

RUTLAND COUNTY COUNCIL DISTRICT COUNCIL CONSTITUTION

PART 6 - MEMBERS' SCHEME OF ALLOWANCES

MEMBERS' SCHEME OF ALLOWANCES

1. INTRODUCTION

- a) The payment of allowances to Councillors is governed by various Acts of Parliament and Regulations. There is a key distinction to note, as follows.
- b) Sections 99-100 of the Local Government Act 2000, and The Local Authorities (Members' Allowances) (England) Regulations 2001, contain provisions about the following allowances:
 - a 'basic allowance' to all Councillors;
 - a 'special responsibility allowance' to some Councillors who, in the Council's opinion, make a significant additional contribution to the Council's work;
 - a child and dependent carer's allowance (optional);
 - the payment of pensions to Councillors who undertake certain special responsibilities (optional).
- c) The Local Government Act 1972 (and subsequent amendments and regulations) provide for payments to cover expenses incurred by:
 - the Chairman, while carrying out his/her duties in office (section 3(5) of the Act); and
 - the Vice-Chairman, also for expenses incurred in office (section 5(4) of the Act).
- d) From May 2001, the 2001 Regulations made it necessary for councils to set up an independent panel to advise the Council about its levels of basic and special allowance, whether it should pay a carer's allowance and whether any allowances should be made pensionable. The Council determines its own allowances scheme, but must have regard to this independent panel's recommendations.
- e) The panel does not have a statutory role in commenting upon the expenses payments listed above as being made in accordance with the Local Government Act 1972, but the Council may voluntarily ask the panel to advise it about them.
- f) This document deals with allowances first, then expenses payments and levels of equipment provided to Councillors for their council business.

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2. STATUTORY MEMBERS ALLOWANCES SCHEME

2.1 BASIC ALLOWANCE

- a) Every Councillor shall be paid an annual allowance of £5,030.52 . It will be paid in instalments of one-twelfth on the last Thursday of each month, with minor adjustments where necessary to ensure that the total annual sum is correct. The allowance is subject to annual updating - see paragraph 2.8 below.
- b) The basic sum covers the time incurred by a Councillor in carrying out their ordinary duties for the Council. However, it excludes telephone calls and travel and subsistence allowances for approved duties, which are referred to separately below. Furthermore, the Council makes available to Councillors a certain amount of equipment over and above the basic allowance. Again, this is referred to separately below.
- c) The Council does not pay an allowance to co-opted members, only expenses (see para 3.1).

2.2 SPECIAL RESPONSIBILITY ALLOWANCES

An annual special responsibility allowance (SRA) will be paid to certain Councillors. As a Councillor may only receive one SRA, any fulfilling more than one special role shall choose at the start of the municipal year which SRA to claim. SRAs will be paid in monthly instalments. They are not payable when a Councillor temporarily steps into another's role (say, when the vice-chairman chairs a meeting). The Council may award a temporary Special Responsibility Allowance to another councillor in exceptional circumstances.

Table of special responsibility allowances	Annual sum (£)	Factor of Basic Allowance
Leader of the Council	17,606.82	3.5
Deputy Leader	15,091.56	3.0
Cabinet Members	12,576.3	2.5
Leader of the Opposition Groups	1,015.50 split proportionally	N/A
Chairman of Scrutiny Committees	7,545.78	1.5
Chairman Planning and Licensing Committee	10,061.04	2.0
Chairman of Audit and Risk Committee	6,288.15	1.25
Chairman of Employment and Appeals Committee	133.29 per meeting	N/A
Chairman of the Council	4,670.33	N/A
Independent Person	508.75	N/A

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2.3 CHILD AND DEPENDENT CARER'S ALLOWANCE

- a) Councillors may claim reimbursement of actual, reasonable costs incurred in using childminders, babysitters or other sitters for dependants while carrying out approved duties up to a maximum of £1,000 per annum. Approved duties are listed in a separate section below. Claims should be made monthly in arrears, by attaching the receipt(s) to the submitted members' claim form and entering the amount claimed on the form.
- b) Information about registered childminders is available from the Council's Family Information Service. Details of care services for elderly and disabled dependants are best obtained from independent agencies.

