

PART 8

Members' Allowances Scheme

November 2015

MEMBERS' ALLOWANCES

1. What are members' allowances?

The Local Government and Housing Act 1989, the Local Government Act 2000 and associated regulations set out allowances which can be paid to Members. Before making or amending a Members Allowance Scheme, the Council must consider the recommendations of its Independent Remuneration Panel. The Council's current Members Allowances Scheme is set out on pages 7-10 of this booklet.

The Council has approved four allowances, which you can receive. These are:

- (a) **basic allowance:** this is a flat rate allowance available to all Members, which is £10,076 a year. It is intended to recognise the time you devote to your work and attendance at meetings. It also covers other incidental costs such as the use of your home and facilities.
- (b) **special responsibility allowance:** this allowance is paid to certain Members to recognise positions of special responsibility. It is subject to a number of conditions that are set out in the Scheme on pages 7-8.
- (c) **travelling and subsistence allowance:** any costs which you incur carrying out approved duties, whether by car, cycle or public transport, including refreshments in certain circumstances, can be reimbursed. Travelling allowance rates were set at Council on 20 January 2010 and took effect from 1 July 2010. Approved duties eligible for travel and subsistence allowance are set out on pages 13-14. The rates for these allowances are set out on page 12 and also on the back of the travel and subsistence claim form.

On 5 March 2014, Council accepted the recommendation of the Independent Remuneration Panel (IRP), to comply with guidance issued by HMRC, that Members can have only one place of work, that being the Council House. This ruling replaces the previous arrangement which accepted that a Member's home was also a place of work. Members are no longer able to claim travel allowances for journeys between home and the Council House.

Please ensure that all mileage claims and claims for subsistence are supported by a recent VAT receipt.

If you intend to claim travel allowance you will need to ensure that your car insurance covers any vehicle you use for official Council business and includes an indemnity to the Council.

- (d) **dependant carer's allowance:** this is an allowance of £6 an hour, up to a maximum of £50 a day, which can be claimed for actual costs incurred for childcare or dependant care services whilst carrying out approved duties. The approved duties for Dependant Carer's allowances are set out on pages 13-14. Claims must be supported by receipted accounts.
- (e) **co-optee's allowance:** this is a flat rate allowance of £500 a year available to independent and co-opted members of the Council's Standards Committee.

The Basic and Special Responsibility Allowances are recommended to Council by the IRP and are generally linked to the pay award for local government employees in the year preceding the annual review by the IRP.

If your entitlement to any allowance changes during the year, you will be paid pro-rata to the number of days you have been entitled to that allowance.

The formal Scheme adopted by the Council, which has to be published, is set out on pages 7-10. Each year, details of the basic, special responsibility, travelling, subsistence and dependant carer's allowances (where applicable) you have received also have to be published.

2. How do I claim?

Before any allowances can be paid you need to complete and return to us the Members' Allowances – Personal Details form and the Request for Payment by Bank Credit form.

You do not have to make a claim for **basic** or **special responsibility** allowances. These will be paid to you automatically on a monthly basis. You do have to claim for **travel and subsistence and dependant carer's allowances**.

You should send your forms to Constitutional Services. Every month we will let you know when you will need to let us have your claim forms. This is normally by the 4th of the following month. The final claim for the year should be submitted before the end of April of the following financial year.

3. What if I don't want to claim?

If you decide you don't want to claim any of the allowances, you must sign and let us have a notice foregoing your entitlement.

4. How do I get paid?

You will be paid by direct credit to your bank, normally on 25th of the month.

5. Will there be any effect on Income Tax or Social Security benefits?

You will have to pay income tax and national insurance on your allowances. These will be deducted at source. If you qualify for reduced National Insurance contributions then you must let us have the appropriate certificate. You can get this from your local Department for Work and Pensions Office; this normally applies to men and women who have reached state pension age.

