

**REPORT BY
THE CAMBRIDGESHIRE COUNTY COUNCIL
INDEPENDENT REMUNERATION PANEL**

**An Independent Review of Members' Allowances
June 2017**

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Executive Summary

Cambridgeshire County Council's Independent Remuneration Panel was asked to prepare this report in response to revisions to the Council's governance arrangements which were made following the elections held on 4 May 2017. While these changes were not as significant as those introduced following the election in May 2013, they nevertheless impact on the roles undertaken by councillors, and therefore have to be reflected in a revised scheme of allowances. In preparing this report, the Panel has considered not just these changes, but all aspects of Council's scheme of allowances. This includes the structure of the scheme, the level of allowances paid and the circumstances in which they may be claimed.

The Panel considered a range of information prior to formulating their recommendations. This included information provided by the Council on revisions to the constitution and governance arrangements, the views of councillors, the financial climate within which the Council operates and the desire to encourage citizens to participate in local democracy. The Panel also considered the statutory framework for members' allowances, including the relevant statutory instruments and guidance. In taking into account the views of councillors, the Panel has proposed a number of changes to the scheme. The likely additional workload that each councillor will be expected to undertake as a result of the review of electoral boundaries has also been an influencing factor. These changes impact on the basic allowance, special responsibility allowances and other expenses and allowances payable under the scheme.

In light of the above, the Panel's view is that the revised scheme of allowances must be fairer and more transparent, as well as acting to remove the barriers that may prevent citizens from considering standing for election. The Panel would like to draw attention to the following aspects of their recommendations:

- That the basic allowance be £8,600 per year. This change is intended to set the basic allowance at an appropriate and sustainable level for councillors (or potential councillors) by covering the costs associated with undertaking the role more effectively, as well as reflecting the additional workload on all councillors resulting from the enlarged electoral divisions.
- That the basic allowance be increased by £250 per year for the next four years in order to bring it to a level that will encourage more citizens from a wide range of backgrounds to stand for election, and further in line with the allowance paid in other comparable authorities;
- That special responsibility allowances be paid to all group leaders and deputy leaders, Policy and Service Committee chairs, vice chairs and lead members, the chairs of all Regulatory Committees and any councillors appointed to the adoption and fostering panels;
- That the 'one special responsibility allowance per councillor' rule be retained, without exception;
- The carer's allowance should be aligned with the National Living Wage;
- The travel and subsistence allowances should continue to be matched to those rates paid to officers; and
- That, in line with revised instruction from the Government, reference to membership of the Local Government Pension Scheme be removed from the scheme of allowances.

Introduction

1.1 The Council is required to make a scheme of allowances for its councillors in accordance with the Local Authorities (Members' Allowances) (England) Regulation 2003. The process for making and reviewing such a scheme is regulated so that the public can have confidence in the independence, openness and accountability of the process involved. The process requires that the Council must establish an independent remuneration panel and, before making or amending its scheme of allowances, must have regard to the views of the Panel.

1.2 This report presents the recommendations of the Independent Remuneration Panel to the Council for consideration and approval.

The Panel

2.1 In accordance with the Council's constitution, the current Panel was appointed following an open recruitment process agreed by the Council. The Panel comprises the following members:

- Mrs Nicky Blanning. Nicky is Head of the Accommodation Service at the University of Cambridge. She is also a Trustee and Chair of the Foundation of Edward Storey and Chair of a community music organisation.
- Professor Alan Rodger. Alan is a retired Director of the British Antarctic Survey. He has been involved in the leadership and management of national and international science organisations for thirty years. He is currently a Director and Trustee of the Morris Education Trust.
- Mr Colin Wiles. Colin is a consultant, providing services to housing associations and other similar bodies. He was previously Chief Executive of the King Street Housing Society and is a trustee of The Whitworth Trust.

The Panel was assisted in their deliberations by Paul Hanson, Democratic Services Manager from the LGSS Northampton office.

Terms of Reference for the Review

3.1 The Panel's terms of reference were based on the relevant statutory instrument (Members Allowances (England) Regulations 2003), as well as statutory guidance issued by the Department for Communities and Local Government (New Council Constitutions: Guidance on Regulation for Local Authority Allowances). It should be noted that the Panel is required to take these documents into account when preparing recommendations on the Council's scheme of allowances.

3.2 In line with the statutory requirements relating to schemes, the Panel's agreed terms of reference were as follows:

- To determine the amount of basic allowance that should be payable to councillors;
- To determine the responsibilities or duties which should lead to the payment of a special responsibility allowance and the amount of such allowances;

- To determine the duties for which a travelling and subsistence allowance can be paid and the amount of such allowances;
- Whether the Council's allowances scheme should include an allowance in respect of the expenses of arranging for the care of children and dependants, and the amount of this allowance and the means by which it should be determined; and
- Whether annual adjustments of allowance levels should be made by reference to an index, and, if so, for how long such a measure should run.

