

## **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 for which Dorset Council is the establishing authority. 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. Pursuant to Regulation 25(2) any such council that proposes to operate a scheme of allowances must have regard to the recommendations of the Panel.

3. The Panel is required 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.

4. 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.

5. The Panel conducted a "desk top" review of the allowances for parish and town councils in November 2019. The 2019 review took into account the changing context of local government within Dorset at that time in consequence of the move to a unitary council form of governance. It was considered possible that this reorganisation might result in increased delegation of functions to parish and town councils, and therefore more responsibilities for councillors of those authorities. The Panel was advised at the time of the 2019 review that such delegation was still under consideration. The 2019 review recommended that a further review be undertaken in 12 months' time.

6. The COVID-19 pandemic resulted in pressure on resources. Consequently, a further review of the scheme of members' allowances for civil parish councils has been delayed.

7. As with previous reviews, the 2019 review concluded that the size of a council's electorate is a significant indicator of the complexity of the role of its members. Parish and town councils with similar sized electorates were grouped at a 'Level'. However, the Panel also concluded that it might be possible to accommodate special circumstances pertaining to a council by characterising it at a different Level, following a further review. The 2019 review categorised parish and town councils as follows. The number of authorities at each Level is also indicated.

	Electorate	Characterisation
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

8. The scheme recommended by the Panel in 2019 is set out in Appendix 1 to this report. The 2019 report was based upon a percentage of the basic allowance of £13,000 payable to members of Dorset Council for 2019/20.

### **2021 Review**

9. The Panel recognises the differences in both size and scale of activity of individual parish and town councils. This presents the Panel with some difficulty in recommending a scheme of allowances that will apply to all councils.

10. The Panel therefore sought the assistance of the Dorset Association of Parish and Town Councils (DAPTC) in clarifying a number of issues around the different nature of councils and the additional responsibilities and complexities that apply to some of the town councils. The outcome of a meeting of the Panel held on 9 February 2021 was that DAPTC facilitated a survey of all civil parish councils within Dorset on behalf of the Panel. The survey sought the views of the councils on the structure and content of a scheme of allowances. A copy of the survey together with a summary of the responses is attached at Appendix 2.

11. DAPTC also provided the Panel with benchmarking information from Cornwall Council and Devon County Council as establishing authorities. That information indicated that allowances schemes for parish and town councils in those areas were structured on a similar basis to those current within Dorset.

12. The survey went live on 2 July 2021 and closed on 30 September 2021. The response rate was 35%. 80% of respondees indicated that they did not pay an allowance.

13. The Panel recognises that it may be an historic issue that some authorities do not operate a scheme of allowances.

14. Responses to the survey indicated that one major issue is the diversity of operations of larger town councils. Therefore, interviews were conducted with representatives of those councils that fall within this category, had raised specific issues, and had indicated that they would be willing to give evidence. Interviews were conducted with Dorchester, Lyme Regis, Swanage and Weymouth Town Councils on 9 November 2021.

15. The evidence received suggested that, despite those authorities all being town councils, each of them has individual characteristics. All of them requested that recommendations for a scheme of allowances should include some flexibility to enable individual circumstances that increase complexity to be recognised.

16. The Panel is of the view that the current classification of councils at the Levels specified in the Table in paragraph 7 of this report remains relevant. Subsequent to the 2019 review, the Panel did receive a letter from Langton Matravers Parish Council which questioned the methodology used by the Panel. However apart from this representation the Panel received no further evidence to suggest that the general characterisation of authorities in accordance with the size of their respective electorates is inappropriate.

17. The Panel therefore **recommends** that the basic allowance available to members of parish and town councils be as follows, calculated on a basic allowance for 2021/2022 of £13,357.50 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>£</b>	<b>Basic allowance available per Town/Parish Councillor</b>  <b>£</b>
<b>Level 1</b>	0 – 2,500 (128)	2%	267
<b>Level 2</b>	2,501 – 5,000 (9)	3%	400
<b>Level 3</b>	5,001 – 10,000 (13)	4%	534
<b>Level 4</b>	10,001 – 20,000 (3)	5%	668

<b>Level 5</b>	20,001 – 35,000 (0)	8%	1,069
<b>Level 6</b>	35,001 and above (1)	10%	1,336

18. Councils are asked to note that the Dorset Council basic allowance will increase in line with any pay award to staff. The Panel **recommends** that under any scheme adopted the basic allowance available to parish and town councillors may increase in line with an adjustment to the Dorset Council basic allowance.

