

ARTICLE 5

Great Aycliffe Town Council

**Members' Allowances
Scheme**



April 2019

Table of Contents

| | | |
|------|---|---|
| 1.0 | Introduction and Background..... | 2 |
| 2.0 | Basic Allowance | 2 |
| 3.0 | Special Responsibility Allowances..... | 2 |
| 4.0 | Elections and By Elections | 2 |
| 5.0 | Co-Option | 2 |
| 6.0 | Claims and Payments of Basic Allowance..... | 3 |
| 7.0 | Right to Forego Entitlement to Basic Allowance | 3 |
| 8.0 | Approved Duties | 3 |
| 9.0 | Travelling Costs..... | 4 |
| 10.0 | Insurance of Cars Used on Council Business | 5 |
| 11.0 | Hotel Expenses | 5 |
| 12.0 | Subsistence Allowances..... | 5 |
| 13.0 | Incidental Expenses Allowance..... | 5 |
| 14.0 | Travelling and Subsistence Allowance Advances | 6 |
| 15.0 | Members Appointed to Represent the Council on Outside Bodies..... | 6 |
| 16.0 | Claim Forms for Travelling and Subsistence Allowances..... | 6 |
| 17.0 | Withholding of Allowances | 6 |
| 18.0 | Telephone and Internet Allowances | 6 |
| 19.0 | Childcare and Dependent Carer Allowance | 7 |
| 20.0 | Income Tax and National Insurance..... | 7 |
| 21.0 | Work and Pension Benefits | 7 |
| 22.0 | Members Personal Accident and Assault Cover | 8 |

1.0 Introduction and Background

- 1.1 Great Aycliffe Town Council, in exercise of the powers conferred by the Local Government (Members' Allowances) (England) Regulations 2003 hereby makes the following Council Members' Allowances Scheme.
- 1.2 This Members' Allowances Scheme shall have effect from 1st April 2019.
- 1.3 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.
- 1.4 The Basic Allowance and travelling and subsistence rates set out in this scheme were recommended by an Independent Panel commissioned by Durham County Council in 2018 and were adopted by the Council at a meeting of the Policy and Resources Committee on 6th March 2019.

2.0 Basic Allowance

- 2.1 A basic allowance amounting to **£1,330 per annum** will be paid with effect from 1st April 2019.

3.0 Special Responsibility Allowances

- 3.1 The Local Government (Members' Allowances) (England) Regulations 2003 do *not* provide for a special responsibility allowance to be paid to town and parish council members with specific additional responsibilities e.g. the Leader and Deputy Leader of the Council, Chairmen and Vice Chairmen of Committees.

4.0 Elections and By Elections

- 4.1 This section of the Scheme relates to the entitlement to the Basic Allowance in circumstances where, during the year, a new Member is elected or an existing Member ceases to be a Councillor.
- 4.2 Where a term of office begins or ends other than at the beginning or end of a year, the entitlement of Basic Allowance shall be based, pro rata, on the number of days that the term of office runs during the financial year.
- 4.3 In an election year, payment of Basic Allowance shall 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.
- 4.4 In the event of a bi-election, payment of Basic Allowance shall be from the day the Declaration of Acceptance of Office is signed.

5.0 Co-Option

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

6.0 Claims and Payments of Basic Allowance

- 6.1 All Members will be required to complete the Council's 'New Starter Form' which requests personal details and bank details, and a P46 Form from the HM Revenues and Customs, which declares their employment status, and/or any works or pension benefits claimed, to begin claiming the Basic Allowance.
- 6.2 The Basic Allowance will be paid in equal monthly instalments on the 21st day of the month or the first working day preceding this date, if the 21st day of the month falls on a weekend or bank holiday.

7.0 Right to Forego Entitlement to Basic Allowance

- 7.1 You may, by notice in writing to the Town Clerk, elect to forego any part of your entitlement to an allowance under this scheme.

