

PART 6: MEMBERS' ALLOWANCE SCHEME

Members' Allowances Scheme

Southampton City Council, in exercise of the powers conferred by the Local Authorities (Members' Allowance) (England) Regulations 2003 have made a scheme for the payment of Members Allowances as follows:

1. Basic Allowance

- a. Basic Allowance is intended to recognise the time devoted by Councillors to their work, including approved duties and such inevitable calls on their time as meetings with constituents, political group and Council meetings. It is also to cover the costs of phone calls and other incidental costs for which no other provision is made.
- b. The Basic Allowance for each member will be £11,583.00 per annum from 1st June 2016 in line with the changes to the Living Wage.
- c. When the term of office of a Member begins or ends otherwise than at the beginning or end of a financial year, entitlement shall be to payment of such part of the basic allowance as is proportionate to the number of days served as a Member in that year.
- d. Where a Member is suspended or partially suspended from his/her duties as a Member in accordance with Part III of the Local Government Act 2000 or regulations made under that part, the part of the basic allowance payable in respect of the period of suspension may be withheld.

2. Special Responsibility Allowance

- a. For each financial year a Special Responsibility Allowance shall be paid to those Councillors who hold the special responsibilities specified below in relation to the work of the Council.
- b. The Council will pay the following annual amounts for Special Responsibilities:

Leader of Council	£23,166.00
Executive Members	£11,583.00
Opposition Group Leaders	£482.63
per group member (based on a per group figure of 1/24 th of the Basic Allowance)	
Chair of Overview and Scrutiny Management Committee	£5,791.50
Chairs of Regulatory Panels, Committees and Sub-committees	£5,791.50
Chairs of Scrutiny Panels, Committees and Commissions	£2,895.75
- c. Members are entitled to claim one Special Responsibility Allowance only.
- d. Special Responsibility Allowances are paid pro rata from the date the appointment is made to the date the appointment ceases inclusive.
- e. At least one Special Responsibility Allowance shall be paid to a person who is not a member of the controlling group or the Executive.

- f. Where the term of office of a Member begins or ends otherwise than at the beginning or end of a year, entitlement shall be to payment of such part of the special responsibility allowance as is proportionate to the number of days served as a Member in that year.
- g. Where a special responsibility is shared between more than one Member over the course of a financial year, each Member shall be entitled to a pro rata payment equivalent to actual number of days served in undertaking that special responsibility.
- h. Where a Member is suspended or partially suspended from his/her duties as a Member in accordance with Part III of the Local Government Act 2000 or regulations made under that part, the part of the special responsibility allowance payable in respect of the period of suspension may be withheld.

3. Co-optees' Allowance

- a. An allowance shall be payable to any person co-opted as a Member of any Committee or Panel which usually meets at least four times in any financial year in respect of their attendance at that Committee or Panel or any conference approved by that Committee or Panel.
- b. The amount of co-optee allowance shall be £643.80 per annum.
- c. Where the term of office of a Member begins or ends otherwise than at the beginning or end of a year, entitlement shall be to payment of such part of the co-optees' allowance as is proportionate to the number of days served as a Member in that year
- d. Where a Member is suspended or partially suspended from his/her duties as a Member in accordance with Part III of the Local Government Act 2000 or regulations made under that part, the part of the co-optees' allowance payable in respect of the period of suspension may be withheld.

4. Travel and Subsistence Allowances

- a. Councillor and non-Councillor Members are entitled to receive payment of travelling and subsistence allowance where expenditure has been necessarily incurred on travelling inside or outside of the UK or on subsistence for the purposes of performing approved duties, including:
 - i. Civic duties undertaken by the Mayor and Sheriff.
 - ii. Attendance at a meeting of the Council or of any of its Executive, Committees, Panels, Briefings or Working Parties or such other duties as are approved by the Council under this paragraph.
 - iii. Site visits duly authorised by the meetings of the Executive, Council, Committees or Panels.
 - iv. Attendance at conferences duly authorised by meetings of the Executive, Council, Committees or Delegated Powers.
 - v. Attendance at joint meetings with other local authorities authorised by meetings of the Executive, Council, Committees and Panels.
 - vi. Meetings, including public meetings, by prior arrangement with or at the request of Council Officers on Council business.

