



MEMBERS ALLOWANCE SCHEME

CLEVELAND FIRE AUTHORITY - MEMBERS' ALLOWANCE SCHEME

This is the Cleveland Fire Authority Members Allowance Scheme, covering the allowances which can be claimed by Members (including Co-opted Members) of Cleveland Fire Authority.

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SECTION 1: THE SCHEME AND SUMMARY OF ALLOWANCES PAYABLE

1.1 The Scheme

- 1.1.1 This is the Cleveland Fire Authority Members' Allowance Scheme ["the Scheme"] for the payment of Members' Allowances. The Scheme is based on the provisions contained in the Local Authorities (Members' Allowances) (England) Regulations 2003 as may be amended from time to time ["the Regulations"]. It also has regard to relevant Government guidance. At a meeting on 26th September, 2003, the Cleveland Fire Authority ["the Authority"] after considering advice from the Independent Panel set up on 8th September, 2003, approved the Scheme to take effect on and from 1st. May 2003.
- 1.1.2 The Scheme shall have effect without time limit and may be amended or revoked in accordance with the Regulations. Sections 4, 8 and 9 of this document and any other content included in this document for information may be updated, supplemented or deleted as appears appropriate. Any such alterations shall not be treated as amendments to the Scheme.
- 1.1.3 The Scheme shall have effect and be construed in accordance with the Regulations. In the event of any inconsistencies between the Scheme and the Regulations, the Regulations shall prevail.
- 1.1.4 Any procedures or requirements of the Regulations which are not expressly incorporated in the Scheme are hereby deemed to have been so incorporated.
- 1.1.5 A reference herein to a Schedule shall be deemed to be a reference to a Schedule in the Scheme unless there appears to be a contrary intention. A reference to a Member or a Co-optee shall be to a Member or Co-optee of the Authority.
- 1.1.6 Allowances will be reviewed following Members calling of an IRP.

1.2 Summary of Allowances payable and Amendments to the Scheme

- 1.2.1 Section 2 of the Scheme provides for the payment of an annual Basic Allowance for each Member of the Authority.
- 1.2.2 Section 3 of the Scheme provides for annual Special Responsibility Allowance for those Members who have special duties and/or hold particular posts.
- 1.2.3 It is outside the powers of the Authority, under the current Regulations, to approve Dependants Carers' Allowance.

- 1.2.4 Section 5 and 6 of the Scheme provide for Travelling and Subsistence Allowance for all Members and Co-opted Members of the Authority and explain how claims should be made.
- 1.2.5 Section 7 of the Scheme provides for annual Co-optees' Allowance. As the Authority has no Co-optees at this time no allowance has been set.
- 1.2.6 Where an amendment is to be made by the Authority to the Scheme which affects an Allowance payable in the year in which the amendment is made, the Authority may decide that the entitlement to that Allowance is to apply with effect from the beginning of the year in which the amendment is made, i.e. to backdate the amendment to that extent.
- 1.2.7 Provision has been made, in accordance with the power conferred by the regulations, to make annual adjustments to allowances by reference to specified indices. The index for inflation to be adopted for the purpose of this Scheme is the Harmonised Index of Consumer Prices (HICP) or Consumer Prices Index (CPI) as it is referred to in the UK. Any change arising only from such annual adjustment shall not be deemed to be an amendment to the scheme.

1.3 Tax and Insurance

- 1.3.1 Section 8 and 9 of the Scheme mention liability to Income Tax and the insurance arrangements for Members and Co-optees of the Authority. These sections do not deal with entitlements under the Scheme and are only brief summaries for information. The Authority does not guarantee that they are necessarily accurate or appropriate for individual Members or Co-optees. It is for Members and Co-optees to satisfy themselves personally that their tax and insurance arrangements are in order and they should consult their own advisers as they think fit about these matters.

1.4 Responsibility to Submit Accurate Claims

- 1.4.1 It is important that Members and Co-optees are aware of their responsibility to submit accurate claims and to be able to demonstrate that they did incur any expenditure for which they are claiming.