2.4 PENSIONABLE ALLOWANCES

Statutory regulations allow Councils to make certain allowances pensionable, but only if so recommended by their independent remuneration panel. The Council has decided that no pensions will be payable.

2.5 RENUNCIATION OF ALLOWANCES

- a) A Councillor may choose to forego all or part of their entitlement to basic or special responsibility allowances under this scheme. If this is the case, they should give notice of this in writing to the Governance Manager stating what element of their allowance entitlement they do not wish to claim. The notice should also state whether this is for the current municipal year or the remainder of the Councillor's term of office – if the notice does not specify a time period then it will be assumed to mean the remainder of the term of office.
- b) A member not wishing to claim the expenses described in section 3 below need not give notice in writing – they simply do not submit any expenses claims.

2.6 PUBLICISING ALLOWANCES AND EXPENSES PAID

- a) The Council, as required by law, publishes any recommendations which its Members Allowances Panel makes about members' allowances, and also the conclusions which the Council reaches as a result of those recommendations.
- b) Each year it advertises in a local newspaper the total sum paid during that year to each Councillor in respect of basic allowance, SRAs and childcare/dependent carers allowance.
- c) The Strategic Director of Resources maintains a file of payments to members – see section 5 below.

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2.7 SUSPENSION OF ALLOWANCES

Any member who is suspended or partially suspended from their responsibilities or duties as a member of the Council in accordance with Part III of the Local Government Act 2000 may have their allowances withheld for the period of any suspension.

2.8 ANNUAL UPDATING

The basic allowance is updated annually in line with National Joint Councils pay award made to officers.

3. PAYMENT OF EXPENSES

3.1 APPROVED DUTIES

- a) Councillors and co-opted members may claim reimbursement of travel, subsistence and conference expenses incurred whilst undertaking an approved duty. Attendance at any of the following is an approved duty:
- any Council meeting
 - any meeting of one of the Council's committees, sub-committees, regulatory or staff panels, working parties/groups or fora.
 - any meeting of the Cabinet or a Cabinet committee
 - agenda planning meetings for the Council, Committees, Cabinet, Scrutiny Committees.
 - any meeting of the Scrutiny Commission
 - attendance at development control site visits.
 - Meetings with Officers to discuss Council or ward matters with the Member acting in their official capacity.
 - formal inspection of Council properties and projects as authorised in advance by the Executive or a committee (including site visits for planning matters)
 - in-house training and development seminars including Members' Induction, Staff Induction and service-specific seminars
 - approved conferences or seminars such as described at section 3.3 below
 - a meeting of an external organisation, including partnership bodies, to which the Councillor has been appointed as the Council's representative – for details see the list of approved appointments issued annually near the start of the municipal year, and maintained subsequently, by the Governance Team (if the external organisation will pay travel and/or subsistence costs, then the Councillor should claim against that organisation and cannot claim from the Council).

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- b) Expenses will not be paid for attendance at national and regional bodies if the Councillor was not appointed to the organisation or event by the Council.
- c) Travel and subsistence allowances for co-opted and lay/expert members of committees and panels will be paid, at the same level as for elected members.

3.2 TRAVELLING EXPENSES

- a) A Councillor may reclaim expenses incurred in travelling to and from approved duties, as shown in the table below.
- b) For journeys outside Rutland, where public transport is readily available the ordinary fare will be reimbursed if this is less than a sum based upon car mileage.
- c) The Council will pay reasonable travel costs to and from an approved duty when a Councillor is absent from their usual residence, such as when working out of the area or when attending a residential course elsewhere. This does not cover return from holidays. If such a claim is made and an officer is unclear whether or not the expense should be reimbursed, they shall consult the member and the political group leader (if appropriate) prior to approving payment. Any unresolved claim is the responsibility of Council to determine.
- d) The rates are linked to those payable to officers that are agreed as part of the NJC Car Allowances scheme.