19. 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 of that authority.

20. Each parish and town council is legally responsible to determine the basic and chairman's allowances under any scheme adopted by it. The Panel recognises that an authority may take into account factors in addition to electorate size. The Panel are of the view that such factors as budget size, number and complexity of operations and breadth of commercial activity are relevant. The Panel anticipates that no basic allowance would exceed the next Level as set out in the table at paragraph 17.

21. 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.

22. 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 is of the view that to introduce taxable benefits into the travel allowances scheme would be a disproportionate bureaucratic burden on the council.

23. 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.

24. 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.

25. 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.

Minimum journey time	Maximum amount claimable
5 hours*	£5.00*
10 hours*	£10.00*
15 hours*	£15.00*
*Supplement where journey ends after 8pm	£10.00
Overnight (room only)	£90.05 (2019 = £87.64) including VAT £118.18 (2019 = £115.02) including VAT for Greater and Inner London

26. 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.

27. The Panel wishes to emphasise that it does not suggest that it is necessary or appropriate for all councils to pay allowances. Each council will determine its own scheme (if any) having had regard to the recommendations made in this report.

28. The Panel **recommends** that where any council adopts a scheme of allowances, the commencement of such scheme should be payable from the commencement of the next municipal year.

John Quinton

11 November 2021

## **APPENDIX 1 – CURRENT SCHEME OF ALLOWANCES (NOVEMBER 2019)**

The Panel 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>£</b>	<b>Maximum basic allowance per Town/Parish Councillor</b>  <b>£</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

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.

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.

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.

MAPs are currently:

- v) Car – 45p per mile up to 10,000 and 25p per mile thereafter;
- vi) 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;
- vii) Motorcycle – 24p per mile; and
- viii) Bicycle – 20p per mile.

The Panel **recommends** that:

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

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.

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.



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.

## **APPENDIX 2 - SURVEY OF PARISH AND TOWN COUNCILS**



### REVIEW OF PARISH AND TOWN COUNCIL MEMBERS' ALLOWANCES - July 2021

#### Consultation on behalf of Dorset Parish Independent Remuneration Panel

**Please respond by 30 September 2021 at 5pm**

#### **INTRODUCTION**

Dorset Council has appointed an **Independent Remuneration Panel ('the Panel')** to review the allowances available to Parish and Town Councillors.

Dorset Council is the responsible authority for establishing the Panel to conduct an independent review of the allowances scheme to be recommended to your Council.

Each Parish or Town Council makes its own decisions concerning adopting an allowances scheme, but it may not do so unless it has had regard to the recommendations of the Panel.

The responses that are provided to this survey will help the Panel arrive at its recommendations to your Council on its allowances scheme. DAPTC has been asked by the Panel to engage with your Council to assist it in making its recommendations.

The Parish Clerk or Responsible Financial Officer (RFO) may invite the members of the authority to complete a separate response to this questionnaire.

#### **\* 1. Which statement accurately reflects how this survey response is being submitted?**

- By Council having considered the survey questions
- Delegated to the Clerk/RFO to respond on behalf of Council
- By an individual member of Council expressing your own responses

Dorset Association of Parish and Town Councils are the data controller and are responsible for collecting and holding all responses received from town and parish councils to the survey and will make responses available to the Panel. Personal data will only be held for so long as is necessary for the preparation and completion of the Panel's report and will be used only for that purpose and to contact respondents if a request to contact has been made.

**\* 2. Council name or Clerk's name completing the survey and contact details**

Council Name

Name of Councillor or  
Clerk Submitting  
Response

Contact Email Address

Telephone Number

\* 3. The Panel may wish to contact you about your response to this questionnaire. Your name and contact information will be made available to the clerk to the Panel only for the purpose of making its recommendations, and only if you agree. Your personal data will not be retained by the clerk to the Panel after it has concluded its deliberations.

Please choose one of the following:

- I agree that my name and contact details may be forwarded to the clerk to the Panel for use in following up this survey.
- Only the name of my Council, and if and on what basis the response is made by the Clerk / RFO are to be provided to the clerk to the Panel, and I do not wish to participate further.

