

Scheme of Members' Allowances – 2014/15

1. INTRODUCTION

1.1 The County Council's Scheme provides for payment of:

- a Basic Allowance (BA), a flat rate payable to each County Councillor;
- a Special Responsibility Allowance (SRA) for Members undertaking 'special duties', as defined by the Council;
- a Carers Allowance (CA) to reimburse expenditure incurred by Members (a) in providing child care arrangements and (b) on professional care for elderly, sick or dependent relatives to enable them to undertake approved duties; and
- Travel Allowances and Subsistence Allowances for Members undertaking 'approved duties'.

2. GENERAL POINTS

2.1 The term "Member" in these notes means a Somerset County Councillor.

2.2 Members have the option of not claiming all or part of an allowance. The Finance & Performance Director must be notified in writing if a Member wishes to pursue this option.

2.3 Where the Member's term of office or appointment to a post qualifying for SRA begins or ends during the financial year, he/she is entitled to the appropriate proportion of the annual payment.

2.4 In the case of a Council election year, all positions / posts held by Members on the Council (including posts qualifying for SRA) remain valid until the day of the Annual Meeting of the Council (the first meeting of the new Council following the election) and therefore Members holding those posts will continue to receive allowances. This is until a replacement is appointed, unless the post-holder ceases to be a Member of the County Council in which case any appointment is invalid from that point and any associated allowance payment will cease.

2.5 All enquiries relating to members allowances should be made to Rebecca Dunstan or Katherine Dunn in the Community Governance Group on 01823 355013 and 01823 359039 respectively.

3. BASIC ALLOWANCE (BA)

3.1 A **BA of £10354 per annum**, has been approved for 2014/15 and will be paid to all Members in monthly instalments.

3.2 **Definition of BA:** BA recompenses Members for time devoted to their work as a councillor, and is intended to cover:-

- constituency and community duties, including use of the Members home;
- dealing with correspondence;
- single Member duties;
- attendance at single party/political meetings;
- attendance at formal meetings of the Council (including travelling time to and from meetings);
- attendance at seminars, conferences and training sessions;
- attendance on 'outside bodies' as a County Council representative; and
- other incidental costs, for which no other specific provision is made.

3.3 The annual sum is based on an appropriate spinal point on the Officers pay scale and discounted by a third to reflect the voluntary element of the work. The daily rate was then multiplied by the equivalent of 4 days a week (the average time that Members spend on Council business) to give the final calculation.

4. **SPECIAL RESPONSIBILITY ALLOWANCE (SRA)**

4.1 **SRA** is:

- paid to Members who have significant additional responsibilities
- allocated on the basis of degree of responsibility and upon a perceived call on Members time, as agreed by the Council;
- paid in addition to the BA which the Member continues to receive; and
- paid in monthly instalments for as long as the Member has the responsibility.

4.2 **SRA** payments cover:-

- meetings with Officers;
- attendance at County Hall and other Council premises to undertake official Council business;
- meetings with fellow Chairmen or decision-makers and other single party meetings;
- dealing with correspondence;
- visits directly connected to the performance of an SRA duty e.g.
 - . headteacher interviews
 - . official openings
 - . familiarisation / fact findings visits;
- press meetings;
- any other official Council business carried out by the Member in the role.

4.3 The Council had adopted multiples of the BA as the base for the calculation of the SRA bandings contained within this Scheme. The top banding of SRA which applies to the post of Leader of Council reflects the importance and responsibility of this role. The Leader's Allowance is based on a multiple of 3 x the BA.

4.4 Other SRAs are banded below the Leader's Allowance reflecting levels of responsibility associated with those specific roles.

4.5 A full list of the posts approved for SRAs is attached at **Appendix 1**. This Appendix includes the bandings and payments for 2014/15.

4.6 The number of Shadow Cabinet Members receiving SRAs shall total no more than the number of Cabinet Members receiving SRAs at that time. The maximum

number of Cabinet Members who can receive SRA is ten – in accordance with the legislation which prescribes a maximum of 10 members for a local authority ‘executive’.

