

# CARLISLE CITY COUNCIL

Report to:- The Mayor and Members of The City Council

Date of Meeting:- 11 September 2001

Agenda Item No:-

13

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Public

Policy

Delegated: Yes

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Accompanying Comments and Statements	Required	Included
Environmental Impact Statement:	No	No
Corporate Management Team Comments:	No	No
City Treasurers Comments:	Yes	Yes
City Solicitor & Secretary Comments:	No	No
Head of Personnel Services Comments:	No	No

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Title:- **PROPOSED MEMBERS' ALLOWANCES SCHEME FROM  
12 SEPTEMBER 2001**

Report of:- The City Treasurer

Report reference:- Financial Memo 2001/02 No 83

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## Summary:-

The City Treasurer to present proposals for a new Scheme of Members' Allowances to operate from 12 September 2001, in accordance with the recommendations of the Independent Remuneration Panel attached at Appendix 1, together with an amendment and other proposals from the Local Government Reform Working Group.

## Recommendation:-

Members are recommended to approve the attached Scheme and take decisions where indicated in the report.

Contact Officer: Angela Brown

Ext: 7280

Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Various Government Guidance and Reports of the Local Government Review Working Group and Independent Remuneration Panel.

CITY OF CARLISLE

To: The Mayor and Members of  
The City Council  
11 September 2001

Financial Memo  
2001/02 No 83

PROPOSED MEMBERS' ALLOWANCES SCHEME  
FROM 12 SEPTEMBER 2001

1. INTRODUCTION

- 1.1 This report presents proposals for a proposed new Members Allowances Scheme to be effective from 12<sup>th</sup> September 2001.
- 1.2 The report contains the following attachments:
- Appendix 1 - Report of the Independent Remuneration Panel (IRP), 3/9/01
  - Appendix 2 - Analysis of the Financial Implications of the IRP proposals.
  - Appendix 3 - The proposed new Members Allowance Scheme to be effective from 12<sup>th</sup> September 2001.
- 1.3 The above items were considered by the Local Government Reform Working Group (LGRWG) at its meeting on 3<sup>rd</sup> September, and the minutes of this meeting are considered as item 10 of this Council Summons.

2. PROPOSED NEW SCHEME OF MEMBERS ALLOWANCES FROM 12<sup>TH</sup> SEPTEMBER 2001

- 2.1 The proposed new scheme attached at **Appendix 3**, is in accordance with the recommendations of the IRP, and the response of the LGRWG. Members of the Council are requested to approve this scheme, having made decisions in the following 2 areas:
- (i) Chairman of Development Control Committee  
See Page 5 of the proposed Scheme – The IRP have recommended a Special Responsibility Allowance of £3,500 (1 x Basic Allowance) for the Chair of the Development Control Committee. The LGRWG have recommended that this allowance be reduced to £2,625 (0.75 x Basic Allowance). **Council Members are asked to determine which allowance should be introduced.**

(ii) Conference Allowances

See Page 6 of the proposed Scheme – **Council Members are asked to determine the rate of payment of Conference Allowances.** The options proposed are set out on page 6, paragraph 2 of the Scheme.

3. FINANCIAL IMPLICATIONS OF PROPOSED NEW SCHEME

3.1 The financial implications of the scheme are set out in **Appendix 2**. The total additional maximum full year cost of the new scheme is £136,200 (dependent on the number of Special Responsibility Allowances paid out, and the level of allowance agreed for the Chairman of the Development Control Committee). During 2001/2002, the maximum amount required will be £79,500 (7 months). A recurring budget of £105,000 has been provided for in the 2001/2002 accounts, and therefore the amount required for 2001/2002 can be met from base budgets. In future years, an additional maximum recurring budget of £31,200 will be required, and **Members are requested to agree the increased budget from 2002/2003 onwards.**

3.2 The unused proportion of the budget for 2001/2002 of circa. £25,500 will be used to offset the supplementary estimate of £74,260 awarded to fund the cost of the Civic Suite Accommodation alterations, as agreed by Council on 17<sup>th</sup> July 2001. The exact amount available will be calculated once the number and level of Special Responsibility Allowances required has been determined.

4. RECOMMENDATION

Members are recommended to approve the attached Scheme and take decisions where indicated in the report.

D THOMAS  
City Treasurer

Contact Officer: Angela Brown

Ext: 7280

City Treasury

Carlisle

04 September 2001

AB/CH/f830102



**MEMBERS' ALLOWANCES**  
**REPORT OF INDEPENDENT REMUNERATION PANEL**  
**3<sup>rd</sup> SEPTEMBER 2001**

**1 Recommendation**

Following consideration of the recent Member Survey and discussion with Senior Officers it is recommended that the following Member allowances are considered to be fair and reasonable and could be paid, subject to affordability, with effect from 12 September 2001.