If you are receiving any benefits you should contact your local Department for Work and Pensions Office as soon as possible. Your benefits may be affected, even if you choose not to claim any Members' Allowances.

6. Where do I get claim forms from?

Supplies are available in the Members' Rooms, Constitutional Services or Members Secretarial Support (first floor Council House). Forms are also available electronically. Please email committee@derby.gov.uk for an electronic copy.

7. What about attendance at conferences and seminars?

You can claim Travel and Subsistence and Dependant Carers Allowances if you incur expenses in attending conferences and seminars which have not already been paid directly by the

Council. The Council has agreed that expenditure for Members (and officers) attending conferences and seminars will be controlled through annual cash limits. Annual conferences will be regarded as commitments against the cash limit, with the balance being used for 'one-off' conferences. When the cash limit is exhausted, no more conferences will be approved for the remainder of the financial year. The operation of the cash limiting system is delegated to the Director of Governance.

8. Can I pay pension contributions on my allowances?

Yes, you can pay contributions, and receive benefits, on your Basic Allowance and, if applicable, your Special Responsibility Allowance, provided you have 'opted-in' to the Local Government Pension Scheme. The Pensions Division of Derbyshire County Council, which administers the Scheme on the City Council's behalf, will provide information to you separately.

9. Who can I contact if I have any queries?

If you have any queries about Members Allowances please contact Members' Services, telephone: 643643, email committee@derby.gov.uk

If you require advice about sickness or maternity benefits, please contact HR Pay and Administration Manager (Payroll), telephone: 01332 643981.

DERBY CITY COUNCIL MEMBERS' ALLOWANCES SCHEME

Derby City Council, in exercise of the powers conferred by the Local Authorities (Members Allowances) (England) Regulations 2003, hereby makes the following scheme and amends its previous scheme made on 1 April 2013.

1. This scheme may be cited as the Derby City Council Members' Allowances Scheme, and shall have effect in accordance with paragraph 12.
2. In this scheme:

 'councillor' means a member of the Derby City Council who is a councillor;
 'year' means the 12 months ending with 31 March.
3. **Basic Allowance**
 - a. Subject to paragraph 8, for each year a Basic Allowance of £10,076 shall be paid to each councillor.
 - b. Members' Allowance levels are adjusted annually, generally in line with the salary award for local government employees.
 - c. Where a Member is suspended or partially suspended from his / her responsibilities or duties as a member of an authority, the part of basic allowance payable to him / her in respect of the period for which he / she is suspended or partially suspended may be withheld by the Council.
4. **Special Responsibility Allowances**
 - a. For each year a Special Responsibility Allowance shall be paid to those councillors who hold the special responsibilities in relation to the authority, which are specified in Schedule 1 to this scheme.
 - b. Subject to paragraph 8, the amount of each such allowance shall be the amount specified against that special responsibility in that schedule.
 - (i) Subject to paragraphs (ii) and (iii), no councillor shall receive more than one Special Responsibility Allowance. Where a councillor is entitled to more than one such allowance, s/he shall receive the higher or highest allowance.
 - (ii) With the exception of the chair or vice chairs, a member of the General Licensing Committee or Taxi Licensing and Appeals Committee may receive a Special Responsibility Allowance payable as a member of those committees in addition to any other Special Responsibility Allowance to which they may be entitled.
 - (iii) Where a councillor is a member of the Social Services Adoption Panel or Fostering Panel and either the General Licensing Committee or Taxi Licensing and Appeals Committee, s/he shall be entitled to receive one Special Responsibility Allowance, being the higher or highest allowance to which s/he is entitled.
 - d. Where a member is suspended or partially suspended from his / her responsibilities or duties as a member of an authority the part of special responsibility allowance

payable to him / her in respect of the responsibility or duties from which he / she is suspended or partially suspended may be withheld by the Council.