**\* 4. Which of the following most accurately describes your council?**

*Respond to this question as you see fit based on what you know.*

- Town Council
- Larger Parish Council
- Medium Parish Council
- Small Parish Council



REVIEW OF PARISH AND TOWN COUNCIL MEMBERS' ALLOWANCES - July 2021

Let us know your thoughts on the current allowances

If you are unfamiliar with the current members' allowances recommendations to town and parish councils, read the [Dorset Parish Independent Remuneration Report Nov 2019](#)

The next few questions relate to the existing allowances scheme and it is with this in mind we ask you to respond to questions 5-8.

Individual Councillors may voluntarily forego any allowances payable. Can you please indicate which statement applies at your council:

\* 5. Which of these statements represents your Council's current scheme of allowances for the payment of a basic allowance?

- |   |  |
|---|--|
| <input type="checkbox"/> No basic allowance is permitted (if you select this response go to Q10 or Q11) | <input type="checkbox"/> All Councillors are entitled to a basic allowance, but only some take it                                    |
| <input type="checkbox"/> Only the Chair is entitled to a basic allowance                                | <input type="checkbox"/> All Councillors are entitled to a basic allowance, and all take all or some of it                           |
| <input type="checkbox"/> The Chair is entitled to a basic allowance, but does not take it               | <input type="checkbox"/> I am entitled to a basic allowance, but do not take (for individual Councillor responses only)              |
| <input type="checkbox"/> All Councillors are entitled to a basic allowance, but none take it            | <input type="checkbox"/> I am entitled to a basic allowance, and I take all or some of it (for individual Councillor responses only) |



## REVIEW OF PARISH AND TOWN COUNCIL MEMBERS' ALLOWANCES - July 2021

Let us know your thoughts on the current allowances

6. A scheme of allowances was recommended to your Council by the Panel in 2019 ([the Recommendations](#)). Please indicate which statement below reflects your Council's current scheme of allowances:

- Our Council adopted the Recommendations as the scheme of allowances
- Our Council adopted the Recommendations as the scheme of allowances and used the permitted flexibility to adopt a higher basic allowance (please indicate relevant figure(s) in Question 7)
- Our Council had regard to the Recommendations, but has adopted a different scheme of allowances (please indicate relevant figure(s) in Question 8)
- I am not aware of the Recommendations having been made

7. If you responded to the previous question by selecting 'Our Council adopted the Recommendations as the scheme of allowances and used the permitted flexibility to adopt a higher basic allowance'. Please state the amount in the comment box below:

8. If you responded to the previous question by selecting 'Our Council had regard to the Recommendations, but has adopted a different scheme of allowances '. Please state the amount in the comment box below:



REVIEW OF PARISH AND TOWN COUNCIL MEMBERS' ALLOWANCES - July 2021

Let us know your thoughts on future allowances and what factors may influence them

9. When considering factors that could influence the basic allowance for members of your Council, please rank the following in order of most significant (1 being the most significant, and 5 being the least. You will need to allocate a ranking to each of the statements below):



Size of electorate



Resident population size



Seasonal variation in population size



Council budget and service provision



Special circumstances that apply to your Council (please provide details in the free format box in Question 10)



## REVIEW OF PARISH AND TOWN COUNCIL MEMBERS' ALLOWANCES - July 2021

Just one last question if you have any further thoughts you would like to share with the panel:

10. Add any additional thoughts or comments below or alternatively jump to Q11 and if easier upload a statement or file in support of any additional comments:

11. As an alternative to adding text in the free format box for Question 10 - you may upload a file to the survey if this is easier.

Please use either word or a pdf file as a preference.

Choose File

Choose File

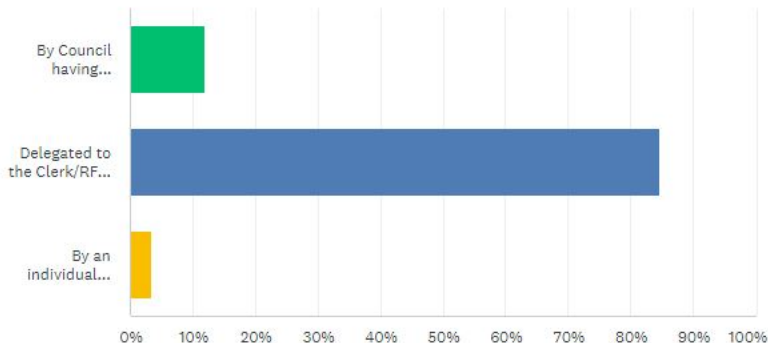
No file chosen

Thank you for taking the time to complete this survey. Please click on submit to ensure your views are considered.



