

Allerdale Borough Council

Members' Allowances Scheme 2020/21

Allerdale Borough Council, in exercise of the powers conferred by The Local Authorities (Members Allowances) (England) Regulations 2003 hereby make the following scheme:

1. This scheme may be cited as the Allerdale Borough Council Members Allowances Scheme, and shall apply to the year commencing **1 April 2020**.
2. In this scheme:

“Councillor” means a member of Allerdale Borough Council who is a Councillor

“year” means the 12 month period ending with 31 March

“co-opted member” means a person who is not a member of the Council but who is a member of a committee or sub-committee of the Council.

Basic Allowance

Basic Allowance which is payable to all Councillors as a standard payment is intended to recognise the time Councillors devote to their role as a Councillor, including such inevitable calls on their time as meetings with constituents and political group meetings and also to cover incidental costs, such as use of their homes, for which no other provision is made.

The Basic Allowance is inclusive of Councillors' landline and mobile phone expenses, including broadband expenses.

The amount of Basic Allowance for a full year is specified in Schedule 1 of the Scheme. Part year entitlements (for those who become or cease to be Councillors during the year), are calculated pro rata on a daily basis.

Special Responsibility Allowance

The Council provides for Special Responsibility Allowances for Councillors who have special responsibilities in relation to the Council's functions such as, Leader of the Council, Deputy Leader of the Council, Executive member, Chair of a Committee or Leader of a Minority Group. Where there is more than one Political Group at least one Special Responsibility Allowance must be made available to a Councillor of a Minority Group.

The current list of approved Special Responsibility Allowances is listed in Schedule 1 of the Scheme. Part year entitlements (for those assuming or relinquishing a position of special responsibility during the year) are calculated pro rata on a daily basis.

Co-opted Members' Travel Allowance

Co-opted members are entitled to claim travel allowance at the following rates:

Cars and vans:

- First 10,000 miles: 45p
- Above 10,000 miles: 25p

Motorcycles:

- First 10,000 miles: 24p
- Above 10,000 miles: 24p

Co-opted Members' Cycling Allowance

Travel by bicycle will be reimbursed at 20p per mile.

Dependants' Carers' Allowance

Councillors may claim a dependants' carers' allowance which will be paid at the full receipted rate from a registered carer, limited to 8 hours per week.

Travel and Subsistence

Councillors and Co-opted Members may claim travelling and subsistence expenses undertaken in connection with or relating to those duties specified as an approved duty at Schedule 2 Part 1, in accordance with Regulation 8 of the Local Authorities (Members Allowances) (England) Regulations 2003. The rate of travelling and subsistence are set out in Schedule 2 Part 2.

Town/Parish Councillor Allowances

There is no provision in this scheme for allowances to be made payable to members of town/parish councils.

Co-Opted Members' Allowance

There is no provision in this scheme for an allowance to be made payable to co-opted members.

Claims and Payments

Each Councillor's annual entitlement to Basic Allowance and, where appropriate, Special Responsibility Allowance is paid automatically by 12 equal monthly instalments, unless the Councillor has renounced in writing all or part of the allowance(s) to which they are entitled.

Where Travelling Allowance and Subsistence Allowance are concerned, no payment will be made unless the relevant amount is claimed on an official claim form duly completed and signed by the claimant. The amounts claimed must not exceed, but may be less than, the relevant rates of allowance approved by the Council. The relevant rates of allowances are those current on the day the duty is performed. Any amounts already paid by the Council or received from any other source must be deducted to arrive at the net amount claimed.

It is the Councillors individual responsibility to record details of duties performed and to complete the relevant claim form. As regards attendance at meetings of the Council, its Committees, Panels and tribunals, the attendance list kept by Democratic Services officers is the definitive record of the Councillor's presence or absence.

Where forms are found to be incorrect or incomplete, other than minor arithmetical errors, they will be returned to Councillors for amendment.

To facilitate budgetary control claims should be submitted monthly after the first date to which the claim relates. Payment of allowances is made once each month on the 25th of the month (or last banking day before the 25th) and comprises any Basic and Special Responsibility Allowance to which each Councillor is entitled plus Travelling and Subsistence Allowances claimed on a duly completed claim form received in the Democratic Services Section no later than the 15th of the month.

At the end of each financial year end claims should only be made up to the 31 March. Claims for the new financial year should be submitted on a separate form.

Payment will be made by electronic fund transfer to a bank account nominated by the claimant and a pay advice is emailed. Claimants should notify Financial Services immediately if they change their bank account, otherwise payment may be delayed.

Income Tax on Allowances

Deductions will be made from Basic and Special Responsibility Allowances in accordance with the Councillors' tax code: Tax Code B.R. means that tax will be deducted at the basic rate; a Councillor will then be able to claim tax allowances from the Inland Revenue in respect of expenses incurred.

In determining the liability to tax, allowances will be made for expenses agreed between the Councillor and the Inland Revenue.

Councillors should take up the question of allowable expenses with their Inspector of Taxes.

For any queries on all taxation matters relating to Allowances please visit the HMRC website www.hmrc.gov.uk under the Employees section. You will need to quote the tax reference number 783/AP682.

Income Tax on Mileage

All business miles will be reported to the Inland Revenue at the end of the tax year and may incur a tax liability.

Local Government Pension Scheme

No Special Responsibility Allowances are superannuated.

Renunciation

A Councillor may by notice in writing given to the Head of Financial Services elect to forego any part of their entitlement to an allowance under the Council's Scheme.

Publicity

The Council is required to publish annually the total sum paid to each Councillor in respect of Basic and Special Responsibility Allowances and travel and subsistence paid in each financial year.

