

AILG

Association of Irish Local Government
Aontas Rialtas Áitiúil na hÉireann

Elected Member's Explanatory Note, Best Practice Guidance and Sample Templates on:

Members Remuneration, Allowances, Expenses and Other Supports



**1. Members New Salary/Remuneration
 (Circulars LG02 & LG04 of 2021)**

- Arrangements for Members new salary/remuneration are contained in circulars LG02 & LG04 of 2021.
- Salary for Elected Members as at 1st January 2022 is €26,153 (gross) per annum.
- The existing arrangements that apply in relation to elected members long-term absences will continue to apply under the new regulations (i.e. a member may be absent from meetings for a continuous period of up to 6 months and still receive the full amount of his or her remuneration payment).
- Going forward whenever the pay of Local Authority Grade 4 Operative is adjusted in accordance with Government pay policy, then the amount payable to Members shall be altered on and from that day by a proportionate amount.
- The new public service pay agreement Building Momentum will see increases in pay for public servants over the next year which will result in the following increases in your salary as follows;

Details	Amount (€)
Salary – 1st October 2021	€26, 153
National Pay Increase due 1st February 2022 – 1%	€261
Salary – 1st February 2022	€26,414
National Pay Increase due 1st October 2022 – 1% or Minimum Increase €500 (Pro-Rata)	€365
Salary – 1st October 2022	€26,779

2. Changes to Day Subsistence Rates

- Changes to Day Subsistence Rates are contained in Circulars LG 02 of 2021.
- Members will now be aligned to the prevailing civil service subsistence rates and bands. This means that the 3-7 hour and over 7 hour subsistence bands that applied to Members are replaced with the standardised 5-10 hour and over 10 hour for payment of the day subsistence rates. These bands also apply to local authority staff.
- Domestic subsistence day rates are being increased with effect from 1 December 2021 as follows;
 - 5 to 10 hours of absence increasing from €15.41 to €16.29
 - Absence of over 10 hours increasing from €36.97 to €39.08

3. Members Annual Allowances

3.1. Travel and Subsistence Allowance for Attending Council Meeting

- Travel and Subsistence allowance is to offset reasonable expenses incurred by Members in carrying out their reserved functions and community representational role.
- This can include, in addition to costs incurred in attending meetings, such incidental travel and subsistence expenses that a member may incur in travelling around their local electoral area to meet with local communities in order to convey the views of those communities at council meetings.
- Provision for the Travel and Subsistence Allowance is contained in in Circular LG05/2021.
- Members current Travel and Subsistence Allowances (for attending Council related meetings) **are not** affected by these changes and will remain fully in place under existing conditions including the indexed meeting bands, 80% attendance requirements etc.
- This element of your annual allowance will continue to be paid on a monthly basis (or fortnightly depending on your local authority).
- Please note that the change in the over 10 substance rate (to €39.08) will apply to the calculation of the subsistence element of your monthly allowance and will result in a small increase for members.

3.2. Introduction of the new Vouched Local Representation Allowance (LRA)

- Provision and details for the introduction of the new Vouched Local Representation Allowance (LRA) are contained in circulars LG02 & LG05 of 2021.
- The current fixed un-vouched element of your annual allowance (see table below with your LA details and amount) will now be replaced by a new allowance called the Local Representational Allowance (LRA).

Local Representation Allowance (LRA) – Summary of Changes from Un-Vouched Fixed Allowance to LRA

Local Authority	Current Un-Vouched Fixed Allowance to be Replaced by new LRA Allowance	New LRA Allowance as of 1st January 2022
Cork Co. Dublin City Council	€2,667	€960 Un-Vouched Petty Cash Allowance €4,200 (Maximum) Vouched LRA Allowance
Dun-Laoghaire Rathdown, Fingal & South Dublin Co Co.	€2,540	€960 Un-Vouched Petty Cash Allowance €4,200 (Maximum) Vouched LRA Allowance
Clare, Donegal, Galway, Kerry, Kildare, Limerick City & County, Mayo, Meath, Tipperary, Wicklow, Waterford City & County, Wexford Co. Co.'s & Cork City Council	€2,413	€960 Un-Vouched Petty Cash Allowance €4,200 (Maximum) Vouched LRA Allowance
Carlow, Cavan, Kilkenny, Laois, Leitrim, Louth, Longford, Monaghan, Offaly, Roscommon, Sligo, Westmeath Co. Co.'s & Galway City Co.	€2,286	€960 Un-Vouched Petty Cash Allowance €4,200 (Maximum) Vouched LRA Allowance

