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Councillor Allowances and Expenses Policy

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Date: 15/05/24

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Date: 15/05/24

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Policy Statement

This Policy is made under the terms of the Local Authorities (Members Allowances) (England) Regulations 2003.

This Policy takes into consideration the recommendations made by the Independent Parish Remuneration Panel appointed by the principal Authority (Milton Keynes City Council) who meet and report every 4 years. Their most recent report was issued in December 2021.

Whilst Stantonbury Parish Council recognises the recommendation of the Independent Parish Remuneration Panel.

1. Background

Parish councillors are volunteers, they do not get paid. The allowance although it is not a salary is treated by HMRC as taxable income and is processed on the Parish Councils payroll software. It is a figure which is calculated to cover the expenses which are normally associated with the basic duties of being a councillor.

The amount paid to the Chair may differ from that of other Councillors (i.e. a higher sum may be paid in light of the extra duties and responsibilities that are required of the Chair) but otherwise the sum shall be the same for each Councillor.

The payment of Councillors' allowances is subject to a statutory process which involves a local remuneration (independent of the local council) panel, whose role is to make recommendations as to the level of the various allowances that a council can pay.

The Parish Remuneration Panel was convened by Milton Keynes City 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 Members of a 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)

Stantonbury Parish Council does not have the Quality Award as set by [NALC](#).

2. Basic Allowance (as of May 2024)

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 Milton Keynes City 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 10% of the Basic Allowance for Milton Keynes City Council for Quality approved Parish Councils.

For those Councils that are **not Quality approved they should be able to pay an amount up to 7.5%** of the Basic Allowance for Milton Keynes City Council.

The recommended Basic Allowance for Milton Keynes City Council is £11,688;
10% of this is £1,169
7.5% of this is £877.

This should **only** be paid to Members who are elected not those co-opted.

3. Chairs Allowance (as of May 2024)

The Chair's allowance that can be recommended by the Independent Remuneration Panel can be for any amount up to 100 percent of the Basic Allowance paid by Milton Keynes City Council. The Panel is of the view that any decision regarding the payment of a Chair's Allowance and the level of that allowance should be left entirely to the discretion of individual parish and town councils, considering individual local circumstances, whilst adhering to the recommended maximum allowance.

The Panel therefore recommends the Chair's Allowance for Quality approved Parish and Town Councils should be up to 20% of Milton Keynes City Council's recommended Basic Allowance.

The recommended Basic Allowance is £11,688; 20% of this is £2,338.

The Panel further recommends that the Chair's Allowance for those Councils **not Quality** approved should be up to 15% of Milton Keynes City Council's recommended Basic Allowance.

The recommended Basic Allowance is £11,688; **15% of this is £1,754.**

The Council have agreed not to award the basic allowance in addition to the Chairs's allowance.

4. Indexation of Allowances

The indexation of the allowances paid to Members of the Council should be in line with the indexation applied to Members Allowances at Milton Keynes City Council, namely linked to staff salary increases of Council employees.

5. Foregoing 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.

6. Expense Claims

Travel and Subsistence - Regulation 26 permits both elected and co-opted members allowances in respect of travelling and subsistence. Travel and subsistence is for approved councillor duties

only incurred in connection with the performance of any duty within one or more of the following categories—

- a) the attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- b) the attendance at a meeting of any association of authorities of which the authority is a member;
- c) the performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
- d) the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises; and
- e) the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees.

Stantonbury Parish Council allows the additional option of:-

- f) The attendance at an ad hoc meeting for councillors with representatives of MKCC (staff or Councillors), other Parish Councils, or potential external partners at the written invitation of the Clerk or the Chair of the Council.

The Panel recommends that the Parish Councils should pay a mileage allowance of **45p** per mile (for a car) and **45p** per mile for an electric car which are in line with the HMRC recommendations. Subsistence rates should be paid in line with Milton Keynes City Councillors.

For the purposes of calculating claims, a councillor's normal place of residence (his/her home) is regarded as his or her normal place of work, so expenses associated with travel from home to the council office, and other locations to conduct council business, may be claimed back, except where the councillor lives more than three miles outside the boundaries of the parish. Where this is so, a councillor can claim from three miles outside the border of the parish, closest to their home, to the council office or other locations, to conduct council business. This, for the purpose of travel expenses, will be considered as the councillor's home.

Where a councillor travels on council business from his or her employment or business (which is not council related) he or she may be reimbursed for the cost of the journey. However, if the cost of making this journey would have been lower had it started from the councillor's home, then that lower cost is the maximum amount which should be reimbursed. For example if the distance from a councillor's home to council offices is 5 miles and from a councillor's business to council offices is 10 miles, a maximum of 5 miles may be reimbursed.

Travel by Private Transport

In addition to the mileage allowance covered above, Councillors can also claim the costs associated with travelling by private car, motorcycle or bicycle:

- Parking charges - receipted costs of expenses incurred.
- Road and bridge tolls (if appropriate) - costs of expenses incurred.
- Road pricing/congestion charging - receipted costs of expenses incurred.

Parking fines will **not** be reimbursed.

Travel by Public Transport

The following expenses may be claimed back by councillors who use public transport to carry out their duties:

- Buses and trams - expenses incurred, including season ticket/passes where this is considered more cost effective.
- Taxis, trains, air travel, ferry travel - receipted cost of fare

It is expected that councillors should travel by standard/economy class for their journeys. Councillors and local authorities should consider cost effectiveness and value for money when choosing the mode and class of transport for a journey on council business.

Councillors with the following situations can use taxis and claim back cost:

- Councillors with mobility issues preventing the use of public transport or private vehicle.
- Councillors where a direct route to the Parish Office(s) from the registered place of residence, is unavailable or unnecessarily arduous or time consuming. Arduous also includes consideration of nighttime travel by councillors who may be vulnerable.
- Notwithstanding the stated approved travel as set out in Statutory Instrument 2003 No. 1021 and the amendment – Statutory Instrument 2003 No. 1692 - Part 2 Councillor Allowances 5. 1 Items a) to i) (2) items a) to (c) and (3).

Other travel expenses will be subject to prior approval of the Proper Officer or RFO.

Other Expenses - Any expense incurred at the direction of the council shall be reimbursed.

Incidental costs such as broadband, stationery, use of home, and telephone, are compensated for by the allowance scheme.

Expense claims should be submitted to the Responsible Financial Officer within three months of being incurred using the appropriate Stantonbury Parish Council expense claim form together with any relevant supporting documentation.

Council may offer to pay for the travel, by taxi or season tickets where they consider it more cost effective to do so. Any such costs should be recorded as a cost to the relevant councillor and published annually on the Council's website.

7. IT Equipment

Councillors will be provided with a laptop and printer (if required) which will remain the property of the Stantonbury Parish Council.

8. Publicity

Regarding 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 newspapers”.

The Panel recommends that the Parish Clerk should publicise the allowances scheme to all Parish and Town Councillors and the public. Each Parish and Town Council is required to formally adopt the recommendations in the Independent Panel report.

This Policy will be reviewed annually.

References:

MKC Parish and Town Council Report of Independent Remuneration Panel (IRP) December 2001

The Local authorities _____

Local Authorities Members Allowance England Regulations 2003