

Appendix 23 – Members’ Allowances Scheme

The Norfolk County Council, in exercise of the powers conferred by the Local Authorities (Members’ Allowances) (England) Regulations 2003, makes the following scheme:

1. The scheme

This Scheme, which is called the Norfolk County Council Members’ Allowances Scheme, will have effect commencing on 1 April 2019 and for subsequent years unless, and until, amended.

2. In this scheme

“Councillor” means an elected Member of Norfolk County Council

“year” means the 12 months ending with 31st March

3. Basic allowance

Subject to paragraph 8, which deals with part year entitlements, a basic allowance will be paid in instalment to each Councillor each year. The current rate is shown in Appendix A.

4. Special responsibility allowances

- (1) Each year a special responsibility allowance will be paid to those Councillors who hold the special responsibilities that are specified in Appendix B.
- (2) Subject to paragraph 8, the amount of each allowance will be the amount specified in Appendix B.
- (3) A Councillor is only eligible to receive one Special Responsibility Allowance (the highest).
- (4) Members of a political group shall only be eligible to receive Special Responsibility Allowances if there are at least 9 members in the group. This provision applies only to those SRA posts relating to Group activities, i.e. Group Leader, Deputy Group Leader, Group Spokesperson. It does not apply to other SRA posts.

5. Carers’ allowance

- (1) Councillors who incur costs for the care of children for whom they have parental responsibility or for dependent relatives in order to allow them to carry out their Council duties can claim a carers’ allowance. The rate for the Allowance is set out in Appendix A of this scheme. A carers’ allowance can be claimed only in respect of approved duties as set out in Appendix C of this scheme.

- (2) In the case of a carers' allowance for childcare:
 - (i) The allowance is available for the care of children under 14 years of age who normally reside with the Councillor.
 - (ii) The allowance cannot be claimed for the care of children of compulsory school age during normal school hours except where the child is absent from school due to illness.
- (3) In the case of a carers' allowance for the care of a dependent relative, the relative must normally reside with the Councillor, be dependent on the Councillor and require constant care.
- (4) Expenditure incurred will be reimbursed up to the maximum hourly rate (as set out in Appendix A of this scheme) for each hour of absence from home.
- (5) Payment will only be made for the period of the qualifying meeting and the travelling time to and from the Councillor's home.
- (6) A signed receipt from the carer, showing their name, signature and address, the period worked and the amount received must be retained by the Councillor for the statutory period of six years plus the current year, for audit purposes.
- (7) A carer's allowance can be paid only for care provided by a registered childminder or other statutory approved childcare provider, or to agencies or persons professionally qualified or registered to provide the care required by the dependent relative. An allowance will not normally be paid for care provided by anyone else or by someone who is a close relative of the Councillor. In exceptional circumstances, where a Councillor is unable to find a suitable statutory provider or registered professional carer, a claim to pay another person may be considered, subject to the approval of the Executive Director Finance & Commercial Services and Commercial Services before the expense is incurred. If an exceptional circumstances claim relates to care provided by a family member, it must be accompanied by a statement signed by the carer and the Councillor verifying that the carer incurred a loss of income in order to provide the care.

6. Co-opted Members

Co-opted Members are entitled to claim travelling, subsistence and carers' allowances at the rates set out within this Scheme. A "Co-optees allowance" is payable as determined by the County Council. Any such allowances are shown in Appendix A.

7. Renunciation

A Councillor may elect to forego any part of their entitlement to an allowance under this Scheme by notifying the Executive Director Finance & Commercial Services and Commercial Services in writing.

8. Part-year entitlements

(1) If, during the course of a year:

- this Scheme is amended;
- or the amount payable is changed;
- or a Councillor becomes, or ceases to be, a Councillor;
- or a Councillor accepts or relinquishes a special responsibility for which a special responsibility allowance is payable,

entitlement to allowances will be calculated pro rata according to the number of days in the month in question.

(2) If changes are made to the category of any allowance etc. the allowance payable will be that which was applicable when the duty was undertaken.

9. Travel allowance

This allowance is intended to reimburse expenditure necessarily incurred on all journeys undertaken on approved duties as set out in Appendix C. Travel allowances will be same as, and linked to, the rates which apply to officers of the Council.

