



**REPORT OF THE INDEPENDENT REMUNERATION PANEL
FOR
MILTON KEYNES PARISH AND TOWN COUNCILS**

DECEMBER 2021

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Report from the Parish and Town Councils Independent Remuneration Panel December 2021

1. Introduction

The Parish Remuneration Panel was convened by Milton Keynes Council as the 'Responsible Authority' so required by the 2003 Regulations:

The Local Authorities (Members Allowances) (England) Regulations 2003
Statutory Instrument 2003 No. 1021 and the amendment – Statutory Instrument 2003 No. 1692

The Guidance issued on these regulations for Parish Allowances/ or Members of Parish Council is:

“91. Parish councils may choose to pay their members an allowance, known as ‘parish basic allowance’, to recognise the time and effort they put into their parish duties. There is no obligation on parish councils to pay such allowances. Each parish council may make an allowance available to its chair only, or to each of its members. Where all members receive an allowance, the amount payable to the chair may be different to that paid to other members, but otherwise the amount paid to each member must be the same. Parish basic allowance is a discretionary allowance. It may be paid in a lump sum, or at intervals throughout the year.

92. If a parish council wishes to pay a basic allowance, it should have regard to a recommendation from its parish remuneration panel. This is a panel set up to make recommendations to parishes in its area. The membership of a parish remuneration panel will be the same as the independent remuneration panel of the district or county council within whose area the parish is situated. The panel will make a recommendation as to whom basic allowance should be paid, and the level of the allowance.”

(New Council Constitutions: Guidance on Regulation for Local Authority Allowances, DCLG, 2003)

2. Terms of Reference

The Panel was asked to consider and make recommendations to Parish Councils regarding:

- Basic Allowance
- Chair's Allowance
- Travel and Subsistence Allowance
- Indexation

The Parish Independent Remuneration Panel

The Parish Independent Remuneration Panel comprised of the same membership as the Independent Remuneration Panel which met on 12th, 13th October and 18th November 2021 to review the allowances for Milton Keynes Council and the members of the panel are set out below:

The Panel comprised the following members:

- Stewart Bailey, Local Resident and Managing Director, Virtual Viewing
- Ruby Parmar, Local Resident and Former PWC Director
- Mark Palmer, Development Director, South East Employers, Chair
- Clive Parker, Local Resident and former Local Government Officer, provided administrative support to the Panel.

The Panel met virtually via MS Teams. The Panel meeting was held in private session.

3. Approach

All Parish and Town Councils were invited to provide views through a questionnaire and the opportunity to speak to the Panel in respect of the Parish Basic Allowance, the Chair's Allowance, Travel and Subsistence and Indexation. Twelve Parish and Town Councils responded to the questionnaire, and one Parish and Town Councillor met the Panel as part of the review. Six Parish and Town Councils advised the Panel that they currently make some sort of payment to the Parish Chair's.

The Panel thanks the twelve Councils who responded to the questionnaire. The Panel further thanks Councillor Chris Williams, Chair, Shenley Brook End and Tattenhoe Parish Council who met the Panel as part of the interview process.

The Panel paid close attention to the Government Guidance when making its recommendations.

4. Arriving at the Recommendations

The Panel was of the view that whilst parish councillors did not stand for office for any financial reward, an allowance could actively support someone in the councillor role and that it was essential to be able to attract parish councillors from a wide range of backgrounds. Councillors should also not be out of pocket for undertaking the role.

5. Recommendations

Basic Allowance

The Local Authorities (Members Allowances) (England) Regulations 2003 Statutory Instrument 2003 No. 1021 state the basic allowance recommended by a Parish Independent Remuneration Panel can be for any amount up to 100 per cent of the basic allowance paid by Milton Keynes Council.

The Panel therefore recommends that those parishes who feel that a basic allowance would be appropriate should be able to pay an amount up to 10% of the Basic Allowance for Milton Keynes Council for Quality approved Parish Councils.

