

AGENDA ITEM NO 8(a)

TAVISTOCK TOWN COUNCIL BUDGET AND POLICY COMMITTEE TUESDAY 28th May, 2024

BRIEFING NOTE CHAIRMAN'S ALLOWANCE

1. INTRODUCTION

- 1.1 The Committee will be aware of the general arrangements for the payment of allowances to Members of Town and Parish Councils which, in relation to Tavistock Town Council, are set out in the New Member Information Pack.
- 1.2 Insofar as payment of an allowance to the Chairman of the Council (titled Mayor in the case of Tavistock) is concerned, this may be either under the same provisions as the Basic Allowance (Local Authorities (Members' Allowances) (England) Regulations 2003) or in accordance with Section 15 (5) of the Local Government Act 1972.
- 1.3 The principle difference between these two powers being that the former requires, as a precondition, consideration of a recommendation from the applicable local Independent Remuneration Panel. The Town Council operates, in this regard, under the 1972 legislation, the provisions of which are to meet the expenses of the office (ie it cannot constitute a salary, or a remuneration, for holding the office).

2. CURRENT POSITION

- 2.1 At the Annual Meeting of Council a request was made to review the current level of Mayoral Allowance (presently £2,000 per annum). This briefing note sets out the background to current arrangements.
- 2.2 Members of long standing will recall that as far back as 2011-12 the Council set two complimentary but distinct budgets in respect of Code:
 - 4062 Mayors' Allowance (£4,000); and
 - 4063 Hospitality (£1,000.00)i.e. a combined overall budget of £5,000.00.
- 2.3 However, it should be noted that the operation of those budgets was very different to that which currently applies in respect of 4062 (Mayors' Allowance) and 4063 (renamed as Civic/Ceremonial expenses).

- 2.4 That is because at that time the Mayors' Allowance served a dual purpose - both of being an allowance for the Mayor, but more substantially of funding other costs such as food, refreshments, transport and venue booking costs for Mayor led events.
- 2.5 This was reviewed by the Council and considered to be both inequitable and difficult to apply. Not least as the costs incurred were frequently beyond the control of the Mayor – for example hosting exchange visitors, Civic Service refreshments, attending at overseas events, some Civic Ball costs, ceremonies hosted by the Council etc.
- 2.6 In the circumstances it was decided that it would be more equitable to have a specific allowance for the Mayor and their expenses and, accordingly, to discontinue the 'hospitality' budget and replace it with a 'Civic/Ceremonial' budget. This would then pick up those non expense related costs which were, in essence, outside of the Mayors control.
- 2.7 To chart the background:
- o in 2011-12 the Mayors allowance was £4,000.00 and hospitality £1,000, then
 - o in 2012-13 the Mayors allowance was reduced to £1,000.00 and the hospitality allowance replaced with Civic/Ceremonial expenses in the sum of £5,000.00;
 - o this was continued in 2013-14. Then in 2014-15 Civic/Ceremonial expenses remained unchanged at £5,000.00 but the Council agreed an increase from £1,000.00 to £2,000.00 in respect of the Mayors' Allowance. That was in part acknowledgement that it is a taxable benefit (so the amount received is likely less than that specified subject to taxpayer status). That arrangement continues to be the position today and is subject to annual review, in accordance with normal practice for all budget heads, at the time of the budget setting process.

3. CONCLUSION

- 3.1 By way of summary the purpose of the Chairman's (Mayors) Allowance is to enable him/her to meet the expenses of office held in such amount as the Council thinks reasonable. The amount paid can only be such as is sufficient to meet those expenses, and shall not include any element of remuneration.
- 3.2 In view of the forgoing, and with due regard to the comments of recent Chairmen (Mayors), that the expenses they have incurred have not exceeded the current Mayoral Allowance, no change of arrangements is currently recommended. Council will also recall that

during Covid the then Mayor decided to forego some allowance payments to which they were entitled in acknowledgement of the financial pressure that the pandemic placed upon the Community and Council.

- 3.3 It is therefore:
RECOMMENDED THAT no further action be taken by the Council on this matter at the present time, and the Council reconfirm the proper practice of reviewing all budget heads at the time of the annual Budget setting round.
- 3.4 The instruction of the Committee and Council are sought.

**CARL HEARN
TOWN CLERK
TAVISTOCK TOWN COUNCIL
MAY 2024**

