

Part 6 – Members' Allowance Scheme

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1. Introduction

- 1.1 Bishop Auckland Town Council, in exercise of the powers conferred by the Local Government (Members' Allowances) (England) Regulations 2003 has made the following Council Members' Allowances Scheme, with effect from 1st April 2009.
- 1.2 All Members of the Council are entitled to claim a Basic Allowance and also the reimbursement of travelling costs and subsistence allowances in certain circumstances, in accordance with the provisions of this Scheme.

2. Members' Allowance Scheme

- 2.1 The following Members' Allowances Scheme will be effective for the financial year commencing on **1st April 2009**.
- 2.2 The Scheme will be reviewed periodically taking into account the recommendations of the Independent Remuneration Panel appointed by Durham County Council to review Members' Allowances.

3. Basic Allowance

- 3.1 A basic allowance amounting to **£440 per annum** shall be paid with effect from 1st April 2009.

4. Special Responsibility Allowances

- 4.1 The Mayor shall be entitled to claim a Special Responsibility Allowance amounting to £440 to cover the costs associated with carrying out civic duties expected of the post.

5. Elections and By-elections

- 5.1 This section of the Scheme relates to the entitlement to Basic Allowance and Special Responsibility Allowance where appropriate, during the course of a year a new Member is elected or an existing Member ceases to be a Councillor.
- 5.2 Where a term of office begins or ends other than at the beginning or end of a year, the entitlement of Allowances shall be based, pro rata, on the number of months that the term of office runs during the financial year.
- 5.3 In an election year, payment of Basic Allowance shall normally be from the fifth day following the day of the election or the day on which the Member signs the Declaration of Acceptance of Office, whichever is the later.
- 5.4 In the event of a by-election, payment of Basic Allowance shall be from the day the Declaration of Acceptance of Office is signed.

6. Co-option

- 6.1 Appointed and co-opted members are not entitled to the Basic Allowance.

7. Claims and Payments

- 7.1 All Members will be required to complete the Council's 'New Starter Form' which requests personal details and bank details, and also a P46 Form from the Inland Revenue, which declares employment status and / or any Works or Pension Benefits claimed, in order to begin claiming Basic Allowance.

7.2 Basic Allowances will normally be paid in equal monthly instalments on the last Thursday of the month.

7.3 Reimbursement of travelling costs and any overnight subsistence allowance will be paid in arrears on the last Thursday of the month, in respect of all claims received before the 16th day of that month.

8. Right to Forego Entitlement to Basic Allowance

8.1 A member may, by notice in writing to the Town Clerk, elect to forego any part of their entitlement to an allowance under this scheme.

9. Approved Duties for the Purpose of Travelling and Subsistence Claims

9.1 In accordance with the requirements of this scheme, approved duties for the purpose of travelling and subsistence must relate to duties taking place **outside of the Parish boundaries**, and would include:-

- Attendance at any meeting of the Council, a Committee, Sub Committee, Panel, Forum, Working Party or Group, outside of the Parish boundaries;
- Attendance by Members of the Council, at meetings outside of the Parish boundaries in connection with matters relating to their Committee or Ward;
- Attendance at conferences or seminars provided such conferences or seminars discuss matters that relate to the interests of at least some part of the Parish area or some of its inhabitants;
- Attendance at official meetings of outside organisations by Members appointed to represent the Council on such outside organisations, being organisations for the purpose of, or in connection with, the discharge of the functions of the Council;
- Any duty reasonably performed or to be performed, which relates to the interests of at least some part of the Council area or some of its inhabitants, by the Mayor or Deputy Mayor of the Council;
- Attendance by the Mayor and Deputy Mayor, Chairmen and Vice Chairmen of Committees at meetings in connection with the discharge of the functions of the Council.

9.2 It is a condition of the payment of travelling costs and overnight subsistence expenses that the duty for which you are paid has been approved by the Town Council before the duty is undertaken. It is not possible to decide, after the event, that reimbursement should be paid.