3.3 The Panel also agreed the following set of broad principles within which the review of allowances was undertaken:

- In line with the statutory guidance, the Panel took into account the principle that an element of the role of councillor must be voluntary, but that should not mean that councillors should suffer significant financial loss as a result of undertaking the role;
- Allowances should not be designed to reward councillors, but neither should the level of allowances prohibit individuals from considering standing for election; and
- The Panel were mindful of the percentage of councillors that should be eligible to receive a Special Responsibility Allowance, but also took into consideration the effect of the particular governance arrangements in place at the Council.

The Evidence Considered

4.1 The Panel considered a range of qualitative and quantitative evidence, as well as a small amount of benchmarking data. In the area of basic and special responsibility allowances, the Panel attributed greatest weight to the written and verbal testimony of councillors.

4.2 Benchmarking evidence was considered, particularly in relation to the basic allowance. Because there are few county authorities that have chosen to adopt the committee system form of governance, however, the Panel had to be cautious in the application of these data. More specifically, the Panel formed the view that a 'backbench' councillor working in a committee system would have to take on more responsibility than in a cabinet system. The Panel noted that the basic allowance paid at Cambridgeshire County Council is the lowest of any county council in a two-tier area.

4.3 The Panel issued an open invitation to all councillors to meet with them and share their views. Individual interviews were conducted with 10 councillors and 1 officer over the course of the review, representing all of the political groups on the Council. Several written submissions were also received. A range of opinions were heard, relating not just to allowances but also to the nature of the role of councillor, the time commitment involved and other forms of support that are available to councillors. Input was received from councillors who were employed, self-employed and retired.

4.4 There was a broad consensus that the current rate of basic allowance is too low. The Panel felt that it was not at a level that would allow councillors to make the time commitment

required in order to fulfil their roles effectively, particularly now there are fewer councillors, larger electoral divisions and rapidly increasing populations within many divisions.

- 4.5 On the issue of special responsibility allowances, a diverse range of opinions were expressed. There was a broad consensus on the need to put in place allowances for roles such as group leaders and committee chairs, but rather less consensus about roles such as the new lead members and area leads.
- 4.6 Many councillors suggested that the overall budget for allowances was low and could impact on the ability of councillors to dedicate sufficient time to council business. The reduction in the number of councillors from 69 to 61 in May 2017 was highlighted as an area where some reinvestment could occur, but it was also noted that the increase in the number of Policy and Service Committees from 5 to 7 would add to the costs associated with the scheme of allowances.
- 4.7 In terms of the expenses that may be claimed in the course of carrying out their roles, councillors were generally satisfied with the arrangements in place. Some small changes to the scheme were suggested, however, and the Panel has made recommendations based on their own views as to the fairness and transparency of this aspect of the scheme.
- 4.8 Some councillors expressed the view that the scheme of allowances should encourage attendance at meetings and could even include a mechanism for dealing with those who do not attend the majority of meetings to which they are appointed. The Panel noted this issue but were mindful of the fact that the legislative framework which underpins local authority allowances provides little freedom to do this. The Panel noted that the payment of allowance on the basis of attendance is not permitted under the regulations and that provision for dealing with non-attendance at meetings is made within the Local Government Act 1972. The Panel therefore took the view that this process should be managed by the political groups themselves.
- 4.9 The Panel noted the Council's ongoing efforts to arrange formal committee meetings on Tuesdays and Thursdays where possible, so as to make best use of Councillors time and reduce the impact on councillors, particularly those who are in paid employment. The Panel welcomed these efforts, but urged caution that this principle should not be compromised by the addition of two further Policy and Service Committees to the schedule of meetings.
- 4.10 The Panel considered the levels of allowances paid at other authorities. Due to the fact that relatively few county authorities have chosen to adopt the committee systems since the power to do so was granted, limited weight was given to this source of evidence, although it was found to be helpful in highlighting areas in which allowances at this Council are significantly lower or higher than in other areas.
- 4.11 In formulating recommendations about the special responsibility allowances within the new scheme, the Panel sought to examine the nature of the roles undertaken by councillors

and determine the position of each role within a new structure of allowances. This approach was based on the principles that underpin every review of allowances. Factors taken into account included:

- The level of decision-making responsibility associated with each role;
- Other responsibilities associated with each role (such as responsibility for chairing a committee, and attendance at outside meetings associated with the role);
- The time requirement of each role; and
- Any other specialist skills, knowledge or other factors needed to be able to carry out each role effectively.

The Panel's Conclusions and Recommendations

5.1 In undertaking their review, the Panel were mindful of the fact that their recommendations would be subject to considerable internal and external scrutiny and would have to be supported by the evidence considered. The Panel sought to assess the degree of responsibility and time commitment associated with each role prior to placing the roles into a relative hierarchy. The Panel also sought to assess the impact that the new boundaries would have on councillors, particularly in terms of the constituency role.

5.2 The Panel considered whether the current financial and economic climate should inform their recommendations. The Panel took the view that this was an important factor, and the public would quite rightly expect it to form part of the Panel's considerations, but that it had to be balanced against other factors, including the need to encourage democratic diversity and participation in local democracy.

5.3 The councillors whose views were provided to the Panel represented a range of backgrounds, including employed, self-employed and retired members. The Panel took the view that no-one should be prevented from undertaking the role of councillor as a result of their personal circumstances. Having considered the range of information presented to them, they took the view there is sufficient evidence to suggest that allowances play a part in this issue. Factors such as the time commitment required of councillors have a direct bearing on the level of allowances necessary to ensure that a diverse range of citizens are able to consider standing for election.

