

## Members' Allowances Scheme 2021/22

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## Introduction

This scheme of members' allowances was approved by the Borough Council for 2020/21. It was made in accordance with the Local Authorities (Members' Allowances) (England) Regulations 2003 made under section 18 of the Local Government and Housing Act 1989 and sections 99 & 100 of the Local Government Act 2000.

## Types of Allowance

1. There are three different types of allowance, which may be paid to members:
  - (a) basic allowance;
  - (b) special responsibility allowance; and
  - (c) dependants' carers' allowance.

## Basic Allowance

2. The basic allowance is paid equally to all members. It is intended to recognise the time commitment of all councillors, including calls on time such as meetings with officers and constituents and attendance at political group meetings. The rate of basic allowance is set out in appendix A. Councillors are expected to bear the cost of telephone calls from home and items such as minor stationery and computer print cartridges from their basic allowance.
3. If a member wishes to waive their right to receive a basic allowance, they must notify the Proper Officer (Head of Governance) in writing. Where the term of office of a Member begins or ends during a municipal year their basic allowance entitled will be paid in proportion to the number of days as a Member. The allowance is paid on a monthly basis only.

## Special Responsibility Allowances

4. The Council has decided to pay special responsibility allowances (SRA) to those members whom it considers have significant responsibilities for the discharge of the functions of the council. The list of SRAs payable is set out in appendix A. SRAs are paid monthly. No member may receive more than one SRA and if a member holds more than one post of responsibility that is deemed to warrant an SRA only the higher allowance will be paid.
5. If a member wishes to waive their SRA they must notify the Proper Officer (The Head of Governance) in writing. Where a member does not hold the post attracting the SRA for a complete calendar month, it will be paid proportionately for the number of days during which they held the post.

## Dependants' Carers' Allowances

6. Members may claim this allowance as reimbursement of costs they incur for carers looking after children or other dependants whilst undertaking the duties set out in paragraph 8 below. The current rate is set out in Appendix B. Claims must be made using the agreed online process using the Council's iHounslow system.
7. Dependants' carers' allowances are not payable for carers who are normally resident in the member's home or are under 16 years of age. Payment will only be made after the member has submitted a statement of claim for each use of a carer.

## Approved Duties (for the purpose of dependants' carers' allowance only)

8. The duties specified in the Regulations are:
  - (a) a meeting of the Executive;
  - (b) a meeting of a committee of the Executive;
  - (c) a meeting of the authority;
  - (d) a meeting of a committee or sub-committee of the authority;
  - (e) a meeting of some other body to which the authority makes appointments or nominations, or a meeting of a committee or sub-committee of a body to which the authority makes appointments or nominations (i.e. usually referred to as an outside body);
  - (f) a meeting which has both been authorised by the authority, a committee, or subcommittee of the authority or a joint committee of the authority and one or more other authorities, or a subcommittee of a joint committee and to which representatives of more than one political group have been invited (if the authority is divided into several political groups) or to which two or more councillors have been invited (if the authority is not divided into political groups);
  - (g) a meeting of a local authority association of which the authority is a member;
  - (h) duties undertaken on behalf of the authority in pursuance of any standing order requiring a member or members to be present while tender documents are opened;
  - (i) duties undertaken on behalf of the authority in connection with the discharge of any function of the authority conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
  - (j) duties undertaken on behalf of the authority in connection with arrangements made by the authority for the attendance of pupils at a school approved for the purposes of section 342 of the Education Act 1996;
  - (k) any other duty approved by the authority in connection with discharging the duties of the authority or its committees or sub-committees.
9. The following are not "approved duties".
  - (a) attendance at any conference in relation to which there is entitlement to payment of an allowance under Section 175 of the 1972 Act; or:

- (b) if such payment would be contrary to a provision of any enactment or instrument.
- (c) attendance at college and school governing bodies.
- (d) members' surgeries.
- (e) political group meetings

Please contact the Proper Officer (Head of Governance) or Head of Democratic Services for any required clarification prior to making any claims.

## Income Tax, Welfare Benefits and National Insurance

### Income Tax

10. Basic allowances and SRAs are subject to Income Tax under Schedule E, as they are payments made in respect of the duties of an office. Dependants' Carers' Allowances are not subject to tax.

A return of Tax and National Insurance deducted from members is sent to HM Revenue and Customs at the end of each year and a P60 is sent to each member. Tax is deducted at basic rate until the HM Revenue and Customs notify Payroll Services of the appropriate tax code for each member.

