

## Appendix 4 - Members' Allowances Scheme

### 1. Introduction

- 1.1 The purpose of this Section is to give guidance on elected members' entitlement to allowances and expenses.
- 1.2 It is extremely important, both from the elected member's personal point of view and for the County Council, that the entitlements under the arrangements are clear and transparent and that the possibility of erroneous claims is avoided.
- 1.3 Set out in Appendix 4a is the formal County Council Scheme for the payment of elected members' allowances.
- 1.4 This Scheme addresses various aspects of allowances payable to elected members. It replaces all previous guidance issued by the County Council on the subject.
- 1.5 Elected members can obtain further guidance, if necessary, from the Deputy Chief Executive and Director for Corporate Services.

### 2. How the allowances are determined

- 2.1 The County Council is required, by law, to pay a basic allowance; the amount of which is at the Council's discretion. The County Council pays a basic allowance which takes all aspects of the role of an elected member into account, other than special responsibilities.
- 2.2 In the event that any elected member holds more than one position for which a special responsibility allowance is payable they shall be entitled to claim only one of those allowances.
- 2.3 In respect of the payment of allowances covered by the previous paragraph the County Council makes financial provision for these allowances within the estimates and reviews the allowances annually.

### 3. Different types of allowance

- 3.1 The allowances to which elected members may be entitled are listed below:
  - basic allowance;
  - special responsibility allowance;



- Chairman and Vice- Chairman allowances;
- carers'/dependents' allowance;
- subsistence and travelling allowances; and
- meetings allowance

#### **4. Basic Allowance**

- 4.1 An elected member is entitled to receive a basic allowance for each year from 1 April to 31 March. By law, the amount of basic allowance has to be the same for each member during that period. A member who is not a member for the whole of the financial year receives an allowance reduced proportionately as provided for in the Scheme.
- 4.2 The County Council has decided that the annual basic allowance will be paid by 12 monthly instalments in arrears on the 28th of each month.

#### **5. Special Responsibility Allowance**

- 5.1 The regulations permit the County Council to pay an allowance to certain elected members who have special responsibilities which must be defined in the Scheme. Those special responsibilities have to fall within certain categories defined in the regulations.
- 5.2 The amounts paid to individual elected members can differ and the annual allowance is reduced proportionately for any period during the year when an elected member does not have special responsibilities.

#### **6. Chairman and Vice-Chairman Allowances**

- 6.1 The allowances paid to the Chairman and Vice-Chairman of the County Council will be increased annually in line with the recommendations made by the Independent Remuneration Panel in respect of the increase in the basic allowance. The level of allowances is shown in Table 3. The allowance is paid by 12 monthly instalments in arrears on the 28th of each month.

#### **7. Carers'/Dependents' Allowance**

- 7.1 An elected member may claim an allowance of the actual hourly rate of care provision up to a maximum of £15.57 per hour subject to the conditions set out in Appendix 4a, paragraph 4.1.



## **8. Subsistence Allowance**

- 8.1 An elected member (including a co-opted member, member of the Independent Remuneration Panel and independent persons consulted as part of the Council's Standards arrangements) is entitled to claim subsistence allowance at the rates adopted by the County Council from time to time following consideration of the recommendations of the Independent Remuneration Panel. The current rates will be available on the Staffordshire Web and the members' Intranet. In calculating the period of absence, reasonable time properly spent in travelling to and from the meeting can be taken into account.
- 8.2 To be entitled to claim, elected members are required to certify that expenditure has actually been incurred by them on subsistence and to claim only for that expenditure up to the maximum amount allowed within the scheme.
- 8.3 There are occasions when elected members on approved duties need to take a main meal that will be more expensive than the allowance permitted by the scheme, such as when attending venues in major cities or on trains. In such circumstances members can claim the reasonable cost of the meal taken.
- 8.4 Elected members are advised that all receipts for expenditure claimed for under the scheme should be forwarded to Member and Democratic Services for retention as proof of the claim.
- 8.5 There may be times when an elected member is required to be away overnight. If accommodation is required, then it can be arranged and paid for in advance rather than the elected member incurring the expense and being reimbursed up to the maximum in Table 4.
- 8.6 Elected members may occasionally be required to make overseas visits on County Council business in connection with one or other of the specific functions of the County Council. In those circumstances subsistence costs can be reimbursed provided they are reasonable.
- 8.7 The Deputy Chief Executive and Director for Corporate Services will supply details of these allowances on request.

## **9. Travelling allowance**

- 9.1 An elected member is entitled to claim travelling allowance when expenditure is incurred on travelling to attend an approved duty. The rates applicable to this allowance are shown in Table 5.



## **10. Meetings Allowance**

10.1 Appointed members (i.e. church and parent representatives on the Prosperous Overview and Scrutiny Committee, or any Committee (whatever entitled), whose functions include the education function), including a co-opted member, member of the Independent Remuneration Panel and independent persons consulted as part of the Council's Standards arrangements, are entitled to receive an annual Meetings Allowance of £642.58.

## **11. Calculating the time allowed**

11.1 Reasonable travelling time is allowed for in calculating the period of absence for the purpose of claiming subsistence allowances.

11.2 It occasionally happens that an elected member of the County Council moves home to somewhere outside the county but remains as an elected member until the next County Council election. Additionally, a member may be required to work outside the county area on a temporary basis. In either of these circumstances the elected member is requested to discuss the arrangements for travelling and subsistence claims with their Group Leader and the Deputy Chief Executive and Director for Corporate Services.

## **12. Submission and payment of claims**

12.1 The County Council's scheme requires elected members to submit all claims for allowances within two months of the end of the month to which the claim relates. Allowances will be forfeit if not promptly claimed.