5.4 There is a general acceptance of the principle that the role of councillor involves a significant element of voluntary service. The Panel believes that it would be inappropriate to make a direct link between allowances for councillors to salaries in the wider workplace.

The Basic Allowance

6.1 The Panel considered a range of evidence and opinion about the basic allowance, including the statutory guidance issued by the Government. The Panel felt that the basic allowance currently paid to councillors is significantly lower than that paid at other county councils. In fact the allowance paid at this authority is the lowest paid by any two tier county council.

The Panel did not hear any evidence that could justify this level of disparity. The Panel were also cognisant of the additional workloads placed on all councillors as a result of the reduction in the number of councillors from 69 to 61 and the resulting increase in the size of each electoral division, as well as the increasing complexity of the role as a result of changes such as the City Deal and the creation of the new Combined Authority. The Panel were also mindful of the fact that some divisions would see a large amount of growth over the next four years.

6.2 The Panel feel that the basic allowance should be seen as covering the reasonable costs associated with holding the office of councillor in accordance with the role description adopted by the Council. The Panel also feel that the allowance should cover costs such as stationery, consumables etc., rather than these being made available to councillors by the Council. The Panel were also concerned about the long-term impact of the Government's decision to prevent councillors from being active members of the Local Government Pension Scheme. With this in mind, they formed the view that an increase in the basic allowance is not only justified, but is necessary in order to reflect the increased workload that all councillors are having to take on, as well as to address the very low level of allowance when compared to other county councils.

6.3 In light of the above, the Panel recommend that the basic allowance should be set at £8,600 per year from the date on which the new scheme of allowance is agreed.

6.4 It should be noted that this recommendation, if adopted, would still place the allowance paid by the Council significantly below the average basic allowance paid by English county councils (currently over £10,300). With this in mind, the Panel also recommends that the basic allowance should no longer be indexed to the annual percentage 'cost of living' award for local government staff, but should instead increase by £250 per year for a period of four years. The Panel feels that this recommendation will address a major shortcoming of the Council's current scheme of allowances in the most sensible way possible.

Special Responsibility Allowances

7.1 On the subject of special responsibility allowances (SRAs), the Panel heard a wide range of views on the different roles that are necessary in order to facilitate the operation of the new governance arrangements. In some cases the message was fairly clear and consistent, such as committee chairs, while in other cases – such as the role of committee lead members - there was far less consensus.

7.2 The Panel reviewed each role individually, using the evidence supplied by councillors, as well as written material supplied by the Council, as the basis for evaluating each role and determining an appropriate allowance. In the context of their recommendation that the basic allowance should increase by £250 per year, the Panel recommends that there should be no indexation or inflationary increase associated with the Special Responsibility

Allowances for the period that the scheme is in operation. The Panel take the view that addressing the basic allowance should take priority.

7.3 Leader and Deputy Leaders of political groups.

7.3.1 In the case of the Leaders and Deputy Leaders of the political groups, the Panel found evidence that councillors undertaking these roles are expected to take on significant responsibilities, including holding senior officers to account, liaising with individuals inside and outside of the Council and setting priorities for their groups.

7.3.2 It is clear to the Panel that, under a committee system, the allowances for these roles must be determined with reference to the size of the group in question and relative to one another. The Panel also factored in the need to ensure that the allowances contained sufficient flexibility to take into account any changes in circumstances resulting from elections or by-elections.

7.3.3 The Panel was also mindful of the fact that the Leader of the largest group is also, by virtue of the provisions set out within the Council's constitution, the Chair of the General Purposes Committee and the Leader of the Council. These roles are also now associated with a portfolio holder position within the new Combined Authority. The Panel took the view that this is a significant change to the role and that this should be reflected in a revised allowance. The Panel also decided that there should no longer be separate allowances for the Leader of the largest group and the Chair of the General Purposes Committee. The Panel recommends these allowances should be combined.

7.3.4 The Panel recommends that deputy leaders should receive an allowance equivalent to 40% of that paid to the group leader. The exception to this rule is the deputy leader of the largest group. Because this role is also the *de facto* deputy leader of the Council, the allowance recommended is at a slightly higher level.

7.3.5 Based on the present composition of the Council, the Panel recommends the following allowances:

Largest Group

Leader of the Largest Group/Leader of the Council	£25,000
Deputy Leader of the Largest Group	£11,250

Second Largest Group (10 or more seats)

Leader of the Second Largest Group	£12,500
Deputy Leader of the Second Largest Group	£5,000

Third Largest Group (5 to 9 seats)

Leader of the Third Largest Group	£7,500
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Deputy Leader of the Third Largest Group	£3,000
Fourth Largest Group (2 to 4 seats)	
Leader of the Fourth Largest Group	£3,000
Deputy Leader of the Fourth Largest Group	£1,200

7.4 Policy and Service Committees (excluding the General Purposes Committee).

7.4.1 During discussions between councillors and the Panel, there was relatively little disparity on the role of the Policy and Service Committee Chairs. The Panel took the view that these are onerous roles which require significant time commitment from those undertaking them. While these roles are not associated with significant individual decision making responsibility, but they are responsible for large committees that will make decisions on a wide range of issues. Councillors undertaking these roles need to develop a significant level of knowledge and expertise in order to fulfil the role effectively.