11. Some of the expenses incurred in the course of duties as a councillor may be deductible against tax liability. If you believe that some of your expenses may be tax deductible, you should contact your Tax Office. The relevant tax office is:

HM Inspector of Taxes (North East Metropolitan Area)  
Fountain Court  
119 Grange Road  
Middlesbrough  
Cleveland TS1 2XA  
Tel: 0845 302 1414

### National Insurance Contributions

12. All basic allowance and SRA payments will attract National Insurance (NI) deductions, at levels, which vary, depending on the total earnings of the member concerned. NI contributions will be payable in accordance with tax law.
13. Members who believe that they come into any of the above categories can get further information from Payroll Services and should obtain the appropriate certificates from HM Revenues and Customs.

## Social Security Benefits

14. The receipt of allowances may affect members who are receiving Social Security Benefits. All allowances should be declared to HM Revenue and Customs or the Council, who should be able to advise members about the way in which allowances affect benefits such as Income Support. Members should note that any failure to disclose allowances received to HM Revenue and Customs or the Council may result in prosecution by HM Revenue and Customs.

## Insurance

15. The London Borough of Hounslow provides insurance cover for members when they are engaged on business which relates to their council activities, or which is complementary to their council activities, such as ward surgeries. It does not cover party political activities. The risks, which are covered, are:
  - (a) Personal Accident
  - (b) Assault
  - (c) Public Liability
  - (d) Libel or Slander
16. If any member believes that they may have a claim on the Council's insurers for the risks, which are covered, they should contact the Director of Finance and Corporate Services as soon as possible after the event to establish the facts of the incident and to discuss possible courses of action. This is particularly important, as the Council's insurers make it a condition of the insurance that they are notified immediately of all possible claims.
17. Councillors are advised to check that their motor insurance policy covers them for using their car on council business. The Council does not provide cover for councillors' cars, and some motor insurance policies will deem council business to be a business use, which may not be covered by a 'Social, Domestic or Pleasure' policy.

## How to Claim Allowances

18. Claims for dependants' carers' allowance should be submitted on the forms attached at Appendices C or from Members Services. When completed, forms should be passed to the Members' Services Office. After your form has been processed, the amount owed will be paid through the Payroll.
19. Members must submit claims within three months of the event; forms submitted after this time will not be processed, except by exception. All such requests for exception will need to be agreed by the Head of Governance. This cuts down the delay in processing forms and enables queries to be dealt with speedily. Members should note that it is their responsibility to ensure that any claims submitted are accurate. It is suggested that this can best be done by members maintaining a diary record of meetings attended, showing the date of the meeting and its duration. These records may be required by the Director of Finance and Corporate Services for spot checks

on the accuracy of claims, or by the external auditor if members' allowances payments become the subject of investigation.

20. Members should also note that the Council has to maintain a statutory register showing allowances payments made to members. This register is open to inspection by any local government elector for the area at any time during normal office hours. Under the Local Government Act 1972, members are not allowed to claim duplicate allowances. That is, they cannot claim dependants' carers' allowance, from both the Council and from another body, which pays its own allowances for performing the same duty.

#### Version Control:

- 19<sup>th</sup> June 2012 – This version of the scheme adopted
- 16<sup>th</sup> July 2013 – scheme amended to change car and motorbike rates and subsistence
- 7<sup>th</sup> February 2014 – paragraph 21 updated to meet requirements of internal audit
- 28<sup>th</sup> March 2017 – changes include correction of officer job titles, committee names, use of the London Living Wage for Dependency carer claims, changes arising from legal changes, removal of transport and subsistence expenses.
- 20<sup>th</sup> February 2018 – increase in London Living wage for Dependency carer claims and change to monthly payments only for basic allowances.
- 24<sup>th</sup> July 2018 – revision to the scheme to increase basic allowances and create a SRA for the Chair of the Pension Fund Panel with effect from 8<sup>th</sup> May 2018.
- 12<sup>th</sup> March 2019 – uplift to London Living Wage and Basic Allowance
- 31<sup>st</sup> March 2019 - uplift to London Living Wage and Basic Allowance
- February 2021- reviewed SRA scheme and uplift, basic allowance and dependant allowance and NI details updated. Parental Leave Policy for Members added

## Appendix A

### Basic and Special Responsibility Allowances

<b>Position</b>	<b>Rate</b>
Basic allowance	£11,576 (with 2021/22 pay rise)
Mayor	£13,000
Deputy Mayor	£6,500
Leader	£40,000
Deputy Leader	£25,000
Executive Members	£20,000
Executive Portfolio Assistants	£8,916
Leader of the Opposition	£11,000
Deputy Leader of the opposition	£5,500
Leaders of other Minority Parties	£1,200
Chief Whip - Majority Group	£10,000
Deputy Whip - Majority Group	£2,500
Chief Whip - Opposition	£2,750
Chair - Planning Committee	£10,000
Vice Chair - Planning Committee	£5,000
Chair - Pension Fund Panel	£6,400
Chair - Pension Fund Board	£2,000
Chair - Audit and Governance	£7,040
Chair - Licensing	£7,700
Chair - Overview & Scrutiny	£12,000
Vice Chair - Overview & Scrutiny	£1,500
Chairs - Area Forum	£7,680
Vice Chairs - Area Forum	£2,500
Chairs - Scrutiny Panel	£6,400