- vii. Attendance at one Group meeting before each Council Meeting or Executive Meeting, limited to a claim for up to four hours.
 - viii. Meetings with residents and other associations or such other duties as are approved by the Council under this paragraph.
 - ix. Meetings of bodies where appointments of representatives are made directly by the Council (including those made by the Executive).
- b. If the duty or work you are doing for the Council is not on the above list, Members need to ensure such a duty or work approved by the relevant Committee before claiming any travel and subsistence allowance.
- c. Where a Member is suspended or partially suspended from his/her duties as a Member in accordance with Part III of the Local Government Act 2000 or regulations made under that part, the part of the travel and subsistence allowance payable in respect of the period of suspension may be withheld.
- d. Travel Allowance Rates
- i. Allowances for travel are set at the same rate as that for Southampton City Council employees.
 - ii. Where a Member uses a private car, the mileage rate shall not exceed 45p per mile with effect from 1st April 2015.
 - iii. All claims for travel allowances for mileage must be accompanied by an appropriate VAT receipt for fuel.
 - iv. For journeys exceeding 100 miles (excluding London), mileage will be paid only up to the rate of the standard class rail fare.
 - v. The rate for motorcycles shall not exceed 24p per mile with effect from 1st July 2009.
 - vi. The rate for pedal cycles shall not exceed 37.1p per mile.
 - vii. The rate of travel by taxi shall not exceed:
 - in cases of urgency or where no public transport is reasonably available; the amount of the actual fare and any reasonable gratuity paid; and
 - in any other case, the amount of the fare for travel by appropriate public transport.

In order to claim taxi fares, receipts will be required.
 - viii. Bus and rail fares, tolls or ferry charges and parking fees will be reimbursed at actual cost.
 - ix. Air Travel must be booked through the City Council (Democratic and Member Services) having been authorised by the relevant Executive Director and will be paid direct from Divisional Budgets.
- e. Subsistence Allowance Rates
- i. Subsistence allowance rates are set at the same rate as that for Southampton City Council employees.
 - ii. Members may claim the following maximum subsistence allowances, on a meals basis with effect from 1st April 2009:

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| Breakfast allowance (more than 4 hours away from normal Place of residence, before 11:00 am) | £6.00 |
| Lunch allowance (more than 4 hours away from normal place of residence, including lunchtime between 12 noon and 2:00 pm) | £8.20 |
| Tea allowance (more than 4 hours away from normal place of residence, including the period 3:00 pm to 6:00 pm) | £3.60 |
| Evening allowance (more than 4 hours away from the normal place of residence ending after 7:00 pm) | £10.50 |
- iii. Claims should be reduced by an appropriate amount in respect of any meal provided free of charge.
 - vi. Claims will be paid on production of a valid receipt. Where the amount on the receipt is less than the rates set out above, the amount paid will not exceed the amount on the receipt.

5. Dependents' Carers' Allowances

Members who are responsible for providing care to children / dependent relatives qualify for a Dependant Carers' Allowance to assist with financial loss incurred in paying for care of the child / dependant relative whilst attending the approved duties specified at 3(a) above.

- a. The allowance will cover paid care for the children who live with the claimant.
- b. The paid carer cannot be a member of the immediate family or household.
- c. The allowance will be the actual fee per hour, per child, but not exceeding £7.85 per hour.
- d. Rates are linked to the Living Wage per hour of approved duties plus travel time.
- e. Claims for child care should be made on the Members' (Dependent Carers) Allowances form. Payment will only be made on production of a completed and signed form together with an invoice or receipt from the paid carer.
- f. Members are encouraged to use a registered childminder / carer where practicable.

6. Annual Adjustment of Allowances

- a. This scheme of allowances will come into operation on 1st April 2015.
- b. Basic and Special Responsibility Allowances are based on the Living Wage and will be adjusted in line with changes to the Living Wage in accordance with the following scale:

Basic Allowance	Equivalent to 27 hour week
Leader of the Council SRA	Equivalent to 2 x Basic Allowance
Cabinet Member SRA	Equivalent to 1 x Basic Allowance
Opposition Group Leader SRA	Based on a per Group member figure 1/24 th of the Basic Allowance

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| Chair of Overview and Scrutiny Management Committee | Equivalent to 0.5 x Basic Allowance |
| Chair of Regulatory Panel, Committee or Sub-committee | Equivalent to 0.5 x Basic Allowance |
| Chair of Scrutiny Panel, Committee or Commission | Equivalent to 0.25 x Basic Allowance |
| Co-opted member | Link to NJC pay award for Local Government employees |
- c. The travel, subsistence and carer rates will be adjusted in line with the rate for Southampton City Council employees.
 - d. Where an allowance has been paid to a Member in respect of any period of service and they:
 - i. are suspended for that period;
 - ii. cease to be a Member of the Authority;
 - iii. are in any other way not entitled to receive an allowance in respect of that period such part of the allowance as relates to that period shall be repaid to the Authority.
 - e. A member may elect to forgo an allowance or any part of an allowance by giving notice of such intention in writing to the Head of Legal and Democratic Services.

~~7. Pensions~~

~~The Government has introduced the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014, which includes provision for removing access in England for councillors and other elected office-holders from April 2014 and introducing transitional protection for members in the current Scheme for the term of office which members are serving on 1 April 2014. These Regulations came into force on 1 April 2014.~~

8. Claims and Payments

Claim forms are available on the Council's Intranet site and from Democratic Services and can be mailed on request. Claim forms should be returned to the Service Lead: Democratic & Electoral Services, who will obtain the necessary authorisation for payment. It is important that claim forms are fully completed and signed to avoid delay.