7.4.2 The Panel felt that the roles of Policy and Service Committee chairs are significant enough that some responsibility has to be delegated to Vice Chairs, albeit with accountability remaining with the Chairs. The Panel did not, however, hear sufficient evidence to justify the current level of allowance (50% of that paid to Chairs), particularly as Vice Chairs have to attend the same meeting as other members in any event.

7.4.3 The Panel heard a range of evidence and opinion about recent changes made to the role of other councillors on the Policy and Service Committees. A significant range of views were aired about the role of the Committee Spokespersons, and the decision to remove these roles and replace them with Committee Lead Members. The Panel acknowledges that the role undertaken by these posts has changed and is now demonstrably less onerous, but also note that the post holders have an important role to play in coordinating the views of their groups and bringing this insight to the committees of which they are members. The Panel believes that an allowance should be paid in respect of these posts.

7.4.4 The Panel recommends the following allowances:

Policy and Service Committee Chair	£12,500
Policy and Service Committee Vice Chair	£4,000
Committee Lead Member	£1,000

7.4.5 The Panel recommends that, where a group holds either the Chair or Vice Chair position on a committee, they will not be eligible to appoint a Lead Member as well.

7.4.6 The Panel noted that Group Leaders and Deputy Leaders of smaller groups will not be eligible to claim an allowance for being a Policy and Service Committee lead member under the 'one SRA rule'. For example, the Deputy Leader of the fourth largest group will be eligible to receive an allowance of £200 more than that group's lead member. The allowances should therefore be interpreted in this context.

7.5 Regulatory Committees

7.5.1 The Panel acknowledged that the chairs of the Regulatory Committees (Audit, Planning and Pensions) are notable roles. The Panel considered that, although it is very likely that the time commitment and responsibility involved would not be as great as that associated with chairs of Policy and Service Committees, it was clear, that councillors undertaking these roles are expected to carry out their duties diligently and hold officers to account when necessary.

7.5.2 The Panel felt that the role of the chair of the Pension Fund Board was significant, particularly given recent changes to the governance of the pension fund and the advent of Asset Pooling arrangements, and should therefore be eligible to receive an allowance comparable to that of the chairs of the Audit and Planning Committees.

7.5.3 The Panel recommends the following allowances:

Audit Committee Chair	£7,500
Planning Committee Chair	£7,500

7.5.4 The Panel recommends the following allowance:

Pension Committee Chair	£7,500
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7.1 Other allowances

7.1.1 The Panel felt that councillors undertaking the role of Fostering and Adoption Panel member should continue to receive an allowance, mainly because the time commitment and the requirement to handle a large amount of sensitive and distressing information relating to individual cases is significant.

7.1.2 The Panel recommends the following allowance:

Adoption/Fostering Panel Member	£3,750
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7.2 The Panel has not recommended that special responsibility allowances should be paid to the newly-established Area Lead Members. This should not be interpreted as a rejection of those roles by the Panel. Rather, the Panel did not feel that they had received sufficient

information or evidence to enable them to have the confidence to form a recommendation about these roles. Although role descriptions have now been prepared, they were not available within the timeframe that the Panel were asked to conduct this review. The Panel is open to reconsidering these roles once they have been established for some time.

Other allowances and expenses

8.1 The Panel considered and reviewed all of the other allowances and expenses under their terms of reference (set out in section 3). They have decided to make the following recommendations:

- The dependents' and carers' allowance should be retained at the present rate (at cost) where provided by a registered professional carer, but should be paid at the National Living Wage rate when provided by an adult not normally resident at the councillor's home;
- The amounts payable for travel expenses should continue to be paid at the same rates as those paid to officers;
- The amounts payable for subsistence expenses, as well as the circumstances in which they should be paid, should be clarified as set out in Appendix 1; and
- All reference to the Local Government Pension Scheme should be removed from the Scheme of Allowances completely.

The Panel has not recommended changes to the list of approved duties for which expenses can be claimed. The Panel has, however, recommended a point of clarification. Where a councillor's normal place of residence is outside of the county, travel allowances to meetings within the county will only be paid from the point of entry to the county and not from their home.

Other recommendations

The Panel recommends that the allowance for co-opted members be revised to £50 per half-day. This should not be subject to any inflationary increase for the period the scheme is in operation.

The Panel heard that the Council appoints councillors to a large number of outside bodies and that this has an impact on the workload of councillors. The Panel recommends that a review of outside bodies be conducted with a view to rationalising the number of bodies to which councillors are appointed.

The Panel heard much about the impact of attending meetings on councillors who live some distance from Shire Hall. While the Panel accepts that attendance at many of these meetings is a statutory necessity in order to establish a quorum, it recommends that the Council consider ways in which councillors can be supported to participate remotely in non-statutory meetings such as briefings.

Appendix 1 – Proposed new scheme of allowances.

Appendix 2 – Existing scheme of allowances.