Basic Allowance to all Members	£3500 per annum	
Telephone Allowance	£200 per annum	
Additional Special Responsibility Allowances:		
Leader	£14000 per annum	(4x Basic)
Deputy Leader	£8750 per annum	(2.5x Basic)
Executive Members	£5250 per annum	(1.5 x Basic)
Chair		
Development Cont Comm	£3500 per annum	(1x Basic)
Standards Committee	£ 875 per annum	(0.25 x Basic)
Appeals Committee	£ 875 per annum	(0.25 x Basic)
Licensing Panel	£1750 per annum	(0.5x Basic)
Overview & Scruty Comm	£3500 per annum	(1x Basic)
Overview & Scrut Mangt	£3500 per annum	(1x Basic)
Group Leaders		
Labour	£3500 per annum	(1x Basic)
Liberal/Democrat/Ind	£1750 per annum	(0.5x Basic)

The Panel has been unable to assess the time that will be spent by the Chair of the Chief Officer Panel, and Deputy Minority Group Leaders. A Special Responsibility Allowances may be appropriate when more evidence of the future time commitment is available.

**2 Background**

The Panel reviewed the evidence placed before it at a number of meetings before making recommendations to the City Council's Policy and Resources Committee on 2 July 2001. In making these recommendations the Panel said that it had little contemporary evidence of the time members spent on Council work. The Panel had some difficulties in forecasting the amount of time to be spent in the future under the new political structure. Its recommendations were inevitably cautious and it was suggested that the situation could be quickly reviewed once the system was up and running.

**3 The Member Survey**

Since the report was submitted to the Council, who did not choose to accept its recommendations but referred matters back to the Local Government Reform Working Group, the Panel has asked for more information on Members' time spent on Council work. The Council's Policy and Research Unit have carried out a survey of

members' views which produced a very good response. We are particularly indebted to John Mallinson and his staff for their assistance in this task. For the first time good, relevant local data has available for consideration by the Panel.

At the same time there have been further discussions with senior Council officers to obtain more information on Members' duties, committee frequency and the likely time commitment under the new political system. As a result it has been possible to modify the initial recommendations with a little more certainty and a new set of recommendations are now set out in the light of this evidence.

#### **4 Issues from the Survey**

There are two major issues identified by the survey. Firstly, the age and social profile of the Council leads to the inevitable conclusion that there is a failure to recruit more representational councillors in terms of age and social profile. To a great extent the Panel should agree with comments made by members that the allowance scheme operates against wider recruitment from society and the matter needs to be addressed. The new recommendations for allowances are an attempt to help to address this point.

Secondly, Members spend considerable time outside working hours on Council work, in fact about the same as in working time. The Panel has come to the conclusion that this time could be reasonably described as the public service or voluntary element of a Member's work but any time spent in working hours should not be discounted.

#### **5 Basic Allowance**

From the Survey, the Members' response was that time spent on basic Council work approximates to 8 to 10 hours per week. However, until more concrete evidence is available after implementation of the new system the Panel has adopted a figure of 7.5 hours in calculating the Basic Allowance. This equates to £3510 but has been rounded to £3500 and is considered to be reasonable under the circumstances. This allowance is intended to go some way to compensate Members for loss of earnings and the disruption to family life caused by serving on the Council. The evidence in future may be that it could be more or less than this figure. However, a cautious approach has been taken until further documentary evidence is available from Members' when operating under the new system.

#### **6 Special Responsibility Allowances**

Any Special Responsibility Allowances additional to this Basic Allowance should be remunerated without being discounted at the Cumbria average of £9 per hour. For Minority Group Leaders the Special Responsibility Allowance should be on a scale:

Under 4 members	Nil
5 to 9 members	£1750 (0.5x basic allowance)
10 to 14 members	£2625 (0.75x basic allowance)
Over 15 members	£3500 (1x basic allowance)

No Special Responsibility Allowance should be paid to minority Deputy Group Leaders.

#### **7 Telephones**

An allowance for telephones of £200 is recommended in addition to this basic allowance.



## **8 Review 2002**

Once more it should be said that the Panel needs to be cautious but there will still be ample opportunity to review the situation after a short time in operation. It is recommended that a review be carried out early in 2002 so that adjustments can be made in time for the new municipal year in May 2002. Members are reminded of the difficulty in obtaining information on members' time commitments for this exercise, and are requested to give consideration to a standard form of time recording for the future. This will be extremely helpful to the Panel in reviewing allowances in 2002.

## **9 Affordability**

The Panel's task is primarily to review the Members' allowances and to make recommendations to the Council which it considers are fair and reasonable. The Panel does not have the power to make any funding available for this purpose. This is a matter solely for the Council in deciding whether or not to accept the recommendations and implement the new scheme. Members of the Council will need to carefully review the financial implications of the recommendations before adoption of any allowances as they will inevitably be held politically accountable by the electorate for their actions.

## **10 Waiving of Allowances**

Additionally the Panel would like to make it clear that some Members may wish to waive their right not to take some or all of the allowance according to their means and should be allowed so to do.