(1) Motor vehicles

Where travel by car or motorcycle:

- results in a substantial saving of the Members' time; or
- is in the interests of the Council; or
- is otherwise reasonable

an allowance is payable and the conditions applying are as follows:

- (a) A passenger supplement for passengers on official Council business is paid per passenger per mile, up to a maximum of four passengers
- (b) Councillors will be responsible for ensuring that they have adequate insurance cover for business use.
- (c) The rates payable are shown in Appendix A.

(2) Hired motor vehicles (taxi cab)

The actual fare and any reasonable gratuity will be paid in cases of urgency or where no convenient public service is available. Otherwise, an allowance not exceeding the amount of the fare for travel by appropriate public service transport will be paid.

(3) Hired motor vehicles (other than a taxicab)

The actual cost of hiring for the period of Council duty will be paid.

(1) Motorcycle

Travel by motorcycle will be reimbursed at the rate set out in Appendix A.

(5) Bicycle

Travel by bicycle will be reimbursed at the rate set out in Appendix A.

(6) Public service transport

By rail

Normally standard class fare or actual fare paid (if less) will be paid. Reimbursement of first class fare will be paid only where it is clearly in the County Council's interest for a Councillor to travel first class and approval has been given in advance by the Head of Paid Service.

Councillors who are eligible to hold a senior citizen's rail card can purchase them and be reimbursed by the County Council through the expenses claim mechanism.

Supplementary allowances

Reimbursement, not exceeding actual expenditure incurred, will be paid for:

- (a) Pullman car or similar supplements, reservation of seats and deposit or portage of luggage.
- (b) Sleeping accommodation on the train for an overnight journey, subject to reduction by one-third of any subsistence allowance payable for that night.

(7) Air travel

- (1) Subject to the prior agreement of the Head of Paid Service that the saving in time justifies 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 Councillor.

10. Subsistence allowance

Subsistence allowances will be the same as, and linked to, the rates for employees. Employees are not normally entitled to claim a subsistence allowance where their duties have prevented them from following their normal meal arrangements. Subsistence can only be claimed in exceptional circumstances where it would be unreasonable to expect the Councillor to bear the cost of the meal and the Councillor is unavoidably put to exceptional expense. Circumstances where a Councillor may claim subsistence include:

- Attending a conference or training event when the Councillor is required to purchase a meal at the event.
- Attending an event that necessitates an overnight stay where meals have not been included.

A Councillor may claim 50% of their broadband home connection, subject to a maximum of £13 per month.

11. Duties performed for more than one body

A Councillor who is both a County Councillor and a Member of another local authority or public body may claim allowances from both authorities should they undertake two separate duties, one for each authority, on the same day. A Member of the County Council who is also a Member of another authority may not however claim from both authorities for undertaking the same duty. Councillors must take particular care to avoid duplication or overlap of claims for travelling and subsistence. Claims for duties undertaken for other councils or public bodies should be sent to the Authority concerned and not included in claims on the County Council.

12. Official and courtesy visits

Provided they have been approved by the appropriate Committee, official and courtesy visits by Councillors are eligible for travelling and subsistence claims at the rates set out in Appendix A if the journey is within the United Kingdom. If outside the United Kingdom, the travelling and subsistence expenses are limited to that which is reasonable in all the circumstances.

13. Prior approval

The appointment of a Councillor to a committee, sub-committee or working group etc., or as a representative of the Council on other bodies, is deemed to satisfy the need for prior approval before a claim can be submitted

14. Claims and payments

- (1) A claim for travel, subsistence and carers' allowances under this Scheme should be made each month but, in any event, not less than quarterly. **Claims must be received by close of play on the 1st day of the month**
- (2) All claims for travel, subsistence or carers' allowance must include a clear indication of the specific category of approved duty under which the claim is submitted. This is with reference to the list of approved duties at Appendix C.
- (3) Councillors who fail to submit a claim within three months of carrying out the duty or incurring the expense will be deemed, automatically, to have waived their right to claim. The Executive Director Finance & Commercial Services and Commercial Services must be advised in writing if a Councillor opts not to claim allowances.
- (4) Payments will be made on the 19th day of each month. The basic and special

responsibility allowances will be paid in instalments of one-twelfth of the amount specified in this Scheme. Where a payment of one-twelfth of the amount would result in the Councillor receiving more than the amount to which, by virtue of paragraph 8, they are entitled, the payment will be restricted to the amount to which that Councillor is entitled.