1. Scheme of Allowances

1.1 Elected members of Cambridgeshire County Council may claim the following allowances as specified in this Scheme:

- Basic allowance;
- Special responsibility allowances; and
- Travel and subsistence allowances.

Financial loss allowance is not available to Councillors.

1.2 The basic allowance shall be increased by £250 per year from April 2018 for a period of four years. Special responsibility allowances shall not be subject to any indexed or inflationary increase. The basic allowance and special responsibility allowances will be paid in equal monthly instalments and will be subject to tax and national insurance deductions where appropriate.

2. Basic Allowance

2.1 The basic allowance is £8,600 per annum for 2017-18.

3. Special Responsibility Allowances

3.1 No member may receive more than one special responsibility allowance. No allowances other than the basic allowance and special responsibility allowances are payable.

Role	Calculation	Allowance 2017-18
Group Positions		
Leader of the Largest Group/Leader of the Council		£25,000
Deputy Leader of the Largest Group/Deputy Leader of the Council	45% of Group Leader/Leader of the Council	£11,250
Leader of the Second Largest Group	50% of Leader of the Council	£12,500
Deputy Leader of the Second Largest Group	40% of Group Leader	£5,000
Leader of the Third Largest Group	30% of Leader of the Council	£7,500
Deputy Leader of the Third Largest Group	40% of Group Leader	£3,000
Leader of the Fourth Largest Group	12% of Leader of the Council	£3,000
Deputy Leader of the Fourth Largest Group	40% of Group Leader	£1,200
Service Committees		
Policy and Service Committee Chair	50% of Leader of the Council	£12,500
Policy and Service Committee Vice Chair	16% of Leader of the Council	£4,000

Policy and Service Committee Lead Member	8% of Committee Chair	£1,000
Regulatory Committees		
Audit Committee Chair	30% of Leader of the Council	£7,500
Pension Fund Board Chair	30% of Leader of the Council	£7,500
Planning Committee Chair	30% of Leader of the Council	£7,500
Other Roles		
Adoption/Fostering Panel Member	15% of Leader of the Council	£3,750

3.2 Where a councillor in receipt of a special responsibility allowance fails to attend at least 50% of the meetings for which that allowance is paid in any six month period, that councillor shall be invited to repay an appropriate sum of the allowance received during that period.

4. Travel expenses

4.1 Travel by private vehicles will be reimbursed at the rates set for tax allowance purposes by the Inland Revenue for business travel. Currently these are 45p per mile for the first 10,000 miles and 25p a mile thereafter and an additional 5p per mile where a passenger (another councillor) is carried.

4.2 Where a councillor's normal place of residence is outside of Cambridgeshire, travel to council offices within Cambridgeshire will be paid from the point of entry to the county and not from the councillor's home.

4.3 Parking fees and public transport fares will be reimbursed at cost on production of a valid ticket or receipt. In the case of travel by rail, standard class fare or actual fare paid (if less) will be reimbursed.

4.4 Travel allowances are not payable for journeys undertaken outside the County, other than for authorised attendance on behalf of the Council at those meetings under Section 10 (below) that are held outside the County. International travel shall require approval in advance by all Group Leaders.

4.5 Taxi fares will only be reimbursed on production of a valid receipt. Taxis should only be used where use of an alternative is not available or if the following conditions are applicable:

- There is a significant saving in official time;
- The councillor has to transport heavy luggage or equipment; and/or
- Where councillors are travelling together and it is therefore a cheaper option.

4.6 Travel expenses will be reimbursed for any journey undertaken where the councillor was undertaking approved duties (see Section 10 below). Travel expenses will only be reimbursed if claimed within two months.

5. Subsistence expenses

- 5.1 Overnight hotel accommodation must be booked through Democratic Services who will ensure that accommodation is booked at the appropriate market rate. Higher rates of accommodation will only be booked where it is clearly in the County Council's interest and formal approval has been given in advance by the Democratic Services Manager. Any other reasonable and unavoidable costs related to overnight stays will be reimbursed on production of a receipt.
- 5.2 The cost of meals purchased while undertaking Council business cannot be claimed for, except where the member is attending an event such as a conference and meals are not provided, or where the member is required to stay overnight.
- 5.3 The Democratic Services Manager shall be authorised to allow claims to cover the actual cost of the meals up to a reasonable maximum (£10 for lunch, £15 for an evening meal) and upon production of a receipt.

6. Dependents' and carers' expenses

- 6.1 Councillors with care responsibilities in respect of dependent children under 16 or dependent adults certified by a doctor or social worker as needing attendance will be reimbursed, on production of valid receipts, for actual payments to a registered or professional carer. Where care was not provided by a registered or professional carer but was provided by an individual not formally resident at the member's home, a maximum hourly rate equivalent to the National Living Wage (currently £9.45/hour) will be payable.
- 6.2 Dependents' and carers' expenses will only be reimbursed if incurred where the councillor was undertaking approved duties (see section 9 below).

7. Stationery

- 7.1 No claims can be made for the cost of printer cartridges, paper, envelopes, stamps, pens, or other stationery. Nor are these to be provided free of charge by the Council.

