

## COOTHERSTONE PARISH COUNCIL

# Members' Allowances Scheme

### Background

1. The Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended) require councils to review members' allowances at least once every four years for the purpose of agreeing how it will index link its Scheme of allowances. Before any amendments to the Scheme are made, parish councils must have regard to the recommendations made by its unitary authority's Independent Remuneration Panel and determine whether and how these are implemented.
2. At the current time, Cotherstone Parish Council does not have a formally adopted Members' Allowance Scheme.
3. Prior to the creation of the unitary authority in 2009, Independent Remuneration Panel assessment was provided to parish councils by the district council. Since that time the Independent Remuneration Panel (now provided by Durham County Council) has not made any recommendation concerning allowances payable to parish councillors.
4. The Independent Remuneration Panel met in October 2018 and received a report from the County Durham Association of Local Councils (CDALC) which recommended county-wide guidance for parish councils to consider when setting their basic allowances. There are approx. 110 parish and town councils in County Durham, the majority of which do not pay a basic allowance, with Members acting on a purely voluntary basis.
5. When determining allowances, the following considerations apply:
  - 5.1. Allowances are not payable to appointed or co-opted Members
  - 5.2. Allowances are not a salary; are annual and not linked to any expense incurred by a councillor
  - 5.3. Councillors have discretion as to whether they accept the allowance or not
  - 5.4. The allowance is treated as income from an office and is in principle subject to income tax under the PAYE regime.

### Members' basic allowances

6. Based on the pre-unitary authority creation allowances and using the Bank of England Inflation Calculator, and based on the unitary authority's basic allowance (County Councillors) of £13,300 per annum, the Independent Remuneration Panel approved the following suggested allowances:

Population	Suggested Member allowance
≥ 15,000	10% of County basic allowance up to maximum of £1,330
10,000 – 15,000	7.5% of County basic allowance up to maximum of £1,000
5,000 – 10,000	5% of County basic allowance up to maximum of £665
3,000 – 5,000	2% of County basic allowance up to maximum of £270
2,000 – 3,000	1.5% of County basic allowance up to maximum of £200
1,000 – 2,000	1% of County basic allowance up to maximum of £135
< 1,000	0.5% of County basic allowance up to maximum of £65

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<sup>1</sup> Member = elected member = councillor

7. The population of Cotherstone parish is currently 594.<sup>2</sup>

### Other allowances

8. The Independent Remuneration Panel suggested that parish councils should take cognisance of the following rates paid by the County Council:

- 8.1. The rate for travel by a Member's own private motor vehicle, or one belonging to a member of his/her family or otherwise provided for his/her use, will be paid at 45.0p per mile.
- 8.2. Standard Class rail travel is the approved class of travel, although First Class rail can sometimes be the cheaper option dependent upon the time of booking.
- 8.3. The cost of travel by air shall not exceed the cost applicable to travel by appropriate alternative means of transport, unless in circumstances where the saving in time is so substantial as to justify payment of the fare for travel by air.
- 8.4. Overnight allowance: in London, up to a maximum claim on production of receipts of £124.76; outside London, up to a maximum claim on production of receipts of £109.39.
- 8.5. Subsistence allowances: when carrying out approved duties 'out of region', Members may claim up to the approved rates as follows on production of receipts (for an absence not involving an absence overnight from the usual place of residence):

Allowance	Minimum absence from home	Rate
Breakfast	2 hours, which must be before 11am	£6.75
Lunch	2 hours, which must include 12.00 to 14.00	£9.27
Tea	3 hours, which must include 15.00 to 18.00	£3.65
Evening Meal	3 hours, which must be after 19.00	£11.48

Members may claim full reimbursement of the reasonable cost (including VAT) of a main meal (full breakfast, lunch or dinner) taken on a train. Members wishing to claim must submit receipts. Where full reimbursement is claimed the allowance for the meal provided cannot also be claimed, ie. breakfast, lunch, dinner etc.

### Implementation of Members' Allowances Scheme

9. There are four practicalities which must be followed once the Parish Council has considered the recommendations of the Independent Remuneration Panel:

- 9.1. A copy of the Members' Allowances Scheme must be available for public inspection on reasonable notice.
- 9.2. A notice must be published in a conspicuous place for a period of at least 14 days which:
  - states that the Parish Council has received the Independent Remuneration Panel recommendation;
  - describes the main recommendations and specifies the recommended amounts of each allowance; and
  - states that copies of the panel's report are available for inspection upon giving reasonable notice and give details of how a request to inspect should be given.A reasonable fee can be charged for the provision of a copy of the report.

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<sup>2</sup> From 2011 Census data

- 9.3. The Parish Council must maintain records of payments made in respect of the allowances, specifying the name of the recipient and the nature of the allowance. These records can be inspected by any local government elector for the parish without payment of a fee and upon giving reasonable notice. Copies must be provided if so requested and a reasonable fee can be charged.
- 9.4. At the end of each financial year the Parish Council must publish a notice in a conspicuous place for a period of at least 14 days stating the total amount that it has paid for the parish basic allowance and for the parish travelling and subsistence allowance.

**Recommendations**

1. Councillors consider whether to pay basic allowance to parish councillors, on the basis recommended by the Independent Remuneration Panel.
2. Councillors consider whether to set other allowances on the basis recommended by the Independent Remuneration Panel.