These figures are paid per annum

## Appendix B

### Dependants' carers' allowance

To be paid at £ 10.85 (the 2020/21 London Living Wage) per hour plus the 2021/22 uplift agreed by the Resolution Foundation



## Appendix C

### Parental Leave Policy for Members

#### Introduction

This Policy sets out Members' entitlement to parental and adoption leave and relevant allowances.

The objective of the policy is to ensure that insofar as possible Members are able to take appropriate leave at the time of birth or adoption, and that reasonable and adequate arrangements are in place to provide cover for member appointments where they have an allowance.

Improved provision for new parents will contribute towards increasing the diversity of experience, age and background of local authority councillors. It will also assist with retaining experienced councillors – particularly women – and making public office more accessible to individuals who might otherwise feel excluded from it.

- 1. Members entitled to a leave period of up to 6 months, with option to extend up to 52 weeks by agreement if required are:**
  - 1.1. A Member who is pregnant or who has given birth is entitled to up to 6 months parental leave from the due date, with the option to extend up to 52 weeks by agreement if required.
    - i. Where the birth is premature, the Member is entitled to take leave during the period between the date of the birth and the due date in addition to the 6 months' period. In such cases any leave taken to cover prematurity of 28 days or less shall be deducted from any extension beyond the initial 6 months.
    - ii. In exceptional circumstances, and only in cases of prematurity of 29 days or more, additional leave may be taken by agreement, and such exceptional leave shall not be deducted from the total 52 week entitlement.
  - 1.2. A Member who adopts a child through an approved adoption agency and is the primary parent for leave purposes shall be entitled to take up to six months' adoption leave from the date of placement, with the option to extend up to 52 weeks by agreement if required.
  - 1.3. A Member who has a child through a legal surrogacy arrangement and is the intended primary parent for leave purposes shall be entitled to take up to six months' adoption leave from the date of placement, with the option to extend up to 52 weeks by agreement if required.
- 2. Members entitled to a minimum of 2 weeks' parental leave, following the birth or placement of a child are:**
  - 2.1. Second parent on birth certificate;
  - 2.2. Spouse or partner of the birth mother;
  - 2.3. Second adoptive parent or adopter's partner;

2.4. Intended second parent in a surrogacy arrangement.

The second parent refers to the parent or partner not taking the six months leave.

### 3. Further leave arrangements

- 3.1. A Member who has made Shared Parental Leave arrangements through their employment is requested to advise the Council of these at the earliest possible opportunity. Every effort will be made to replicate such arrangements in terms of leave from Council.
- 3.2. Where both parents are Members leave may be shared up to a maximum of 24 weeks for the first six months and 26 weeks for any leave agreed thereafter, up to a maximum of 50 weeks. Special and exceptional arrangements may be made in cases of prematurity.
- 3.3. Any Member who takes parental leave retains their legal duty under the Local Government Act 1972 to attend a meeting of the Council within a six month period unless the Council Meeting agrees to an extended leave of absence prior to the expiration of that six month period such a dispensation can be sought through Council.
- 3.4. Any Member intending to take parental leave will be responsible for ensuring that they comply with any relevant notice requirements of the Council, both in terms of the point at which the leave starts and the point at which they return.
- 3.5. Any Member taking leave should ensure that they respond to reasonable requests for information as promptly as possible, and that they keep officers and colleagues informed and updated in relation to intended dates of return and requests for extension of leave.

### 4. Basic Allowance

All Members shall continue to receive their Basic Allowance in full whilst on parental leave.

### 5. Special Responsibility Allowances

- 5.1. Members entitled to a Special Responsibility Allowance shall continue to receive their allowance in full in the case of parental leave.
- 5.2. If a replacement is appointed to cover the period of absence, that person shall receive an SRA on a pro rata basis for the period of the temporary appointment, subject to any legal and constitutional requirements.
- 5.3. The payment of Special Responsibility Allowances, whether to the primary SRA holder or a replacement, during a period of parental leave shall continue for a period of six months, or until the date of the next Annual Meeting of the Council, or until the date when the member taking leave is up for election (whichever is soonest). At such a point, the position will be reviewed by the appointor and will be subject to a possible extension for a further six month period.

- 5.4. Should a Member be appointed to replace the member on parental leave already hold a remunerated position, the ordinary rules relating to payment of more than one Special Responsibility Allowances shall apply.