Travel option	Details of travel expenses reclaimable
By public transport	<p>The ordinary fare may be claimed, supported by a receipt. For travel by rail, wherever possible the tickets should be ordered in advance through the Business Support Team.</p> <p>The Council will refund the purchase of a rail card provided that this saves the Council money in reimbursing travel expenses.</p>
By car	<p>The car mileage rate is set annually by Council, taking into account national legal maxima. It applies irrespective of engine size or distance travelled, and is currently 45pence per mile for the first 10,000 miles and 25pence per mile thereafter in line with HMRC mileage rates. An extra 5pence per mile per passenger can be claimed for carrying two to four passengers who would otherwise be able to claim travelling expenses from the Council.</p> <p>The Council will pay, upon production of a receipt, associated actual and reasonable costs incurred on parking fees and tolls.</p>

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Travel option	Details of travel expenses reclaimable
By taxi	<p>Regulations under the Local Government Act 1972 restrict Councillors' use of taxis to "cases of urgency or where no public transport is reasonably available" – they allow for the actual fare and "a reasonable gratuity" to be reimbursed. Therefore, if there was no urgency, or public transport was available, any claim for taxi costs will instead be reimbursed by payment of the bus fare for the equivalent journey.</p> <p>Councillors with no personal transport or access to reasonable public transport may ask the Governance Team to book a taxi for them for a local approved duty.</p>

3.3 SUBSISTENCE EXPENSES AND COUNCIL REFRESHMENTS

- a) A Councillor may claim reimbursement of subsistence costs incurred personally while on approved duties. The latter are described at a separate section below. In order to qualify for reimbursement:
- the Councillor must be away from their usual residence for a minimum of four hours (this time period applying only to the time spent in travel to and from, and attendance at, the approved duty)
 - there must be no meal provided at the approved duty, either by the Council or any other organiser for the event
 - the Councillor should attach a receipt to their expenses claim form to show that a meal was purchased (and the amount paid will be the amount incurred and shown on the receipt up to the maximum limit shown below).
- b) The rates payable are set annually and mirror those set by HMRC. They are currently as set out in the table below. They are linked to the corresponding rates that are agreed nationally each year for officers.

Subsistence type	Details	Payment amount
Breakfast	The rate may be paid where an employee leaves home earlier than usual and before 6am and incurs a cost on breakfast taken away from home after the qualifying journey has started. If an employee usually leaves before 6am the breakfast rate does not apply.	£5.00
One Meal (5 Hour Rate)	The rate may be paid where the employee has been undertaking qualifying travel for a period of at least 5 hours and has incurred the cost of a meal.	£5.00
Two Meal (10 Hour Rate)	The rate may be paid where the employee	£10.00

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	has been undertaking qualifying travel for a period of at least 10 hours and has incurred the cost of a meal or meals.	
Absence overnight	To cover hotel and associated expenses – but note that, in these cases, the Council will book and pay for hotel accommodation directly (see 'conferences' at separate section below)	Market rates will be paid (see d below)

- c) If a meal is taken on a train, this is taken to relate to the subsistence allowance which it most closely equates to (i.e. lunch or evening). The above conditions still apply.
- d) The Council will pay a market rate for hotels for overnight absence when Councillors are on an approved duty. The market rate may be different according to location and available capacity. Councillors can ask the Governance Team to book hotels directly or may book their own. If Councillors book their own accommodation then the cost will need to be reclaimed.
- e) The Council will not pay for bar bills or other drinks, meal costs above the subsistence maxima, telephone calls or any other incidentals purchased by the Councillor during their overnight stay (such as newspapers or laundry).
- f) Officers making overnight stay bookings should first check with the Governance Manager that the proposed activity constitutes an approved duty and has been authorised properly. They should make clear whether the cost is to be borne by the service department's conference budget, or whether the central Members' Allowances budget is expected to fund it. When giving the Councillor the details of the reservation, they should remind them that they must pay for any incidental charges and not add them to the hotel bill. After the event, the officer must send a copy of the hotel bill (annotated to show the receiving Councillors) to the Governance Team so that the file of payments to members can be updated.