- (5) If claims are amended by the Executive Director Finance & Commercial Services and Commercial Services by £10 or more the Councillor concerned will be informed.
- (6) A Councillor who has been overpaid under the terms of this Scheme will be advised of the situation and arrangements will be made for the immediate recovery of the overpayment or taken from subsequent claim(s).
- (7) By submitting expense claims electronically, Councillors are responsible for retaining VAT receipts for all claims, for the statutory period of six years, plus the current year. Claims are subject to audit and supporting receipts may be called upon to substantiate a claim.
- (8) Councillors are reminded that responsibility for the accuracy and propriety of claims rests with the individual Councillor making the claim. Reliance is placed by the Executive Director Finance & Commercial Services and Commercial Services on the declaration signed by the claimant on each claim form.
- (9) Where payment of any allowance has already been made in respect of any period during which the Councillor concerned:
 - (i) ceases to be a Member of the Council; or
 - (ii) is in any other way not entitled to receive the allowance in respect of that period;the Council will require that such part of the allowance as relates to any such period be repaid to the Council.

15. Records

A record will be kept of the payments made by the Council in accordance with this Scheme. The record will specify the name of the recipient and the amount and nature of each payment. This record will be available at all reasonable times for inspection (free of charge) by any local government elector for the County. The record will be supplied in copy to any person who requests such a copy and who pays such reasonable fee as the Council may determine. The County Council will publish on its website figures showing allowances paid to individual Councillors on an annual basis. The County Council will also publish on its website on a monthly basis the allowances payments made to each Councillor.

16. Income Tax and National Insurance provisions

Details of the effect on Councillors are to be found in Appendix (D).

Appendix A

Current Allowances – 2020/21

Basic allowance **£11,224**

Travel allowance

Car or van

Rate per mile	45p for first 10,000 miles 25p after 10,000 miles
Passenger supplement per passenger per mile for up to 4 passengers	5p per (passenger per mile)

Motorcycle or Moped 24p per mile

Bicycle 20p per mile

Subsistence rates

Councillors are reminded that subsistence allowances can **only** be claimed in exceptional circumstances as set out in paragraph 10 and these are the maximum sums reimbursable for expenses actually incurred. Claims for meals and subsistence must be supported with VAT receipts or they will not be authorised for payment.

		<u>Standard Rate</u>	<u>Special Rate*</u>
(1)	Day Subsistence		
	(a) Breakfast Allowance – Payable if you leave home before 7.30 a.m.	£6.62	£8.75
	(b) Lunch Allowance – Payable for absence between 12 noon and 2.30 p.m.	£9.10	£13.18
	(c) Tea Allowance – Payable for absence after 6.30 p.m.	£3.58	£4.41
	(d) Evening Meal Allowance – Payable for absence after 8.30 p.m.	£11.27	£17.61
(2)	Overnight Subsistence (24 hour period)		
	London and approved conferences	£108.20	
	Elsewhere	£77.23	

*The special rate is payable in respect of visits to London, attendance at conferences or other exceptional duties.

Carers' allowance

A carers' allowance is payable at an hourly rate of the National Living Wage (£8.21) plus 20% - equates to £9.85 per hour. Subject to a limit of £3,168 per Councillor per annum.

Co-optees allowance

A Co-Optees Allowance of £1,040 per annum is payable to the Independent Members of the Norfolk Police and Crime Panel.

Review of levels of allowance

Travel and subsistence allowances will be amended annually in line with the rates for officers. The levels of basic, special responsibility and carers' allowances and co-optees allowance will be reviewed annually and increased by an equivalent percentage to the pay award agreed by the National Joint Council for Local Authority Staff. The indexing arrangement will next apply in 2020/21. The annual indexing arrangement will apply for a maximum period of three years, after which its application will be reviewed by the Independent Remuneration Panel.