1.5 Public Record of Payments and Availability of the Scheme

- 1.5.1 The Authority maintains a record showing payments made to Members and Co-optees in accordance with the Scheme. The record is kept available for public inspection during normal office opening hours at the Authority's principal office (Brigade Headquarters, Endeavour House, Stockton Road, Hartlepool). The record may be inspected free of charge by any local government elector for the areas of Hartlepool, Middlesbrough, Stockton on Tees and Redcar and Cleveland Borough Councils, these being the areas within which the Authority exercises its functions. A copy of the record will be supplied to any person who so requests and who pays the Authority's reasonable fee as determined by the Authority.

- 1.5.2 Copies of the Scheme are made available for inspection by the public at the Authority's principal office, Training and Administration Hub, Endeavour House, Queens Meadow Business Park, Hartlepool during normal office opening hours. A copy will be supplied to any person who so requests and who pays the Authority's reasonable fee as determined by the Authority. Any person wishing to inspect the record of payments or the Scheme should contact the Democratic and Administration Manager.

1.6 Foregoing Entitlement to Allowances

- 1.6.1 A Member or Co-optee may elect to forgo entitlement to all or any part of his/her entitlement to allowances under the Scheme, by notifying the Treasurer in writing. In practice this relates to the Basic Allowance, Special Responsibility Allowance and Co-optees Allowance, which are the allowances which will otherwise be paid automatically.

1.7 Advice & Queries

- 1.7.1 Any Member or Co-optee requiring advice about how best to maintain records to authenticate claims or with any other queries about the Scheme should contact the Democratic and Administration Manager.
- 1.7.2 In the case of an unresolved dispute in relation to any claim, the Democratic and Administration Manager shall refer the matter to the Treasurer to the Authority who shall be the final arbiter.

SECTION 2: BASIC ALLOWANCE

- 2.1 Basic Allowance is paid to all Members of the Authority at the same rate. It is intended to recognise the requirement for Members to attend various meetings of the Authority as part of their duties. It is also to recognise the role Members perform within the community.
- 2.2 The amount and payment of Basic Allowance are as stated in Schedule 1. Part Year entitlement will be assessed in accordance with Schedule 2.
- 2.3 Co-optees are not eligible for Basic Allowance. Allowances for Co-optees are set out in Section 7.
- 2.4 Any allowance may be withheld where a Member ceased to be a Councillor or is otherwise unable to discharge the role (other than in the case of illness), the Treasurer in conjunction with the Legal Adviser and Monitoring Officer can withhold allowances, if reasonable to do so. Members have the right to appeal as outlined in the Corporate Governance Framework
- 2.5 Basic Allowance is subject to Income Tax and National Insurance Contributions (see Section 8).

SECTION 3: SPECIAL RESPONSIBILITY ALLOWANCE

- 3.1 Special Responsibility Allowances enable payments to be made to Members who have special duties and/or hold particular posts and can be of different amounts. The categories of special responsibilities are set out in the Regulations.
- 3.2 The amounts and payment of Special Responsibility Allowances are as stated in Schedule 1. Part Year entitlement will be assessed in accordance with Schedule 2.
- 3.3 Co-optees are not eligible for Special Responsibility Allowance.
- 3.4 Only one Special Responsibility Allowance is payable per Member. If more than one such allowance appears to be payable, the Member may elect which allowance shall be paid. In the event of failure to elect, the Member will be deemed to have elected to receive the Special Responsibility Allowance which is the greatest.
- 3.5 Special Responsibility Allowance is subject to Income Tax and National Insurance Contributions (see Section 8).

SECTION 4: DEPENDANTS CARERS' ALLOWANCE

- 4.1 It is outside the powers of the Authority to approve Dependants Carers' Allowance under the present Regulations.

