



## **SCHEME OF COUNCILLORS' ALLOWANCES 2018-2019**

### **1. General**

- 1.1 This Scheme is made under the terms of the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 1.2 At the meeting of the Council on 17 January 2018 it was agreed that the Council would adopt this Scheme after taking into account the recommendations made by the Independent Remuneration Panel in that year.
- 1.3 Milton Keynes Council currently has 57 councillors, who serve a 4 year term of office and all of whom are entitled to receive the allowances under this scheme.

### **2. Basic Allowance**

- 2.1 All councillors to receive a Basic Allowance of £10,500 per annum. This is paid in 12 equal, monthly instalments and is subject to both tax and National Insurance contributions where applicable.
- 2.2 If a councillor ceases to be a councillor before the end of his or her term of office, payment of the allowance ceases and a pro rata calculation is made to ensure that the councillor receives the right amount of allowance. If necessary, an adjustment for under or overpayment may have to be made to ensure that the correct final payment is made, and the Council reserves the right to recover any overpayments of Basic Allowance.
- 2.3 The Basic Allowance is intended to recognise the time commitment of all councillors, including such inevitable calls on their time as meetings with officers and constituents and attendance at political group meetings. It is also intended to cover incidental costs, such as the use of their homes for council business, telephone rental and broadband charges.
- 2.4 The Basic Allowance is subject to indexation at a rate of 2% per year from 1 April 2019 until the end of the financial year beginning 1 April 2021

### **3. Special Responsibility Allowance**

- 3.1 The Council also pays Special Responsibility Allowances to those councillors it considers to have significant, additional responsibilities over and above the generally accepted duties of a councillor. These special responsibilities are related to the discharge of the Council's functions.
- 3.2 Milton Keynes Council currently pays Special Responsibility Allowances for the following roles at the rates stated:

Leader of the Council	£30,600
Deputy Leader of the Council	£15,300
Main Opposition Group Leader - per Group Member	£632
Smaller Opposition Group Leader(s) - per Group Member	£632
Cabinet Member	£11,220
Chair of Scrutiny Management Committee	£7,650
Chair of Scrutiny Committee*	£4,590
Chairs of Task and Finish Groups (pro rata depending on the length of time the Group is in place)	£4,590
Chair of Development Control Committee	£8,160
Chair of Licensing & Regulatory Committees (1 person)	£8,160
Chair of Audit Committee	£5,610
Chair of Standards Committee	£3,060
Chair of RegenerationMK Committee	£3,060

\* Budget Scrutiny Committee, Children and Young People Committee, Executive Scrutiny Committee, Health and Adult Social Care Committee and Housing and Community Committee.

- 3.3 Special Responsibility Allowance is paid in 12 equal, monthly instalments. Special Responsibility Allowances are liable for tax and National Insurance.
- 3.4 Special Responsibility Allowances (and Civic Allowances) are subject to indexation at a rate of 2% per year from 1 April 2018 until the end of the financial year beginning 1 April 2021.
- 3.5 In the event of a councillor ceasing to hold an office which entitled him or her to receive a Special Responsibility Allowance before the term of office is completed, payment of the Allowance ceases, and a calculation based on the number of days in the Council year concerned will be made to determine the entitlement. If necessary, an adjustment for under or overpayment may have to be made to ensure that the correct final payment is made, and the Council reserves the right to recover any overpayments of Special Responsibility Allowance.

- 3.6 In the case of a councillor who is in receipt of a Special Responsibility Allowance being unable to carry out the duty for which the Allowance is payable for a period of three months or more, requiring the duty to be carried out by a specific councillor as deputy, the Council will consider the circumstances, with the option of ceasing the Special Responsibility Allowance payment to the councillor concerned, and making a retrospective payment to the deputising councillor for the whole of the three month period, and continuing until the original councillor is able to resume the duty concerned.
- 3.7 Under the terms of Milton Keynes Council's Scheme of Allowances no councillor is allowed to receive more than one Special Responsibility Allowance, even if they fulfil more than one role.
- 3.8 In the event of a councillor already in receipt of a Special Responsibility Allowance being appointed to an office with a different level of Special Responsibility Allowance, a calculation based on the number of days in the Council year concerned will be made to determine the entitlement. If necessary, an adjustment for under or overpayment may have to be made to ensure that the correct final payment is made, and the Council reserves the right to recover any overpayments of the Special Responsibility Allowance.

#### **4. Co-opted Members of Committees**

- 4.1 Persons co-opted to serve on Committees, Sub-Committees or Panels, and who have voting rights, shall receive an allowance of £640 calculated pro-rata to the term of co-option. This is to be paid in 12 equal, monthly instalments and will be liable for tax and National Insurance.
- 4.2 All co-optees are eligible for travel and subsistence allowances at the Councillors' rate when carrying out the duties for which they are co-opted.
- 4.3 If the co-opted person ceases to serve as a co-opted member before the end of his or her term of co-option, payment of the Allowance ceases, and a calculation based on the number of days in the Council year concerned will be made to determine the entitlement. If necessary, an adjustment for under or overpayment may have to be made to ensure that the correct final payment is made, and the Council reserves the right to recover any overpayments of this allowance.

#### **5. Civic Allowances**

- 5.1 The Mayor of Milton Keynes receives a civic allowance of £11,220 per annum, in line with that paid to Cabinet Members, paid in two equal instalments of £5,500 in June and November.

