

**REPORT OF THE EAST RIDING MEMBERS' ALLOWANCES PANEL
(PARISH REMUNERATION PANEL)**

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1. EXECUTIVE SUMMARY

- 1.1 In accordance with the *Local Authorities (Members' Allowances) (England) Regulations 2003* a parish or town council, in establishing a members' allowances scheme, has to have regard to the recommendations of the Parish Remuneration Panel.
- 1.2 The East Riding Parish Remuneration Panel consists of four residents who collectively have a wide range of experience encompassing business, local government, education and the voluntary sector.
- 1.3 The Panel is required to produce a report to the town and parish councils in the East Riding making recommendations as to –
 - (a) the amount of parish basic allowance and whether it should be payable to the chairman only or to all members
 - (b) the responsibilities and duties in respect of which members should receive parish travelling and subsistence allowances and the amounts
- 1.4 Careful consideration has been given to reviewing the allowances taking into account the feedback received from town and parish councils in response to the Panel's survey. In conclusion, the Panel has recommended that a parish basic allowance should not be paid to town and parish councillors, as in the light of the feedback received, the majority of town and parish councillors see their role as voluntary. The Panel also acknowledged the difficulty in recommending allowances suitable for all town and parish councils.
- 1.5 In relation to travelling and subsistence allowances, the Panel has recommended that allowances should be paid in accordance with the East Riding of Yorkshire Council's Members' Allowances Scheme rates, for specific responsibilities and duties outside of the town or parish boundary.
- 1.6 The Panel commends its report and the recommendations to the parish and town councils in the East Riding of Yorkshire.

2. BACKGROUND

- 2.1. The *Local Authorities (Members' Allowances) (England) Regulations 2003* regulations state that the parish remuneration panel must consist of those persons who are also members of the East Riding of Yorkshire Council's independent remuneration panel (Members' Allowances Panel), except that it cannot include anyone who is also a member of a parish council in respect of which it makes recommendations. The East Riding Members' Allowances Panel consists of four residents:
 - Beverley Porritt (Chair)
 - Peter Robinson
 - Hazel Smith
 - David Waxman
- 2.2 In making its recommendations, the Panel may either –
 - (a) apply the same amounts of basic, travelling and subsistence allowances to all the parish councils for which it was established, or

(b) make different recommendations for different councils.

2.3 In reviewing the allowances, the Panel considered the relevant legislation in relation to allowances for town and parish councils, details of the number of town and parish councils in the East Riding of Yorkshire and their membership, precept and population figures. They also undertook a survey of town and parish councils to seek their views on whether allowances should be paid and researched similar reviews undertaken in other local authority areas.

2.4 The Panel wish to express their thanks and appreciation to all the town and parish councils who responded to its survey in relation to reviewing the allowances. The responses to the survey were extremely helpful in informing the work and recommendations of the Panel.

3. PARISH BASIC ALLOWANCE

3.1 The regulations enable a parish council to pay an annual “parish basic allowance” to –

(a) its chairman only, or

(b) to each of its members

and the amount payable to the chairman may differ from that payable to the other members, but otherwise the amount must be the same. However, the council must have regard, in setting the levels of such allowances, to the recommendations of the Panel.

3.2 The Panel has to express the recommended parish basic allowance as a monetary amount and as a percentage (which may be 100%) of the basic allowance recommended by the independent remuneration panel to the East Riding of Yorkshire Council. The East Riding of Yorkshire Council Members’ Basic Allowance is currently £11, 732 per annum.

3.3 The Panel may recommend the same level of parish basic allowance to all the authorities in respect of which it was established or make different recommendations for different authorities.

3.4 Given that there are 168 parish and town councils in the East Riding, whose annual revenue budgets range from nil to £934,620.00, the Panel found it hard to justify any recommendation of the same level of parish basic allowance for all authorities in the East Riding. The Panel was also mindful of the results of the survey of town and parish councils and the overwhelming view that most see the role as voluntary and felt that a basic or chairman’s allowance should not be paid to town or parish councillors.

3.5 The Panel was also mindful that a few individual town and parish councils chose to pay their Chairman expenses in accordance with Section 15(A) of the Local Government Act 1972.

3.6 The Panel therefore **recommends** –

(i) That a basic parish allowance should not be paid to town and parish councillors.