SECTION 5: TRAVELLING AND SUBSISTENCE ALLOWANCE

5.1 Travelling Allowances

- 5.1.1 Members, including Co-optees, may claim travelling expenses for travel undertaken in connection with Approved Duties. Details of the Travelling Allowances which may be claimed are set out in Schedule 3. The duties which are Approved Duties for which a claim may be made are set out in Schedule 4
- 5.1.2 Please note that proper VAT receipts for expenses including parking fee tickets are needed in order for the Authority to validate claims and to reclaim VAT. Members should ask for/keep these and attach them to claim forms. Failure to supply a receipt may result in non-payment of a claim.
- 5.1.3 When travelling by train Members should obtain a rail warrant so that the Authority can take advantage of preferential rates. In the first, instance please contact the Democratic and Administration Manager at Fire Brigade Training and Administration Hub for guidance on obtaining a

travel warrant as soon as travel arrangements have been confirmed and the post-holder will arrange for a travel warrant to be issued.

- 5.1.4 Claims for Travel Allowance are generally not subject to deductions for Income Tax and National Insurance (see Section 8)

5.2 Subsistence Allowances

- 5.2.1 Members, including Co-optees, may claim subsistence for costs of refreshments and accommodation necessarily incurred when undertaking Approved Duties. Details of the Subsistence Allowances which may be claimed are set out in Schedule 3. The duties which are Approved Duties for which a claim may be made are set out in Schedule 4.
- 5.2.2 Members are not entitled to claim subsistence to the extent that suitable refreshments are provided for them while they are undertaking the approved duty. In calculating the length of time it has taken to perform an approved duty, such as a meeting, Members are entitled to include reasonable travelling time in getting to and from the meeting place.
- 5.2.3 Members are not entitled to claim subsistence to the extent that suitable accommodation is provided for them while they are undertaking the approved duty. Normally accommodation will be booked for Members and the Authority will pay direct. Members should always consult the Democratic and Administration Manager prior to arranging and paying for accommodation themselves.
- 5.2.4 Please note that proper VAT receipts are needed in order for the Authority to validate claims and to reclaim VAT. Members should ask for/keep these and attach them to claim forms. Failure to supply a receipt may result in non-payment of a claim.
- 5.2.5 When a receipt is not provided, claims for Subsistence Allowance are subject to deductions for Income Tax and National Insurance.

SECTION 6: HOW TO CLAIM TRAVELLING AND SUBSISTENCE ALLOWANCE

- 6.1 In this section "Members" includes Co-optees.
- 6.2 Claims for Travelling and/or Subsistence Allowance must be submitted on the standard forms.
- 6.3 The forms include the following declaration which must be completed:-

"I declare I have incurred expenditure on travelling and/or subsistence for the purpose of enabling me to perform approved duties as a Member or Co-opted Member of Cleveland Fire Authority and that the rates are in accordance with those determined by the Authority. I declare that the statements in my claim are correct. I have not made and will not make any other claim under any enactment for the same travelling and/or subsistence."

- 6.4 Claim forms are kept by the Democratic Support team, from whom additional forms may also be obtained.
- 6.5 The deadline for processing claims is usually about the 25th day of the month and payment is made monthly on or about the fifteenth of the month by direct transfer to bank/building society accounts.
- 6.6 Members should submit claims promptly, in arrears, and by no later than the last day of the calendar month. Claims should be made within three months of the approved duty for which the claim is made.
- 6.7 If any of the rates of Travelling and Subsistence Allowance are increased by the Authority and the increase is backdated to the start of a year, Members may be able to show that claims already processed or being processed should be revised to reflect the increase.
- 6.8 Members should note that it is their responsibility to ensure that any claims submitted are accurate, and that they can demonstrate that they attended meetings for which they are claiming allowances etc. It is suggested that this can best be done by Members maintaining diary records of meetings attended, showing the dates of the meetings and duration. Where there is an attendance book at the meeting, the Members must sign the attendance book. NB, if Members' allowance payments become the subject of investigation, these records may be required by the investigator.
- 6.9 Members should also note that, as mention in Section 1 above, the Authority has to maintain a record showing payments made to Members which is open to public inspection.

