

REPORT PC26.017 Councillor Allowances Policy

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Date: 2nd February 2026

1. BACKGROUND

In September 2025, the Council resolved to accept the Councillor Allowances scheme as detailed in Report PC25.127, which set out the contents of the report issued by the Independent Remuneration Panel of Wiltshire Council. The provision to pay these allowances comes into effect in the 2026 / 2027 fiscal year.

2. SUMMARY

This report proposes a Councillor Allowances Policy for Laverstock and Ford Parish Council that sets out the framework under which the Council will operate its Allowances Scheme.

Any Councillor allowance payments will be processed by the Council's outsourced payroll supplier. There is a fee associated with this service. On current rates, the Council is charged as follows:

5-10 employees £7.25 per employee

11-20 employees £6.75 per employee

The payroll charge is based on the number of employees processed in each payroll period and the fee will increase from April 2026. The change fee level is not yet known. Dependent upon the number of Councillors who choose to claim the allowance, it is possible that our 'per employee' processing fee will be in the second lower bracket from April. The Council currently employs six personnel.

3. CONCLUSION

Please note that the Policy proposes the framework but allows the allowance amount to be adjusted in line with the change triggers detailed in the IRP Report without needing to re-adopt the whole policy again.

4. RECOMMENDATION

That the council resolves to adopt the proposed Councillor Allowances Policy attached in the Annex to this report.

ANNEX

LAVERSTOCK AND FORD PARISH COUNCIL

COUNCILLOR ALLOWANCES POLICY

Purpose/Principles	To provide guidance on Councillor allowances available to elected members, in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 (as amended 2004) and having regard to the recommendations of the Wiltshire Council Independent Remuneration Panel (IRP).
Scope	This policy applies to elected councillors of Laverstock & Ford Parish Council. Co-opted councillors are not eligible for Basic or Chair's Allowances, as confirmed in the Regulations (Part 5) and IRP guidance, but may claim expenses in accordance with the Council's Councillor and Employee Expenses Policy.
Date adopted:	XXXX
Minute Reference:	XXXX
Previous versions (Dates):	NONE
Next review:	March 2030
Policy owner:	Finance and General Purposes Committee
Supersedes:	NONE

Councillors Allowances

Introduction

This policy sets out the framework under which the Council will operate its Allowances Scheme. The financial values payable under this scheme are set out separately in Appendix A – Allowances Scheme, which is updated as required following changes in IRP recommendations or changes in the Council's electorate level.

The Basic Councillor Allowance and the Chair's Allowance are payable only to *elected* Councillors. There is no obligation on the Council to pay these allowances nor on any individual Councillor to accept them.

The IRP notes that allowances can help increase diversity among Councillors and remove barriers to participation.

Expenses are payable to ALL Councillors, including those that have been co-opted, and are covered by our separate Councillor and Employee Expenses Policy.

Policy

Basic Allowances

All elected Councillors are entitled to receive the Basic Allowance at the rate specified in Appendix A – Allowances Scheme.

This is paid in monthly in arrears and is subject to both tax and National Insurance contributions where applicable.

If a Councillor leaves office during a term:

- the allowance is calculated pro-rata
- overpayments may be recovered by the Council
- underpayments will be rectified

This aligns with IRP and legislative expectations.

The Basic Allowance is intended to recognise the time commitment of all Councillors, including such inevitable calls on their time as meetings with officers and constituents and attendance at meetings. It is also intended to cover incidental costs, such as the use of their homes for Council business, telephone rental and broadband charges.

Special Allowances

The Chair may receive an enhanced allowance in recognition of additional responsibilities. The Chair's Allowance must not exceed twice the Basic Allowance, in line with IRP recommendations.

This is paid monthly in arrears and is subject to both tax and National Insurance contributions where applicable.

If a Chair ceases to be a Councillor during a term:

- the allowance is calculated pro-rata
- overpayments may be recovered by the Council
- underpayments will be rectified

If the Chair ceases to be Chair but remains a Councillor before the end of their term of office, a pro rata calculation is made to ensure the Councillor receives the right amount of Chairs and Basic Allowance. If necessary, an adjustment for under or overpayment may have to be made and the council reserve the right to recover any overpayment of Chairs or Basic Allowance.

In the event that a Councillor who is receiving Chairs Allowance is unable to carry out the duties associated with the role for a period of three months or more, the Council may consider the circumstances with the option of ceasing the Chairs Allowance and making a retrospective payment to a deputising Councillor who is stepping into the position, until the original Councillor is able to resume the role.

Forgoing Allowances

A Councillor may forgo all or part of any allowance, provided they have given written notice to the Clerk and Responsible Financial Officer.

Suspension and Withholding Allowances

In the event of a Councillor being suspended from duty following an investigation by the Monitoring Officer, the Council may withhold allowances and recover overpayments, consistent with the regulations.

Administration of Allowances

Allowances will be administered by the Responsible Financial Officer (RFO). Councillors must provide information required to meet HMRC and statutory reporting requirements. The Council will maintain records and publish annual allowance payments as required by the Regulations.

Review

The policy will be updated according to the review period specified in the opening table.

Appendix A may be updated independent of the policy if / when:

- The IRP revises recommended maxima
- The Council's electorate size moves it to another IRP level
- Wiltshire Council's basic allowance is updated.

- POLICY ENDS -

APPENDIX 1 – Allowances Scheme (as of May 2025)

Extracted from *Report of the Independent Remuneration Panel of Wiltshire Council Review of the City, Town & Parish Allowances, May 2025*

Table: Basic Allowances

	Electorate (The number of councils that fall within each grouping is shown in brackets)	% of basic allowance paid to Wiltshire councillors	Maximum basic allowance available per city/town/parish councillor (rounded up to nearest £)
Level 1	0-1,000 (191)	1%	£165
Level 2	1,001-2,000 (28)	2%	£330
Level 3	2,001-5,000 (16)	4%	£660
Level 4	5,001-10,000 (6)	5%	£825
Level 5	10,001-20,000 (7)	8%	£1,320
Level 6	20,001+ (3)	12%	£1,980

The Panel recommends that if a council pays an enhanced basic allowance to its chairman, then the chairman's basic allowance should not exceed twice the basic allowance payable to other council members.

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