For those Councils that are not Quality approved they should be able to pay an amount up to 7.5% of the Basic Allowance for Milton Keynes Council.

The recommended Basic Allowance for Milton Keynes Council is **£11,165**; 10% of this is **£1,117** and 7.5% of this is **£837**. This should **only** be paid to Members who are elected not those co-opted.

The questionnaire asked if Parish and Town Councils may wish to consider awarding a Basic Allowance, five of the twelve responding councils stated that they may be interested in the awarding of a Basic Allowance in the future.

Chair's Allowance.

The Chair's allowance that can be recommended by the Independent Remuneration Panel can be for any amount up to 100 percent of the Basic Allowance paid by Milton Keynes Council. The Panel is of the view that any decision regarding the payment of a Chair's Allowance and the level of that allowance should be left entirely to the discretion of individual parish and town councils, considering individual local circumstances, whilst adhering to the recommended maximum allowance.

The Panel therefore recommends the Chair's Allowance for Quality approved Parish and Town Councils should be up to 20% of Milton Keynes Council's recommended Basic Allowance. The recommended Basic Allowance is £11,165; 20% of this is £2,233.

The Panel further recommends that the Chair's Allowance for those Councils not Quality approved should be up to 15% of Milton Keynes Council's recommended Basic Allowance. The recommended Basic Allowance is £11,165; 15% of this is £1,675.

The Chair's allowance can be in addition to the Basic Allowance, or not, if no Basic Allowance is paid.

The questionnaire asked if Parish and Town Councils may wish to consider awarding a Parish Chair's allowance. Five Parish and Town Councils of the twelve responding to the questionnaire stated that they may be interested in paying a Parish Chair's allowance. This was in addition to the six Councils that already made some payment to the Chairs.

Travel and Subsistence.

The Panel recommended that travel and subsistence for Parish and Town Councils should be at the same rates paid to the Milton Keynes Council Members. **The Panel recommends that the Parish Councils should pay a mileage allowance of 45p per mile (for a car) and 45p per mile for an electric car which are in line with the HMRC recommendations. Subsistence rates should be paid in line with Milton Keynes Councillors. Travel and subsistence is for approved councillor duties only.**

Indexation of Allowances

The indexation of the allowances paid to Members of the parish and town councils should be in line with the indexation applied to Members Allowances at Milton Keynes Council, namely linked to staff salary increases of Council employees.

Withdrawal of Allowances

The Panel recommends that where a member is suspended or partially suspended, all or part of their allowance should be withheld. This would also apply to Travel and Subsistence allowances.

Foregoing Allowances

A parish/town councillor may choose not to receive all or part of any allowance to which they would otherwise be entitled. To do so they must give written notice to the proper officer of the parish/town council.

Publicity

Regarding the allowances, the Panel recommends that the Parish Councils act in accordance with the following guidance (Section 5, Paragraph 30 of the Regulations (SI2003 No. 1021):

“Parish councils are required to publicise their allowances in a notice or notices conspicuous in their area. These notices must remain in place for at least 14 days. In addition, they must make a record of the allowances they have paid available for inspection at reasonable notice. They must provide copies of this record on request and may charge a reasonable fee for this. Parishes must also publish details of the parish remuneration panel reports. Again, these are minimum requirements, and parish councils may wish to go further in making local people aware of their allowances scheme and payment levels. For example, they may wish to circulate details of their allowances in the parish newsletter, if they have one, place them on a website, or publish them in one or more local newspapers.”

Publication

The Panel recommends that the Parish Clerk should publicise the allowances scheme to all Parish and Town Councillors and the public. Each Parish and Town Council is required to formally adopt the recommendations in this report.

Implementation

The Panel recommends the Basic Allowance and Chair's Allowance should be implemented from May 2022.

Mark Palmer
Chair of the Independent Remuneration Panel
December 2021