



## Policy on Members' Allowances

Reviewed & Re-adopted at the Meeting of 15 May 2023

### 1. Background

- 1.1. In November 2020, Lewes District Council published the report of its Independent Remuneration Panel for Town and Parish Councils (please see Appendix A for details).
- 1.2. Having read the report, Wivelsfield Parish Council, at its meeting of 11 January 2021 resolved to offer the maximum parish basic allowance permitted by the Report, to any *elected* member who may wish to claim it.
- 1.3. The report allowed for payment of allowances for the 202/21 financial year, to be backdated to 1 April 2020.

### 2. Value of Allowances

- 2.1. In line with the Independent Remuneration Panel Report, Town and Parish Councils are permitted to give allowances up to a maximum value of:
  - 2.1.1. £489 for Councillors (15% of the Lewes District Council Basic Allowance)
  - 2.1.2. £978 for the Chair (30% of the Lewes District Council Basic Allowance).

### 3. Rules Around the Issuing of Allowances

- 3.1. Allowances may only be paid to elected members (not those who have been co-opted since an election).
- 3.2. 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 subparagraph (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.”<sup>1</sup>
- 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 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.

#### **5. Travel & Subsistence Allowance**

- 5.1. Instead of a formal travel and subsistence allowance, members are entitled to claim travel expenses at a rate of 45p per mile, for journeys when attending council-related training events or meetings held outside the Parish.
- 5.2. Details of journeys made should be recorded on a council expense claim and submitted as soon as is reasonably practical after the expense has been incurred.
- 5.3. As there are no tax implications for reimbursement of mileage at this rate, expenses will be paid to members directly (not through the payroll system).

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<sup>1</sup> 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)

## Appendix A

### REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR LEWES PARISH AND TOWN COUNCILS FEBRUARY 2020 (updated November 2020)



Lewes DC IRP Parish Council Report Feb 2020.pdf

## Appendix B

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



Members Allowances Regs 2003 - 20030407.pdf