

TEIGNMOUTH TOWN COUNCIL
Finance & General Purposes Committee



DATE 28th May 2019
REPORT OF Town Clerk
SUBJECT Mayoral Allowance 2019/20

Part I

RECOMMENDATIONS

The Finance & General Purposes Committee is recommended to resolve that Teignmouth Town Council:

- a) The setting of the Mayoral Allowance for 2019/20 as agreed by Teignmouth Town Council.**

1. Introduction

Section 15(5) of the Local Government Act (LGA) provides for town and parish councils to pay its mayor 'for the purposes of enabling him/her to meet the expenses of his office such allowance as the council think reasonable'.

Provisions made for the Mayor's Allowance do not extend to the Deputy Mayor, who would be treated the same as any other councillor.

However, it is acknowledged that the Deputy Mayor is likely to incur costs associated with officially representing the mayor in his/her absence and in this case he/she will be entitled to claim expenses.

The Allowance is expected to defray the cost associated with the office of Mayor such as;

- Mileage to and from events
- Tickets for events
- Raffle/draw tickets
- Donations to charity stalls, etc.
- Reasonable clothing allowance for civic events

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It is also recognised that the Mayor may be accompanied to many formal engagements by his/her spouse or partner and reasonable expenditure under the above headings represents legitimate expenditure for him/her also.

The Allowance paid under section 15(5) of the LGA 1972 will be subject to the usual tax and national insurance deductions if it is paid as a round sum allowance to ensure HMRC regulations are adhered to.

The payment of the Allowance will either be made via payroll ensuring that any deductions and contributions due to HMRC are collected through PAYE or alternately the Mayor claiming reimbursement for expenses paid out which is costed against the agreed Mayoral Allowance.

It will be the responsibility of the Mayor to make a claim for any expenses that are incurred which are tax deductible.

In the last financial year, an allowance of £2728 was granted by the Council. Councillors are also reminded, as per minute 34, it was agreed that the allowance was to increase by 'government increment'. Unfortunately, there is no actual guidance as to what a government increment is in respect of such an allowance.

The current rate of inflation is 1.9%, if RPI is used this means an increase from £2728 to £2780.

2 Proposal

Members are to agree the grant allowance given for the purposes of enabling the Mayor to meet the expenses of office such allowance as the council think 'reasonable'.

Tracey Higgs
Town Clerk