3.4 CONFERENCE AND SEMINAR EXPENSES

- a) Attendance at conferences and seminars is approved by the relevant Director in consultation with the Leader of the Council taking into account the benefit to the Council that would be derived from, and the appropriate level of, member attendance. It should only be approved where the relevant service has adequate provision for this in their budget for conference attendance, ensuring that this takes account of all anticipated fees and expenses involved. The budget holder's prior approval must thus be obtained. Typical conferences include:
- Local Government Association – Chief Executive and relevant member(s)
 - CIPFA conference
 - Institute of Rating and Valuation conference
 - Institute of Housing conference

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- Local Government Association housing conference, tourism conference, etc
 - Town & Country Planning Association weekend and summer schools for Councillors
 - Annual social services conference.
- b) The Council will book and pay for conference and seminar expenses directly, as described in relation to overnight stays in section 3.3 above. If there is no overnight stay, then any travel or subsistence claims must comply with the usual conditions for approved duty attendance, and be submitted in the usual way on the monthly expenses claim form.

3.5 EXPENSES FOR TRAVEL AND SUBSISTENCE ABROAD

Occasionally a Councillor may be invited to travel abroad on official business, through their membership of an external organisation to which the Council has appointed them as its representative. Given the potentially sensitive nature of such travel, in the public perception, prior Council consent should always be obtained to the classification of the proposed activity as an approved duty eligible for the reimbursement of the associated expenses. If such approval is given, then the conditions described in the sections above apply as for any other approved duty.

3.6 CHILD AND DEPENDENT CARER'S ALLOWANCE

Councillors may claim reimbursement of costs incurred in using childminders, babysitters or other sitters for dependants while carrying out approved duties. See section 2.3 above for details.

3.7 ICT AND OTHER EQUIPMENT

- a) The Council does not pay for the installation of a telephone at a Councillor's residence, if there is not one already installed nor does it contribute towards the cost of the line rental. The Council will reimburse the cost of telephone calls made by the Councillor whilst carrying out their official duties provided an itemised telephone bill is submitted with the Councillors monthly claim form with these calls clearly identified.
- b) The Council will provide each Councillor with a Council e-mail address for their official duties.
The Council will provide support and servicing of ICT equipment it has provided and provide support to Councillors who access Council systems with their own ICT equipment. The Council will provide paper and replacement cartridges in all cases for use by Councillors in their official capacity.
- c) Computer access and stationery are provided for Councillors' use in the Members' Room at Catmose, and in the Leader's and Chairman's Offices.
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- e) No other office or other equipment is currently provided to members either directly or by reimbursement of costs.

3.8 CLAIMS PROCEDURE (FOR TRAVEL, SUBSISTENCE AND CONFERENCE EXPENSES)

- a) Claims for travel, subsistence and dependent carers' allowances must be made each month. All claims must be received by the Governance Team by the 5th day of the following month. This is essential as they must be verified and approved and passed to the Payroll Section in time for them to be processed for the monthly payroll run. Any claims received after these dates will be paid the following month.
- b) Councillors must ensure that they submit claims within three months as claims stretching back further than this may be delayed due to the increased difficulty of verifying them. Furthermore, very large back-claims may render the payment subject to tax and national insurance payment. Claims spanning more than one financial year must be avoided, as this would result in the later year's budget being overspent. Therefore, all claims for travel, subsistence, carers' and dependent allowances for each financial year must be made by the end of April and will not be paid after that date.
- c) The claim form must include receipts for all expenses claimed, include a VAT receipt for fuel purchased, and must be signed by the Councillor to declare that they are entitled to all amounts claimed and have not already been reimbursed for these amounts by the Council or any other organisation.
- d) If a Councillor wishes to reclaim tax paid on subsistence allowances, they must provide relevant receipts to HM Inspector of Taxes. If a Councillor applies for benefit, they must declare any allowances and expenses received from the Council on their application form.
- e) Should it ever arise that the Council incurs expenditure on behalf of a Councillor's spouse or partner, then a debtor's account will be sent to the Councillor to recover all additional costs and a copy of the accounts will be placed with the file of payments to members.

4. THE CHAIRMAN'S ALLOWANCES

- a) Sections 3(5) and 5(4) of the Local Government Act 1972 provide for the Council to pay the Chairman and Deputy Chairman an allowance each, which it believes reasonable to enable them to meet the expenses of their office. The Council may, but is not obliged to, invite its independent Members' Allowances Panel to comment on the allowances paid.
- b) The current allowances are:
 - Chairman - £4,670.33 which is paid by monthly instalment with the office holders' other allowances. A further allowance is available to cover expenses whilst engaged on official civic engagements.

