 No. 1021 state the basic allowance recommended by a Parish Independent Remuneration Panel can be for any amount up to 100 per cent of the Basic Allowance paid by Lewes District Council.

The Panel therefore recommends that those parishes who feel that a basic allowance would be appropriate should be able to pay an amount up to 15% of the recommended Basic Allowance of Lewes District Council.

The recommended Basic Allowance for the Council for 2024/25 is £5,002 subject to any indexation; **15% of this is £750 per annum, subject to any indexation. This should in accordance with the statutory regulations only be paid to Councillors who are elected not those co-opted.**

Chair's Allowance.

Should any Parish or Town wish to set an allowance for Chair, in addition to the civic and ceremonial allowance then the Panel is again given authority to award any amount up to 100 per cent of the basic allowance paid by Lewes District Council.

The Panel did receive responses in respect of the increasing levels of responsibility and hours worked by Chairs of the Councils.

The Panel therefore recommends that those parishes who feel that a chair's allowance is appropriate should be able to pay an amount up to 30% of the proposed Basic Allowance for Lewes District Council

The recommended Chair's Allowance is therefore any amount up to £1,500, 30% of the proposed Basic Allowance for Lewes District Council.

Travel and Subsistence.

The Panel recommends that the Parish and Town Councils should pay Travel and Subsistence Allowances in line with those agreed as part of the Members Allowances Schedule for the District Council.

Indexation of Allowances

The indexation of the allowances paid to Members of the Parish and Town councils should be in accordance with the indexation applied to Members Allowances at the District Council. The recommended approach to indexation is in line with the District Councils annual staff salary increase when applicable.

Forgoing Allowances.

A councillor may choose not to receive all or part of any allowance to which they would otherwise be entitled. To do so they must give written notice to the proper officer of the Parish/Town council.

Publicity

With- regard to the allowances, the Panel recommends that the Parish Councils act in accordance with the following guidance (Section 5, Paragraph 30 of the Regulations (SI2003 No. 1021):

"Parish councils are required to publicise their allowances in a notice or notices conspicuous in their area. These notices must remain in place for at least 14 days. In addition, they must make a record of the allowances they have paid available for inspection at reasonable notice. They must provide copies of this record on request and may charge a reasonable fee for this. Parishes must also publish details of the parish remuneration panel reports. Again, these are minimum requirements, and parish councils may wish to go further in making local people aware of their allowances scheme and payment levels. For- example they may wish

to circulate details of their allowances in the parish newsletter, if they have one, place them on a website, or publish them in one or more local newspapers.”

The Panel recommends that the Parish Clerk should also publicise the allowances scheme to all Parish and Town Councillors

Implementation

The Panel recommends the new allowances should be implemented from May 2024. If a decision on allowances has not been made by Lewes District Council before the start of the new municipal year then allowances payable to Parish Councillors can be backdated to May 2024.

Mark Palmer- Chair, Independent Remuneration Panel
Daphne Bagshawe- Independent Remuneration Panel
Ian Buckingham- Independent Remuneration Panel

November 2023

Appendix B

STATUTORY INSTRUMENTS 2003 No. 1021 LOCAL GOVERNMENT, ENGLAND The Local Authorities
(Members' Allowances) (England) Regulations 2003



Members Allowances Regs 2003 - 20030407.pdf