4. PARISH TRAVELLING AND SUBSISTENCE ALLOWANCES

- 4.1 A parish council may also pay allowances to its members in respect of travelling and subsistence, including an allowance for travelling by bicycle, undertaken or incurred in connection with the responsibilities and duties set out in the regulations having had regard to the recommendations of the Panel.
- 4.2 The Panel saw no reason to vary the list of responsibilities and duties set out in the regulations and considered that any parish council wishing to pay travelling and subsistence allowances should pay them in line with the rates set out in the East Riding of Yorkshire Council's Members' Allowances Scheme.
- 4.3 The mileage rates set out in the East Riding of Yorkshire Council's Scheme were set in line with the officer rate as set by Her Majesty's Revenue and Customs (HMRC), which are prescribed nationally and are reviewed at least once a year. The Scheme also provides for subsistence allowances to be increased automatically on 1 April, each year in line with the NJC Officers' national pay award.
- 4.4 The East Riding of Yorkshire Council Scheme also sets out the following rules where members are undertaking authorised responsibilities and duties –
- (a) **Own Vehicle** – Members may claim mileage for using their own vehicles, or vehicles belonging to the member's family, or otherwise provided for the member's use. In addition, the actual cost of tolls, ferries and parking fees may be claimed. Where a member is away from home overnight, the cost of overnight parking can also be claimed.
 - (b) **Public Transport** – Members using public transport may claim second class fares. If saver facilities are used then the lower amounts should be claimed. Only in exceptional circumstances may members travel first class. Seat reservations and luggage storage fees may also be claimed.
 - (c) **Taxi Hire** – In cases of urgency, or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity may be claimed. In any other case, members using taxis may only claim the cost of making the journey by public transport.
 - (d) **Hire Transport** – If a member hires a vehicle, then he or she is reimbursed at the appropriate mileage rates.
 - (e) **Air Travel (UK or abroad)** – Members may claim the actual cost of air travel, provided it does not exceed the cost of the cheapest alternative form of travel. If there is a saving in time so great as to justify the use of air travel, members may claim the ordinary fare or any available fare for travel by regular air service, or where no such service is available or in the case of urgency, the fare actually paid by the member.
 - (f) **Subsistence** – Where subsistence allowances are payable for particular meals, members are required to provide receipts to substantiate claims. Where an overnight allowance is claimed, individual meal allowances are not payable in addition. If a meal is taken on a train during a period for which there is an entitlement to subsistence, the reasonable cost of the meal is reimbursed in full

where supported by a receipt. Members are reimbursed actual reasonable expenses (provided all relevant receipts are produced) for official visits abroad.

4.5 The Panel therefore **recommends** –

- (ii) That parish travelling and subsistence allowances should be paid in accordance with the rates set out in the East Riding of Yorkshire Council's Members' Allowances Scheme (as listed below), for responsibilities and duties outside of the town or parish boundary;

Travelling Allowances

(a) Standard Car User - All engine cc's (per mile)	0.45	*
(b) Bicycle (per mile)	0.20	
(c) Public Transport - Actual cost		

* Up to 10,000 miles per annum, £0.25 thereafter

Subsistence Allowances – to be paid for duties outside Council's boundary

(a) Actual cost not exceeding		
Breakfast - more than 4 hours before 11 am		6.98
Lunch - more than 4 hours including 12 noon to 2 pm		9.51
Tea - more than 4 hours including 3 pm to 6 pm		3.78
Dinner - more than 4 hours ending after 7 pm		19.01
Overnight (covering 24 hours)	- Inner London	177.03
	- Elsewhere	133.21
(b) Out of pocket expenses (per night)		5.07

- (iii) that the responsibilities and duties in respect of which members should receive parish travelling and subsistence allowances should be as follows –

- (a) attendance at a meeting of the council, committee or sub-committee, or any other body to which the authority makes appointments;
- (b) attendance at a meeting of any association of authorities of which the authority is a member;
- (c) attendance while tender documents are opened, and
- (d) any other duties approved by the council.

5. PUBLICITY

5.1 The regulations require a parish council as soon as reasonably practical following receipt of the Panel's report –

- (a) to ensure that copies of that report are available for inspection by members of the public on reasonable notice;
- (b) to arrange for the publication, in a conspicuous place or places in the area of the parish council for a period of at least 14 days, of a notice which –
 - (i) states that it has received recommendations from the Parish Remuneration Panel in respect of allowances;
 - (ii) describes the main features of the Panel’s recommendations and specifies the recommended amounts of each allowance mentioned in the report in respect of the parish council, and
 - (iii) states that copies of the Panel’s report are available for inspection on reasonable notice and gives details of the manner in which notice should be given of an intention to inspect the report
- (c) to supply a copy of the Panel’s report to any person who requests a copy and who pays such reasonable fee as the parish council may determine.

5.2 East Riding of Yorkshire Council will also publicise a copy of the Panel’s report and recommendations on its website and will make copies available for public inspection from its customer service centres.

5.3 The regulations also require a parish council to keep a record of the payments made by it in respect of basic, travelling and subsistence allowances, and the record has to –

- (a) specify the name of the recipient and the amount and nature of each payment
- (b) be available for inspection on reasonable notice and at no charge by any local government elector for the area of the parish council
- (c) be supplied in copy to any person who is entitled to inspect the record and who requests a copy and pays such reasonable fee as the parish council determine.

5.4 As soon as reasonably practicable after the end of a year, the parish council must arrange for the publication, for a period of at least 14 days, of a notice in a conspicuous place or places in the area of the parish council stating the total sum paid by it in the year to each member in respect of each of the following –

- parish basic allowance
- parish travelling and subsistence allowances.

6. CONCLUSIONS

6.1 The Panel believes that what it is putting forward is reasonable and provides a consistent basis throughout the East Riding and therefore commends its report and recommendations to the town and parish councils in the East Riding of Yorkshire.

6.2 If town and parish council would like the Panel to reconsider the allowances again in the future, they are asked to contact the Democratic Services Manager, East Riding of Yorkshire Council, County Hall, Cross Street, Beverley.