4.7 An individual Member may only receive one SRA at any one time.

5. **CARERS ALLOWANCE (CA)**

5.1 The Scheme provides for the payment (by way of reimbursement) of expenditure incurred by Members (a) in arranging child-care and (b) on professional care for elderly, sick or dependant relatives to enable them to undertake approved duties. This is paid in accordance with the following;

[Please note that these payments are not covered by any special exemptions for taxation purposes. They are treated as emoluments (remuneration) of the ‘office’ and are taxed accordingly].

Child-care

5.2 Expenditure on child-care is reimbursed in accordance with the following requirements:

- that payment is made to someone other than a close relation;
- that payments for the care of the under 8’s are restricted to payments to registered childminders and other statutory approved child care providers;
- that payments are restricted to the care of children up to their 14th birthday who normally reside with the Member;
- that no payments are made in respect of the care of children of compulsory school age during school hours except where the child is absent from school due to illness.

Care of Dependants

5.3 The reimbursement of expenditure on professional care for an elderly, sick or disabled dependant relative normally residing with the Member and requiring constant care, to enable the Member to undertake approved duties, is subject to payments being restricted to agencies or persons qualified to provide the care, other than close relations.

General Conditions

5.4 The following conditions apply to both types of allowance:

- that payments are made on the basis of the reimbursement of actual expenditure incurred up to a maximum of an hourly rate of the national minimum wage at the time of the claim subject to a maximum of 8x the national minimum wage figure;
- that Members self-certify their claims confirming that they have incurred expenditure in accordance with the scheme;

- that qualifying meetings be restricted to those that qualify as an “approved duty” for the Member concerned;
- that neither the Member nor the person being cared for receives an allowance for care from any other source.

6. **TRAVEL ALLOWANCE (TA)**

6.1 **TA:**

- can only be claimed for an approved duty, or for any duty covered by a special responsibility payment and for ‘normal allowable journeys’ .
- is claimed monthly on the Members claim form (except for ‘low claimers’ see para 10.1 below) and receipts, including fuel VAT receipts, should be submitted to support expenditure.
- is payable at the rates shown in **Appendix 2**.

6.2 **List of ‘Approved Duties’**

The list of approved duties is set out in **Appendix 3**.

6.3 **Definition of ‘normal allowable journey’**

The **normal allowable journey** (for which mileage can be reimbursed) is from a member’s home to council offices and then back again. ‘Council offices’ will often be County Hall but could relate to any building where a member is undertaking an ‘approved duty’ under the Scheme, including, for example, attending a parish meeting.

The mileage that members can claim for is the **actual additional mileage** as a result of council business that the member incurs on any journey. The **maximum** the member can claim for is the normal allowable journey mileage.

6.4 **TA - additional information**

- Train Fares are reimbursed at 2nd Class rate.
NB - Members who are aged over 60 and who regularly use the train for Council business may reclaim the cost of a Senior Rail Card.
- The car mileage rate may be claimed for any journey, providing the following criteria can both be met:
 - travel by car represented the best option in order to undertake the approved duty
 - travel by car could be justified on cost grounds
- In all other cases, payment will be made at the public transport rate.
- In cases where a member is unable to provide an original VAT receipt, then a certified copy receipt will be accepted. Fuel receipts submitted should pre-date the first date claimed for on the relevant claim form. It is also

acceptable for a single receipt to cover more than one month's claim as long as the value of the receipt is equivalent to expenditure of at least 10p per mile claimed;

- The relevant Group Leader, or his or her Deputy Leader, is required to approve travel to a destination outside Somerset or the surrounding counties, prior to the journey being undertaken.
- A cycle allowance is payable to Members who use a bicycle to attend an approved duty.
- It is essential that Members minimise the need for travel wherever possible by combining trips, sharing transport, undertaking business by 'phone, including by conference calls or by email.
- Members should not make excessive claims
- A Member who is claiming mileage should always bare in mind the need to be able to demonstrate that the journey was wholly and necessarily in relation to his/her role as a Member.
- Additional payments of 5p per person per mile are payable for passengers carried.
- Reimbursement of taxi fares may be made in exceptional circumstances.
- Reimbursement may be claimed for expenditure on tolls, ferries, parking fees etc.