8. Co-opted Members – Financial Loss Allowance

- 8.1 A financial loss allowance may only be paid to non-elected members of committees or sub-committees. Co-opted members serving on committees shall be eligible to claim a £50.00 flat fee per half day attended in addition to travel and subsistence allowances.
- 8.2 The fee shall also be paid for attendance at appropriate training events and seminars. Where an event is scheduled to last for more than a whole day, there shall be some discretion for making a higher payment than the usual rate, where this is considered

reasonable. The Democratic Services Manager shall be authorised to exercise such discretion.

9. Approved duties

9.1 Subject to the provisions listed above, travel, subsistence and dependents' and carers' expenses incurred when undertaking duties matching the following descriptions may be claimed for:

- a) Attendance at meetings of Full Council and any committees, working groups or other bodies of the Council of which the councillor is a member;
- b) Attendance at meetings of committees, working groups or other bodies of the Council of which the councillor is not a member but to which the councillor has received a specific, individual invitation by the Chairman of that body;
- c) Attendance at Council premises for the purposes of taking part in formal briefings, training sessions or attending pre-arranged meetings with senior officers to discuss the business of the Council.
- d) Representing the Council at external meetings, including Parish and Town Councils and those of voluntary organisations where the member is there on behalf of the Council;
- e) Attendance at events organised by the Council and/or where invitations have been issued by officers or councillors (including Chairman's events and other corporate events);
- f) Attendance at meetings/events where the Member is an official Council representative or requested by the Leader or the relevant Policy and Service Committee Chair; and
- g) In respect of dependents' and carers' expenses only, undertaking general councillor responsibilities including surgeries.

Expenses incurred as a result of attendance at political group meetings or other party political events may not be claimed for.

10. Renunciation of Allowances and Part Year Entitlements

10.1 A Councillor may elect to forego any part of their entitlement to an allowance under this scheme by providing written notice to the Monitoring Officer.

10.2 If an amendment to this Scheme is made which affects payment of an allowance in the year in which the amendment is made, then in relation to each of the periods:

- a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect; or
- b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year;

the entitlement to the allowance will be to the payment of such part of the allowance as it has effect during the relevant period as bears to the whole the same proportion as the number of days in the period bears to the number of days in the year.

- 10.3 Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a basic allowance or special responsibility allowance shall be to the payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- 10.4 Where this Scheme is amended as mentioned in 11.2 and the term of a Councillor does not subsist throughout a period mentioned in 11.2, the entitlement of any such Councillor to a basic allowance or special responsibility allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his or her term of office as a Councillor subsists in that period bears to the number of days in that period.
- 10.5 The Council has the power to withhold payment of all allowances if a member (or co-opted member) ceases to be a member (or co-opted member) or ceases to be entitled to receive an allowance for a period. The authority may require that such part of the allowance as related to any such period be repaid to the Authority.

11. Taxation

- 11.1 Allowances are liable for Income Tax and National Insurance contributions.
- 11.2 Subsistence allowances for meetings or events held on the Shire Hall site are classed as emoluments for Income Tax and National Insurance contributions. This includes either sums claimed or meals provided by the Authority. Meals provided or claimed for meetings in locations other than Shire Hall are not taxable.
- 11.3 The Council will record all meals provided at Shire Hall, and will remit the tax due to the Inland Revenue at the end of the year. Members are asked to note meals taken on the Shire Hall site on their claim forms. No direct taxation will be charged to individual members for those meals taken at Shire Hall. Members are encouraged to take advantage of the meals provided at Shire Hall whenever possible.

11.4 Members can claim some deductible expenses against tax for costs incurred in acting as a member for which no reimbursement is received from the Authority:

- Travel by car - where a member uses his or her own car for the performance of duties, but does not receive a mileage allowance, e.g. for a non-approved duty, the Tax Office may grant a deduction on the costs incurred based on 50% of the Council's approved rate. Members would need to keep records of their mileage on non-approved duties in order to claim this deduction on their tax return.
- Travel by public transport - where a member incurs additional costs for which no allowance can be obtained from the Authority, these costs can be claimed as a deductible expense.
- Where regular payments are made to an assistant to provide secretarial support to a member for any support services which are not provided by the Authority.
- Where money is spent on the hire of rooms for surgeries or public meetings providing they are not for party political purposes.
- Where additional household expenses are incurred (light, fuel etc.) relating to those parts of members' homes that are used for duties as members, Inland Revenue will accept a standard deduction of £120 per year to cover these costs.

11.5 Any items claimed should be itemised on the tax return - Inland Revenue may require evidence and details of the expenditure incurred. Refunds for non-claiming tax allowances can be made for up to the previous six years.

1. Scheme of Allowances

1.1 Elected members of Cambridgeshire County Council may claim the following allowances as specified in this Scheme:

- Basic allowance;
- Special responsibility allowances; and
- Travel and subsistence allowances.

Financial loss allowance is not available to Councillors.

1.2 The basic allowance and special responsibility allowances are indexed to the annual percentage 'cost of living' award for local government staff at spinal column 49 until 31 March 2018. The basic allowance and special responsibility allowances will be paid in equal monthly instalments and will be subject to tax and national insurance deductions.

