



## **Members' Remuneration and Expenses**

### **Guidance for Members**

**2009/10**

## **Foreword**

The purpose of the guidance note which follows is to assist Members in understanding their remuneration, pension and other expense entitlements. The guidance note also provides Members with advice on how such entitlements may be claimed or paid.

If any Member wishes to clarify any of the points in this document, they should contact the Head of Accounting for advice.

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## 1 AUTHORITY TO PAY REMUNERATION AND EXPENSES

Councillors will receive remuneration at Councillor or Senior Councillor level. They are also entitled to claim for travel and subsistence expenses, together with other expenses actually incurred in carrying out their duties as Councillors. Claims for expenses can only be paid on production of receipts.

Remuneration and expenses are governed by legislation, regulation and Council policy. There is no scope to make additional payments to Members outwith the regulations. Reference to the rules governing remuneration and expenses is stated in Appendix 1.

In addition to directly paid expenses, the Council also provides Members with equipment such as telephones and computers to assist them in carrying out their duties.

## 2. COUNCILLOR AND SENIOR COUNCILLOR REMUNERATION

All Members are entitled to receive either Councillor or Senior Councillor Remuneration. A Member joining the Council or leaving the Council during the financial year will be paid on a pro rata basis.

**The Senior Councillor rate** is payable to Members who hold specific and significant responsibilities on Committees. Members can receive only one Senior Councillor Rate, if two posts are held then the higher remuneration will be paid.

Remuneration will be paid in twelve monthly instalments. ***Councillors do not need to submit a claim for them.***

## 3. APPROVED DUTIES

In order that Members of the Council can carry out their duties in an effective manner they are entitled to claim expenses for **“Approved Duties”**. The Council’s agreed scheme of approved duties is reproduced in full at Appendix 2.

**Briefly, approved duties include:**

1. **Meetings:** including
  - o attendance at Council and committee meetings;
  - o attendance by invitation at other meetings organised by the council;
  - o attendance at meetings of COSLA and other bodies to represent the Council;
  - o attendance at Community Council and Parent Council meetings;
  - o surgeries and ward meetings; and
  - o meetings with office bearers of the Council.
  - o attendance at recognised group meetings held on Council premises subject to a maximum of 2 meetings per month or 24 per annum. A record of attendance must be submitted to the Director of Finance detailing the date and timing of the meeting.

2. **Official visits:** including
  - o Attendance by the Convener, Leader of the Administration, Chairmen, Vice Chairmen or nominated substitutes when officially invited to public events to represent the Council;
  - o Attendance of any member at functions by invitation of the Council.
3. **Constituency business:** including
  - o Attendance at community events when formally representing the Council and meetings with constituents within a members own ward;
4. **Council business:** including
  - o Attendance by office bearers at Council Offices and establishments in pursuit of members duties;
  - o Attendance by other members on meeting days and for prior arranged visits; and
  - o Attendance at Council Offices and establishments by all members to access administrative support;
5. **Conferences Courses and Seminars:**
  - o Attendance at approved conferences, courses and seminars.

*This is an indicative list only and reference should be made to appendix 2 for the full Scheme of Approved Duties.*

#### **4 TRAVEL, SUBSISTENCE AND OTHER EXPENSES**

The level of travel and subsistence expenses which can be claimed by members for carrying out approved duties is set by the Scottish Government.

**The Council has agreed that travel, subsistence and other expenses which members are entitled to claim are:**

- o **Travelling expenses** including mileage, public transport, car hire – see section 4.1.
- o **Subsistence expenses** – see section 4.2.
- o **Attendance at courses, conferences, seminars, including foreign travel etc.** – see section 4.3.
- o **Telephone expenses** including fixed line and mobile phones – see section 4.4.
- o **Other expenses** including postages, hire of rooms for surgeries, advertising of surgeries etc. – see section 4.5.

Claims for expenses and allowances must be made, at the end of each month, on the authorised claim form. Once completed and signed by the Councillor, the claim should immediately be submitted to the Director of Finance to enable payment to be made.

***Members serving on outside bodies as representatives of Highland Council can be reimbursed for travel expenses and subsistence allowances by Highland Council only if they are not payable by the outside body.***

## 4.1 Travel Expenses

### 4.1.1 Motor Mileage Claims

Members are entitled to claim mileage travelled in a private vehicle provided by them to carry out approved duties. To claim mileage Members should indicate where their journeys started and finished, places visited and the approved duty involved. The vehicle registration number should always be entered on the claim form. To enable the Council to reclaim VAT, a receipt should accompany each claim

**“Standard mileages”** for regular journeys, e.g. home to HQ, Home to Area Office, will be provided to assist Members in making their claims. The standard will always be the shortest route, but if on any occasion it is not possible to take the standard route, then Members should detail the route taken, the mileage and the reason for the change. For journeys where there is no standard mileage provided the claim should detail the places visited, the purpose of the journey and the actual mileage travelled.