Special Responsibility Allowances

New structure post and numbers	SRA	% of Leader allowance
Leader of the Council	£33,888	100%
Deputy Leader of the Council	£22,027	65%
Cabinet Members	£16,944	50%
Chair of Select Committee	£ 6,777	20%
Chair of Scrutiny Committee	£16,944	50%
Leader of Political Group with 31 or more Members *	£16,944	50%
Leader of Political Group with 21-30 Members *	£11,183	33%
Vice Chair of Scrutiny Committee	£5,083	15%
Leader of Political Group with 9-20 Members *	£6,777	20%
Deputy Leader of Political Group with 31 or more Members *	£4,236	25% of Group Leader SRA
Deputy Leader of Political Group with 21-30 Members *	£2,795	25% of Group Leader SRA
Deputy Leader of Political Group with 9-20 Members *	£1,694	25% of Group Leader SRA
Chair of the Council	£13,555	40%
Vice-Chair of Council	£2,541	7.5%
Chair of Planning Regulatory	£6,777	20%
Chair of Norwich Highways Agency Joint Committee	£6,777	20% Delete from April 2020
Chair of Audit Committee	£6,777	20%
Chair of Pensions Committee	£6,777	20%
Chair of Health Overview and Scrutiny Committee	£5,083	15%
Chair of Standards Committee	£2,541	7.5%
Member of Adoption Panel/Foster Panel	£3,388	10%
Chair of Records Committee #	£3,388	10%
Chair of Joint Museums Committee #	£3,388	10%
Opposition Spokes aligned to the functions reporting to the Select Committees		
Major Opposition Group* (x3)	£2,541	7.5%
Second Opposition Group* (x3)	£1,694	5%

*SRAs are only payable to opposition groups that have at least 9 members.

The SRAs for the Chair of the Records Committee and the Joint Museums Committee are payable only where the Chair is a County Councillor appointed to the Committee by the County Council

Members' Allowances Scheme

Duties approved for the purposes of travelling, subsistence and carers' allowances

The following are approved duties for the purpose of travelling, subsistence and carers' allowances.

- (a) (i) Attendance at meetings of Cabinet, committees, sub-committees, Panels, Joint Committees, Consultative and Advisory Bodies and working groups on which the claimant is an appointed member.
- (ii) Attendance at:
- Full Council meetings
 - Committee meetings which the Councillor attends as a properly appointed substitute.
 - Committee meetings which the Councillor attends in order to speak on a local Member matter under consideration, or to ask a question on any significant matter affecting their Division within the Committee's terms of reference
- (iii) Attendance by the Leader, Deputy Leader, Group Leaders and Deputy Group Leaders at joint Leader meetings or at pre-arranged briefing meetings with the Head of Paid Service or other Chief Officers/Senior Officers.
- (iv) Attendance by Cabinet Members at Cabinet briefings and at pre-arranged briefing meetings with Chief Officers/Senior Officers on matters relating to their areas of responsibility.
- (v) Attendance by Chair and Vice-Chair of Committees and opposition spokespeople at pre-arranged pre-agenda meetings/briefings with Chief Officers/Senior Officers.
- (vi) Attendance by Councillors at pre-arranged meetings with officers to discuss matters relating to their Division. (This is subject to a maximum number of claims per Councillor of two per calendar month).
- (vii) Attendance by members of the Health Overview and Scrutiny Committee at meetings of health care organisations to which they have been given an "affiliate" role.

- (b) Site meetings, visits or inspections by committees arranged by them (or, in cases of urgency, after consultation with their spokespeople and subject to report to committee).
- (c) Organised official visits including deputations to Government Departments, meetings with MPs/MEPs on Council business and meetings with Government inspectors etc.
- (d) Duties undertaken by Councillors in respect of outside bodies to which the Council has properly appointed them.

Payment of allowances under (d) above is restricted to meetings of the body to which the Councillor has been appointed. However, if a Councillor is considering attending an associated event relating to the outside body, such as a conference, seminar, book launch, opening etc. then the Councillor should notify the Executive Director Finance & Commercial Services and Commercial Services in advance of the visit. The Executive Director Finance & Commercial Services and Commercial Services has delegated authority to determine that allowances will be paid in these circumstances, if it can be demonstrated that the Councillor's attendance is necessary to enable them to carry out the duty for which they have been appointed to the body concerned.

Councillors cannot claim attendance allowances, but if such allowances are payable by the outside body, the Councillor must include details on their claim form so that the County Council can seek recovery of them.