## Which statement accurately reflects how this survey response is being submitted?

Answered: 59 Skipped: 0



### ANSWER CHOICES ▾

- ▾ By Council having considered the survey questions
- ▾ Delegated to the Clerk/RFO to respond on behalf of Council
- ▾ By an individual member of Council expressing your own responses

### RESPONSES ▾

11.86%	7
84.75%	50
3.39%	2

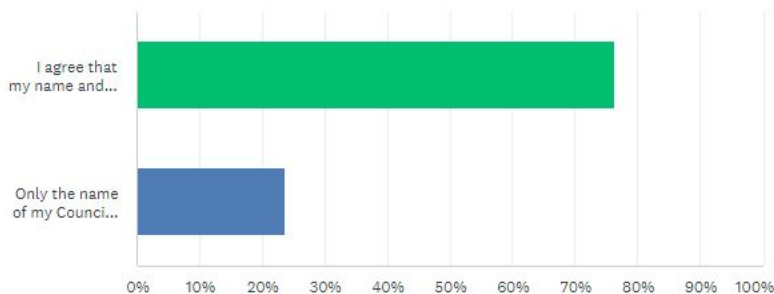
Total Respondents: 59





The Panel may wish to contact you about your response to this questionnaire. Your name and contact information will be made available to the clerk to the Panel only for the purpose of making its recommendations, and only if you agree. Your personal data will not be retained by the clerk to the Panel after it has concluded its deliberations. Please choose one of the following:

Answered: 59 Skipped: 0

**ANSWER CHOICES** ▾**RESPONSES** ▾

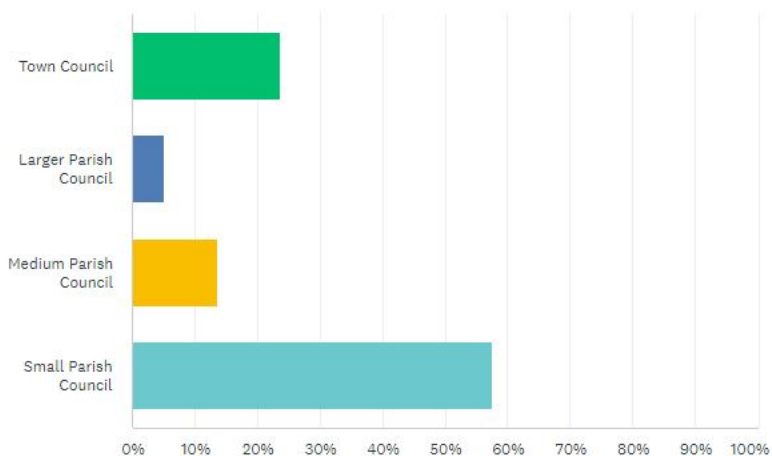
- |   |        |    |
|---|--------|----|
| ▾ I agree that my name and contact details may be forwarded to the clerk to the Panel for use in following up this survey.  | 76.27% | 45 |
| ▾ Only the name of my Council, and if and on what basis the response is made by the Clerk / RFO are to be provided to the clerk to the Panel, and I do not wish to participate further. | 23.73% | 14 |

**Total Respondents: 59**



Which of the following most accurately describes your council? Respond to this question as you see fit based on what you know.

Answered: 59 Skipped: 0

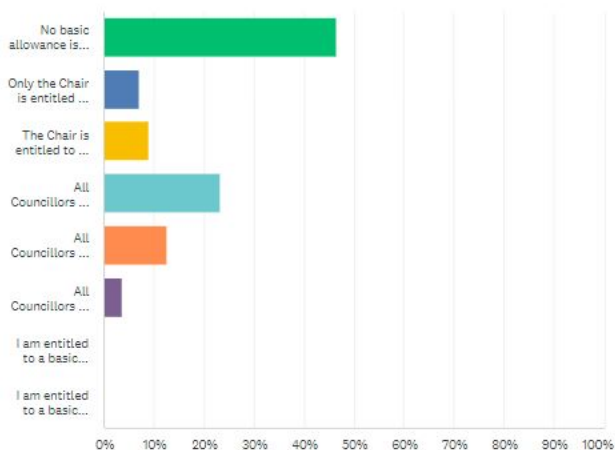


ANSWER CHOICES	RESPONSES
▼ Town Council	23.73% 14
▼ Larger Parish Council	5.08% 3
▼ Medium Parish Council	13.56% 8
▼ Small Parish Council	57.63% 34
<b>Total Respondents: 59</b>	



## Which of these statements represents your Council's current scheme of allowances for the payment of a basic allowance?