## **11 Conclusions**

The Panel has made its recommendations in the light of the new information before it from the Members' Survey and the discussions with officers. The Panel recommends that the scale of allowances, set out in the Recommendations in Section 1 of this report, is fair and reasonable and could be implemented, subject to affordability, from 12 September 2001.

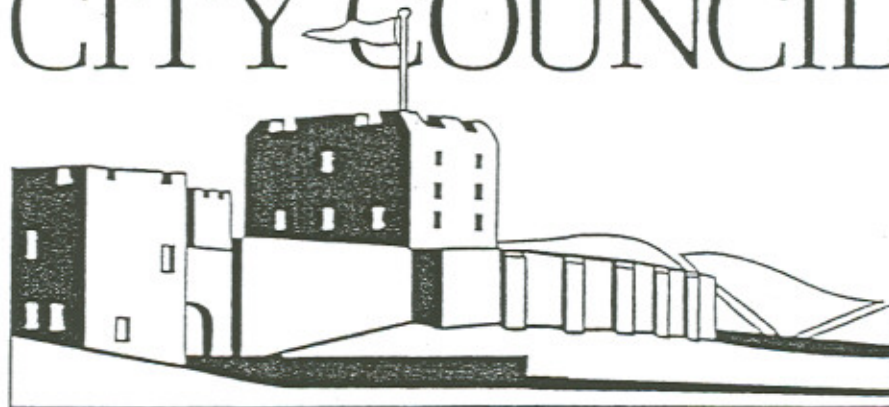
Bill Swarbrick  
Chairman  
Carlisle City Council Independent Remuneration Panel

IRP FINAL PROPOSALS (3/9/2001)  
FINANCIAL IMPLICATIONS

	Basic	SRA	Tel	Total	<u>Basis of Allowance:</u>
Leader	3500	14000	200	17,700	SRA (4 times basic)
Deputy Leader	3500	8750	200	12,450	SRA (2.5 times basic)
Executive Member - Health and Well Being	3500	5250	200	8,950	SRA (1.5 times basic)
Executive Member - Community Activities	3500	5250	200	8,950	
Executive Member - Culture and Recreation	3500	5250	200	8,950	
Executive Member - Finance	3500	5250	200	8,950	
Executive Member - Best Value	3500	5250	200	8,950	
Executive Member - Corporate Resources	3500	5250	200	8,950	
Executive Member - Infrastructure, Env, Transp	3500	5250	200	8,950	
Executive Member - Economic Prosperity	3500	5250	200	8,950	
Labour Group Leader	3500	3500	200	7,200	SRA (1 times basic)
Liberal Democrat and Independent Group Leade	3500	1750	200	5,450	SRA (0.5 times basic)
Chair Development Control Committee	3500	3500	200	7,200	SRA (1 times basic)
Chair Overview and Scrutiny Management	3500	3500	200	7,200	SRA (1 times basic)
Chair Overview and Scrutiny Committee	3500	3500	200	7,200	SRA (1 times basic)
Chair Overview and Scrutiny Committee	3500	3500	200	7,200	
Chair Overview and Scrutiny Committee	3500	3500	200	7,200	
Chair Licensing Panel	3500	1750	200	5,450	SRA (0.5 times basic)
Chair Standards Committee	3500	875	200	4,575	SRA (0.25 times basic)
Chair Appeals Panel	3500	875	200	4,575	SRA (0.25 times basic)
Chair Chief Officers Panel	3500		200	3,700	No SRA
31 Other Non Executive Councillors	3500		200	114,700	
<b>TOTAL ANNUAL COST OF ALLOWANCES</b>				<u>283,400</u>	
Existing Budget - Members Allowances				140,240	
- Telephones				6,960	
				<u>147,200</u>	
<b>Additional Annual Cost of Members Allowances</b>				<u>136,200</u>	2001/2 = £79,500 required
Additional Recurring Budget Available				105,000	
Maximum Additional Required p.a.				<u>31,200</u>	
<b><u>TRAINING AND SUPPORT:</u></b>					
Plus Personal Training and Support Budget				15,600	£300 per Councillor
Less potential existing budget (Training)			-	6,880	) use of budgets requires
Less potential existing budget (General Exp)			-	8,720	) further investigation.
<b>TOTAL POTENTIAL ADDITIONAL COST</b>				<u>-</u>	

# Members' Allowances Scheme

# CARLISLE CITY COUNCIL



## 2001/2002

FROM 12 SEPTEMBER 2001



## CITY OF CARLISLE

### CARLISLE CITY COUNCIL MEMBERS' ALLOWANCES SCHEME

Carlisle City Council, in exercise of the powers conferred by the Local Authorities (Members' Allowances) Regulations 1991, [as amended by the Local Authorities (Members' Allowances) (Amendment) Regulations 1995] and [the Local Authorities (Members' Allowances) (Amendment) Regulations 2001] hereby makes the following Scheme.