2. Basic Allowance

2.1 The basic allowance is **£7,933.32** per annum for **2017-18**.

3. Special Responsibility Allowances

3.1 No member may receive more than one special responsibility allowance except for the Chairman/woman of General Purposes Committee and the Leader of the Council, and the Vice-Chairman of General Purposes Committee and the Deputy Leader of the Council. No allowances other than the basic allowance and special responsibility allowances are payable.

Role	Basis for Calculation	Allowance 2017-18
Group Positions		
Leader of the Largest Group		£15,454.52
Deputy Leader of the Largest Group		£11,590.89
Group Leader	Major Group (over 10 members)	£11,333.31
Deputy Leader		£8,499.99
Group Leader	Minor Group (over 3 and up to 10)	£7,212.11
Deputy Leader		£5,409.09

Role	Basis for Calculation	Allowance 2017-18
General Purposes Committee		
Chairman/woman and Leader of the Council		£6,181.81*
Vice-Chairman/woman and Deputy Leader of the Council		£3,090.90*
Service Committees		
Service Committee Chairman/woman	N/A	£12,363.61
Service Committee Vice- Chairman/woman	N/A	£6,181.81
Committee Spokes+		
	Major Groups	£6,181.81
	Minor Groups (pro rata to 10)	
	Group of 7	£4,327.26
	Group of 4	£2,472.72
Regulatory Committees		
Audit Committee Chairman/woman	N/A	£4,636.35
Planning Committee Chairman/woman	N/A	£4,636.35
Other Roles		
Adoption/Fostering Panel Member	N/A	£2,575.75

* These allowances are in addition to other SRAs.

+ Where a group holds the Vice-Chairman/womanship on a committee a separate allowance for spokes will not be payable in respect of that group and that committee. An allowance for Spokes will not be payable for General Purposes Committee.

3.2 Where a councillor in receipt of a special responsibility allowance fails to attend at least 50% of the meetings for which that allowance is paid in any six month period, that councillor shall be invited to repay an appropriate sum of the allowance received during that period.

4. Travel expenses

- 4.1 Travel by private vehicles will be reimbursed at the rates set for tax allowance purposes by the Inland Revenue for business travel. Currently these are 45p per mile for the first 10,000 miles and 25p a mile thereafter and an additional 5p per mile where a passenger (another councillor) is carried.
- 4.2 Parking fees and public transport fares will be reimbursed at cost on production of a valid ticket or receipt. In the case of travel by rail, standard class fare or actual fare paid (if less) will be reimbursed.
- 4.3 Travel and subsistence allowances are not payable for journeys undertaken outside the County, other than for authorised attendance on behalf of the Council at those meetings under Section 10 (below) that are held outside the County. International travel shall require approval in advance by all Group Leaders.
- 4.4 Taxi fares will only be reimbursed on production of a valid receipt. Taxis should only be used where use of an alternative is not available or if the following conditions are applicable:
- There is a significant saving in official time;
 - The councillor has to transport heavy luggage or equipment; and/or
 - Where councillors are travelling together and it is therefore a cheaper option.
- 4.5 Travel expenses will be reimbursed for any journey undertaken where the councillor was undertaking approved duties (see Section 10 below). Travel expenses will only be reimbursed if claimed within two months.

5. Subsistence expenses

- 5.1 Overnight hotel accommodation must be booked through Democratic Services who will ensure that accommodation is booked at the appropriate market rate. Higher rates of accommodation will only be booked where it is clearly in the County Council's interest and formal approval has been given in advance by the Democratic Services Manager. Any other reasonable and unavoidable costs related to overnight stays will be reimbursed on production of a receipt.
- 5.2 When members are attending a conference on behalf of the Council, there shall be some discretion as to amount that can be claimed in respect of the cost of meals taken that are not provided as part of the conference fee. The Head of Democratic Services shall be authorised to allow claims to cover the actual cost of the meal, up to a reasonable maximum (£10 for lunch, £15 for an evening meal) and upon production of a receipt.
- 5.3 Subsistence expenses will only be reimbursed if incurred where the councillor was undertaking approved duties (see section 10 below).

6. Dependents' carers' expenses

- 6.1 Councillors with care responsibilities in respect of dependent children under 16 or dependent adults certified by a doctor or social worker as needing attendance will be reimbursed, on production of valid receipts, for actual payments to a registered or professional carer. Where care was not provided by a registered or professional carer but was provided by an individual not formally resident at the member's home, a maximum hourly rate of £6.50 will be payable.
- 6.2 Dependents' carers' expenses will only be reimbursed if incurred where the councillor was undertaking approved duties (see section 10 below).

7. Pensions

- 7.1 Councillors who are members of the Local Government Pension Scheme on 1 April 2014 continue to be eligible for membership in respect of both their basic allowance and special responsibility allowances for the remainder of the term of office they are serving on that date. Councillors who are not existing members of the scheme on that date may not join the scheme after 1 April 2014.

8. Stationery

- 8.1 No claims can be made for the cost of printer cartridges, paper, envelopes, stamps, pens, or other stationery and nor are these to be provided free of charge by the Council.