- a. Councillors and co-optees should submit claim forms before the 1st of each month (or nearest possible date when the 1st falls on a weekend). This gives time for claims from Councillors to be authorised and payment to be made through the Payroll Group on the 23rd of that month. Travel and Subsistence, Co-optees Allowance and Dependant Carers Allowance for Members will be paid through the Payroll Group in the same manner as Basic and Special Responsibility Allowances. Payments to Co-optees (or other Members in exceptional circumstances only) may be made by cheque, generally within 34 weeks of the claim form being received.
- b. All claims must be made within three months of the date of the relevant meeting/s.

9. Other entitlements

a. Rail warrants can be obtained for Members on request for Approved Duties. It is advisable to allow three working days for these to be issued and despatched.

b. Telephone allowances

The rate for telephone line rental allowances are set at the same rate as that for employees of Southampton City Council. The allowance for telephone line rental is £10.20 per month, and the maximum for telephone line rental/Internet Service Provider for homeworkers is a maximum of £15.00 per month.

Review of Allowances

The City Council shall, pursuant to the Local Authorities (Members Allowances) (England) Regulations 2003, establish and maintain an Independent Remuneration Panel to consider and advise on the categories and levels of Members Allowances paid by the Authority.

The Panel will comprise not less than three people who shall not be Members of any District, County or London Borough Council. The number of people appointed to the Panel, the terms of appointment to the Panel and the level of remuneration payable to appointees will be determined and reviewed from time to time by the Service Director: Legal & Governance.

The Panel shall be convened at such times as may be deemed appropriate by the Service Director: Legal & Governance and in accordance with the Regulations to comment on and review any Allowance Scheme in force in the Authority. Any such scheme must in any event be reviewed every four years from adoption or amendment.

The Panel shall produce a report which shall set out the Panels recommendations in respect of the payment of such Allowances as it thinks fit. That report shall be made available for inspection by members of the public and notice of the proposed recommendations published in a local newspaper circulating in the area.

The report of the Panel will be considered by Full Council as soon as is reasonably practicable after publication of the Notice referred to above. Following consideration of the Panel's report Full Council shall set the level of the Allowances paid by the Authority until such time as they are again submitted for review by the Independent Remuneration Panel.

EXPLANATORY NOTES

Payment of Allowances

The payment of allowances and related matters are handled within the Payroll Section. Enquires regarding the payment of your allowances should be made to the Payroll Manager.

The following points should assist you to understand how the allowances are paid and answer some of the general points that could arise from time to time:

- Records of Members allowances showing the amount and nature of the payment are open to inspection by Local Government electors resident in the area and are subject to both internal and external audit.
- Claim Forms need to be completed for dependant carers and travel and subsistence allowances, although it is NOT necessary to claim for the Basic Allowance, Special Responsibility Allowance or Co-optees Allowance. These allowances will be paid directly into your bank or building society account on the 23rd of each month.
- New members and retiring Members will be paid allowances pro rata to their period of office.

Social Security and Income Tax

Guidance notes have been produced by the Department for Communities and Local Government on the interaction of Members allowances with the tax and social security benefits system. The guidance covers such matters as the extent to which Members allowances are liable to tax, what expenses can be offset against tax and the circumstances and extent to which the receipt of allowances may affect entitlement to benefits.

Basically, Members allowances are treated as earnings and therefore deduction of tax and national insurance contributions are made as required unless payments fall below the lower earnings limits. Members can therefore be affected, both as contributors and beneficiaries of the Social Security Scheme. These contributions can give rise to pension entitlement and other Social Security Benefits. If a member has any doubts about how they are affected they should contact the local Social Security Office.

Members are entitled to claim Tax Allowances from the Inland Revenue for expenses wholly and necessarily incurred in connection with Ward Duties. Claim form P87 and advice is available from the Inspector of Taxes, District 1, 8 Ogle Road, Southampton (Tax Ref No. 718/S2066). With regard to the payment of allowances for Civic Dignitaries, the local Inspector has agreed that the allowance is no more than a reimbursement of expenses with the exception of the cost of clothing. Specific advice is available for the Mayor and Sheriff on the implications of returning such expenditure to the Inland Revenue.

Statutory Sick Pay

Members who are below the state pension age and pay National Insurance are entitled to claim Statutory Sick Pay for periods of sickness in excess of three days. To make a claim:

- Complete a self-certificate, which is available from doctors' surgeries, for the first seven (7) days of sickness and obtain a doctors' statement where the sickness period exceeds seven (7) days. Send these documents to the Payroll Manager.
- Periods of sickness should be clearly indicated on the Members "Application for Allowances" forms.

Contacts for further information.

The local tax and benefits offices will be able to deal with queries related to personal circumstances.

If you need further guidance or advice on how the Council treats allowances under PAYE, please contact Vicky Gatfield, Payroll Controls Officer (tel 023 8091 7770 or e-mail vicky.gatfield@southampton.gov.uk).

If you have any other queries about the Allowance Scheme, please contact Lisa Sillence, Team Leader: Member Services (Tel 023 8083 2433 or e-mail lisa.sillence@southampton.gov.uk)