



LG 01/2017

23 January 2017

Expenses incurred by Elected Members

Dear Chief Executive,

I am directed by Simon Coveney T.D., Minister for Housing, Planning, Community and Local Government, to advise you of planned changes to the allowances for expenses incurred by elected members of local authorities.

These planned changes are a response to the increased workload experienced by elected members arising from the local government reforms of 2014 and, particularly, to the allocation of new statutory functions in that regard. Elected members generally now have a broader portfolio of functions, and represent larger local electoral areas, than before. There has also been a substantial 41% decrease in overall numbers of elected members (from 1,627 to 949) combined with a growing population of constituents to serve. In order to further support elected members in performing their statutory functions as well as their role as public representatives, it is intended to make the changes set out below.

Annual Expenses Allowance – Fixed Element

Currently, elected members are able to avail of a fixed allowance to cover expenses, other than travel and subsistence, which are reasonably incurred in the discharge of official functions and duties. This amounts to between €2,286 and €2,667 per annum, depending on the authority concerned, and operates on an unvouched basis.

In future, from when the changes come into effect, each elected member may choose to continue receiving the current unvouched fixed allowance at the existing rates or opt to receive a new expenses allowance, which will be up to a maximum of €5,000 per annum and operate on a fully vouched basis. The allowable expenditure categories and documentation requirements of this new vouched system will be aligned as appropriate with the arrangements in place for members of the Oireachtas.

It is envisaged that the categories of expenses that could be claimed for under the new vouched system would comprise the following -

- leaflet and newsletter distribution;
- web hosting and other related computer costs;
- hiring rooms for clinics or other meetings;
- advertising relating to the performance of duties as an elected member; and
- purchase of secretarial support.

Fuller details of allowable expenses will be issued in due course.



New Municipal District Members Allowance

There will also be a new Municipal District allowance of €1,000 per annum to reflect additional work carried out and expenses incurred by elected members within this new structure, which was given statutory effect under the local government reforms of 2014. This allowance will be available to elected members of authorities which have Municipal Districts. This new allowance will not be available to elected members while they are in receipt of the existing allowance payable to Cathaoirligh of Municipal Districts.

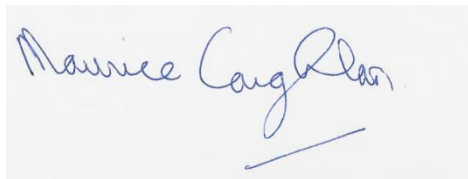
Implementation

It is intended that the new arrangements will come into effect from 1 July 2017. Local authorities should note that these arrangements may only be implemented by them following the making by the Minister of amending Regulations and the completion of other associated preparatory work.

Accordingly, local authorities should not implement any changes to the current payment system or rates until a further circular issues from this Department detailing, and formally authorising, the new arrangements.

Please bring the contents of this circular to the attention of elected members in your area. Any queries in this matter may be made to Grant Couper at grant.couper@housing.gov.ie and at (01) 8882826.

Yours sincerely,

A handwritten signature in blue ink that reads "Maurice Coughlan". The signature is written in a cursive style and is positioned above a horizontal line.

Maurice Coughlan,
Principal,
Local Government Oversight and Governance Section,
(01) 8882800

To: each Chief Executive