Schedule 1

| Allowances | Rate |
|--|-------------|
| Basic allowance | £3,366.65 |
| Leader of the Council | £21,000.00 |
| Deputy Leader | £9,972.87 |
| Executive Member | £5,441.42 |
| Chair of the Development Panel | £4,500.00 |
| Chair of the Overview and Scrutiny Committee | £2,720.71 |
| Chair of the Licensing Committee | £2,992.78 |
| Chair of the Audit Committee | £2,720.71 |
| Chair of the Standards Committee | £2,720.71 |
| Leader of the Opposition | £2,720.71 |
| Mayor | £7,071.00 |
| Deputy Mayor | £507.00 |

Schedule 2

Part 1

List of Approved Duties where travel and subsistence may be claimed:

1. The attendance at a meeting of the authority or of any committee or sub-committee of the authority (to include working groups), or of any other body to which the authority makes appointments or nominations, or any committee or sub-committee of such a body;
2. The attendance at any other meeting, the holding of which is authorised by the authority, or a joint committee of the authority and one or more local authority within the meaning of section 270(1) of the Local Government Act 1972, or a sub-committee of such a joint committee provided that:
 - a. Where the authority is divided into two or more political groups it is a meeting to which members of at least two such groups have been invited; or
 - b. If the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
3. The attendance at a meeting of any association of authorities of which the authority is a member;
4. The attendance at a meeting of the executive or a meeting of any of its committees, where the authority is operating executive arrangements. To include:
 - a. Informal Executive meetings; and
 - b. Portfolio Holders (or their substitutes) attendance on site visits, and meetings with other organisations in connection with their responsibilities
5. The performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a member or members to be present while tender documents are opened;
6. the performance of any duty in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
7. the carrying out of any other duty approved by the authority, or any duty of a class so approved, for the purpose of, or in connection with, the discharge of the functions of the authority or of any of its committees or sub-committees. To include:

- a. Council run seminars and training events
- b. Civic duties undertaken by the chairman and vice chairman of the Council
- c. Visits to other organisations / authorities where specifically organised by Council / Committee
- d. Committee / Sub-Committee pre-meetings with officers

The Chief Executive after consultation with the appropriate Chair or the Leader of the Council has plenary powers to authorise Councillors attendance at seminars, conferences, events and meetings, in circumstances where there is not sufficient time for the matter to be decided by the appropriate committee or sub-committee.

Part 2

Travel Allowance

1. Public Transport will be paid at ordinary fare, second class or cheapest fare for the journey whichever is the least amount.
2. Travel expenses for public transport include taxicabs. The rate of travel by taxicab must not exceed:
 - a. In the cases of urgency or where no public transport is reasonably available, the actual amount of the fare; or
 - b. In any other case the amount of the fare for travel by appropriate public transport.
3. The Chief Executive or an Officer acting with his written authority is empowered to authorise first class travel by Councillors and/or staff of the Council in appropriate circumstances in consultation with the Leader of the Council.
4. In all instances, Travelling Allowances may be claimed only where the relevant expense has been incurred. For example, a Councillor travelling in another Councillor or member of staff's car is not entitled to claim Travelling Allowance.
5. Travelling Allowance is normally payable on the basis that the Councillor starts and finishes the journey at home.
6. Appropriate incidental expenses such as car parking charges will be reimbursed on the production of receipts.
7. All business mileage will be reported to the Inland Revenue at the end of the tax year, which may result in a tax liability.

Details of the current rates are as follows:

1. Standard/Saver Class Railway Fare or Bus Fare including seat reservation.

2. Travel by Private Vehicle, when there is a substantial saving of Members' time etc.:

Cars and vans:

- First 10,000 miles: 45p
- Above 10,000 miles: 25p

Motorcycles:

- First 10,000 miles: 24p
- Above 10,000 miles: 24p

Cycling Allowance

Travel by bicycle will be reimbursed at 20p per mile.

Subsistence Allowance

- Subsistence Allowance follows a complicated timetable with various entitlements arising from absences from home. Subsistence Allowance is intended to reimburse expenses for meals and accommodation necessarily incurred by Councillors in the performance of approved and other official duties. The rates of Subsistence Allowance are determined by the Council and are aligned to those paid to staff.
- Subsistence Allowance can be claimed only in circumstances where expenditure on subsistence has actually been incurred.
- Rates of Subsistence Allowance are related to the duration on the relevant duty or duties, which includes time necessarily incurred in travelling between home and the place where the duty is performed. If the actual journey does not start and finish at home, the allowance claimable is normally limited to the amount, which could have been claimed had the journey started and finished at home.
- The reasonable cost of the meals (including VAT) will be reimbursed in full, within the limits specified below. Receipts should be retained in respect of any meals. The limitations on reimbursement are:

Period of Absence
(outside of County)

Maximum Allowance

Breakfast - an absence of more than 4 hours before 11.00 am £6.95

Lunch - an absence of more than 4 hours, including the period between 12 noon and 2:00 pm £9.50

Tea - an absence of more than 4 hours, including the period between 3 pm and 6 pm £0.00

Evening Meal - an absence of more than 4 hours ending after 7 pm £13.15

- Arrangements for accommodation will be made via the corporate travel and accommodation process.
- Where a meal is provided free of charge, there is no entitlement to subsistence.
- Councillors are normally expected to meet subsistence expenses from their own pockets and then claim the relevant allowances in accordance with the procedure.

The travel allowance payable to Councillors is aligned to the HMRC approved rates and will be increased where appropriate, in accordance with the scheme.

Telephone Allowance

The Basic Allowance payable to each Councillor is inclusive of landline and mobile phone expenses.

Broadband Allowance

The Basic Allowance payable to each Councillor is inclusive of broadband expenses.