SECTION 7: CO-OPTEEES' ALLOWANCE

- 7.1 Co-optees' Allowance enables payments to be made to Co-optees in respect of attendance at conferences and meetings and can be of different amounts for different Co-optees.
- 7.2 The amounts and payment of Co-optees Allowance are as stated in Schedule 1. Part Year entitlement will be assessed in accordance with Schedule 2. These amounts are in addition to any Travelling or Subsistence Allowance which may be claimed by Co-optees under sections 5 and 6 of the Scheme.
- 7.3 Co-optees' Allowance is subject to Income Tax and National Insurance Contributions (see Section 8).

SECTION 8: INCOME TAX & WELFARE BENEFITS

8.1 General

- 8.1.1 NB – Members must read the paragraph in Section 1 above headed “Tax and Insurance”
- 8.1.2 In this section “Members” includes Co-optees.

8.2 Income Tax

- 8.2.1 Basic, Special Responsibility, Co-optees and Dependant Carers’ Allowances are subject to Income Tax as they are payments made in respect of the duties of an office. Travelling and Subsistence Allowance is not normally subject to Income Tax if it is paid in respect of actual costs necessarily incurred in connection with the Approved Duty. Appropriate records should be kept to satisfy the Tax Office. Subsistence Allowance where no receipt is provided is subject to Income Tax.
- 8.2.2 The Inland Revenue is notified of the names and addresses of all Members who claim taxable allowances. Tax is deducted at basic rate until the Inland Revenue notify the Authority of the appropriate tax code for each Member.
- 8.2.3 Some expenses incurred by Members in the course of Authority duties as Members may be deductible against tax. Any member who believes that some of his/her expenses as a Member may be tax deductible, should contact his/her Tax Office.
- 8.2.4 The Authority’s Tax Office is :

HM Revenue & Customs, PO Box 1970, Liverpool, L75 1WX

8.3 National Insurance Contributions

- 8.3.1 Basic and Special Responsibility Allowance payments will attract National Insurance (NI) contributions at levels which vary depending on the total earnings of Members.
- 8.3.2 Some Members may not be liable to any NI Contributions on Allowances if they fulfil any of the following criteria:
 - (a) Their total earnings are less than the specified amount mentioned in 8.3.3 (a) below
 - (b) They are men at state pension age
 - (c) They are women at state pension age
 - (d) They are already paying the maximum NI Contributions on their employment earnings mentioned in 8.3.3 (b) below

- 8.3.3 There is no NI liability if either (a) total earnings are less than the specified minimum, currently £703 per month or (b) NI contributions at maximum rate are paid on employment earnings.
- 8.3.4 Some Members, who are married women or widows who have elected to pay reduced rate contributions for NI, may also need to have their NI Contributions on allowances calculated at a reduced rate.
- 8.3.5 Members who are self-employed may also be subject to different levels of NI Contributions.
- 8.3.6 Members who believe that they fall into any of the above categories should contact the Head of Finance who will seek to obtain further information to assist with the query. Members should also obtain the appropriate certificates from the Department of Social Security (DSS).

8.4 Social Security Benefits

- 8.4.1 The receipt of allowances may affect Members who are receiving Social Security Benefits. All allowances should be declared to the DSS who will be able to advise Members about the way in which allowances affect benefits such as Income Support.
- 8.4.2 Members should note that failure to disclose any allowances to the DSS may result in prosecution.

SECTION 9: INSURANCE FOR MEMBERS

- 9.1 NB – Members must read the paragraph in Section 1 above headed “Tax and Insurance”
- 9.2 In this section “Members” includes Co-optees.
- 9.3 The Authority provides some insurance cover for Members when they are engaged on business which relates to their activities for the Authority. The insurance does not cover Party Political activities.
- 9.4 The insurance covers certain risks in the following broad categories:
- Public Liability
 - Officials Indemnity
 - Libel and Slander
 - Employers Liability
 - Personal Accident Insurance
 - Business Travel Insurance
 - Legal Expenses Insurance

For further details relating to the extent of this cover please contact the Brigade’s Head of Finance

- 9.5 Please note that the Authority's motor insurance does not extend to Members' own vehicles, even if these vehicles are used on Authority business. Members should ensure that they have advised their own insurers and they are suitably covered if their own vehicles are to be used on Authority business.

