




Un Llais Cymru



One Voice Wales

**Payments to Members  
of Community and Town Councils  
Implementing the Determinations of  
The Independent Remuneration Panel for Wales**



## PAYMENTS TO MEMBERS OF COMMUNITY AND TOWN COUNCILS

### IMPLEMENTING THE DETERMINATIONS OF THE INDEPENDENT REMUNERATION PANEL FOR WALES

#### A Guide for Councils

1. The Panel publishes its final Annual Report prior to the commencement of each financial year. The report contains a separate section dealing with payments to members of community and town councils.

#### **BUDGET MAKING**

2. Councils are required to produce an annual budget from which it can determine the level of the precept that will be collected on its behalf from council taxpayers by the principal council. The Council should therefore consider the amount to be included in the budget for member allowances as part of this process. The draft annual report from the Panel will have been published before the deadline for finalising the annual budget and this will assist Councils in estimating the appropriate budget requirement for member allowances.

#### **DECISION MAKING**

3. When the final report for any given financial year is published, Council Clerks should ensure that its contents relating to community and town councils are included on the agenda of the next Council or appropriate Committee meeting. With the exception of the basic allowance which is currently set at £150 for 2019/20 which must be paid to members (unless they decide to opt out) and reimbursement of costs of care, the Council will need to consider the other determinations and decide which of them it wishes to adopt and what conditions will apply to the allowance adopted. Its decisions should be recorded in the minutes of the meeting.
4. Members wishing to decline to receive part, or all, of the payments should do so in writing to the Clerk. Clerks may find it helpful to design a simple 'opt out' form for use by members. It is important to note that is inappropriate for Councils or Councillors to create a climate, or otherwise pressurise others, in order to prevent persons accessing any monies to which they are entitled.
5. ***It is important to note that 'dual-hatted' members receiving a Band 1 or 2 Senior salary from a principal council cannot receive a payment from any community or town council. However this does not preclude them from holding a senior role.***
6. In the case of payments for **SENIOR ROLES**, Councils with income and expenditure above £200k **must** make an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities which is in addition to the £150 basic allowance. The Council

must determine the rationale for granting senior allowances (e.g. Committee Chair) and the basis of the decision should be recorded in the minutes. For Councils with income and expenditure below £200k, Councils can but do not have to make a Senior Responsibility allowance of up to a maximum of 5 members which is in addition to the £150 basic allowance.

7. In the case of all other determinations contained in the Annual Report, with the exception of those listed in the foregoing paragraphs, Councils are granted permissive authority to adopt allowances relating to travel costs, subsistence allowances, financial loss compensation, mayor/chair allowance and deputy mayor/deputy chair allowance based on the maximum amounts given under each of the determinations.

### **PAYMENT PROCESSING**

8. Once the Council has made its decisions in relation to the allowances which are 'optional,' the responsibility rests with the Clerk/RFO to arrange for the processing of payments at appropriate intervals during the year.
9. In the case of reimbursement of expenses, payment will need to be processed after a claim has been submitted and duly authorised. The timing of payments relating to allowances can be more flexible and Councils may choose to pay them in quarterly and half yearly sums or at the end of the financial year. The basic, senior role, mayor/chair and deputy mayor/deputy chair allowances are taxable and in order to reduce the costs of processing the allowances, it may be more cost effective to pay the allowances in one sum rather than at regular intervals during the year. This is however, a matter for Councils to determine.
10. In the case of members taking up office during a financial year or those that leave during a financial year, the Council should adopt a policy as to how allowances should be paid in such circumstances. The policy should be documented in the minutes of the meeting where the policy was adopted.

### **PUBLICITY AND REPORTING**

11. After the end of the financial year, Councils must arrange for details of all payments made to members to be published on their noticeboards and website. By no later than 30 September following the end of the previous financial year, the Independent Remuneration Panel for Wales must be informed of the payments made during the year. A monitoring return (pro forma) will be circulated from One Voice Wales to all Clerks shortly after the end of the financial year for completion and submission to the Panel by the statutory deadline. This pro forma can be downloaded from the Panel's website <https://gov.wales/town-and-community-councils-pro-forma> and amended each year.



## **ABOUT ONE VOICE WALES**

One Voice Wales is the national representative organisation for Community and Town Councils throughout Wales. The vision subscribed to by One Voice Wales is:

*“Working with local councils in Wales to shape places communities want to live in”*

One Voice Wales aims to support Community and Town Councils in achieving this vision and has adopted the following Mission Statement to guide its work:

*“To represent the interests of Community and Town Councils; raise awareness and understanding of this primary tier of government; and work collaboratively with our partners to ensure the sector contributes fully to the goal of developing dynamic and sustainable communities in Wales.”*

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