9. Co-opted Members – Financial Loss Allowance

- 9.1 A financial loss allowance may only be paid to non-elected members of committees or sub-committees. Co-opted members serving on committees shall be eligible to claim a £50.00 flat fee per meeting attended in addition to travel and subsistence allowances.
- 9.2 The fee shall also be paid for attendance at appropriate training events and seminars. Where an event is scheduled to last for a whole day, there shall be some discretion for doubling the usual rate, where this is considered reasonable. The Democratic Services Manager shall be authorised to exercise such discretion.

10. Approved duties

10.1 Travel, subsistence and dependents' carers' expenses incurred when undertaking duties matching the following descriptions may be claimed for:

- a) Attendance at meetings of Full Council and any committees, working groups or other bodies of the Council of which the councillor is a member;
- b) Attendance at meetings of committees, working groups or other bodies of the Council of which the councillor is not a member but to which the councillor has received a specific, individual invitation by the Chairman/woman of that body;
- c) Attendance at Council premises for the purposes of taking part in formal briefings, training sessions or attending pre-arranged meetings with senior officers to discuss the business of the Council;
- d) Representing the Council at external meetings, including Parish and Town Councils and those of voluntary organisations where the member is there on behalf of the Council;
- e) Attendance at events organised by the Council and/or where invitations have been issued by officers or councillors (including Chairman/woman's events and other corporate events);
- f) Attendance at meetings/events where the Member is an official Council representative or requested by the Leader or the relevant Service Committee Chair; and
- g) In respect of dependents' carers' expenses only, undertaking general councillor responsibilities including surgeries.

Expenses incurred as a result of attendance at political group meetings or other party political events may not be claimed for.

11. Renunciation of Allowances and Part Year Entitlements

- 11.1 A Councillor may elect to forego any part of their entitlement to an allowance under this scheme by providing written notice to the Monitoring Officer.
- 11.2 If an amendment to this Scheme is made which affects payment of an allowance in the year in which the amendment is made, then in relation to each of the periods:
- a) beginning with the year and ending with the day before that on which the first amendment in that year takes effect; or
 - b) beginning with the day on which an amendment takes effect and ending with the day before that on which the next amendment takes effect, or (if none) with the year;

the entitlement to the allowance will be to the payment of such part of the allowance as it has effect during the relevant period as bears to the whole the same proportion as the number of days in the period bears to the number of days in the year.

- 11.3 Where the term of office of a Councillor begins or ends otherwise than at the beginning or end of a year, the entitlement of that Councillor to a basic allowance or special responsibility allowance shall be to the payment of such part of the basic allowance as bears to the whole the same proportion as the number of days during which his term of office subsists bears to the number of days in that year.
- 11.4 Where this Scheme is amended as mentioned in 11.2 and the term of a Councillor does not subsist throughout a period mentioned in 11.2, the entitlement of any such Councillor to a basic allowance or special responsibility allowance shall be to the payment of such part of the basic allowance referable to each such period (ascertained in accordance with that sub-paragraph) as bears to the whole the same proportion as the number of days during which his or her term of office as a Councillor subsists in that period bears to the number of days in that period.
- 11.5 The Council has the power to withhold payment of all allowances if a member (or co-opted member) ceases to be a member (or co-opted member) or ceases to be entitled to receive an allowance for a period. The authority may require that such part of the allowance as related to any such period be repaid to the Authority.

12. Taxation

- 12.1 Allowances are liable for Income Tax and National Insurance contributions.
- 12.2 Subsistence allowances for meetings or events held on the Shire Hall site are classed as emoluments for Income Tax and National Insurance contributions. This includes either sums claimed or meals provided by the Authority. Meals provided or claimed for meetings in locations other than Shire Hall are not taxable.
- 12.3 The Council will record all meals provided at Shire Hall, and will remit the tax due to the Inland Revenue at the end of the year. Members are asked to note meals taken on the Shire Hall site on their claim forms. No direct taxation will be charged to individual members for those meals taken at Shire Hall. Members claiming subsistence for meals purchased when attending meetings at Shire Hall will have tax deducted from their claim on a monthly basis. Members are encouraged to take advantage of the meals provided at Shire Hall whenever possible.
- 12.4 Members can claim some deductible expenses against tax for costs incurred in acting as a member for which no reimbursement is received from the Authority:
- Travel by car - where a member uses his or her own car for the performance of duties, but does not receive a mileage allowance, e.g. for a non-approved duty, the Tax Office may grant a deduction on the costs incurred based on 50% of the Council's approved rate. Members would need to keep records of their mileage on non-approved duties in order to claim this deduction on their tax return.
 - Travel by public transport - where a member incurs additional costs for which no allowance can be obtained from the Authority, these costs can be claimed as a deductible expense.
 - Where regular payments are made to an assistant to provide secretarial support to a member for any support services which are not provided by the Authority.
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 - Where additional household expenses are incurred (light, fuel etc.) relating to those parts of members' homes that are used for duties as members, Inland Revenue will accept a standard deduction of £120 per year to cover these costs.
- 12.5 Any items claimed should be itemised on the tax return – Inland Revenue may require evidence and details of the expenditure incurred. Refunds for non-claiming tax allowances can be made for up to the previous six years.