- The LRA Allowance will be €5,160 per annum of which €960 will be an un-vouched petty cash allowance (no receipts required) with the balance of €4,200 being a vouched allowance.
- The un-vouched Petty Cash element of the Allowance (€960 per annum) will be paid in 12 monthly installments of €80 p/month.
- Payment of the vouched amount of €4,200 will be dependent on you being able to provide receipts, invoices and proof of payment to cover all eligible expenditure.
- Full details of the eligible expenditure categories are contained on pages 28 to 33 of Circular LG05 of 2021 – Appendix Allowances and Expenses of Elected Members – See tables below.
- All members will moved onto the LRA from the 1st January 2022.
- The circular states that you must notify your local authority prior to the 1st of January of each year on the amount of the LRA that you intend to draw down for that calendar year. The amount that you notify to your local authority will then be paid to you on a monthly basis over the course of the following 12 months starting in January of each year.
- AILG would recommended that your annual notification to your Council should clearly state that you intend to drawdown the full €960 of the un-vouched petty cash allowance of the LRA and then the amount of the vouched allowance that you intend to drawdown up to the maximum available of €4,200.

Please see a sample wording for this notification for your local authority:

“I wish to confirm that for 2022 I intend to draw down the full €960 of the un-vouched petty cash element of the Local Representational Allowance and €3,000 of the vouched element of the Local Representational Allowance.”

- AILG would recommend as best practice, that you should consider notifying your local authority of a modest amount of the vouched allowance available to start with until you become familiar with the operation of this new system. The circular does provide that you can avail of a top-up payment later in the year if you have additional expenditure over the amount that you notified to your local authority.
- Each member must retain evidence of expenditure for the vouched element of the LRA in the form of invoices and receipts to show that the expenses were incurred. These invoices and receipts must be submitted on a quarterly basis, during the year, to your local authority. **See Appendix 1 – Record of Invoices & Receipts for Vouched Local Representation Allowance.**
- Before the end of the year each member is to provide to their local authority a written certification of the actual expenditure incurred during the preceding year.
- If a member has incurred less expenditure at the end of a year than the total amount of monthly payments that they have received during that year then they shall refund the differential.

- Where a refund for overpayment is due a member may either;

(a) repay the amount to the local authority no later than 1 February of the following year; or

(b) notify their local authority in writing no later than 1 February of the following year that they wish to receive a reduction in their following years allowance until such time as the amount of the overpayment has been refunded.

- Attendance rule of 50% applies to LRA Allowance i.e. you must attend 50% of your local authority relevant meetings to be eligible for this allowance
- Remote Meetings will now be deemed to be relevant meetings for the purposes of calculating the attendance rule for payment of the Annual Expenses Allowance (for both the Travel & Subsistence Allowance and the LRA Allowance).

Summary of how new LRA Allowance will work on an annual basis

- The un-vouched Petty Cash element will be paid automatically on a monthly basis of €80 p/month.
- In December of each year you must notify your local authority on the amount of the remaining vouched allowance (up to a maximum of €4,200) that you intend to draw down for the following year.
- The amount that you notify to your local authority will then be paid to you on a monthly basis over the course of the following 12 months e.g. if you notify your local authority that you intend to draw down €3,000 (of the maximum €4,200 vouched allowance available) then you will be paid €250 per month for the following calendar year.
- You must submit copies of invoices and receipts for the expenditure incurred on a quarterly basis to your local authority. You must retain copies of these invoices and receipts.
- If a member has additional expenditure above the amount notified to your local authority then a top-up payment may be claimed. Please note that you must provide one month's advance written notice to seek this top-up payment.
- If a member has expenditure in excess of the maximum vouched LRA available (i.e. €4,200), the additional amount **may not** be brought forward to the following year.
- If money received by a Member under the LRA has not been spent by the year end on eligible expenses , then the unspent excess must be repaid to the local authority. In such circumstances the Member may opt to repay the unspent excess by way of a reduced maximum LRA amount for the following year.

Local Representation Allowance (LRA) – Summary of Vouched Expenditure Categories

(Pages 28 to 33 of Circular LG05 of 2021 – Appendix Allowances and Expenses of Elected Members)