SCHEDULE 1

RATES OF ALLOWANCES

Allowance	<u>Amount</u>
Basic	£2,194 a year
Special Responsibility	
(a) Chair of the Authority	£8,776.a year
(b) Vice Chair of the Authority	£4,388 a year
(c) Chair of Audit and Governance Com	£2,742 a year
(d) Co-optees	No rate set.

Payments

- 1.1 Payments shall be made, in respect of Basic and Special Responsibility and Co-optees Allowances, in arrears in instalments of one-twelfth of the amount specified in the Scheme on or about the fifteenth of the month by direct transfer to bank/building society accounts (unless otherwise notified).
- 1.2 Where a payment of one-twelfth of the amount specified in this Scheme in respect of a Basic, Special Responsibility or Co-optees Allowance would result in a Member or Co-optee receiving more than the amount to which he/she would be entitled, the monthly payments shall be restricted to such amount as will ensure that no more is paid than the amount to which he/she is entitled in any one financial year.

SCHEDULE 2

PART-YEAR ENTITLEMENT

1.1 The following will apply if in the course of a year,

- (a) the scheme is amended or
- (b) a Member (excluding any Co-optee) becomes, or ceases to be a Member, or
- (c) a Member (excluding any Co-optee) accepts or relinquishes a special responsibility in respect of which a Special Responsibility Allowance is payable or
- (d) a Co-optee becomes, or ceases to be a Co-optee.

1.2 Amendments to the Scheme

- 1.2.1 If one or more amendments to the Scheme are made which take effect during the year in question and change the amount(s) of any Allowance to which Members are entitled, the effect on Members' entitlement will be as follows.
- 1.2.2 If the amendment is backdated to the start of the year, Members' entitlement shall be adjusted accordingly.
- 1.2.3 Otherwise the Members' entitlement shall reflect the changes in the rate of Allowance and the period(s) during which each rate was in force.

1.3 Members for part Year only

- 1.3.1 Where the term of office of a Member begins or ends otherwise than at the beginning or end of a year, his/her entitlement to Basic Allowance shall be to the payment of the appropriate proportion of the Basic Allowance
 - (a) for the number of days during which his/her term of office as a Member subsists and
 - (b) at the rate or rates applicable to that Allowance while his/her term of office as a Member subsists.

1.4 Members performing Special Responsibilities for part Year only

1.4.1 Where a Member carries out any special responsibility such as entitles him/her to a Special Responsibility Allowance during part only of a year, his/her entitlement shall be to payment of the appropriate proportion of the Special Responsibility Allowance

- (a) for the number of days during which that Member has such special responsibility and
- (b) at the rate or rates applicable to that Allowance while the Member had such special responsibility.

1.5 Co-optees for part Year only

1.5.1 Where the appointment of a Co-optee begins or ends otherwise than at the beginning or end of a year, his/her entitlement to Co-optees' Allowance shall be to the payment of the appropriate proportion of the Co-optees' Allowance

- (a) for the number of days during which his/her appointment as a Co-optee subsists and
- (b) at the rate or rates applicable to him/her as a Co-optee while his/her appointment as a Co-optee subsists.

SCHEDULE 3

TRAVELLING AND SUBSISTENCE RATES

Public Transport

The Authority will reimburse actual cost of coach travel or standard class rail fares, or the cheapest alternative. First class rail travel will only be allowed where as a result of possessing a rail card, a reduction, equal to second class rail travel is achieved; or when travelling with Officers of the Brigade entitled to travel first class; or when travelling long distances and requiring a meal which can only be obtained via a 1st class fare.

When travelling by train Members must obtain a rail warrant so that the Authority can take advantage of preferential rates. In the first, instance please contact the Democratic and Administration Manager for guidance on obtaining a travel warrant as soon as travel arrangements have been confirmed and the post holder will arrange for a travel warrant to be issued. If Members/Co-optees have to purchase their own rail tickets they should produce their receipt or ticket when claiming reimbursement.

Travel by air may be appropriate in certain cases. This will be arranged by the Democratic and Administration Manager.