In order to ensure that Members using their car on Council business have appropriate insurance cover, they should seek assurance from their Insurance Company that business use is included in their policy. The Council operates a voluntary scheme for re-imbusement of excess payments and loss of no claims bonus

***The value of the claim will be calculated by the Director of Finance, Members only require to enter the mileage travelled.***

Where economically viable, Members are requested to consider the use of a hire car when that can be reasonably done and where that could provide benefits to the Council whilst taking into account the safety and welfare of the Member concerned. Hire cars should be booked through the Members Services Assistant. In such cases, the Council will pay the bill and no mileage expenses will be available.

If a Member hires a car for any other reason, then the lesser cost of the actual hire charge and the mileage rate will be reimbursed.

If additional fuel is required during a journey in a hire car, then the Member should submit a claim for reimbursement together with the receipt for the fuel.

### 4.1.2 Public Transport

The Scottish Government regulations provide for economy travel by public transport for the purpose of enabling performance of an approved duty. In the event that first class travel is considered essential, this should be authorised and documented in advance by the Chief Executive in consultation with the Convener.

Where journeys can be made more economically by using public transport, Members should use this option. Where possible, travel arrangements should be made as far in advance as possible in order to take advantage of Apex or other similar low cost options. Bookings for travel by public transport can be made on behalf of Members by the Members Services Assistant.

***Where public transport arrangements are made by the Council, a travel expenses claim should not be made by Members.***

#### 4.1.3 Travel by Taxi

Members are entitled to travel by taxi or private hire car where no public transport is reasonably available or for reasons of health/disability. Reimbursement will be on the basis of the fare paid and any reasonable gratuity. In order to allow reimbursement of such claims, a valid receipt for each taxi journey must be submitted. Any Member travelling by Taxi in preference to a private vehicle then the lesser cost of the actual fare and reasonable gratuity and the relative mileage rate will be re-imbursed on production of the taxi receipt.

#### 4.1.4 Travel by Air

Travel by air is permissible where the cost of air travel does not exceed the cost of travel by alternative means together with any additional subsistence expense **or**, if authorised and documented in advance by the Chief Executive, in consultation with the Convener, where the saving in time warrants travel by air.

Journeys should be arranged as far in advance as possible in order that travel options are maximised and costs minimised. Bookings for travel by air should be made via the Members Services Assistant.

### 4.2 Subsistence Expenses

#### 4.2.1 Meal Re-imburement

Members are entitled to re-imburement of meals taken outside their electoral ward and not within local authority premises. Entitlement to claim is dependent on the member being away from home for over 3 hours. The reimbursement will only be paid on the production of a receipt. Re-imburement will equal the receipted amount up to the predetermined maximum. Maximum allowable rates are detailed at Appendix 3 Members within Wards 1,6,12 and 22 may claim re-imburement for a meal within their electoral wards.

#### 4.2.2 Overnight Re-imburement

Members are entitled to claim reimbursement for overnight accommodation, necessitated by the following circumstances:

- o **Where an unreasonably early start** would be required in order to carry out an approved duty.
- o **Where it would not be reasonably possible to return home the same day** after performing an approved duty.
- o **Where the cost of the overnight allowance is not significantly different** from that which would be incurred if a Member were to travel on consecutive days to undertake an approved duty.

Members are encouraged to have accounts for overnight accommodation sent directly to the Council for payment. If, however, a Member pays personally for overnight accommodation, then a copy of the receipted invoice should be

attached to a related claim for overnight re-imbusement. Direct Payment or Re-imbusement will equal the receipted amount up to the pre-determined maximum as detailed at Appendix 3

#### **4.3 Conferences, Courses and Seminars within the United Kingdom and all Foreign Travel**

Payment of travel and reimbursement of expenses also apply to attendance of Members at conferences, courses, and seminars. Such attendances must be approved in advance by the relevant Committee, or, where this is not possible, by the Chief Executive in consultation with the Convener.

In all cases the form at appendix 5 must be completed. The most efficient and cost effective means of travel should be authorised and documented, in advance, by the Chief Executive in consultation with the Convener. Travel and reimbursement of meals and accommodation for attendance at such events, within the United Kingdom, are subject to the conditions as detailed at points 4.1 and 4.2. Maximum rates apply to conference accommodation costs. However, for travel outwith the United Kingdom, all travel and accommodation arrangements will be made by Council staff with all foreseeable costs met directly by the Council.