	<i>Expenditure Categories</i>	<i>Allowable Expenditure</i>	<i>Not Allowable</i>
1	Rent, rates and other such charges in relation to an office or offices including home office	Rent, rates and other such charges are allowable on an office premises (apportioned as appropriate) including mortgage interest on the premises, rent paid on non-owner occupied premises used as a constituency office and rental relating to the storage space for a mobile office.	
2	Signage in respect of the office	The signage on any office, signage on a mobile office or vehicle (vehicle wrapping) , vehicle sign writing, graphics or car wrap signs for a Member's car	Signage explicitly promoting a person's candidacy, party's interests or which solicits votes
3	Improvements to office accommodation	Office improvements include any enhancements to the office/offices and may include upgrading works, refurbishment, repairs and maintenance, painting and decorating, health and safety requirement works and telephone system improvements.	
4	Utilities of an office or offices	<p>Cost of bills/invoices apportioned to include only costs of utilities or office services for the premises declared in the relevant periods including ESB, Gas, Oil or other fuel purchases for the office, rates, refuse charges, water charges, alarm monitoring, security costs, language service such as translation, interpretation, disability [e.g. Braille] etc., bulk scanning services, bulk or confidential shredding.</p> <p>HOME OFFICE</p> <p>In the case of a home office, a prorated amount based upon the floor space of the office as a percentage of the total floor area of the dwelling subject to a maximum of 20% of total cost.</p>	
5	Purchase or maintenance of home office furniture or equipment	Home office furniture and equipment normally required for the running of a home office. Equipment can include cost of purchase, rental and maintenance of any office equipment including tablet PCs (such as iPads) and IT equipment (such as laptops). ICT costs for IT connection or support.	Televisions
6	Purchase of stationery	Stationery required for the performance of his or her duties as an elected member and public representative, including stamps, envelopes and pre-paid envelopes.	

	<i>Expenditure Categories</i>	<i>Allowable Expenditure</i>	<i>Not Allowable</i>
7	Insurance including for office accommodation or equipment and public liability insurance	Insurance of the office accommodation and contents, equipment, public liability insurance, employer's liability insurance and other insurances related to a Member's duties.	
8	Cleaning of office accommodation	Cleaning of office premises declared by the Member in the performance of his or her duties as a Member.	
9	Telephone Calls	<p>OFFICE Members are not restricted in the number of office/mobile telephone lines listed for the allowance where the Member is the assigned bill holder/ payer. The cost of line rental, telephone calls and mobile data made by the Member (or on behalf of the Member) in the performance of his or her duties as a Member. SMS text messaging service. Credit purchased for "Pay As You Go" phones is allowable provided the device is used solely for a Member's duties. Each such phone number must be publicly listed as a designated contact number for the Member.</p> <p>HOME Home telephone to a maximum of 20% of the combined call, rental and internet connection costs.</p>	
10	Web hosting and other related costs	Invoices for web hosting, web design and other related costs. Invoices for any amounts charged by the ICT section of the service provider may be included pro rata for the relevant period	
11	Hiring rooms for clinics or other meetings	The hire cost of rooms in any location or premises for the purpose of clinics or meetings with the general public in the performance of his/her functions as a Member.	
12	Leaflet and newsletter printing and distribution	<p>Printing of leaflets and newsletters for the performance of his or her functions as a Member that is not otherwise facilitated by the use of the printing facilities of the local authority. Graphic design costs and services.</p> <p>Transport and distribution of leaflets and newsletters for the performance of his or her functions as a member.</p>	

	<i>Expenditure Categories</i>	<i>Allowable Expenditure</i>	<i>Not Allowable</i>
13	Advertising relating to the performance of his/her functions as a member	<p>Advertising to publicise work as a Member or to publicise clinic times, dates, venues, etc. All forms of media can be used including radio, web advertising, billboards, bus shelters, window space and social media (excluding sponsorship, e.g. a golf tee)</p> <p><u>Content is limited to the Member's name, contact details, addresses, clinic times/title of the meeting, the venue, time and the date – Please see sample Adverts in Appendix 2.</u></p> <p>Costs involved with the erection of posters</p> <p>If other public representatives appear in the advertisement, an amount of the cost of the advertisement, prorated on a reasonable basis, is allowable.</p>	
14	Purchase of secretarial support, public relations and expert advice relevant to local government functions	<p>Advertising for the service required, costs involved with promoting, organising or assisting the carrying out of research or studies with respect to the local community or administrative area.</p> <p>Two or more Members may jointly commission a person or persons to provide advice or undertake research and the costs are then prorated.</p>	Services purchased from a person or persons on a local authority payroll

Please note the following

- Expenditure incurred by a Member must be wholly and exclusively incurred in the performance of his or her duties as a member and must not include any personal element of expenditure.
- **Equipment provided by a local authority to its members as part of a standard supports package (e.g. a laptop or smartphone) prior to the issuing of these directions shall continue to be provided by the local authority and shall not be deducted from a member's LRA.**
- In cases where a piece of equipment has been provided by a local authority to a member then the member may not use his or her LRA to purchase the same type of equipment that serves an identical purpose as the equipment already provided by the local authority. However, a member can purchase other types of equipment within the same broad category i.e. Where a Member has been provided with a laptop by their local authority may not purchase a second laptop. However, the Member could use his or her LRA to purchase a desktop computer for working from home while using the laptop for mobile working and when attending meetings.
- In cases where it is unclear as to the purpose of a cost incurred that a member wishes to offset against the LRA then a local authority may request that the member provides a written statement setting out the reason or business case for the purchase and how it is relevant to the member's duties.
- Where a Member has a doubt about the eligibility of an expense he or she is considering incurring, the Member should first examine these guidelines and secondly, if still in doubt, contact their local authority in advance of making any purchase.

