

REPORT OF THE
PARISH REMUNERATION PANEL
ON
MEMBERS' ALLOWANCES
FOR
HORLEY TOWN COUNCIL

Adopted by Horley Town Council: 2 July 2019

INTRODUCTION

1. The Local Authorities (Members' Allowances) (England) Regulations 2003 came into force on 1st May 2003. The Regulations require that a District Council must establish an Independent Remuneration Panel to review and make recommendations in respect of the payment and amount of special responsibility allowances; travelling and subsistence allowance; carers' allowance; co-optees' allowances; and the basic allowance.
2. Under the Regulations and the Local Government Act 1972 the same Independent Remuneration Panel may consider the remuneration schemes for Parish and Town Councils. Town Councils may choose to pay their Members an allowance, known as a "Basic Allowance", to recognise the time and effort they put into their Town Council duties. There is no obligation on Town Councils to pay such allowances. Each Town Council may make an allowance available to its chair only, or to each of its Members. The 2003 Regulations also provide for the payment of travel and subsistence allowances (for approved duties).
3. If a Town Council wishes to pay basic, travel or subsistence allowances, it needs to have regard to a recommendation from the Parish Remuneration Panel. This is a Panel set up to make recommendations to Parishes in its area. The membership of a Parish Remuneration Panel is the same as the Independent Remuneration Panel of the Borough Council within whose area the Parish is situated.
4. The Parish Remuneration Panel has been requested to make recommendations in relation to Harley Town Council as to:
 - ▶ The travel and subsistence allowance rates; and
 - ▶ Whether a basic allowance should be introduced for its Members.
5. The Parish Remuneration Panel last reviewed the Members allowances for Harley Town Council in December 2006. The Independent Panel has now completed its review of Members' Allowances on behalf of Harley Town Council. The review has been conducted having regard to guidance issued by the Office of the Deputy Prime Minister (in conjunction with the Inland Revenue) on the 2003 Regulations for Local Authority allowances referred to above.
6. The Parish Independent Remuneration Panel interviewed the following Members on 13 October 2016 for the purposes of its review of the current Horley Town Council Member Allowances scheme:
 - Cllr Alan Jones (Town Clerk)
 - Cllr Mike George (Chairman and Mayor).

THE PARISH REMUNERATION PANEL

7. The Independent Remuneration Panel ("the Panel") comprises Mrs. Tracey Jessup (Chairman), Mr. William Young; and Mr. Paul Whitehouse. The Members of the Panel have between them considerable experience in the areas of central and local government, parliamentary procedures, the wider public sector, human resources, management, professional services and charity work, and have no connections with the Council and are independent of any political party.

EXECUTIVE SUMMARY OF RECOMMENDATIONS

8. **The Panel recommends that the HM Revenue and Customs Mileage Allowance Payments Rates are used for the travel allowance rates and the wording of the scheme amended to reflect this change and to show the date of the most recent Full Council meeting that approved the scheme.**
9. **The Panel recommends the introduction of a Basic Allowance of £100 be paid to all Members of Horley Town Council, unless Members opt out of receiving the allowance.**

HORLEY TOWN COUNCIL TRAVEL AND SUBSISTENCE ALLOWANCES SCHEME

10. The Panel was advised that the Horley Town Council Members' Allowances scheme was last reviewed in 2006 (in the Third Report of the Parish Remuneration Panel on Members' Allowances for Horley Town Council and Salfords & Sidlow Parish Council in December 2006). In that Review, the Panel recommended that the travel and subsistence rates paid to Town and Borough Members should be the same and payable on the same terms.
11. The Panel heard from the Town Clerk and the Chairman of the Council that the travel and subsistence allowances were reviewed in Council meetings and this method of self-review has continued since 2006 each year in light of Members voting each year and unanimously to pay travel and subsistence allowances only. It was noted that few Members of the Council claimed travel or subsistence allowances.
12. The Panel noted that the rates included in the current travel scheme were out of date and did not include any rate for bicycle travel. The Panel suggested reference could be made directly to the HM Revenue and Customs Mileage Allowance Payments scheme to ensure that the travel allowances were up to date at all times. The Panel noted that Members' attention ought to be drawn to the income tax and national insurance liabilities that claims over 10,000 miles could attract (although the Panel noted this was unlikely to be relevant).
13. The Panel also suggested stating the date of the most recent Full Council meeting at which the scheme had been approved by Members, and updating that statement each year, so that it was clear that the scheme had been reviewed regularly. A suggested format is attached at **Annex 1** to this Report.