1. This Scheme may be cited as the Carlisle City Council Members' Allowances Scheme, and shall have effect for the period commencing on **12<sup>th</sup> September 2001 until amended or revoked.**
2. In this Scheme, 'Councillor' means a member of the Carlisle City Council who is a Councillor.
3. **Basic Allowance**  
Subject to paragraph 12, a Basic Allowance shall be paid to each Councillor **at the annual rate specified in Schedule 1 to this Scheme.** The allowance shall be paid in monthly instalments on the 15<sup>th</sup> day of each month.
4. **Special Responsibility Allowances**  
Subject to paragraph 12, a Special Responsibility Allowance shall be paid **at the annual rate specified in Schedule 1** to those Councillors who hold the special responsibilities in relation to the City Council as are specified in that Schedule. The allowance shall be paid in monthly instalments on the 15<sup>th</sup> day of each month. No Councillor shall be entitled to be paid more than one Special Responsibility Allowance at any one time and in the event that a Councillor undertakes more than one Special Responsibility at a time, then the entitlement shall be to the highest of the Special Responsibility Allowances attaching to the different Special Responsibilities undertaken.
5. **Telephone Provision**  
No separate provision shall be paid in respect of line rental or telephone calls, but Members should note that in arriving at the annual amount of Basic Allowance an amount identified **in Schedule 1** has been included to reflect a reasonable estimate of the amount likely to be incurred by members in meeting their telephone costs.
6. **Conference Allowances**  
A Conference Attendance Allowance shall be paid to each Councillor **at the rate for the periods and conference locations specified in Schedule 1** in respect of each occasion on which a Councillor attends a Conference or Meeting which qualifies for the payment of such an allowance under the terms of Section 175 (amended) of the Local Government Act 1972.

7. **Dependant Carer's Allowances**

A Dependant Carer's Allowance shall be payable based upon a reimbursement of actual receipted costs of ***up to the rate per hour specified in Schedule 1*** to any Councillor who incurs expenditure in respect of the care of their children or dependent relatives, whilst undertaking the qualifying duties specified in ***Schedule 1***.

8. **Subsistence Allowances**

Subsistence Allowances shall be payable in accordance with ***the scales detailed in Schedule 1, as updated from time to time by the City Treasurer*** in respect of the qualifying duties specified in that Schedule by reference to the period of absence from home or place of work as appropriate. A deduction from Subsistence shall be made in respect of any meal provided by way of hospitality or as part of the attendance without cost to the Member, at the maximum rate published in relation to the equivalent ad hoc meal.

9. **Travel Arrangements**

Members will travel by Public Transport where reasonably possible. Where Members travel by rail, they shall be entitled to travel at Standard Class rates, and the City Treasurer will issue a rail warrant for the journey.

Where a Member undertakes a journey by car then reimbursement shall not exceed ***the mileage rates specified in Schedule 1***.

Travel by Air will only be authorised and paid on the conditions and rates set out ***in Schedule 1***.

10. **Travel Abroad**

When travelling beyond the United Kingdom, the Member in consultation with the organising department and the City Treasurer, should ensure as far as practical that the arrangements are made for accommodation to be provided on a fully inclusive basis as a direct charge to the City Council. Where this is not practical, the City Treasurer will determine an appropriate scale of allowance having regard to the nature of the event, the location, and the published scales relating to Senior Civil Servants undertaking duties abroad in the location concerned.

11. **Town Twinning**

When Members visit Flensburg or Slupsk or participate in other approved activities beyond the United Kingdom in circumstances when no other entitlement to a Conference Attendance or full Subsistence Allowance arises, then an out of pocket expense allowance equivalent to ***30% of the non London 24 hours subsistence rate in respect of each complete 24 hour period*** spent in the host city, shall be claimable.



12. **Part Year Entitlements**

- (i) The provisions of this paragraph regulate the entitlement of a Councillor to a Basic or Special Responsibility Allowance, where, in the course of a year, this Scheme is amended, or a 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.
- (ii) 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, or if a Councillor accepts or relinquishes a Special Responsibility Allowance, then the entitlement to the allowance shall be in proportion to the number of days entitlement to each allowance relative to the number of days in that year.
- (iii) If an amendment to this Scheme changes the amount payable by way of a Conference, Dependant Carer's or Subsistence Allowance or to the rates of travel entitlement, the entitlement to such an allowance or payment shall be to the amount under the scheme as it has effect when the duty was carried out.
- (iv) 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 or Special Responsibility Allowance shall be in proportion to the number of days of his term of office, relative to the number of days in that year.

13. **Renunciation**

A Councillor may by notice in writing given to the City Treasurer elect to forego any part of his entitlement to an allowance under this Scheme.