7. SUBSISTENCE ALLOWANCES (SA)

7.1 SA is

- paid at the same rates as those paid for Officers;
- claimable for any approved duty exceeding 4 hours which spans the agreed meal time periods (specified in **Appendix 2**);
- claimable for the actual cost of the meal or the overnight expenses up to the maximum allowed;
- claimed monthly via the Members claim form; receipts should be submitted to support expenditure;
- only claimable for meals or overnight expenses for approved duties / SRA duties undertaken **outside** Somerset.
- not claimable if a meal is provided free of charge;
- only claimable for a members own meal. There is no provision in the scheme for reimbursing claims for hospitality for other people.
- reimbursed at the rates shown in **Appendix 2**.

8. **NON CLAIMABLE DUTIES**

8.1 For the avoidance of doubt, the following duties are **not** approved for the purpose of claiming Travel Allowances and Subsistence Allowances:-

- single Member duties except where the Scheme provides otherwise
- attendance at single party meetings e.g. group meetings except where the Scheme provides otherwise
- constituency meetings and duties.
- duties relating to outside organisations that are not Board, committee, sub committee or working group meetings. e.g. book launches, openings etc.
- attendance at party political conferences
- social functions including religious meetings / church services
- acting as governors of primary or secondary schools; and
- where an outside body to which the member has been appointed itself pays members expenses.
- where the member attends an outside body but in circumstances where they have not been appointed as an official representative of the Council, ie appointed either by the Council or the Leader of the Council.

9. **CLAIMS**

9.1 **How to Claim**

- BA and SRA are paid automatically after completion of initial details.
- CA, SA and TA must be claimed on the Members Claim Form for allowances.
- Claims must be submitted monthly to the authorising officer by 8th of the month in order to payroll deadlines.
- All claims and fixed entitlements are paid together on the last working day of that month.
- Late claims will result in late payment unless notification is given in advance. Claims older than 2 months will be referred for approval to pay to the Finance & Performance Director, in consultation with the Leader and appropriate Cabinet Member, and payment may be delayed or refused unless there is good cause for the lateness. Claims older than 3 months will not be reimbursed.
- A supply of claim forms can be obtained from Rebecca Dunstan or Katherine Dunn in the Community Governance Group on 01823 355013 and 01823 359039 respectively.
- Allowances must not be claimed where the member is entitled to receive payment from another body.
- Members who are both County Councillors and District Councillors may claim Travel Allowances, if applicable, from both Authorities, if attending approved duties for both on the same day. However, a Travel Allowance cannot be claimed from both Authorities for a joint meeting. In this case, the Member should claim from one of the Authorities.

- To cater for changes in circumstances that occur during the year and to ensure that no individual cases of exceptional hardship are experienced, the Finance & Performance Director in consultation with the appropriate Cabinet Member, can temporarily agree SRAs for individual Members as considered necessary.

Note: The exception to the requirement to submit monthly claims relates to low claimers. 'Low claimers' have the option of only having to submit claims once every three months.

The following rules apply to 'low claimers':

- Low claimers are defined as members submitting claims under a likely value of £100 over the 3 month period. If a member thinks that they are likely to fall into this category they should inform Rebecca Dunstan in the Community Governance Group.
- Low claimers are now only required to submit 1 claim for every 3 months, 4 in total for the year **BUT** all claims for a particular financial year must be submitted by the end of that financial year.
- Any claims over 3 months old will be rejected.

9.2 Payment of Claims

- Payments are made through the council's computerised salaries and wages system to assist with the deduction of income tax and national insurance.
- An advice slip is provided giving details of allowances paid.
- Payment will be made direct to a bank or building society account.

9.3 Tax and National Insurance

- BA, SRAs and CA are taxable and are subject to national insurance.
- Members can request a PAYE code from the Inland Revenue for the taxing of payments. If no other tax code is supplied, members will be taxed at basic rate.
- Details of meals paid for are given to the Inland Revenue. The IR may adjust individual personal tax codes.
- Mileage rates are in accordance with limits set within the Inland Revenue Fixed Profit Scheme.
- Some Members may be able to obtain an exemption card for national insurance from the Department of Social Security, if they are over 65 (men) or 60 (women).
- Some female Members may be able to obtain a reduced rate certificate (married women or widows).
- For further information please contact Rebecca Dunstan or Katherine Dunn in the Community Governance Group on 01823 355013 and 01823 359039 respectively.