5. Travelling and Subsistence Allowances

- a. Subject to paragraph 8, Travelling and Subsistence Allowances shall be payable to each councillor at the rates specified in Schedule 2 to this Scheme, for the approved duties listed in Schedule 3 to this Scheme. On 5 March 2014, Council accepted the recommendation of the Independent Remuneration Panel (IRP), to comply with guidance issued by HMRC, that Members can have only one place of work, that being the Council House. This ruling replaces the previous arrangement which accepted that a Member's home was also a place of work. Members are no longer able to claim travel allowances for journeys between home and the Council House.
- b. Where a member is suspended or partially suspended from his / her responsibilities or duties as a member of an authority any travelling and subsistence allowance payable to him / her in respect of the responsibilities or duties from which he / she is suspended or partially suspended may be withheld by the Council.

6. Dependant Carer's Allowance

- a. Subject to paragraph 8, a Dependant Carer's allowance shall be paid to those councillors who incur expenditure on the care of children or other dependants while carrying out any of the approved duties listed in Schedule 3 to this Scheme.
- b. A councillor claiming this allowance will be reimbursed actual costs at a rate of £6 an hour, to a maximum of £50 a day.

7. Co-optees' Allowance to Independent Members of the Standard's Committee

Subject to paragraph 8, a Co-optees Allowance of £500 a year shall be paid to independent and co-opted members of the Council's Standard's Committee.

8. Renunciation

A councillor or independent member may by notice in writing given to the Director of Governance elect to forego any part of his or her entitlement to an allowance under this scheme.

Where any scheme is in place for Council employees to receive a non-monetary benefit in lieu of some part of their salary the Council may allow councillors to participate in any such scheme on the same terms and conditions as employees subject to any participating councillor electing to forgo part of their basic allowance in return for the non-monetary benefit.

9. Pensions

- a. All members of the Council shall be entitled to pensions in accordance with a scheme made under section 7 of the Superannuation Act 1972.
- b. Both the Basic Allowance and Special Responsibility Allowances shall be treated as amounts in respect of which such pensions are payable in accordance with a scheme made under the Superannuation Act 1972.

10. **Part-year Entitlements**

- a. The provisions of this paragraph shall have effect to regulate the entitlements of a councillor to Basic and Special Responsibility Allowances where, in the course of a year, this scheme is amended or that councillor becomes, or ceases to be, a councillor, or accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable.
- b. If an amendment to this scheme changes the amount to which a councillor is entitled by way of a Basic Allowance or a Special Responsibility Allowance, then in relation to each of the periods
 - i) beginning with the year and ending with the day before that on which the first amendment in that year takes effect, or
 - ii) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year,

The entitlement to such an allowance shall be to the payment of such part of the amount of the allowance under this scheme as it has effect during the relevant period as bears to the whole the same proportion as the number of the days in the period bears to the number of days in the year.
- c. Where the term of office of a councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that councillor to a Basic Allowance shall be to the payment of such part of the Basic Allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- d. Where this scheme is amended as mentioned in sub-paragraph b., and the term of office of a councillor does not subsist throughout the period mentioned in sub-paragraph – b. i), the entitlement of any such councillor to a Basic Allowance shall be to the payment of such part of the Basic Allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his term of office as a councillor subsists bears to the number of days in that period.
- e. Where a councillor has during part of, but not throughout, a year such special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor's entitlement shall be to payment of such part of that allowance as bears to the whole the same proportion as the number of days during which he has such special responsibilities bears to the number of days in that year.
- f. Where this scheme is amended as mentioned in sub-paragraph b., and a councillor has during part, but does not have throughout the whole, of any period mentioned in sub-paragraph b.i. of that paragraph any such special responsibilities as entitle him or her to a Special Responsibility Allowance, that councillor's entitlement shall be to payment of such part of the allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days in that period during which he or she has such special responsibilities bears to the number of days in that period.