14. **Claims and Payments**

- (a) A claim for any Conference, Dependant Carer's or Subsistence Allowance or to reimbursement of travel expenses under this Scheme shall be made in writing within **two months** of the date of the meeting in respect of which the entitlement arises.
- (b) A claim for Conference, Dependant Carer's or Subsistence Allowance or to reimbursement of any travel expenses, shall be on the form provided by the City Treasurer and shall include a statement by the Councillor making the claim that he or she is not entitled to receive remuneration, reimbursement or any allowance claimable from another body in respect of the matter to which the claim relates, otherwise than under this Scheme.
- (c) Where a payment of the amount specified in this Scheme in respect of a Basic Allowance or a Special Responsibility Allowance would result in a Councillor receiving more than the amount to which by virtue of Paragraph 12 he or she is entitled, the payment shall be restricted to such an amount as will ensure that no more is paid than the amount to



which he or she is entitled. In the event of a Councillor no longer holding a Special Responsibility, or ceasing to be a Councillor, the amount of any allowance that has been overpaid will be recovered.

15. **Chief Officers**

Chief Officers shall be subject to the same terms and conditions in respect of subsistence as relate to Members. Chief Officers shall be entitled to travel by First Class rail but in the instance of a Chief Officer having the facility of a leased car, the entitlement to reimbursement is restricted to the equivalent leased car mileage rate.

16. **Guidance Notes**

Guidance Notes which are produced to assist Councillors, and which do not form part of the regulations are set out in **Appendix 1** to this document. Members should be aware that the Department of Transport, Local Government and the Regions (DTLR) will shortly be issuing a consultation paper with respect to Members Travel, Subsistence and Conference Allowances, and amendments to this scheme may be required in the light of this consultation and resulting guidance.

SCHEDULE 1

**1. Basic and Special Responsibility Allowances (SRA)**

The following are specified as the **Basic and Special Responsibility Allowances** which shall be payable at the **Annual** rates specified below *for the period commencing 12<sup>th</sup> September 2001 until revoked or amended:-*

	BASIC £	SRA £	TOTAL £
Leader of the Council	3,700	14,000	17,700
Deputy Leader	3,700	8,750	12,450
Executive Portfolio Holder	3,700	5,250	8,950
Chair Development Control Committee	3,700	<b>3,500</b>	7,200
Chair of Licensing Panel	3,700	<del>1,750</del> <b>875</b>	5,450
Chair of Standards Committee	3,700	875	4,575
Chair of Appeals Panel	3,700	875	4,575
Chair of Chief Officers Panel	3,700	0	3,700
Chair of Overview and Scrutiny Management Committee	3,700	3,500	7,200
Chairs of Overview and Scrutiny Committee (3)	3,700	3,500	7,200
Minority Group Leaders:			
- Less than 4 members	3,700	0	3,700
- 5 to 9 members	3,700	1,750	5,450
- 10 to 14 members	3,700	2,625	6,325
- Over 14 members	3,700	3,500	7,200
All other Council Members	3,700	0	3,700

**Notes**

- (i) The Basic Allowance includes a figure of £200 to reflect the cost which members are estimated to incur on Council business in respect of telephone charges.
- (ii) **No member shall receive more than one Special Responsibility Allowance.**

## **2. Conference Allowance**

Each such Conference Allowance shall be paid at the following rates:

A. For Conferences **not** necessitating an overnight absence from Carlisle

EITHER

a) A payment of 0.01p in respect of all conference attendances.

OR

b) A payment of £22.35 in respect of all conference attendances.

B. For Conferences necessitating an overnight absence from Carlisle

EITHER

a) A payment of 0.01p in respect of all conference attendances.

OR

b) A payment at the rate of £44.70 in respect of up to the first 24 hours of absence, increased by £22.35 in respect of each additional 12 hours or part thereof.

All attendances to include reasonable time travelling to and from home or place of work.

## **3. Dependant Carer's Allowances**

A carer's allowance of up to £4.50 per hour (i.e. actual expenditure incurred up to a maximum of £4.50 per hour) will be paid for care of dependents whether children, elderly person's or people with disabilities, to those Members representing the Council on approved duties (see paragraph 6). The maximum period of the entitlement will be the duration of the approved duty and reasonable travelling time. The allowance will not be payable where the care is provided by a member of the claimant's own household.

## **4. Travel**

Members will travel by Public Transport where reasonably possible.

Rail Travel – the amount of the ordinary Standard Class fare at the cheapest rate available for the journey wherever possible.

Taxi Cab - in cases of urgency or where no other form of public transport is reasonably available the amount of the actual fare and any reasonable gratuity paid - in any other cases the amount of the fare for travel by appropriate public transport.

Private Motor Vehicle - the maximum of the rates specified by the Secretary of State from time to time for the cubic capacity of the car used for the journey up to 250 miles round distance. Any distances paid over 250 miles will be reimbursed at the petrol element.