## **13. Approved Duties**

13.1 Elected members may only claim for travel, subsistence and other allowances for attendance at approved duties detailed below:

- Attendance at calendared meetings of the Council or any of its Executive, Committees, Sub-Committees, Panels, Policy Advisory Groups etc.
- Attendance at visits of inspection of sites and buildings arranged by any of the bodies listed above (including children's home)
- Attendance at meetings of any Outside Body or bodies to which the elected member has been appointed at the Annual Council meeting



- The doing of anything as Chairman or Vice-Chairman of an outside body on which the elected member is representing the Council.
- Authorised briefings for Committees/Panels/Executive meetings including all meetings which are called by officers of the Council e.g. Pre-Agenda meetings.
- Authorised attendance at Conferences/Seminars.
- Duties undertaken by a Chairman/ Cabinet Member in connection with their role.
- Member Learning and Development Events, including member Self Appraisal meetings.
- Attendance at Staffordshire County Council Local Democracy Events (including briefings)
- Attendance at any event that the County Council invites an elected member to represent the Council (but not to other events to which the elected member may be invited to attend as an elected member)
- Attendance at Parish Council meetings where the elected member is representing the County Council (but not where the elected member is also a member of the Parish Council or representing the Parish or District)
- Attendance at governor meetings at which the elected member is representing the County Council
- Invitations to any publicity events for schemes supported under the Members Fund (including photo shoots, project launches etc.)

13.2 The lists of outside bodies at which attendance is authorised by the County Council are maintained by the Deputy Chief Executive and Director for Corporate Services and are varied by the Deputy Chief Executive and Director for Corporate Services from time to time after consultation with the Leader of the Council. Copies of the current lists are available from the Deputy Chief Executive and Director for Corporate Services.

13.3 If, as an appointee or nominee of the County Council, an elected member is asked to attend a meeting of a body which is not on the County Council's lists of authorised outside bodies, then travelling and subsistence allowances can only be claimed if attendance has been approved beforehand for this purpose. This requires the use of the Gold Form<sup>1</sup>. Such approvals must be given before attendance, otherwise any allowance may not be payable.

13.4 If an elected member has been appointed to serve on an outside body for which attendance is not regarded by the County Council as an approved duty for the purpose of the payment of an elected member's allowance i.e. a body which is not included in the lists of bodies referred to, or approved under 13.1 above, the elected member may, in some



cases, claim direct from the outside body concerned. In such cases the member may wish to consult the body concerned.

## **14. Tax, national insurance, sickness and pensions**

- 14.1 Basic and special responsibility allowances and the allowances paid to the Chairman and Vice-Chairman of the County Council are all liable to tax. The allowances are paid by the Deputy Chief Executive and Director for Corporate Services through a payroll which accounts for the tax on the PAYE system using a code number issued by the Inland Revenue. In arriving at the code number, it is a matter for the individual elected member to agree direct with the Inland Revenue any allowances which may help to reduce the tax liability. Subsistence claims for meetings in County Buildings are also taxable. More detailed guidance on Inland Revenue practice is available from the Deputy Chief Executive and Director for Corporate Services.
- 14.2 The same allowances are liable for National Insurance Class I contributions notwithstanding that the elected member may be employed elsewhere or be self-employed, unless:
- a. the allowances due for the month are less than an amount prescribed from time to time by the Inland Revenue; or
  - b. the elected member reaches state pension age.

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*<sup>1</sup> Form (not part of the Constitution) to be signed by members for approval, in advance, of a claim for travelling and subsistence allowances for attendance at an event, function, meeting, outside body, conference or course which is not included in the County Council's approved lists of such events, functions, meetings, bodies, conferences and courses.*

- 14.3 It is understood that the Benefits Agency may regard an elected member's basic and special responsibility allowances as affecting, for social security purposes, that elected members' entitlement to benefits. Claiming such allowance(s) could therefore affect a member's entitlement to benefits. In these circumstances, they should seek advice from the Benefits Agency.
- 14.4 Under self-assessment regulations elected members are required to declare to the Inland Revenue any taxable benefits they receive. Such benefits may arise if members are deemed to have made a profit on mileage allowances, or if they are provided with certain other facilities, for example with a computer, fax or telephone answering machine at less than the full cost of provision. Any member who has received a



taxable benefit will be provided with a form P11E by the Deputy Chief Executive and Director for Corporate Services, which will provide the information to be declared to the Inland Revenue, and from whom further advice is available on request.

14.5 It is also possible that the payment of basic or special responsibility allowance(s) or an allowance to the Chairman or Vice-Chairman of the County Council could affect an elected member's entitlement to an occupational pension or other financial arrangements with previous employers.

14.6 Elected members who are unable to perform duties in that capacity as a result of sickness in some circumstances may be eligible for statutory sick pay.

## **15. What if an elected member does not wish to be paid allowances?**

15.1 An elected member who wishes to forego the right to be paid any of the allowances covered by the County Council's scheme may do so in writing to the Deputy Chief Executive and Director for Corporate Services specifying which allowance(s) the elected member elects to forego and the date(s) upon which the election is to become effective. Such an election may not be revoked until the following 1 April.

## **16. Elected members' responsibilities**

16.1 It is the personal responsibility of elected members to ensure the accuracy of all information entered on their claim forms relating to duties performed. Processes arranged by the Deputy Chief Executive and Director for Corporate Services are designed to ensure that all claims relate to properly approved duties. The Deputy Chief Executive and Director for Corporate Services will ensure that the correct financial limits on the various allowances are complied with. In all other respects members are accountable for the accuracy and reasonableness of their claims.