4. Members Gratuities

- The DHLGH have indicated that new regulations will link the calculation of the gratuity to the new annual rate of remuneration
- It is intended that new regulations will set a maximum of 275% of final salary type payment after 20 years (Post May 2000) rather than the 400% maximum that currently applies with the link to the Representational Payment.
- This will base the amount of gratuity payable after 20 years' service (Post May 2000) at current levels, equating to Members previous Representational Payment.

A sample gratuity calculation as follows:

Current Gratuity Calculation as at 1st October 2021 (Max 20 Years' Service Post May 2000)

Representational Payment @ €17,883 x 400%
 Total = €71,532

Proposed Gratuity Calculation (Max 20 Years' Service Post May 2000)

Members Salary @ €26,153 x 275% = €71,920

5. Chairperson Allowances of Strategic Policy Committees (SPC)

- The Revenue Commissioners have ruled that the allowance for Chairpersons of Strategic Policy Committees (SPC) is to be fully taxable with effect from 1 January 2022. It was the view of the Revenue Commissioners that this is a traditional salary or allowance payment given that members receive other expenses allowances to offset costs associated with attending meetings and for misc. expenses.

6. Members obligations on Outside Bodies

- Section 141(1A) of the Local Government Act 2001 places a statutory obligation on all Members appointed to represent their local authority on outside bodies to notify their local authority, within 15 days of the end of each 3 monthly period, of all attendances by the member at meetings of the body concerned and any payments made by or on behalf of that body to the member during that period.
- Each member appointed to an outside body must present a report to their local authority on the activities and operation of that body annually or at any other time if so requested by resolution or the Cathaoirleach.
- Each local authority must maintain a public register of all attendances and payments to which section 141 relates. If a member has not provided returns to the local authority then this should be noted on the public register for each 3 monthly period.

AILG Elected Members' Explanatory Note: Members Remuneration, Allowances, Expenses and Other Supports

Appendix 1 – Record of Invoices & Receipts for Vouched Local Representation Allowance

Name: Cllr. _____

Period: _____

Expenditure Category	Invoice/Receipt Date	Invoice/Receipt Description	Amount (€)
<i>Period Total</i>			

AILG Elected Members' Explanatory Note: Members Remuneration, Allowances, Expenses and Other Supports

Appendix 2 – Advertising Templates

Cllr. Brian
MURRAY



Clinics
Curragh Community Centre
Mon 10.01.22 10.00 - 11.30
Newbridge Town Hall
Mon 17.01.22 10.00 - 11.30
Milltown Parish Centre
Mon 24.01.22 10.00 - 11.30
Rathangan Community Centre
Mon 24.01.22 10.00 - 11.30

Phone 087 3337788
Email councillormurray.kildarecoco@gmail.com



Allowable

Cllr. Brian
MURRAY



Representing Kildare County Council
and the Naas Municipal District
*Working for the
people of Naas*

Phone 087 3337788
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Allowable

AILG Elected Members' Explanatory Note: Members Remuneration, Allowances, Expenses and Other Supports

Appendix 2 – Advertising Templates

Cllr. Brian
MURRAY

 **Cóisir Chill Dara**
The Kildare Party

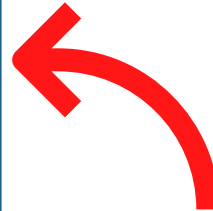
VOTE
No. 1



Representing Kildare County Council
and Kildare Municipal District

*Working for the
people of Naas*


Phone 087 3337788
Email councillormurray.kildarecoco@gmail.com



Not Allowable
due to Vote No.1

Cllr. Brian
MURRAY

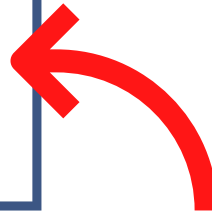
 **Cóisir Chill Dara**
The Kildare Party



Representing Kildare County Council
and Kildare Municipal District

*"Wishing Naas GAA the
best of luck in their
County Final"*

Phone 087 3337788
Email councillormurray.kildarecoco@gmail.com



Not Allowable
due to Good luck message
to local sport club

Cllr. Brian
MURRAY

 **Cóisir Chill Dara**
The Kildare Party



Representing Kildare County Council
and Kildare Municipal District

*Wishing the people of
Naas a Happy Christmas*

Phone 087 3337788
Email councillormurray.kildarecoco@gmail.com



Not Allowable
due to Christmas message



Association of Irish Local Government

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