The current relevant rates are as set out below:

<b>National Maximum Rate:</b>	<b>Petrol Element:</b>
Up to 900c.c = 34.6p	7.6p per mile
1000 to 1199c.c = 39.5p	8.29p per mile
Over 1200c.c = 48.5p	9.12p per mile

Air - the rate for travel by air shall not exceed the rate applicable to travel by appropriate alternative means of transport together with an allowance equivalent to the amount of any saving in conference attendance allowance and subsistence allowance consequent on travel by air. Where the saving in time is so substantial as to justify payment of the fare for travel by air, the amount paid shall not exceed:

- 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 the case of urgency, the fare actually paid by the member

Other Costs - The rates detailed above may be increased by not more than the amount of any necessary expenditure incurred on tolls, ferries or parking fees including overnight garaging.

## **5. Subsistence**

**No subsistence will be payable for carrying out approved duties in the City of Carlisle area.**

Where expenditure on subsistence is necessarily incurred in the performance of an 'approved duty' out with the Carlisle area, an allowance not exceeding the following maximum rates laid down by the Secretary of State may be claimed as set out below:

- (a) Breakfast allowance (more than 4 hours away from normal place of residence before 11 a.m.) £4.92;
- (b) Lunch allowance (more than 4 hours away from normal place of residence including the period between 12 noon and 2 p.m.) £6.77;
- (c) Tea allowance (more than 4 hours away from normal place of residence including the period 3 p.m. to 6 p.m.) £2.67;
- (d) Evening meal allowance (more than 4 hours away from the normal place of residence ending after 7 p.m.) £8.38.

(e) In the case of an **absence overnight** from the usual place of residence. £79.82

For such an absence overnight in **London\***, or for the purposes of attendance at an annual conference (including or not including an annual meeting) of the Local Government Association or such other association of bodies as the Secretaries of State may for the time being approve for the purpose £91.04

\* For the purposes of this paragraph, London means the City of London and the London Boroughs of Camden, Greenwich, Hackney, Hammersmith and Fulham, Islington, Kensington and Chelsea, Lambeth, Lewisham, Southwark, Tower Hamlets, Wandsworth and the City of Westminster.

Any rate determined under paragraph (e) above shall be deemed to cover a continuous period of absence of 24 hours. These rates replace the allowances set out under paragraphs a) to d).

The rates specified in paragraphs (e) should be reduced by the equivalent amount specified at (a) to (d) above in respect of any **meal provided free of charge** by an authority or body or by way of hospitality in respect of the meal or the period to which the allowance relates.

## **6. Qualifying Approved Duties**

### **(i) For payment of Travel and Subsistence and Dependent Carer's Allowance:**

- Attendance at any meeting of the Council, Executive, Committee, Sub Committee, Panel or Working Group to which the Member has been appointed in an official capacity.
- Attendance as the Council's appointed representative on any public body, charity, voluntary body or other organisation formed for a public purpose (and not for the benefit of the Member).
- Attendance at a Group meeting preceding any meeting of the full Council.
- Attendance by the Chair, Vice Chair or Executive Member for the purposes of a briefing prior to a meeting of any meeting of the Council, Executive, Committee, Sub Committee, Panel or Working Group.
- Attendance at Parish Council meetings within the City Councillor's Ward (Travel only).

**(ii) For payment of Conference Allowances:**

- Attendance at Conferences and Meetings that have been convened by bodies external to Local Government (other than bodies convening it for trade, business or party political purposes) for the purpose of discussing matters that relate to the interests of their area or inhabitants. No payment will be made for Conferences held within the City of Carlisle area or in respect of an attendance at a meeting of a body to which the member has been appointed as the Council's representative.



## APPENDIX 1

### GUIDANCE NOTES –CARLISLE CITY COUNCIL MEMBERS' ALLOWANCES SCHEME

**These notes are produced to assist elected Members in submitting their claims and do not form part of the regulations.**

1. ALLOWANCES FROM MORE THAN ONE AUTHORITY OR BODY

Membership of more than one authority or body may involve the Member in attendance at separate meetings of or the performance of other approved duties, for more than one such authority or body during the course of any 24 hour period.

If a Member who is a member of more than one authority or body attends a qualifying meeting then any claim for a Conference Allowance, Carer's Allowance or Travel and Subsistence, shall be made only against the authority nominating their attendance.

2. PAYMENT OF ALLOWANCES

One-twelfth of the basic allowance and/or the special responsibility allowance shall be paid monthly on the pay date on or preceding the 15<sup>TH</sup> of each month, in respect of that calendar month.

Claims for Conference or Dependent Carers' Allowances should be made **within two months** of the date of the meeting and be submitted to the City Treasurer by the 2<sup>nd</sup> of the month for payment on the 15<sup>th</sup> of that month directly into a Member's bank account.

An advice note detailing the amount of each payment and the cumulative position during the fiscal year to date will be forwarded to the Member's home address.

Payment will be made each month

3. PAYMENT OF DEPENDENT CARER'S ALLOWANCE

Expenditure incurred by a Councillor for the care of their children or dependent relatives whilst undertaking particular duties shall be reimbursed to a maximum amount **detailed in Schedule 1**, for such reasonable period of the absence giving rise to the claim including reasonable travelling time to and from the meeting.