TOWN COUNCIL BASIC ALLOWANCE

14. The Panel heard that Horley Town Council had considered offering a Basic Allowance for Members but had not introduced one.
15. The Panel recalled that in 2012 it had recommended the introduction of a Basic Allowance for Members of the Salfords & Sidlow Parish Council. The Panel

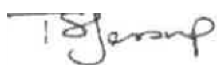
recognised the similarity of the current request with that from the Salfords & Sidlow one. It was noted that the Town Councillors bear the administrative costs incurred for phone calls, paper and printing, sometimes with the latter being "considerable". In the circumstances the Panel had recommended the introduction of a Basic Allowance of £100, which was subsequently adopted by Salfords & Sidlow Parish Council. The figure of £100 had been identified after monitoring one Councillor's expenditure on stationery during the course of one year and the Panel considered that this was likely to be equally applicable to the Members of Horley Town Council. It was also noted that there was provision for individual Members to opt out of the scheme should they wish.

16. The Panel considered therefore that the £100 basic allowance was a reasonable and fair sum to introduce for a Basic Allowance to recompense Members for administrative expenditure incurred in the course of their duties. The Panel has included provision for a Basic Allowance in **Annex 1** to this report.

CONCLUSION

17. Based upon the recommendations in this report, the Panel recommends **that the Members' Allowances Scheme 2017/18 as set out at Annex 1 be adopted with effect from 1st April 2017.**

Annex 1 - Horley Town Council Members' Travel and Subsistence Allowances Scheme



Tracey Jessup
(Chairman)



William Young



Paul Whitehouse

HORLEY TOWN COUNCIL

Members' Remuneration Scheme 2017/18

The Members Allowances Scheme operating from s1st April, 2017 provides for the following:

1. Approved Duties for Travelling Allowances

- i) Council meetings.
- ii) Committee, sub-committee and working group meetings (members of these only)
- iii) Site meetings approved in advance by the Council or Planning Committee.
- iv) Staff arbitration and disciplinary proceedings referred to an appropriate authority.
- v) Internal and external training seminars and workshops, as approved in advance by the Council.
- vi) Conferences and seminars organised by other bodies, as approved in advance by the Council
- vii) Meetings of other councils and their committees, as approved in advance by the Council or Planning Committee.
- viii) Attendance at courts of law, inquiries, commissions, consultations and at the proceedings of other bodies to represent the interests of the Parish or Parish Council, as approved in advance by the Council.
- ix) Meetings of those Outside Bodies to which the Council appoints representatives.

2. Scale of Allowances for these Duties

A Travel

Where the requirements of paragraph 1 are met a travelling allowance for use of a private car will be paid at the rates stated by HMRC in respect of Business Travel, which at the time of writing are:

Car - 45 pence per mile
Motorcycle - 24 pence per mile
Bicycle - 20 pence per mile

The above rates are subject to the equivalent standard rail fare for the journey being payable where this is lower. An enhanced travel allowance for shared vehicle use of 10 pence per mile for the first passenger and 6 pence per mile for the second and subsequent passengers is also payable.

Car mileage in excess of 10,000 miles attracts a reduced rate of 25 pence per mile, as per the Inland Revenue Approved Mileage Allowance Payments rates.

B. Subsistence

Claims for subsistence will be paid for reasonable expenses only, based on those payable to Members of Reigate & Banstead Borough Council, scales are available on request.

[If adopted by Harley Town Council]

3. Basic Allowance

Payment of a Basic Allowance of £100 to every Councillor for the year.]

HORLEY TOWN COUNCIL

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