10. Travelling Costs

10.1 Travelling costs are reimbursed for journeys undertaken in the performance of official duties **outside of the Parish boundaries**.

10.2 The Council's overall policy for travelling allowances is based on the principle that the most cost effective means of travel is adopted, bearing in mind the number of Members travelling, the health and fitness of those Members, the distance and location of the venue and the availability of public transport.

10.3 Where travelling, on behalf of the Council, to venues outside the boundaries of the counties of Durham, Tyne and Wear and Cleveland, you may travel by rail. First Class travel may be

used. Rail bookings must be made by either the Town Clerk, who will make seat reservations where necessary.

- 10.4 Where travel by air has been determined as more appropriate or cost effective (see 10.9), the Town Clerk will also make the necessary flight reservations.

- 10.5 If you choose to use your car for travel the amount payable will normally be made in line with the Council's approved mileage rates.

- 10.6 The Government currently allows a standard tax allowance of 45p per mile for the first 10,000 miles, below which no National Insurance Contributions are payable.

The rate for travel by your own private motor vehicle, or one belonging to a member of your family or otherwise provided for your use shall therefore be 45p per mile.

Any expenditure incurred on tolls, ferries or parking fees, including overnight garaging will also be reimbursed, upon receipt of evidence of the charge.

- 10.7 The rate for travel by taxi shall not exceed:

- a. in the case of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid, and
- b. in any other case, the amount of the fare for travel by appropriate public transport.

- 10.8 The rate of travel by a hired motor vehicle other than a taxi, shall not exceed the rate which would have been applicable had the vehicle belonged to the Member who hired it. However, with the prior approval of the Council, the rate may be increased to an amount not exceeding the actual cost of hiring.

- 10.9 The rate for travel by air shall not exceed the rate applicable to travel by appropriate alternative means of transport, together with the appropriate subsistence allowance.

However, with the prior approval of the Council, where it is considered that the saving in time is so substantial as to justify payment of the fare for travel by air, there may be paid an amount not exceeding:

- a. the ordinary fare or any available cheap fare for travel by regular air service, or
- b. where no such service is available, or in case of urgency, the fare actually paid by the Member.

11. Insurance of Cars Used on Council Business

- 11.1 If you are using a car or other privately owned vehicle for a purpose relating to your activities as a Member of the Council, including travelling from home to the Council's offices, you must ensure that your insurance company is fully aware that the car is being used for 'Council Business' purposes.

12. Hotel Expenses

- 12.1 The Council has adopted a central booking system for overnight accommodation and all hotel bookings must be made by the Town Clerk.

- 12.2 The principles of value for money will be applied to the cost of overnight hotel expenses and as a general rule a greater allowance will be made for the costs of staying in London. Wherever possible, hotels providing meals will be booked.

13. Subsistence Allowances

13.1 Subsistence Allowances are normally only paid for official duties or conferences that involve an overnight stay. The Council has adopted a central booking system for accommodation and therefore subsistence for overnight absence relates to a **food and incidental expenses allowance**.

13.2 The rates for an **absence overnight** from the usual place of residence shall be:-

- **£55.00 outside of London;**
- **£65.00 for such an absence in London.**

13.3 The rates determined above shall be deemed to cover a continuous period of twenty-four hours. **If any meals are provided** at a conference or other event, or if there is some other source of hospitality, then such meals should be declared and an appropriate **deduction must be made from the allowances claimed**.

Deductions are:-

- **£5.00 for Breakfast (£6.25 for London)**
- **£10.00 for Lunch (£12.50 for London)**
- **£5.00 for Tea (£6.25 for London)**
- **£20.00 for Dinner; £25.00 for London)**

13.4 A Member may also claim a **meal allowance** if he or she attends an event outside of a 50 mile radius of the Parish boundary, where **no overnight stay** is required but where no meals are provided.