- (i) Each Councillor who wishes to claim a Dependent Carer's Allowance will register their intention to do so (on a form designed for that purpose available from the Payments and Administration Section of the City Treasurer's Department), together with the broad details of the circumstances and dependents giving rise to the claim. This initial registration must be approved by the City Treasurer, and can be undertaken at any time during a Councillor's membership of the Council.

- (ii) Thereafter, each individual claim will be made on a Dependent Carer's Allowance Claim form and submitted to the Payments and Administration Section. A valid invoice must accompany all claims.

4. TRAVELLING ALLOWANCES

Claims for reimbursement of travelling costs should be made **within two months** of the date of the meeting and be submitted to the City Treasurer by the **2nd** of the month for payment on the **15th** of that month directly into a Member's bank account.

Please note that Receipts must be provided for Public Transport fares and other expenses in order to negate any tax/NI liability, and allow VAT to be reclaimed by the City Council.

**Councillors should note that if they use their own vehicle for the purpose of Council business (including attendance at Council meetings), they should ensure that they are fully covered for business purposes on their motor vehicle insurance policy.**

5. SUBSISTENCE ALLOWANCES

Claims for subsistence should be made **within two months** of the date of the meeting and be submitted to the City Treasurer by the **2nd** of the month for payment on the **15th** of that month directly into a Member's bank account.

Receipts must be retained in order to negate any tax/NI liability, and allow VAT to be reclaimed by the City Council.

6. MISCELLANEOUS PROVISIONS

The following services are also provided by the Council for the Members;

- i. Visiting Cards.
- ii. Reimbursement of costs personally incurred by Members in hiring accommodation for surgeries as part of the Personal Training and Support Budget of **£300 p.a.** This budget will be subject to further guidance to Members.
- iii. The provision of home based computer facilities to assist Members in the performance of their role as Councillors and in representing and assisting their constituents.



7. INCOME TAX ON BASIC, SPECIAL RESPONSIBILITY AND CONFERENCE ALLOWANCES

- 7.1 Allowances are taxed under Schedule E. Deductions will be made from attendance allowances in accordance with the Members' tax code: Tax Code B.R. means that tax will be deducted at the basic rate of 22%, a Member will then be able to claim tax allowances from the Inland Revenue in respect of expenses incurred.
- 7.2 In determining the liability to tax, allowances will be made for expenses agreed between the Member and the Inland Revenue. Basic Allowance is designed to include an element for miscellaneous expenditure on postage, telephones etc.
- 7.3 Members should take up the question of allowable expenses with their Inspector of Taxes.
- 7.4 Council Members liable to pay income tax at the higher rate should advise Payment Services accordingly, in order that a correct notice of coding can be obtained from the Inland Revenue.
- 7.5 All taxation matters relating to allowances are centred at Bootle and any queries should be referred to the following address, quoting tax reference No. NW1 083/100:

Bootle Merseyview  
Taxpayer Service Office  
The Triad  
Stanley Road  
Bootle  
Merseyside L75 2YY

Tel. No. 0151 300 0000

7.6 INCOME TAX ON MILEAGE

All business miles will be reported to the Inland Revenue at the end of the tax year and may incur a tax liability.

8. NATIONAL INSURANCE MATTERS INCLUDING THE EFFECT OF RECEIVING ATTENDANCE ALLOWANCES ON RETIREMENT AND OTHER BENEFITS

- 8.1 Unless otherwise instructed, the Council is required to deduct Class 1 National Insurance contributions from allowance payments for **£378.00** and above per month.
- 8.2 A Member may apply to the Department of Works and Pensions (DWP) (formerly Department of Social Security, DSS) for deferment of Class 1 contributions on his/her attendance allowance in order to avoid overpayment of NI at the end of the year. If

deferment is accepted an instruction will be sent from the DWP to the City Treasurer not to deduct Class 1 contributions for the current year. (This will be relevant to Councillors in full-time employment whose earnings are close to or exceed the ceiling for NI contributions).

- 8.3 Persons over minimum pension age (man 65, women 60) need pay no contribution, whether or not they are receiving a pension, but must obtain a certificate of age-exemption to pass to the City Treasurer.
- 8.4 If you do not fall into any of these categories, then the DWP strongly advise that you visit their local office to establish your position. They say that because of the large variety of individual circumstances it is difficult to set out everybody's position. They also stress that the National Insurance regulations put the onus on each individual to find out his/her position.
- 8.5 The DWP have requested that Members be reminded that the receipt of attendance and dependent carers' allowances may affect any benefit that they are receiving, and amounts received must be declared to the local office. If Members elect to forego any part of their entitlement to an allowance, this will be disregarded when calculating entitlement to many benefits and the Member is treated as still in receipt of the Allowance. Again, it means a visit to your local Benefits Agency office if you are affected. The local Department of works and Pensions office is at Rufus House, Castle Street, Carlisle. Telephone No. Carlisle 829700.
- 8.6 The level of reimbursement currently payable for business mileage may incur a NI liability.
- 8.7 Council Members who currently pay National Insurance up to the Upper Earnings Threshold in an employed position should apply to the DWP for a form RD950 in order that they are not subjected to NI payments on their Council earnings. These forms are renewable each taxable year.