- (e) Attendance at consultation meetings with the public or other organisations arranged by a Committee, the Head of Paid Service, a Chief Officer or Head of Service.
- (f) Attendance at external seminars and conferences authorised by the Assistant Director of Governance (Democratic and Regulatory Services) after consultation with the Chair of the Member Support and Development Advisory Group.
- (g) Attendance at seminars, briefing meetings and training events for Councillors, convened by the Head of Paid Service, a Chief Officer or Head of Service, e.g. on service planning, new legislation and on service and policy issues, or to discuss particular local issues.
- (h) Attendance at town or parish Council meetings within a Councillor's division.
- (i) Visits by Member Champions in the performance of their role.
- (j) Visits to establishments, official openings, open days, sports days or similar events, but only if at the invitation of the Head of Paid Service, a Chief Officer or Head of Service to attend as the local Councillor or to perform a specific function at the event.
- (k) Visits and Inspections necessarily made by the Chair of Committees, Sub-Committees etc. in order to carry out their duties in that capacity, provided that they are reported to the Committee/Sub-Committee concerned.
- (l) Official and courtesy visits of a civic nature within the United Kingdom and those abroad (such as twinning arrangements with overseas authorities) subject to the

prior approval of the Cabinet.

- (m) Visits to County Hall to hand in/collect Council-provided computer equipment before and after maintenance/repair work.
- (n) Functions attended by the Chair of the Council which are directly related to the office of Chair. Where the Vice-Chair deputises for the Chair, the Vice-Chair shall be entitled to receive such allowances as would have applied to the Chair.

For the clear avoidance of doubt, the following are not eligible for reimbursement of travelling, subsistence and Carers' Allowance: -

Attendance at school governing body meetings as an LEA appointed governor.

Attendance at political group meetings.

Attendance at civic receptions, Chair's receptions, services, parades etc.

Constituency meetings/surgeries.

Attendance at meetings of outside bodies on which Councillors serve but to which they have not been appointed by the County Council.

Appendix D

Members allowances – Income Tax and National Insurance aspects

These guidance notes are for information only and should not be relied upon for tax planning purposes. All income tax and national insurance queries should be addressed to HM Revenue and Customs (see contact details below).

The information contained in this guidance is based on HMRC notice EIM65940 – Tax treatment of Local Government Councillors and civic dignitaries: expenses deductions: home as a workplace and taking into account HMRC policy paper Tax Exemption for travel expenses of Members of local authorities.

This specifies the current rates applicable.

1. Income Tax

- (1) Basic, Special Responsibility, dependants' Carers' Allowances and co-optees' allowances are taxable under PAYE arrangements but tax relief can be obtained for expenses incurred wholly, exclusively and necessarily in the performance of the duties of a County Councillor to the extent that they are not reimbursed.
- (2) Legislation was introduced in the Finance Bill 2015 to specifically exempt payment of Councillors travel expenses by a local authority from a charge to income tax under certain provisions. This includes expenses paid for journeys between the Councillor's home and most frequently used local authority office, except where the Councillor's home is more than 20 miles from the boundary of the local authority area.
- (3) Travel Allowance reimbursements above the statutory rates – (see Appendix A) are taxable as a benefit in kind.
- (4) Income Tax will be deducted from basic, special responsibility, dependants', carers allowances and co-optees allowance at the standard rate unless HM Revenue and Customs issues more specific instructions.
- (3) Any enquiries relating to tax relief should be addressed to: HM Revenue and
Phone Customs on 0300 200 3300 or [visit GOV.UK to contact HMRC](https://www.gov.uk)
- (4) If you are registered under self-assessment, you will need to quote your Unique Taxpayer Reference (UTR), otherwise you will need to quote your national insurance number and the Council's PAYE reference: 531/N3722.

2. National Insurance

- (1) Basic, special responsibility, dependants carers' allowances and co-optees allowances come within the definition of remuneration for National

Insurance purposes and consequently the appropriate national insurance contributions have to be deducted unless the Councillor is regarded as “retired for national insurance purposes”. The contributions together with the corresponding employer’s contributions are paid over to HM Revenue and Customs by the County Council. The liability for contributions is additional to that which a County Councillor may have as an employed or self-employed person.