

Part 6: Members' Allowance Scheme

MEMBERS' ALLOWANCES

(with effect from 1 April 2022)

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ALLOWANCES TO MEMBERS

1. Introduction

Allowances available to Members fall into two categories:-

- (a) Basic Allowance and Special Responsibility Allowance (where appropriate), both of which are paid automatically by monthly instalments, directly into Members' bank accounts.
- (b) Travel and Subsistence together with Childcare and Dependant Carers' Allowances have to be claimed on the claim form via iTrent and assistance can be provided by the Democratic Services Team. You should submit claim forms on the 15th day of each month (or within three days for inclusion with the payment of the following month's basic allowance). Claims must be made within two months of the date of the duty for which allowances are claimed.

You will receive a payslip detailing the amount of any Income Tax and National Insurance deductions made and the amount which has been paid into your bank account.

2. Who to Contact

The Payroll Section within the City Solicitor's Department will give councillors help on any matters in connection with Members' Allowances and councillors should feel completely free to contact that office at any time. Payroll deal with Members' Allowances and will be only too happy to help with any enquiries.

3. Income Tax & National Insurance

- (a) Basic Allowance and Special Responsibility Allowances are liable for Income Tax and National Insurance
- (b) Travel allowances for Members will be subject to tax and National Insurance contributions as appropriate.
- (c) Day subsistence allowances are not taxable if paid for a period of attendance at a meeting or conference which had been deemed an approved duty.
- (d) Payroll receive a personal tax code for each Member from HM Inspector of Taxes. In some cases, it will be necessary for newly elected councillors to complete various forms for the City Council and the Tax Office.

- (e) Councillors who suffer tax deductions on their allowances may be eligible to claim tax relief in respect of expenses incurred. A series of “Agreed Expenses Allowances” are negotiated with the Inland Revenue each year.

Details, once agreed, will be provided by the Payroll Section.

Other expenses may attract tax relief but no Standard Rate has been agreed with the Inspector who should be consulted in this respect.

Members wishing to claim tax relief should consult Inland Revenue.

Political expenses do not attract tax relief.

- (f) National Insurance deductions will arise when the payment in any month exceeds the thresholds set by the relevant Government Department.
- (g) Certain married women and widows may have already elected to pay the reduced rate of contribution. Any female Member who has so elected and holds a reduced rate certificate should forward it to the Payroll Section immediately. Members who have reached retirement age (65 for men and 60 for women) and have retired should be eligible for the status of non-liability, thereby being exempt from deductions. Exemption certificates are obtainable from the local office of the Benefits Agency appropriate to the Member’s home address and should be forwarded to the Payroll Section immediately.
- (h) For National Insurance purposes it is necessary for a record to be held of each Member’s date of birth and National Insurance number. Please supply this information to the City Treasurer.
- (i) The pensions of Members who are retired may be affected by the payment of allowances, as a result of the earnings rule. Members who are pensioners are advised to obtain information on their personal position at their local Benefits Agency office.

4. Local Government Pension Scheme

Councillors are no longer able to join the Local Government Pension Scheme. Any historic benefits are available to previous contributors in accordance with relevant legislative and contractual rights.

5. Register of Allowances Paid to Members

This statutory register is maintained by the Payroll Section and is open to inspection by members of the public (including the press and other media) who are local government electors in Lincoln.

The 2003 Regulations require annual publication, at the financial year end, of certain allowances paid to each Member.

Members' Allowances and Travel and Subsistence Scheme

1. General

- 1.1 The Members' Allowance Scheme for the City of Lincoln Council has been prepared in accordance with the Local Authorities (Members' Allowances) (Amendment) Regulations 1995, the Local Authorities (Members Allowances) (England) Regulations 2003 and other appropriate legislation.
- 1.2 This scheme is effective from 1 April 2022 until 31 March 2023. It is applicable to all elected Members of the City of Lincoln Council.
- 1.3 Within the scheme "year" refers to the financial year ending on 31 March and "day" or "daily" refers to a 24-hour period beginning at 3am as specified in Regulations.

2. Allowances

There are three types of allowance which are outlined below. The power to pay attendance allowance was abolished from 28 July 2001.

- 2.1 Basic Allowance – Payable to all Elected Members. The amount for each year is shown in Schedule 1 to this scheme.
- 2.2 Special Responsibility Allowance – For each year, a Special Responsibility Allowance shall be paid to those Members who hold posts in Schedule 1. The amount for each post is also shown in Schedule 1.