The rates of subsistence will be as follows:

- **An absence in excess of 6 hours - £10.00**
- **An absence in excess of 10 hours - £30.00**

14. Incidental Expenses Allowance

14.1 Incidental and out of pocket expenses are provided for within the subsistence allowance rates set out above. The Council does not therefore pay an Incidental Expenses Allowance, which if payable would be subject to income tax and national insurance deductions.

15. Travelling and Subsistence Allowance Advances

15.1 The Town Clerk can, upon request, arrange for an advance of travelling and subsistence expenses in respect of attendance at conferences, seminars etc, where an overnight stay is involved.

16. Members Appointed to Represent the Council on Outside Bodies

16.1 Members attending meetings of outside organisations, where attendance has been confirmed by Council, i.e. at the Annual Meeting or a later Council Meeting, and the meeting is held outside of the Parish boundary, are entitled to claim travelling expenses from the Council.

16.2 However, if the Member is appointed to represent the Council on an outside body where they are entitled to claim Attendance Allowance from those bodies, expenses should be claimed from that body.

17. Claim Forms for Travelling and Subsistence Allowances

- 17.1 Claim forms are provided for the purpose of claiming travelling expenses and subsistence allowances and a pro forma is attached in **Appendix 1**.
- 17.2 Attention is drawn to the need for a full description of the approved duty and all amounts being claimed in respect of travelling and subsistence, together with the relevant sub-totals to be entered on the claim form.
- 17.3 Claim forms should be completed and forwarded to the Finance Section, so as to be received no later than the 16th day of each month. If claims are not received by this date, payment will be made the following month.

18. Withholding of Allowances

- 18.1 If a Member is fully or partially suspended from duties on the recommendation of the Standards Committee, the Basic Allowance, together with any Special Responsibility Allowance, will be fully or partially withheld.

19. Telephone and Internet Allowances

- 19.1 The Council does not currently pay telephone lines and charges in respect of home telephones or internet charges.

20. Childcare and Dependent Carer Allowance

- 20.1 The Council does not currently provide a childcare or dependent carer's allowance.

21. Income Tax and National Insurance

- 21.1 The Basic Members Allowance is taxable and Income Tax and National Insurance Contributions will be deducted in accordance with the Members Tax Code, which is based on the information declared on the P46 Form.
- 21.2 All Members will be required to complete the P46 Form before claiming Basic Allowance. This form is required by the Inland Revenue and declares current employment status and any Works and Pension Benefits claimed.
- 21.3 If Members have any concerns or queries about the tax implications of claiming the Basic Allowance, they are advised to communicate directly with HM Revenues and Customs at the Enquiry Centre located at Bishop Auckland 24 Market Place, Bishop Auckland Co Durham DL14 7NX, telephone number.

22. Work and Pension Benefits

- 22.1 There are a number of Work and Pensions Benefits which are subject to earnings rules and can therefore be affected by the payment of Basic Members Allowance.
- 22.2 Unemployment, Sickness, Invalidity, Dependents' Benefits and even Retirement or Disablement Pensions may be affected and if Members are in receipt of any of these Benefits it is essential that the local Job Centre Plus office is informed of the amount of Basic Allowance which the Member receives from the Council in order that the appropriate adjustments can be made to their State Benefits.

- 22.3 The local Job Centre Plus Office is located at 35 Market Place, Bishop Auckland, County Durham, DL14 7NX, telephone number 0845 604 3719.

23. Members Personal Accident and Assault Insurance Cover

- 23.1 The Council has arranged a personal accident and assault insurance policy for its Members, which covers death or bodily injury sustained whilst engaged in the business of the Council.
- 23.2 Benefits include compensation for total disablement, partial disablement and loss of, or damage to money, clothing and personal effects.
- 23.3 Full details of the cover provided by this policy, including the benefits, exclusions, special conditions, etc, may be obtained from the Finance Manager.
- 23.4 If a Member wishes to make a claim they should contact the Finance Manager in order that arrangements can be made for the necessary claim form to be completed.