8.0 Approved Duties

- 8.1 In accordance with the requirements of this scheme, approved duties for the purpose of travelling and subsistence relate to all official duties taking place **inside or outside of the Parish boundaries**.
- 8.2 Official duties are defined as:-
- Attendance at a meeting of the Council, or of any Committee, Sub-Committee or Working Group of the Council;
 - Attendance any outside body to which the Council makes appointments or nominations or any Committee or Sub-Committee of such a body.
 - Attendance at a meeting of any association of authorities of which the Council is a member.
 - Attendance and performance of duties in connection with a tender process.
 - Attendance and performance of any duty which requires the inspection of premises.
 - Attendance and carrying out of any other duty *approved by the Council*, or any duty of a class so approved, or in connection with, the discharge of the functions of the Council or of any of its Committee or Sub-Committees.
- 8.2 It is a condition of the payment of travelling costs and overnight subsistence expenses, that the duty for which you are claiming payment has been approved by Policy and Resources Committee *before* the duty is undertaken. It is not possible to decide, after the event, that reimbursement should be paid.

9.0 Travelling Costs

- 9.1 Travelling costs are reimbursed for journeys undertaken in the performance of official duties both **inside and outside of the Parish boundaries**.
- 9.2 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.
- 9.3 If Members are travelling on behalf of the Council by car, the availability, practicality and value of using the Council Civic Car should be considered.
- 9.4 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.
- 9.5 Standard class rail travel is the approved class of travel, although first class rail can sometimes be the cheaper option dependent on the time of booking. Rail bookings must be made by either the Secretary to the Town Clerk or the Senior Administration Officer who will make seat reservations where necessary.
- 9.6 The cost of travel by air shall not exceed the cost applicable to travel by appropriate alternative means of transport, unless in circumstances where the saving in time is so substantial as to justify payment of the fare for travel by air.
- 9.7 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.
- 9.8 The Government currently allows a standard tax allowance of up to 45p per mile for the first 10,000 miles, below which no Income Tax or National Insurance Contributions are payable. It has been previous Council Policy to restrict the Car Mileage Allowance to 0.1p below the Government car mileage tax allowance in order to avoid Members and Officers incurring additional Income Tax or National Insurance Contributions.
- 9.9 The **car mileage allowance 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 **44.9p per mile**.
- 9.10 Any expenditure incurred on tolls, ferries or parking fees, including overnight garaging will also be reimbursed, upon receipt of evidence of the charge.
- 9.11 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
 - (b) in any other case, the amount of the fare for travel by appropriate public transport.
- 9.12 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 the Council, the rate may be increased to an amount not exceeding the actual cost of hiring.

10.0 Insurance of Cars Used on Council Business

- 10.1 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 'business' purposes.

11.0 Hotel Expenses

- 11.1 The Council has adopted a central booking system for overnight accommodation and all hotel bookings must be made by either the Secretary to the Town Clerk or the Senior Administration Officer.
- 11.2 The principles of value for money will be applied to the cost of overnight hotel expenses and, as a rule, a greater allowance will be made for the costs of staying in London. Wherever possible, hotels providing meals will be booked.

12.0 Subsistence Allowances

- 12.1 The Council has adopted a central booking system for overnight accommodation and therefore an overnight subsistence allowance does not apply.
- 12.2 Subsistence allowances for meals and incidental expenses are payable for overnight absence where meals are not provided, and for any official duties undertaken during the day not involving an overnight absence.
- 12.3 The subsistence rates are as follows:-

| Allowance | Minimum Absence from Home | Rate £ |
|------------------|---|---------------|
| Breakfast | 2 hours which must be before 11.00am | £6.75 |
| Lunch | 2 hours which must be between 12 noon and 2pm | £9.27 |
| Tea | 3 hours which must include 3.00pm to 6.00pm | £3.65 |
| Evening Meal | 3 hours which must be after 7.00pm | £11.48 |

- 12.4 The rates determined above shall be deemed to cover a continuous period of twenty-four hours. If any meals are provided at a conference, seminar, training event or other official duty, or if there is some other source of hospitality, then such meals and hospitality must be declared, and an appropriate adjustment made to the subsistence allowances claimed.
- 12.5 Members wishing to claim subsistence allowance must submit receipts for all meals claimed for.