In the event of one Member holding more than one specified post, only one Special Responsibility Allowance, whichever is the greater or greatest, shall be paid.

- 2.3 Basic and Special Responsibility Allowances are paid in respect of each year or part year.
- 2.4 Childcare and Dependant Carers' Allowance – An amount of £5 per hour may be claimed for each child or dependant who requires cover whilst a Member undertakes their duties. Payment will be made following submission of receipted invoices.

3. Renunciation

- 3.1 A Councillor may, by notice in writing given to the Payroll Section, elect to forego any part of his/her entitlement to an allowance under this scheme.

4. Travel and Subsistence

- 4.1 All duties for which travel and subsistence expenses can be claimed are outlined in Schedule 4 and the payment rates and procedures are reproduced in Schedule 3.
- 4.2 Any claim for travel and subsistence must be made on the claim form which is available from Committee Services. The claim form must be supported by relevant receipts.

SCHEDULE 1 – Allowances

Basic Allowance

The Basic Allowance is £5,217 per member.

Special Responsibility Allowance

The table below shows the posts for which a Special Responsibility Allowance is paid together with the amount of payment per year. These allowances apply from 1 April 2022.

Special Responsibility	Allowance
Leader's Allowance	£10,905
Deputy Leader's Allowance	£7,053
Portfolio Holders	£5,772
Scrutiny Chairs	£4,491
Chair of Planning	£4,491
Chair of Hackney Carriage and Private Hire	£4,491
Chair of Housing Appeals	£1,281
Chair of Personnel Appeals	£1,281
Chair of Licensing	£2,565
Chair of Ethics and Engagement	£1,281
Chair of Audit	£1,281
Leader of the Opposition	£2,565

SCHEDULE 2 – Duties Eligible for Childcare and Dependant Carer's Allowance

- A meeting of the Executive.
- A meeting of a Committee of the Executive.
- A meeting of the Authority.
- A meeting of a Committee, Sub-Committee or Panel of the Authority.

CONDITIONS

Elected Members are limited to claiming £5 per hour per dependant on production of receipted invoices.

SCHEDULE 3 – Travelling and Subsistence Allowances

TRAVEL ALLOWANCES

Public Transport

1. The cost of a standard fare for public transport will be reimbursed for approved duties, subject to the submission of a receipt or proof of purchase.

Private Cars

2. The rate for travel by a Member's own private motor car, or otherwise provided for the Member's use, shall be per mile:-
 - (a) motor cars of 1200cc or more, 45p;
 - (b) motor cars within the category 1000cc to 1199cc but not exceeding 1199cc, 39.9p; and
 - (c) motor cars not exceeding 999cc, 35.8p
3. The rate specified in paragraph 2 may be increased by the amount of any expenditure incurred on tolls, ferries or parking fees, including overnight parking.

Taxi Cab

4. In case of urgency, or where no public transport is reasonably available:-
 - (a) the amount of the actual fare and any reasonable gratuity paid; and
 - (b) in any other case, the amount of the fare for travel by appropriate public transport.

Subsistence Allowances

5. The rate of subsistence allowance shall be:-
 - (a) In the case of an absence, not involving an absence overnight, from the usual place of residence of more than four hours for each meal claimed:-

(i)	Breakfast	£4.92
(ii)	Lunch	£6.77
(iii)	Tea	£2.67
(iv)	Evening Meal	£8.38

- (b) In the case of an absence overnight from the usual place of residence - £79.82, provided that for such an absence overnight in London, or for the purpose of attendance at an annual conference 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 approved for the purpose - £91.04.

Any rate determined under this sub-paragraph shall be deemed to cover a continuous period of absence of twenty four hours.

7. The rates specified above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an Authority or body during the period to which the allowance relates.
8. When main meals (i.e. full breakfast, lunch or dinner) are taken on trains during a period for which there is an entitlement to day subsistence, the reasonable cost of the meals (including VAT), may be reimbursed in full. However, in such circumstances, reimbursement for the reasonable cost of a meal would replace the entitlement to the day subsistence allowance for the appropriate meal period.

SCHEDULE 4 – Duties for which Travel and Subsistence may be claimed

Any attendance at a meeting or seminar outside of the City of Lincoln which has been deemed an approved duty.