Travel by public transport is encouraged for long distance journeys but may be undertaken by private car where this is expedient. If so the Authority will pay Members/Co-optees the appropriate car mileage allowance shown below, not exceeding an amount equivalent to the standard second class rail fare.

For local travel Members may choose either the appropriate car or motorcycle mileage allowance shown below. Local travel is defined as any journey within a 60 mile radius of Fire Brigade HQ which takes in the perimeter of Regional Brigades HQ's.

Taxi fares may be claimed but only (a) in cases of urgency or (b) for meetings outside normal working hours (8.30 a.m. - 6.30 p.m.) and, in either case, where no suitable public transport is available. Receipts should be produced. Please contact the Democratic and Administration Manager whenever possible prior to booking taxis as preferential rates may be available.

Car Mileage Allowances

Capacity

Basic rate for cars	up to 999cc	45.0p per mile
	1000cc to 1199cc	45.0p per mile
	1200 and above	45.0p per mile
Motorcycle Allowance	up to 150cc	9.5p per mile
	151 to 500cc	13.7 per mile
	Exceeding 500cc	18.1 per mile

HMRC have set an Approved Mileage Allowance Payment (AMAP) rate of 45p for the first 10,000 miles and 25p thereafter for Members/Co-optees using their own cars. Any tax due will be deducted at source through the payroll.

Day Subsistence

The amounts below are the maximum which can be claimed. Receipts should be produced for all subsistence claimed.

Eligibility is based on the time of day meals are taken and time away from home, as follows: -

Breakfast allowance	-	it is necessary to leave home before 7.00am for a minimum period of four hours	£5.57
Lunch allowance	-	minimum four hours' absence including 12 noon – 2.00pm	£7.70
Tea allowance	-	minimum four hours' absence Up to and including 8.30pm	£3.04
Evening Meal allowance	-	minimum four hours' absence returning after 8.30pm	£9.54
Out of Pocket Expenses		for an overnight stay	£4.89
General	-	Tea and evening meal allowances cannot be claimed in respect of the same evening.	

Overnight Subsistence

For an absence overnight where own arrangements are to be made for accommodation, overnight subsistence may be claimed up to a maximum of:

London Rate	-	not exceeding	£91.04
Standard Rate	-	not exceeding	£79.82

These rates cover all accommodation and meals and will be reduced for any meals provided.

Receipts should be produced for all subsistence claimed.

Overnight subsistence may be appropriate for meetings with an early start and a significant travelling distance. Each case will be judged on merit. Please contact the Democratic and Administration Manager for guidance and to enable the Authority to book accommodation to take advantage of preferential rates.

SCHEDULE 4

APPROVED DUTIES

The Authority specifies as approved duties for the purpose of the payment of Travelling and Subsistence Allowance:-

1. Attendance at any meeting of the Authority or any of its Committees and Sub-Committees/Panels.
2. Attendance at any meeting of any bodies to which the Authority makes appointments or nominations, including any Committee or Sub-Committee of such a body.
3. Attendance at any other meeting
 - (a) the holding of which is authorised by the Authority, or any of its Committees or Sub-Committees, or by any Joint Committee (or Sub-Committee thereof) of the Authority and any other authority and
 - (b) which is a meeting to which Members of at least two political groups of the Council have been invited

(Without restricting the freedom to add to this list, the following meetings are approved under this category

- i) Members tours of the Authority's area.
 - ii) Training sessions for the induction of Members or for the better performance of their duties and responsibilities or to enable better understanding of the Authority's functions.
4. Attendance at any meetings of any association of authorities of which the Authority is a member.
5. Performance of any duty in pursuance of any standing order made under section 135 of the Local Government Act 1972 requiring a Member or Members to be present while tender documents are open.
6. Performance of any duty in connection with any function of the Authority conferred by or under enactment and empowering or requiring the Authority to inspect or authorise the inspection of premises.
7. Any other duty, or class of duty, approved by the Authority for the purpose of or in connection with the discharge of the functions of the Authority or any of its Committees or Sub-Committees. For this purpose, the Chief Fire Officer or the Director of Corporate Services in either case after consultation with the Chair of the Authority, may approve any duty or class of duty on behalf of the Authority.

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