## 9. METHOD OF CLAIMING

- 9.1 National Insurance contributions will be calculated on a monthly basis and it would be helpful if Members could complete claims for Conference Allowances, travel and subsistence so that each calendar month is entered on a separate claim.
- 9.2 National Insurance is calculated by reference to the date and payment period in which payment is made. Members should therefore try to ensure that they submit a claim for payment each month. Failure to submit claims on a monthly basis may result in the Member paying more National Insurance than they would otherwise, ie receiving a large payment covering a period of several months may result in a higher liability arising.



## 10. STATUTORY SICK PAY

- 10.1 Members who are required to make National Insurance contributions in respect of Allowance payments are entitled to receive Statutory Sick Pay (SSP). This entitlement extends to women who pay the reduced National Insurance contribution. Members who are exempt from paying National Insurance contributions are not eligible for SSP.
- 10.2 SSP is payable only if average 'monthly' earnings (i.e. Allowances, telephone rental and NI'able mileage) are above the lower earnings limit at which National Insurance contributions become payable (**currently £312.00**). If a Member does qualify then the entitlement on average earnings of **£312.00** and above would be **£62.20** per week of sickness.
- 10.3 Any SSP entitlement paid by the City Council is quite independent of any entitlement a Member may have from any other employment. SSP is payable for the first 28 weeks of sickness and is subject to income tax and National Insurance contributions.
- 10.4 Since allowance payments are irregular, the entitlement (if any) of an individual Member will depend on a number of factors/calculations. SSP is payable only on the production of medical evidence.
- 10.5 Members under the age of 65 (men) and 60 (women) who are subject to national insurance deduction from their allowances and who are ill for a period of four consecutive days (including Saturday, Sunday and Bank Holidays) are therefore advised to contact Mrs Karen Thomson on 817272 no later than the fourth day. They will be advised as to whether or not they will be entitled to SSP and if so the procedures that they are required to follow. Any delay in notification may affect the entitlement.

## 11. SOURCES OF HELP

- |      |                                                                                             |                 |
|------|---------------------------------------------------------------------------------------------|-----------------|
| 11.1 | Town Clerk and Chief Executive's Department                                                 | Carlisle 817000 |
|      | Mr Peter Stybelski - Town Clerk & Chief Executive                                           | 817001          |
|      | Mr John Egan - City Solicitor & Secretary                                                   | 817004          |
|      | Mr Ian Dixon - Chief Administrative Officer                                                 | 817033          |
| 11.2 | City Treasurer's Department                                                                 | Carlisle 817000 |
|      | Mr Douglas Thomas - City Treasurer                                                          | 817299          |
|      | Mrs Nicola Mitchell - Payments & Admin Manager                                              | 817271          |
|      | Mrs Karen Thomson - Assistant Payments<br>& Admin Manager                                   | 817272          |
| 11.3 | Department of Works and Pensions<br>Rufus House, Castle Street, Carlisle<br>Carlisle 829700 |                 |

11.4 Income Tax Office

All queries should be referred to the following address, quoting **reference 083/100**:

Bootle Merseyview  
Taxpayer Service Office  
The Triad  
Stanley Road  
Bootle  
Merseyside L75 2YY

Telephone No. 0151 300 0000

City Treasury  
Carlisle  
4 September 2001  
AB/CH/Members' Allowances Scheme (wef 12.9.01)



## Agenda Item 13

### Recommendation for Agenda Item 13: Proposed Members' Allowances Scheme from 12 September

1. That the Council approves the Scheme of Members' Allowances, with the exception of Paragraph 4 on Special Responsibility Allowances, the last sentence of which shall be amended to read:

*"No Councillor shall be entitled to be paid more than one Special Responsibility Allowance at any one time and in the event that a Councillor undertakes more than one Special Responsibility at a time, then the entitlement shall be to the Special Responsibility Allowance of that Councillor's choice."*

2. With regard to Schedule One of the Scheme of Members' Allowances, the Council agrees that:
  - a) In respect of Basic and Special Responsibility Allowances, the rates are approved as contained in Section 1, with the exception of the Special Responsibility Allowance for the Chair of the Licensing Panel which shall be paid at the annual rate of £875.
  - b) In respect of Conference Allowances contained in Section 2, each such conference allowance shall be paid at the following rates:
    - i) For conferences **not** necessitating an overnight absence from Carlisle a payment of £22.35 in respect of all conference attendances.
    - ii) For conferences necessitating an overnight absence from Carlisle a payment at the rate of £44.70 in respect of up to the first 24 hours of absence, increased by £22.35 in respect of each additional 12 hours or part thereof.
  - c) The remaining Sections 3-6 be approved.

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  - c) The remaining Sections 3-6 be approved.