#### **4.4 Telephone Expenses**

- 4.4.1 A dedicated broadband line will be provided by the Council which will be directly charged to the Council. This line should be used exclusively for Council business. A copy of this account will be sent to the member quarterly for verification of calls. If the account contains charges for non Council related calls these costs will be recovered from the Member.

Where the Member wishes to use his/her own private line instead then 50% of the line rental costs will be re-imbursed to compensate for Council usage. Calls made in respect of the Council will only be re-imbursed on production of a fully itemised account with Council calls highlighted.

##### **4.4.2 Mobiles**

Councillors are entitled to a Highland Council funded mobile phone. The accounts for the initial setup costs, the rental and calls of these mobiles are submitted directly to and paid by Highland Council. The Member will be required to certify that all calls relate to Council activity. If the account contains charges for non Council related calls these costs must be declared and will be recovered from the Member.

Where the Member wishes to use his/her own private mobile instead then 50% of the line rental costs will be re-imbursed to compensate for Council usage. Calls made in respect of the Council will only be re-imbursed on production of a fully itemised account with Council calls highlighted.

#### **4.5 Other Expenses**

- o **Member's surgeries:** Members are entitled to claim actual expenditure incurred on room hire for the purpose of holding a surgery and associated advertising costs.

Received invoice(s) must be submitted together with the claim. Alternatively, the account can be submitted directly to the Council for payment.

- **Postage expenses** associated with Council business may also be claimed at actual cost.

## **5. COMPUTERS AND OTHER EQUIPMENT**

### **5.1 Computer Provision**

Members are entitled to be provided with a desktop or laptop computer and associated software, together with a broadband connection. The use of this facility is governed by the following Council policies, which can be accessed on the Council Intranet.

- IS Security Policy
- Policy on acceptable use of IS.

### **5.2 Other Equipment and Consumables**

Members are also entitled to the use of various other items of office equipment to assist them in their role as a Member e.g. filing cabinet and telephone answering machine

A request for equipment should be made initially to the Support Services Manager

## **6 TAXATION OF MEMBERS' ALLOWANCES AND EXPENSES**

The Scottish Office issued general guidance on the tax treatment of allowances and expenses in 1997.

Members' remuneration is taxed at source under Schedule E

Claims for telephone rental are taxable, unless there is no private use.

Mileage claimed above 10,000 miles will be taxed on the difference between 40p per mile and the 25p per mile tax free allowance.

The friends and family allowance is a taxable and requires to be declared

## **7 MEMBERS PENSIONS**

Elected Members have the option to join the Local Government Pension Scheme. The Key elements of the scheme are as follows and if required more detail and an application form can be obtained from the Council's Pension section:

Elected members will require to elect to join the scheme.

Pension benefits will be calculated by reference to career average pay as opposed to "final salary" for employee members

The contribution rate for members will be a % of pensionable earnings applied on a tiered basis

Pension will accrue on the basis of 1/80<sup>th</sup> of career average for each year of membership up to 31/3/09. From 01/04/09 service will accrue at the rate of 1/60<sup>th</sup>.

Retirement grant (lump sum) will accrue on the basis of  $\frac{3}{80}$ <sup>th</sup> of career average pay for each year of membership for service to 31/03/09. From 01/04/09 members will have the option to determine the amount of lump sum by commutation of pension at the rate of 12:1

Survivor benefits (death grant, surviving spouses', civil partners' children's and nominated cohabiting partners pensions) will be provided

Maximum age for membership will be 75. (This does not prevent a Member from serving on the Council beyond age 75)

Additional discretionary payments (compensation added years and augmentation of service) will not apply.

The Career average calculation is as follows:

Pay in any year is the total of all payments and remuneration paid under the Local Governance (Scotland) Act 2004. (Remuneration and Allowances) Regulations 2006 and will include any payment or remuneration from a joint board by virtue of being the Convener of that board.

Career average pay will be calculated as the total pay for each year or part year of scheme membership divided by the number of those years or part years.

Within this calculation the pay for all years other than the final year will be increased in line with Retail Price Index increases.

## **Appendix 1 – Legislation and Regulations**

The authority for the Council to pay allowances and expenses is contained in "The Local Governance (Scotland) Act 2004 (Allowances and Expenses) Regulations 2007" and The Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007"