11. **Claims and Payments**

- a. Payments shall be made in respect of Basic and Special Responsibility Allowances, subject to sub-paragraph b., in instalments of one-twelfth of the amount specified in

this scheme on the 25th day of each month or the nearest working day to the 25th day.

- b. Where a payment of one-twelfth of the amount specified in this scheme in respect of a Basic Allowance or a Special Responsibility Allowance would result in the councillor receiving more than the amount to which, by virtue of paragraph 9, he or she is entitled, the payment shall be restricted to such amount as will ensure that no more is paid than the amount to which he or she is entitled.
- c. Payments in respect of a Dependant Carer's Allowance will be based on the reimbursement of actual costs, supported by receipted accounts
- d. Payments in respect of Travelling and Subsistence Allowances will be based on a claim submitted by the Member concerned.
- e. A claim for a Travelling and Subsistence or Dependant Carer's Allowance must be made in writing within two months of the date on which the duty in respect of which the entitlement to the allowance arises.

12. Indexing and Backdating of Allowance

The Basic and Special Responsibility Allowances shall be increased with effect from 1 April 2014 in line with the pay award for local authority employees in the preceding year. The allowances shown in this scheme are those to be applied from 1 April 2014.

13. Application of Scheme

All provisions in this Scheme shall come into effect on 1 April 2014.

SCHEDULE 1

The following are specified as the special responsibilities in respect of which special responsibility allowances (SRAs) are payable, and the amounts of those allowances, following the Constitutional Appointments at the Annual Meeting in 2014, and they reflect the 1% increase agreed on 5 March 2014.

	Position	Pro-rata Percentage	Number	Yearly Allowance
1	Leader of the Council	100%	1	30,229
2	Deputy Leader of the Council	75%	1	22,672
3	Other Council Cabinet Members	50%	6	15,115
4	Leader of Minority Group	25%	2 ¹	7,557
5	Deputy Leader of Minority Group	12.5%	1 ²	3,779
6	The Mayor	25%	1	7,557
7	Chairs of Overview and Scrutiny Commissions	25%	6	7,557
8	Vice Chairs of Overview and Scrutiny Commissions	6.25%	6	1,889
9	Chairs of Regulatory Committees	25%	2	7,557
10	Chair of the Audits and Accounts Committee	17.5%	1	5,290
11	Vice Chair of the Planning Control Committee	12.5%	1	3,779
12	Members of the Social Services Adoption Panel	6.25%	2	1,889
13	Members of the Fostering Panel	6.25%	1	1,889
14	Vice Chairs of General and Taxi Licensing and Appeals Committee	12.5%	3	3,779
15	Members of the General and Taxi Licensing and Appeals Committee	6.25%	10	1,889

¹ The Leader of a Minority Group allowance is only payable to minority groups with a minimum of six Members, following a motion of Council on 11 June 2014.

² The Deputy Leader Minority Group allowance is only payable to minority groups with a minimum of ten Members, following recommendations from the Independent Remuneration Panel.

SCHEDULE 2

Rates for Travelling and Subsistence Allowances

Travelling Allowances

Members will be able to claim the following rates for travel when using their vehicle:

Motor cycle	-	Not exceeding	150 cc	8.5p per mile
Motor cycle	-	151 to	500 cc	12.3p per mile
Motor cycle	-	Over	500 cc	16.5p per mile
Motor car etc	-			45p per mile
Cycle	-			15p per mile

The following can be claimed when journeys are made by public transport or taxi:

- a. bus - actual fare charged;
- b. rail - standard class fare;
- c. taxi - actual fare charged.

Subsistence Allowances

Period of Absence

Not involving Absence Overnight

Breakfast Duty of 4 hours, before 11.00 am	£4.48
Lunch Duty of 4 hours including 12 noon to 2.00 pm	£6.17
Tea Duty of 4 hours including 3.00 pm to 6.00 pm	£2.43
Dinner Duty of 4 hours ending after 7.00 pm	£7.64

Overnight Absence (deemed to cover a continuous period of 24 hours)

London and Annual Conferences of the LGA £91.04

Please ensure that all travel and subsistence allowance claims (other than for cycle allowance) are supported by a recent VAT receipt.