9.4 Members Allowances and Benefits

- Members who are incapable of work, who are unemployed, who have a low income or who are retired may find that being paid allowances will offset their entitlement to Social Security benefits. The exact way the entitlements may be changed depends on the individual benefit being received.

- In general terms members' allowances are taken into account in calculating benefits payable. Members claiming benefits are advised to keep their local DSS office informed timely of the amount of members allowance being received (for Housing or Council Tax benefits the local District Council should be notified, and for the Job Seekers allowance the local Employment Service Job Centre).
- Members are advised to contact these offices to obtain more details of their entitlements to the following benefits –

Benefit	Office to be contacted
Jobseekers Allowance	Local Employment Service/Job centre
Income Support	Local Job Centre
Housing Benefit	Local District Council
Council Tax Credit	Local District Council
Family Credit	Working Tax Credit Office I. R. 0845 300 3900
Incapacity Benefit	Local Job Centre
Severe Disability Allowance	Local Job Centre
Disability Working Allowance	Disability Working Allowance Office 0845 605 5858
Children's Tax Credit	Inland Revenue 0845-300-3900
Working Tax Credit	Inland Revenue 0845-300-3900

9.5 **Statutory Sick Pay**

Members who pay National Insurance on their allowances may be entitled to receive Statutory Sick Pay in respect of absence in excess of 3 consecutive days. To pursue a claim please promptly notify the Finance & Performance Director of the sickness absence.

9.6 **Statutory Maternity Pay (SMP) and Maternity Allowance**

Female members can claim SMP if their average earning exceeds the National Insurance contributions lower limit and they have been a member for 26 weeks prior to the 15th week before the baby is due. Again please notify the Finance and Performance Director once the pregnancy has been confirmed by your doctor.

9.7 **Backdating of Allowances**

Where there is an amendment made to the Scheme of Allowances that amendment may be applied retrospectively by the Council to the beginning of the financial year.

Where a Member takes on duties entitling them to a different level of allowances, the new entitlement may be applied retrospectively to the date the changes were effective from.

10. **CO-OPTED MEMBERS**

Co-opted Members of the Standards Committee receive a Co-opted Members Allowance as indicated in Appendix 1. Other co-opted members of committees do not receive a Co-opted Members Allowance.

All co-opted members may claim travel and subsistence for approved duties at the same rate as elected Members as may non elected representatives appointed to outside bodies by the County Council.

A Financial Loss allowance (FLA) may be paid to co-opted members (and to non elected representatives appointed to outside bodies) for loss of earnings and expenses incurred by them in the performance of any approved duty. Such loss of earnings would normally be supported by a certificate supplied by the employer or such other evidence as to enable the loss of earnings to be determined.

11. **PENSION ENTITLEMENT**

All eligible Members of the County Council may elect to join the Local Government Pension Scheme (LGPS). Where Members elect to join the Scheme their BA and any SRA to which they are entitled will be treated as amounts in respect of which a pension is payable. The Local Government Pension Scheme and Discretionary Compensation (Local Authority Members in England) Regulations 2003 apply to Members who elect to join the LGPS.

Note: Since the Scheme was approved by the Council, the legislative position has changed in respect of Members Pension entitlement. After 31 March 2014 Members are no longer permitted to join the LGPS. Members, who are already scheme members on 31 March 2014, will be able to retain their membership and contribute to the scheme while they continue to hold their current office. Membership will cease at the next election even if re-elected.

A Member already in the LGPS can choose to opt out of the scheme before the next election, and must leave the scheme before age 75.

The Scheme will be amended at its next renewal to reflect this change.

APPENDIX 1

SRA BANDING SYSTEM - Total banded Allowances 2014/15

Member Role	Rate of Allowance from 1st April 2014		
	Basic £	SRA £	Total £
BA x 0.1 Deputy Leader (L/D) Vice-Chairman of Scrutiny for Policies and Place Committee Vice-Chairman of Scrutiny for Policies and People Committee Vice-Chairman of County Council Vice-Chairman of Regulation Committee Vice- Chairman of Audit Committee Group Leader (Labour, UKIP and Independent Groups) Opposition Group Spokespersons	10354	1035	11389
BA x 0.2 Chairman of Pensions Committee Chairman of Standards Committee Chairman of Constitution Committee	10354	2071	12425
BA x 0.5 Chair of Regulation Committee Chairman of Audit Committee Chairman of Scrutiny for Policies and Place Committee Chairman of Scrutiny for Policies and People Committee	10354	5177	15531
BA x 0.9: Opposition Leader (L/D) Chairman of Council	10354	9318	19672
BA x 1.6 Cabinet member (**Deputy Leader receives additional SRA payment of £2000 pa = £18566)	10354	16566**	26920
BA x 3: Council Leader	10354	31061	41415

In addition, co-opted members of the Standards Committee receive a Co-opted Members Allowance of £518 pa which equates to Basic Allowance x 0.05.