## **Appendix 2 – Members’ Approved Duties**

### **1 MEETINGS**

- 1.1 Attendance at a meeting of the Council, or any of its committees, whether the Councillor is a Member of the Committee or not.
- 1.2 Attendance at a meeting of a sub-committee, or working group of the Council, by Members of that sub-committee or working group. Attendance by a non-member should be by invitation of the parent committee or its chair.
- 1.3 Attendance at meetings or site visits requested by the committee.
- 1.4 Attendance at meetings or working groups of COSLA and other official bodies to which a Member has been appointed to serve by the Council or COSLA except where expenses are payable by the other body.
- 1.5 Attendance at meetings as official Council representatives with the Scottish Government, Scottish Parliament, Scotland Office or other government representatives and with bodies recognised by the Council in connection with the carrying out of its functions.
- 1.6 Attendance at meetings of Community Councils and School Boards/Parent Councils with responsibilities in the Members electoral ward area.
- 1.7 Attendance at constituents’ surgeries held by individual Councillors where the surgery has been advertised.
- 1.8 Attendance at public and other meetings where the Member officially represents the Council on their instructions either in a specific case or as part of an established procedure and which he/she does not attend simply as a member of the public.
- 1.9 Attendance at recognised group meetings held on Council premises subject to a maximum of 2 meetings per month or 24 per annum.

### **2 OFFICIAL VISITS**

- 2.1 Where the Council receives an official invitation to a public event, attendance at which will benefit or give value to the Council, then:
  - The Convener or Leader of the Administration or appropriate Committee Chair, Vice Chair or their nominated substitute may represent the Council.

Attendance at social or entertainment events, notwithstanding receipt of an invitation, will not be eligible for reimbursement of travel and subsistence expenses.

- 2.2 Attendance at functions involving the provision of civic hospitality where a Member receives a formal invitation from the Council to attend.

### **3 CONSTITUENCY BUSINESS**

- 3.1 Within a Members' own electoral ward attendance at Community-run events, meetings or visits to constituents to discuss matters pertinent to the ward or its inhabitants.

### **4 COUNCIL BUSINESS**

- 4.1 Attendance by Convener, Leader of the Administration, Committee Chairs, Vice Chairs to Council offices or establishments where the visit is relevant to the Member's duties. Attendance by other Members should be restricted to meeting days or visits where prior appointments have been arranged.
- 4.2 Attendance at Council offices or establishments to access administrative support.

### **5 COURSES, CONFERENCES AND SEMINARS.**

- 5.1 Attendance at courses, conferences and seminars which have been approved in advance by the relevant Service committee, or where not possible, by agreement with the Chief Executive in consultation with the Convener

## **Appendix 3 – Members Expenditure and Maximum Rates**

### **1. Motor Mileage**

The rate for travel by private motor vehicle is 40p per mile.

### **2. Motorcycle Mileage**

The rate for travel is 24p per mile

### **3. Passenger Supplement**

The passenger rate is 5p per mile (per passenger on official Council business)

### **4. Bicycle Mileage**

The rate for travel by bicycle is 20p per mile

### **5. Meals**

Breakfast Allowance (only where no overnight re-imburement is claimed) (before 12 noon)	£ 8.00
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Lunch Allowance (between 12 noon and 16.00hrs)	£12.00
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Dinner Allowance (after 16.00 hours)	£25.00
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A receipt is required for any claim made and re-imburement will be made at the receipted amount up to the above maximums. Entitlement to claim is dependent on the member being away from home for over 3 hours.

### **6. Overnight Accommodation**

Overnight from the usual place of residence for Bed & Breakfast	£ 110
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Overnight in London for Bed & Breakfast	£131
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A receipt is required for any claim made and re-imburement will be made at the receipted amount up to the above maximums.

Family and Friends rate	£25
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No receipt required but the name and address must be provided.

## Appendix 4 - Members Remuneration Financial year 2009/10

Highland Council – Band C

<b>a) Councillors</b>	£16,234
<b>b) Convener</b>	£37,880
<b>c) Senior Councillors</b>	
Leader of Administration	£28,410
Committee Chairs	£24,480
Committee Vice Chairs (ECS, TECS and PE&D only)	£19,962
Provost of Inverness	£24,480
Budget Leader	£24,480
Planning and Application Review Committee Chairs	£19,962
Licensing Committee Chairs	£19,962
Leader of Opposition	£19,962

**All rates quoted at b) and c) are inclusive of the Councillor rate at a)**



## **APPROVAL TO ATTEND CONFERENCE, COURSE OR OTHER OFFICIAL VISIT GUIDANCE NOTES**

1. The elected member is responsible for completing the following parts of the form:
  - a. Member's name
  - b. Details of event
  - c. Reason for attendance
  - d. Benefit to the Council
  - e. Details of external funding (if appropriate)
2. The elected member should then pass the form to the Travel Desk.
3. The Travel Desk will complete the travel options and return the form to the Convener's Secretary.
4. The Convener's Secretary will arrange for the form to go to the LBM for approval (unless Committee approval has already been obtained).
5. The Convener's Secretary will pass the approved form back to the Travel Desk. A copy of the approved form should be passed to Jackie McNeish and the elected member.
6. The Travel Desk will contact the elected member and book the approved travel and/or accommodation.