Answered: 56 Skipped: 3



### ANSWER CHOICES

### RESPONSES

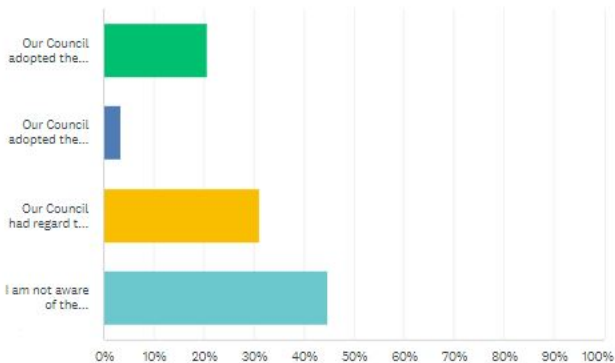
▼ No basic allowance is permitted (if you select this response go to Q10 or Q11)	46.43%	26
▼ Only the Chair is entitled to a basic allowance	7.14%	4
▼ The Chair is entitled to a basic allowance, but does not take it	8.93%	5
▼ All Councillors are entitled to a basic allowance, but none take it	23.21%	13
▼ All Councillors are entitled to a basic allowance, but only some take it	12.50%	7
▼ All Councillors are entitled to a basic allowance, and all take all or some of it	3.57%	2
▼ I am entitled to a basic allowance, but do not take (for individual Councillor responses only)	0.00%	0
▼ I am entitled to a basic allowance, and I take all or some of it (for individual Councillor responses only)	0.00%	0

Total Respondents: 56



A scheme of allowances was recommended to your Council by the Panel in 2019 (the Recommendations). Please indicate which statement below reflects your Council's current scheme of allowances:

Answered: 29 Skipped: 30



## ANSWER CHOICES

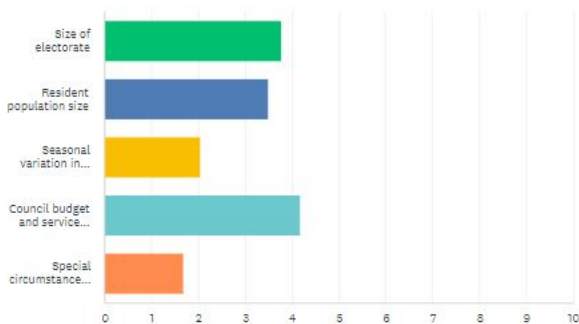
## RESPONSES

Our Council adopted the Recommendations as the scheme of allowances	20.69%	6
Our Council adopted the Recommendations as the scheme of allowances and used the permitted flexibility to adopt a higher basic allowance (please indicate relevant figure(s) in Question 7)	3.45%	1
Our Council had regard to the Recommendations, but has adopted a different scheme of allowances (please indicate relevant figure(s) in Question 8)	31.03%	9
I am not aware of the Recommendations having been made	44.83%	13

Total Respondents: 29

When considering factors that could influence the basic allowance for members of your Council, please rank the following in order of most significant (1 being the most significant, and 5 being the least. You will need to allocate a ranking to each of the statements below):

Answered: 28 Skipped: 31



	1	2	3	4	5	TOTAL	SCORE
Size of electorate	33.33% 9	29.63% 8	25.93% 7	3.70% 1	7.41% 2	27	3.78
Resident population size	11.54% 3	38.46% 10	38.46% 10	11.54% 3	0.00% 0	26	3.60
Seasonal variation in population size	0.00% 0	10.71% 3	14.29% 4	42.86% 12	32.14% 9	28	2.04
Council budget and service provision	57.14% 16	17.86% 6	14.29% 4	7.14% 2	3.57% 1	28	4.18
Special circumstances that apply to your Council (please provide details in the free format box in Question 10)	0.00% 0	4.00% 1	12.00% 3	32.00% 8	52.00% 13	25	1.68