

Horden Parish Council
Members' Allowances Scheme
February 2018

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1.0 Introduction

- 1.1 Horden Parish Council, in exercise of the powers conferred by the Local Government (Members' Allowances) (England) Regulations 2003 hereby makes the following Council Members' Allowances Scheme, and the Scheme shall have effect from 2nd April 2018.
- 1.2 All Elected 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.

2.0 Existing Scheme

- 2.1 The current Members' Allowances rates were recommended by the District of Easington pre-2009, prior to the formation of the County's unitary authority.
- 2.2 Durham County Council's Independent Remuneration Panel reviewed their Members Allowances scheme in 2017. The Panel made their recommendation in December 2017. The panel however made no review of parish allowances.

3.0 New Scheme

- 3.1 The following Members' Allowances Scheme will be effective for the financial year commencing on **2nd April 2018**.

4.0 Basic Allowance

- 4.1 A basic allowance currently amounting to **£571.93 per annum** shall continue to be paid with effect from 1st April 2014.
- 4.2 Basic allowance is paid along with any travel or subsidy claims direct into a bank/building society of your choice. There is no facility for cheque payment in relation to Allowances or claims.

5.0 Chairman's Allowance

- 5.1 Horden Parish Council, in exercise of the powers conferred by (s3(5), and s5(4), of the Local Government Act 1972) currently allocates an amount in its annual budget for the Chairmans allowance for the pursuit of their duties.
- 5.2 The Chairman's Allowance currently paid to the Chairman of the Council is currently £1,500 per annum (reviewed annually before 31st January).

6.0 Elections and Bye-Elections

- 6.1 This section of the Scheme relates to the entitlement to Basic Allowance where, during the course of a year a new Member is elected or an existing Member ceases to be a Councillor.
- 6.2 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.

- 6.3 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.
- 6.4 In the event of a bye-election, payment of Basic Allowance shall be from the day the Declaration of Acceptance of Office is signed.
- 6.5 Pursuant to 6.2, should a Member resign their office during a year when they have already claimed their allowance, the Parish Council fully expect that the Member reimburse the Parish Council the pro rata amount of the allowance claimed upon receipt for the amount issued by the Clerk to the Council.

7.0 Co-option

- 7.1 Co-opted members are not entitled to the Basic Allowance, which only elected Members are legally entitled to. They are however, allowed to claim for travel and subsistence expenses.

8.0 Claims and Payments

- 8.1 All newly elected 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.
- 8.2 Basic allowance is paid along with any travel or subsidy claims direct into a bank/building society of your choice. There is no facility for cheque payment in relation to Allowances or claims.

9.0 Right to Forego Entitlement to Basic Allowance

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

10.0 Approved Duties

- 10.1 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 or Sub Committee of the Parish Council outside of the Parish boundaries;
 - Attendance at any meeting Panel, Forum, Working Party or Group, outside of the Parish boundaries providing prior approval has been obtained by the parish council and is embodied in a resolution to that effect;
 - 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, providing prior approval has been obtained by the parish council and is embodied in a resolution to that effect;
 - Attendance at official meetings of outside organisations by Members appointed to represent the Council on such outside organisations, as resolved at the Council's

Annual General Meeting in May, or by any other meeting of the Council, 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 Chairman of the Council;

10.2 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 Finance and General Purposes Committee. The Committee, in accordance with this scheme, are the final arbiter on whether reimbursement should be paid and reserve the right to withhold reimbursement at their discretion. If such a claim is not reimbursed, the Committee will embody the reasons for refusal in a resolution of the Committee.

11.0 Travelling Costs

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

11.2 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.

11.3 If Members are to travelling on behalf of the Council by car, the availability, practicality and value of car sharing should be considered.

11.4 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. Second Class travel must be used. Rail bookings must be made by the Administration and Finance Officer, who will make seat reservations where necessary.

11.5 Where travel by air has been determined as more appropriate or cost effective (see 11.10), the above officers will also make the necessary flight reservations.

11.6 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.

11.7 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.

11.8 The current Parish Council Allowance for travel by your own private motor vehicle, or one belonging to a member of your family or otherwise provided for your use, is 45p per mile. Shared car usage entitles the claimant to a tax-free passenger payment of 5p 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.

11.9 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.

11.10 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.

11.11 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.

12.0 Insurance of Cars Used on Council Business

12.1 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.

13.0 Hotel Expenses

13.1 Overnight accommodation and all hotel bookings must be made by either the Administration and Finance Officer

13.2 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.

14.0 Subsistence Allowances

14.1 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 expenses allowance**.

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

- **£109.39 per night outside of London;**

- **£124.76 per night in London.**

14.3 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:-

- £6.75 for Breakfast

- £9.27 for Lunch

- £11.48 for Dinner

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

The rates of subsistence will be as follows:

- Breakfast (before 11am) - £6.75
- Lunch (12.00 – 15.00) - £9.27
- Dinner (17.00+) - £11.48

15.0 Travelling and Subsistence Allowance Advances

15.1 The 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.

16.0 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.

16.3 Those Members attending meetings and events where they have not been previously approved to do so by the Finance and General Purposes Committee, should not as a rule, be reimbursed for their attendance.

17.0 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 Reimbursement of travelling costs and any overnight subsistence allowance will be paid in arrears on the second week of the month, in respect of all claims submitted to the Finance and Administration Officer no later than the end of the third week of the month, shall be scheduled as an agenda item and considered by Members at a meeting of the Finance and General Purposes Committee.

18.0 Withholding of Allowances

18.1 If a Member is fully or partially suspended from duties on the recommendation of the Standards Board for England, the Basic Allowance will be fully or partially withheld.

19.0 Telephone and Internet Allowances

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

20.0 Childcare and Dependent Carer Allowance

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

21.0 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.

22.0 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.

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