

**Economy, communities and corporate**

Geoff Hughes

To: Clerks to Town and Parish Councils

Your Ref:

Our Ref: CM/IRP/Parish Councils

Please ask for: Caroline Marshall

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10 November 2016

Dear Clerk

Allowances Scheme for Parish or Town Councillors

As you will be aware, local councils may decide to pay their members a basic allowance; this may be applied equally to all members or only to the chairman, or as a basic allowance for members with a higher allowance for the chairman. Local councils must fund any allowances scheme from within their own budgets.

Should a local council propose to adopt an allowances scheme it must have regard in setting the level of allowance to the recommendations of an independent parish remuneration panel (IRP), and Herefordshire Council is required to constitute this panel.

Local councils may also pay travelling and subsistence expenses. Following a recommendation from the IRP in November 2005 Herefordshire Council resolved that town and parish councillors be eligible to claim reimbursement for travel associated with their parish council duties at the same level as Herefordshire Council elected members (this is the single rate used by HM Revenue & Customs for all business mileage), if they wish to adopt such a scheme.

The council's IRP last considered the question of local council member allowances in April 2014. As a consequence of the consultation done during 2014 the IRP recommended and Herefordshire Council resolved in May 2015 that the current childcare and dependants' carers' allowance scheme be extended to parish councils if they wish to adopt such a scheme.

Taking account of a survey of local councils conducted in 2014, the panel decided that, due to lack of interest from Herefordshire local councils, there was no need to introduce such a scheme, but that further soundings should be taken from local councils in 2016.

I am therefore writing to ask whether your council is minded to introduce an allowances scheme so that the IRP can consider whether it needs to produce a report on this matter.

I should be grateful if you would let me know your council's intentions by 27 January 2017.

Yours sincerely

**CAROLINE MARSHALL
DEMOCRATIC SERVICES OFFICER**