13.0 Incidental Expenses Allowance

- 13.1 Incidental and out of pocket expenses are provided for within the subsistence allowance rates set out above. The Council does not therefore pay a separate Incidental Expenses Allowance.

14.0 Travelling and Subsistence Allowance Advances

- 14.1 The Finance Section can, upon request, arrange for an advance of travelling and subsistence expenses in respect of attendance at conferences, seminars etc.

15.0 Members Appointed to Represent the Council on Outside Bodies

- 15.1 Members attending meetings of outside organisations, where attendance has been confirmed by Council, i.e. at the Annual Meeting or a later Council Meeting, are entitled to claim travelling and subsistence expenses from the Council.
- 15.2 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.

16.0 Claim Forms for Travelling and Subsistence Allowances

- 16.1 Reimbursement of any travelling costs and subsistence allowance is subject to the completion of a Travelling and Subsistence Claim Form.
- 16.2 A pro-forma claim form is attached in **Appendix 1**.
- 16.3 Travelling and subsistence allowances will be paid in addition to the Basic Allowance.
- 16.4 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.
- 16.5 Members wishing to claim subsistence allowance or for reimbursement of the cost of parking tickets must submit receipts.
- 16.6 Claim forms should be completed and forwarded to the Finance Section, no later than the 16th day of each month. If claims are not received by this date, payment will need to be made the following month.

17.0 Withholding of Allowances

- 17.1 If a Member is suspended, or partially suspended, from their responsibilities or duties as a member of the Council, the part of the Parish Basic Allowance payable to them in respect of the period for which they are suspended, or partially suspended, will be withheld.

18.0 Telephone and Internet Allowances

- 18.1 The Council does not currently pay an allowance for telephone line rentals and call charges in respect of home telephones or for home internet charges. However, mobile phones are provided to the Leader, Deputy Leader and Mayor of the Council.

19.0 Childcare and Dependent Carer Allowance

- 19.1 Town and Parish Councillors are not entitled to claim a childcare or dependent carer's allowance under the Local Government (Members' Allowances) (England) Regulations 2003.

20.0 Income Tax and National Insurance

- 20.1 The Basic Members Allowance is taxable and Income Tax and National Insurance Contributions will be deducted in accordance with the Member's Tax Code.
- 20.2 All Members will be required to complete a P46 Form before claiming Basic Allowance. This form is required by HM Revenues and Customs and declares current employment status and any works and pension benefits currently claimed and is used to determine the Members' Tax Code.
- 20.3 Income Tax and National Insurance Contributions are not payable on mileage and subsistence allowances as the Council's approved mileage rate of 44.9p per mile is below the Government's tax-free mileage allowance for the first 10,000 miles of 45p, and the subsistence allowance is linked to travel on official business.
- 20.4 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 local offices at George Stephenson House, St. Mark's Court, Thornaby, Stockton on Tees, TS17 6QP or by telephone on 0300 200 3300.

21.0 Work and Pension Benefits

- 21.1 Members need to be aware that there are a number of work and pensions benefits which are subject to earnings rules and can therefore be affected by the payment of the Basic Members Allowance.
- 21.2 Universal Credit, Working Tax Credit, Child Tax Credit, Jobseeker's Allowance, Employment and Support Allowance, Income Support, Pension Credit, Housing Benefit, Carer's Allowance, Disability Living Allowance and Incapacity Benefit, may all be affected.
- 21.3 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.
- 21.4 The local Job Centre Plus Office is located at Greenwell Road, Newton Aycliffe, Co Durham, DL5 4DH and can be contacted by telephone on 0800 169 0190.

22.0 Members Personal Accident and Assault Cover

- 22.1 The Council has arranged a personal accident and assault insurance policy for its Members, which covers death or bodily injury sustained *whilst engaged in official business of the Council*.
- 22.2 Benefits include compensation for total disablement, partial disablement and loss of, or damage to money, clothing and personal effects.
- 22.3 Full details of the cover provided by this policy, including the benefits, exclusions, special conditions etc, may be obtained from the Council's Finance Manager.
- 22.4 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.