SUMMARY OF RATES OF ALLOWANCES FOR MEMBERS

1	TRAVELLING ALLOWANCE	Pence per mile
	Mileage rate - up to 10,000 miles	45.00
	Over 10,000 miles	25.00
	Passenger supplement (5p per person per mile)	
	Motor Cycle	24.00
	Bicycle Allowance	20.00
2	SUBSISTENCE ALLOWANCE	
	<ul style="list-style-type: none"> • Breakfast allowance (more than 4 hours away from the normal place of residence before 11 am) – up to a maximum of £6.72; • Lunch allowance (more than 4 hours away from normal place of residence, including the lunchtime period between 12 noon and 2 pm) – up to a maximum of £9.24; • Tea allowance (more than 4 hours away from normal place of residence, including the period 3 pm to 6 pm) – up to a maximum of £3.64; • Evening meal allowance (more than 4 hours away from the normal place of residence, ending after 7 pm) – up to a maximum of £11.44. 	
	<p>These payments only apply to duties undertaken outside of Somerset. Subsistence cannot be claimed for duties undertaken in Somerset.</p>	
3	OVERNIGHT ABSENCE	£
	maximum	106.40
		£
4	Co-opted Members Financial Loss	up to 4 hours
		27.65
	(evidence based)	over 4 hours
		55.31

APPENDIX 3

LIST OF APPROVED DUTIES

1. Attendance:-
 - a) at formal meetings of the Council including Committees, the Cabinet, Committees, and Sub-Committees, and any other authorised meeting of these bodies or organised by these bodies
 - b) at ad-hoc formally constituted Working Groups / Panels (eg scrutiny task and finish groups), where named members of the body or formally invited to participate.
 - c) at County Hall or other County Council establishment for a meeting with either a member in receipt of an SRA or an Officer for the purpose of discussing matters relating to Council business in which it is reasonable to expect the member to have an interest.
 - d) as the Council's named representative on bodies to which the Council makes appointments except where the body itself pays allowances to the Council's representative. The approval relates to meetings of the body itself, its standing committees / sub-committees but not to other activities of the body.
 - e) at a meeting of any body that the Council is required to, or has agreed to, provide Council attendance at, acting as the Council's nominee or representative.
 - f) at local briefing meetings at the invitation of an Officer of the Council provided that the members of at least two political groups have been invited.
 - g) at a formal meeting of a District or Parish Council – where not a member of that Council:-
 - where formally invited to attend or where the Member has a specific interest in any/ all of the business on the agenda
 - h) at conferences where the Council has agreed to meet the conference fees or where the Member agrees to meet the conference fees
 - i) at Member induction, learning and development events / sessions organised by the Council
 - j) at up to 12 single party officer briefing / training events per annum
 - k) at open days, sports days and similar events at County Council establishments by formal or official invitation where the Member is performing a specific function.

2. Duties authorised by Council or Leader of the Council, including briefing meetings, site visits, meetings with outside bodies or individuals, tours of inspection, and general information visits, visits to County Council premises.
3. Duties carried out arising out of a Member holding an office:-
 - a) to which a SRA applies or such a duty carried out by their nominee,
 - b) as a named Member Champion,including attendance at County Hall or other County Council establishments for any purpose which he/she considers necessary.
4. The undertaking of any duty associated with the Council where invited by or on behalf of the Scrutiny Committee.
5. Any other attendance for which prior approval has been given by the Service Director for Finance & Property after consultation with the Cabinet Member for Resources.

Note 1:

The term 'Council' covers Council, Committee, Sub-Committee and Cabinet business unless otherwise indicated.

Note 2:

A duty cannot be approved, in retrospect, for the purpose of paying allowances.