

## **Members' Allowances – Recommendations of the Dorset Parish Independent Remuneration Panel**

1. This report has been prepared by the Dorset Parish Independent Remuneration Panel (the **Panel**) comprising three individuals drawn from the community, all of whom have significant previous experience in the work of local authority remuneration panels:

- (i) Mr John Quinton (Chairman);
- (ii) Mr Keith Broughton; and
- (iii) Mr Martin Varley.

2. The Panel is established to make recommendations on the scheme of members' allowances for civil parish councils within the Dorset Council district. The Panel has been appointed under Regulation 27 of The Local Authorities (Members' Allowances) (England) Regulations 2003 (the **Regulations**) to review and recommend allowances for those parish and town councils within the Dorset Council district that choose to administer or introduce a scheme.

3. The Panel noted that, historically, few parish and town councils in districts within the former Dorset County Council area have implemented schemes of allowances. The Panel recognises that many parish and town councils in Dorset are small and run with small precepts.

4. The Panel is authorised to make recommendations as follows:

- a) the amount of a basic allowance, and whether this should be payable to all members or only to the chairman;
- b) whether, if the basic allowance is payable to both the chairman and all members, the allowance payable to the chairman should be set at a higher level and if so, what that higher amount should be;
- c) the amount of travelling and subsistence allowances payable and the responsibilities or duties for which any such allowance is payable.

5. Regulation 29 requires that the Panel must express any recommendation for a basic allowance for parish and town councils as a monetary sum and as a percentage of the Dorset Council's basic allowance.

6. The Panel's review took into account the changing context of local government within Dorset and the move to a unitary council form of governance. Dorset Council is a district council with county council powers. In the long-term this may result in delegation of functions to parish and town councils, and therefore more responsibilities for councillors. The Panel was advised that no such process had commenced and that the level of responsibilities and workloads of parish and town councillors have not changed significantly since they were last reviewed.

7. The Panel was provided with the current schemes of allowances payable to parish and town councils within the former West Dorset and Purbeck District Councils. The Panel took into consideration that these authorities were abolished on the creation of Dorset Council. The effect of local government reorganisation and the effect on members of councils will not be understood until the new arrangements are bedded in. Therefore, the Panel **recommends** that a further review is undertaken in 12 months' time.

8. The Panel is of the view that the size of a council's electorate is a significant indicator of the complexity of the role of its respective members. It may be possible, in the future, to accommodate special circumstances pertaining to a council by characterising it at a different Level, following a further review. The Panel was informed that the Dorset Council is not aware currently of any such special circumstances in relation to any town or parish council in the Dorset Council area.

Level 1	up to 2,499	Small, mainly rural parishes
Level 2	2,500-4,999	Large rural parishes small towns
Level 3	5,000-9,999	Small market towns
Level 4	10,000-19,999	Larger market towns/local centres
Level 5	20,000-35,000	Significant towns
Level 6	35,001 and above	Major population centres

9. The Panel therefore **recommends** that the maximum basic allowance payable to members of parish and town councils be as follows calculated on a basic allowance for 2019/20 of £13,000 as set out in Dorset Council's Scheme of Members' Allowances:

	<b>Electorate</b> <b>(The number of councils that fall within each grouping is shown in brackets)</b>	<b>Percentage of basic allowance paid to Dorset Councillors</b>  £	<b>Maximum basic allowance per Town/Parish Councillor</b>  £
<b>Level 1</b>	0 – 2,500 (240)	2%	260
<b>Level 2</b>	2,501 – 5,000 (9)	3%	390
<b>Level 3</b>	5,001 – 10,000 (13)	4%	520
<b>Level 4</b>	10,001 – 20,000 (3)	5%	650
<b>Level 5</b>	20,001 – 35,000 (0)	8%	1,040

<b>Level 6</b>	35,001 and above (1)	10%	1,300
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10. The Panel **recommends** that if a council pays an enhanced basic allowance to its chairman, then such chairman's basic allowance shall not exceed twice that basic allowance payable to other members.

11. In view of the number and the differences in both size and scale of activity, the Panel **recommends** that, **each parish and town council should determine the basic and chairman's allowances, subject to the maximum set out above.** Each council is in the best position to make a judgement, based on individual circumstances, whether it is appropriate to pay:

- (i) all or part of the basic allowance to reflect any incidental costs and time commitment;
- (ii) a basic allowance to all members or just the chairman; or
- (iii) a higher amount to the chairman if all members are entitled to receive an allowance, subject to this not exceeding twice the maximum basic allowance set out above.

12. Where any scheme for the payment of vehicular travel allowances exceeds the allowances specified by HM Revenue and Customs Mileage Allowance Payments (**MAPs**), the excess is a taxable benefit to the claimant. The Panel further notes that to introduce taxable benefits into the travel allowances scheme would be a disproportionate bureaucratic burden on the council.

13. MAPs are currently:

- i) Car – 45p per mile up to 10,000 and 25p per mile thereafter;
- ii) Passenger payments – up to 5p per mile per passenger (up to a maximum of four) to be claimed only for passengers who would otherwise be eligible for travelling allowance;
- iii) Motorcycle – 24p per mile; and
- iv) Bicycle – 20p per mile.

14. The Panel **recommends** that:

- i) vehicular travel allowances be equal to MAPs;
- ii) travel by public transport (including rail and bus) reimbursement of the standard fare or actual fare paid; and
- iii) parking fees – actual amount paid.

15. The Panel **recommends** that any subsistence allowances should be based on reimbursement of receipted expenditure within the maximum limits as set out in the Dorset Council's scheme for officers as set out below.

Breakfast (business journeys must start before 7am)	£5.11
Lunch (business journeys must entail working away from home between 12 and 2pm)	£6.99
Dinner (can only be claimed when required to work away from home after 8.30pm)	£12.36

In addition, subsistence for overnight absence, other than London, should be £85.92 (room only and including VAT) or £112.96 if in London.

15. The Panel **recommends** that individual councils agree a list of approved duties for the payment of travel and subsistence allowances, similar to that set out in the Dorset Council's Scheme of Members' Allowances, and this be kept under regular review by the council.

16. The Panel wishes to emphasise that it does not suggest that it is appropriate for all councils to pay allowances. The Panel's recommended guideline is a maximum figure within which each council can determine its own scheme, if this is felt justified. The Panel **recommends** that where any council adopts a scheme of allowances, the commencement of such scheme should be back dated to the commencement of the current municipal year.

John Quinton

11 November 2019