

Earley Town Council

Full Council Meeting – 21st June 2023

Agenda Item 12

Town Councillor Remuneration

Members to consider this report on Town Councillor Remuneration and to **RESOLVE** upon Earley Town Council's position.

Introduction

Principal authorities are required to convene a Parish Remuneration Panel to consider the payment of allowances by parish/town councils to their members. Wokingham Borough Council convened such a panel in March 2023, this is a report of the panel's findings.

The Guidance issued under the regulations for Parish Allowances for Members of Parish or Town Councils 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."

Panel Process

The Parish and Town Independent Remuneration Panel comprised of five independent people (they also serve on the Independent Remuneration Panel for WBC) and were provided with guidance from a WBC officer, a democratic and electoral services specialist.

All parish and town councils in the borough were invited to provide their views through a questionnaire (September 2022) and two parish/town councillors met with the Panel.

Earley Town Council – Current Position

To date, ETC has not chosen to pay an allowance to any councillors. The Town Council does pay for any training councillors may undertake and councillors may claim travel expenses to attend such training courses if they so wish. In addition, the Town Mayor may claim expenses (up to a maximum of £500 pa) for expenses incurred in the course of their duties as Town Mayor.

In the September 2022 consultation, ETC responded that it did not wish to start paying allowances but would want to continue with its current scheme of expenses.

Panel's Recommendations

The Panel has made it clear that it is solely at the discretion of Parish and Town Councils as to whether they wish to pay a Basic or Chair's Allowance. The recommendations as set out below are the *maximum* levels that can be paid to each town councillor if an individual authority wishes to do so.

Basic Allowance - £400 per annum

Chair's Allowance - £1,200 per annum

Travel & Subsistence – Paid at same rates as WBC Members. Mileage in line with HMRC recommendations.

Dependent & Carers Allowance – not permitted under the regulations.

Further information

- An allowance is a no-strings attached payment of money to a town councillor, made purely on the basis that they are a councillor. They do not have to spend it on anything in particular nor do they have to report what it has been spent on.
- The legislation restricts allowances to be paid to elected councillors only, co-opted councillors are not eligible.
- Council may agree for the Chair (Town Mayor) to receive the basic allowance in addition to the chair's allowance.
- A town councillor may choose not to receive all or part of any allowance agreed. They must give written notice of opting out to the Town Clerk.
- Should a Member be suspended or partially suspended, all or part of their allowances should be withheld. This also applies to any travel & subsistence allowance.
- Any allowance scheme adopted by the Council should be publicised.
- If remuneration is paid to town councillors it must be paid through ETC payroll and is taxable.

Jo Friend
Town Clerk
June 2023