

INDEPENDENT REMUNERATION PANEL FOR WALES - ANNUAL REPORT 2012

3. Payments to members of Community and Town Councils

The Local Government (Wales) Measure 2011 (“*The Measure*”)

3.1 The Measure extended the remit of the Panel to include payments to members of community and town councils.

3.2 The Panel has now replaced the previous Regulations⁴ relating to community and town councils and these are set out in Annex 2, Part 5.

3.3 In its Annual Report (December 2011) the Panel noted that it would require a considerable investment in time and effort to extend its framework to include community and town councils. The Panel wanted to ensure that any decisions made in respect of these councils was fair and equitable and would have proper regard for the variation across the 735 councils in Wales.

3.4 The Panel has now embarked on the work of evidence gathering and has undertaken an initial consultation exercise seeking information and comments from all community and town councils and all principal councils by questionnaire. In addition Panel members met with the following:

- Representatives of the 3 regional committees of One Voice Wales.
- Representatives of the One Voice Wales Larger Local Councils Committee.
- Representatives of Community and Town Councils.
- Representatives of the North Wales Association of Larger Town and Community Councils.
- The Chief Executive of One Voice Wales.
- The Wales Officer for the Society of Local Council Clerks.

3.5 It is clear that there is considerable variation in the functions and responsibilities across councils and therefore in the role of individual members. The Panel intends to continue its programme of evidence gathering. However, the information already obtained has allowed the Panel to make some initial determinations.

3.6 Previous Regulations allowed payments to be made for carrying out approved duties only, when undertaken outside the specific area of the community or town council. However, the Panel’s evidence gathering has shown that there is an unremunerated cost to individual councillors who perform an important role on behalf of their communities.

⁴ Local Authorities (Allowances for Members of Community Councils)(Wales) Regulations 2003.

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3.7 In arriving at its determinations the Panel has taken full account of the duty imposed on it by section 142(8) of the Measure to consider the financial implications of its decisions. This was a concern identified by many councillor respondents to the consultations who considered that it would be inappropriate for them to be remunerated because of the likely impact on their council's precept. A minority of attendees at the consultation meetings expressed the opposite view.

3.8 The Panel has determined that:

Determination (7) Each community and town council is permitted to make a payment to its members of a maximum amount of £100 per year for costs incurred in respect of telephone usage, information technology, consumables etc.

Determination (8) Community and town councils may continue to make payments to their members in respect of travel costs for attending approved duties outside the area of the council. Such payments must be the actual costs of travel by public transport or the HMRC mileage allowance as below:

- 45p per mile up to 10,000 miles in the year.
- 25p per mile over 10,000 miles.
- 5p per passenger per mile – passenger supplement.
- 24p per mile for private motor cycles.
- 20p per mile for bicycles.

Determination (9) Community and town councils may continue to reimburse subsistence expenses to their members for attending approved duties outside the area of the council at the maximum rates set out below on the basis of receipted claims:

- £28 per day allowance for meals, including breakfast where not provided in the overnight.
- £150 – London overnight.
- £120 – Cardiff overnight.
- £95 – elsewhere overnight.
- £25 – overnight staying with friends/family.

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Determination (10) Community and town councils may continue to pay an Attendance Allowance⁵ to their members for attending approved duties outside the area of the council as follows;

- a. £16.23 for a period not exceeding 4 hours.
- b. £32.46 for a period exceeding 4 hours but not exceeding 24 hours.

Determination (11) Community and town councils may continue to pay a Financial Loss Allowance⁴ to each of their members where such loss has actually occurred, for attending approved duties outside the area of the council as follows:

- a. £30.05 for a period not exceeding 4 hours.
- b. £60.11 for a period exceeding 4 hours but not exceeding 24 hours.
- c. £60.11 plus such amount as is payable under (a) and (b) above as appropriate for a period exceeding 24 hours.

Determination (12) Community and town councils are authorised to provide a Civic Allowance to the Mayor/Chair and Deputy Mayor/Chair of the council of an amount that each council deems appropriate to undertake the functions of that office.

Determination (13) The Panel's Regulations relating to community and town councils are contained in Annex 2, part 5. These replace the Local Authorities (Allowances for Members of Community Councils) (Wales) Regulations 2003 that will be revoked at midnight on 31 March 2013.

3.9 For clarity, determinations 7 to 12 are permissive powers that require a formal decision by each community or town council. But where a community and town council makes such a decision, the decision must apply to all its members at the amounts determined by the Panel. An individual member may make a personal decision to elect to forgo part or all of the entitlement to any of these allowances by giving notice in writing to the proper officer of the council.

⁵ Set out in the Local Authorities (Allowances for Members of Community Councils)(Wales) Regulations 2003 SI No. 895 (W.115). Rate is frozen as the index stipulated in the Regulations for calculating the percentage annual increase "the Average Male Non-Manual Wage for Wales" has become obsolete.