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- Vice-Chairman – No Allowance payable. Expenses incurred whilst representing the Chairman on official civic duties may be paid for by the allowance for civic engagements that is managed by the Governance Team.

5. GUIDANCE FOR OFFICERS IN RESPECT OF PAYMENT TO MEMBERS

- a) All Officers must adhere to the above scheme when verifying and making payments to Councillors. The Governance Manager, or those employees acting on his/her behalf, must verify all member claims prior to passing them for payment. A file of payments to members will be maintained by the Accountancy Section. For all payments under the members' allowances scheme, and those made under sections 173 to 176 of the Local Government Act 1972, this must show the name of the recipient, together with the amount and nature of each payment. It is open for inspection free of charge by electors in the area, who may copy any part of it.
- b) The scheme also applies to officers incurring expenditure on a Councillor's behalf – if an officer spends more than the prescribed limits shown above for a member's travel and/or subsistence then they cannot claim the excess but must bear the cost personally. If an officer wishes to make a claim for member travel and/or subsistence, they must complete an employee travel and subsistence expenses claim form in the usual way but stating clearly which member(s) were paid for, and the details of the payment (cost, time of day incurred) which will allow it to be checked against the prescribed subsistence scheme. A copy must be sent immediately to the Accountancy Section, for recording in the file of payments to members.
- c) This does not prevent the payment of sums to Councillors which they may legitimately claim in a personal capacity (such as a rent allowance, refund of overpaid council tax or rent, a home renovation grant, for a business transaction, damages or compensation). Any payments of this type should be processed in the normal way for that service issue, rather than through the member's payroll arrangements for allowances and expenses.
- d) If any other issue of payment to a Councillor arises, other than one covered by the above members' allowance scheme or a normal service issue, then prior written approval should be obtained from the Chief Executive, Strategic Director for Resources or Deputy Director for Corporate Governance.
- e) When a department arranges any seminar, conference, course or visit which will incur costs on behalf of a Councillor, the lead officer must liaise with the Governance Manager to ensure that only permitted expenditure is incurred. They should keep a list of members attending an approved event, and forward it immediately afterwards to the Governance Section to ensure that any subsequent member claims for travelling and/or subsistence can be verified. If the officer pays for any member's travel or meals, then a copy of the officer's own claim form (with clear details of the amounts paid for each member) must be copied immediately to the Governance Section so that the file of members' payments can be updated. Likewise, hotel bills for overnight stays should be annotated to show the receiving Councillor(s) and copied to the Governance Section.

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- f) Member tours must have prior Council, Committee or Cabinet approval (except for routine planning site visits), and will normally then be arranged by the relevant officer in either the sponsoring department or Governance Section. Before proposing a tour, officers should check that there is adequate budgetary provision within the central Members' Budget – if not, an alternative budget must be identified.
- g) Tours outside Rutland may be arranged by the relevant service department. They will still require formal Council, Committee or Cabinet approval and adequate budgetary provision. Any overnight stop, unless paid for directly by the Council, and any lunch or evening meals purchased for the Councillors involved must adhere to the subsistence rates shown above. If air tickets are reserved, the cheapest rate of public air travel must always be used.
- h) Any proposed payment or commitment of civic funds must be referred to the Governance Manager for prior approval. This officer must ensure all payments so made remain within budgeted levels of expenditure, and that any payments to or on behalf of members are recorded in the file of payments to members.
- i) Any officer who is responsible for settling an insurance payment to a member from the Council's internal or external insurance funds, should copy details to the Accountancy Section so that the file of payments to members can be updated.
- j) If a Councillor undertakes to act as a volunteer in a Council activity, the relevant lead officer must first make clear that the Councillor intends to act in their personal capacity as a volunteer and not in an official capacity as Councillor. This is very important in order to ensure that proper account is taken of the strict regulations which govern payment to Councillors for meals and travel. Furthermore, the manager takes full charge of and responsibility for the activities undertaken, regardless of the Councillor's official status.
- k) Circumstances may arise when, due to the need for political neutrality, it would be inappropriate for a Councillor or their relatives to volunteer for a Council activity. One example would be participating in the canvass for the register of electors. For such activities, the lead officer must vet proposing volunteers thoroughly and decline offers where necessary.