SCHEDULE 3

Approved Duties for the Purposes of Travelling and Subsistence and Dependant Carer's Allowances.

To comply with guidance issued by HMRC, Members can have only one place of work, that being the Council House. This ruling replaces the previous arrangement which accepted that a Member's home was also a place of work. Members are no longer able to claim travel allowances for journeys between home and the Council House.

Approved Duties Within Categories Specified by the Local Authorities (Members' Allowances) (England) Regulations 2003

- (a) The attendance at a meeting of the authority or of any committee or sub-committee of the authority, or of any other body to which the authority makes appointments or nominations, or of any committee or sub-committee of such a body;
- (b) The attendance at any other meeting, the holding of which is authorised by the authority, or a committee or sub-committee of 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 -
 - (i) 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
 - (ii) if the authority is not so divided, it is a meeting to which at least two members of the authority have been invited;
- (c) The attendance at a meeting of any association of authorities of which the authority is a member;
- (d) The attendance at a meeting of the executive (Cabinet) or a meeting of any of its committees, where the authority is operating executive arrangements;
- (e) 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;
- (f) 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;
- (g) The performance of any duty in connection with arrangements made by the authority for the attendance of pupils at any school approved for the purposes of section 342 (approval of non-maintained special schools) of the Education Act 1996.

Other Approved Duties

The carrying out of the following duties insofar as they are for the purpose of, or in connection with, the discharge of the functions of the Council or any of its committees or sub committees. These duties shall not include 'case work' on behalf of constituents or work in relation to individual preparation for formal meetings.

- (h) Duty of a Council Cabinet Member or a chair of a committee, sub-committee, commission or panel within the city boundary, subject to a maximum of twenty visits per calendar month.
- (i) Any duty of a vice chair of a Committees, Sub-Committees, Commissions or Panels within the city boundary, at the request of the chair of that Committees, Sub-Committees, Commissions or Panels. Such duty shall be within and counted as part of the maximum limits permitted for the chair but shall be in addition to duties defined in (k) below.
- (j) Visits by leaders and deputy leaders of each political group, to the Council's offices to discuss Council business subject to a maximum of ten visits per month. Such visits by a leader and deputy leader to be additional to the visits permitted as chair or vice chair of a Committees, Sub-Committees, Commissions or Panels of the Council.
- (k) Visits by members (other than leaders, deputy leaders and chairs of Committees, Sub-Committees, Commissions or Panels) to the Council's offices to discuss Council business or to attend meetings, subject to a maximum of fifty such visits or attendances a year. In the case of opposition spokespersons (who are nominated as such to the Director of Governance) the maximum number of visits shall be sixty a year.
- (l) Attendance by members at meetings with trade union officials to discuss conditions of service.
- (m) Visits, inspections, annual tours or official openings of new Council premises.
- (n) Official visits outside the Council area with the prior approval of the Council Cabinet or the appropriate Committee, Sub-Committee, Commission or Panel and, if abroad, with the prior approval of the Council.
- (o) Attendance at conferences, seminars and meetings as approved by the Council or the Director of Governance.
- (p) Attendance at public meetings and public inquiries when acting in the capacity of a councillor or an officer of special responsibility.
- (q) Attendance at Members' surgeries and any meeting to which a Member is invited as a ward councillor.
- (r) Attendance, with the prior written approval of the Chief Executive, at any meeting not otherwise provided for in this list and where the Chief Executive considers it appropriate and necessary on the grounds of urgency to grant such approval in the interest of the efficient conduct of the Council's affairs. Such attendance to be additional to any entitlements contained in other paragraphs.
- (s) Attendance where requested by the Director of Governance in furtherance of legal proceedings involving the Council.