- 5.2 The Deputy Mayor of Milton Keynes receives a civic allowance of 50% of the Mayor's allowance, i.e. £5,610 per annum, payable in two equal instalments of £2,750 in June and November.
- 5.3 As part of a local agreement with HM Inspector of Taxes for Milton Keynes, the above civic allowances are not liable for tax or National Insurance contributions.
- 5.4 In the event of a Mayor or Deputy Mayor ceasing to hold office before the term of office is completed, payment of the Allowance ceases, and a calculation based on the number of days in the Council year concerned will be made to determine the entitlement. If necessary, an adjustment for under or overpayment may have to be made to ensure that the correct final payment is made, and the Council reserves the right to recover any overpayments of the Civic Allowance.

## **6. Child Care and Dependent Carers' Allowance**

- 6.1 All councillors and co-opted members of Council committees can claim, on production of appropriate receipts, the Child Care and Dependent Carers' Allowance at the following rates:

Child care:

The Living Wage of £7.83 per hour applies for those aged 25 or over. That the current minimum wage rate apply dependent on the age of the carer, which as 1 April 2018 were:

- £7.38 per hour (21 years and over)
- £5.90 per hour (18 – 20 year olds)
- £4.20 per hour (for workers under 18 who are above compulsory school leaving age)

Other Dependants:

£10 per hour, or the applicable rate for the hourly cost of Milton Keynes Council Home Help carer, whichever is the least.

This is paid for up to a maximum of 5 hours in any 24 hour period and covers care provided for a councillor's/co-opted member's dependent(s) whilst the councillor/co-opted member is carrying out any 'Approved Duties' specified in the Appendix.

This includes travel time associated with the Approved Duties.

- 6.2 Full details of the Dependent Carers' Allowance Scheme are listed in the Appendix of this Scheme

## **7. Travel and Subsistence**

- 7.1 Re-imbusement to councillors for travel and subsistence will be paid at the current rates agreed by the National Joint Council (NJC) for the re-imbusement of Council officers.
- 7.2 From 1 April, 2016 mileage claims are no longer liable for tax and National Insurance contributions.
- 7.3 Councillors will be reimbursed the full cost of travelling by the most appropriate means of transport at standard class rates whilst carrying out Approved Duties, provided a valid receipt (bus ticket etc), is produced to substantiate the claim.
- 7.4 All reasonable claims for subsistence expenses whilst carrying out Approved Duties will be paid provided they are supported by valid receipts. As there is no profit element in the payment of subsistence claims, this allowance is not subject to tax or National Insurance contributions.

## **8. Claimable Allowances**

- 8.1 There is a 3 month time limit for submitting claims for the claimable allowances above i.e. Child Care and Dependent Carers' Allowance and Travel and Subsistence Allowances. Any claims made outside of this time limit will only be paid in exceptional circumstances with the approval of the Service Director, (Legal and Democratic Services) and the Assistant Director, (Audit & Risk Management).

## **9. Pensions**

- 9.1 Councillors are no longer eligible to join the Local Government Pension Scheme.

## **10. Dual Authority Roles**

- 10.1 Councillors cannot receive an allowance from more than one authority (e.g. Fire Authority) for the same duties.

## **11. Forgoing Allowances**

- 11.1 A councillor may forgo all or part of any allowances to which he or she is entitled, provided he or she has given notice in writing to the Service Director (Legal and Democratic Services).

## **12. Suspensions and Withholding Allowances**

- 12.1 In the event of a councillor being suspended from duty following an investigation by the Council's Standards Committee, allowances will not be paid to the councillor concerned during the period of suspension.
- 12.2 If necessary, a pro-rata calculation will be made based on the number of days in the Council year concerned to determine if an adjustment for under or overpayment needs to be made to ensure that the correct amount is withheld during the suspension period. The Council reserves the right to recover any overpayments.

### 13. Approved Duties

- 13.1 The list of "Approved Duties" under the regulations for which the Travel and Subsistence Allowance is payable is as follows:
- a meeting of the Council;
  - a meeting of the Cabinet;
  - a meeting of a committee of the Cabinet;
  - a meeting of a committee or sub-committee of a committee of the Council where that councillor is a member of that committee, is substituting for a member of that committee or otherwise receives a specific invitation from the chair of that committee;
  - a meeting of Cabinet members with the Corporate Leadership Team;
  - a meeting with officer colleagues in relation to portfolio / corporate issues (to include Group Leaders, Cabinet members, Chairs, Vice-Chairs and opposition spokespersons) and Ward issues;
  - a meeting of some other body to which the Council makes appointments or nominations (i.e. Outside Bodies);
  - a meeting of a committee or sub-committee of a body to which the Council makes appointments or nominations;
  - a meeting of a local authority association of which the Council is a member (e.g. Local Government Association);
  - a meeting in the Councillor's Ward called by a Council Officer or Parish Council;
  - duties undertaken on behalf of the Council in connection with the discharge of any function of the Council conferred by or under any enactment and empowering or requiring the authority to inspect or authorise the inspection of premises;
  - duties undertaken on behalf of the Council in pursuance of any Procedure Rule requiring a councillor or councillors to be present while tender documents are opened;
  - duties undertaken on behalf of the Council in connection with arrangements made by the Council for the attendance of pupils at a school approved for the purposes of Section 342 of the Education Act 1996;
  - a meeting which has been:
    - ❖ both authorised by the Council, a committee, or a sub-committee of the Council and one or more other authorities, or a sub-committee of a joint committee, and
    - ❖ to which representatives of more than one political group have been invited or to which two or more Councillors have been invited;

- a meeting of the Cabinet, committee of the Cabinet, committee of the Council, or sub-committee, at which a councillor, who is not appointed to that body:
  - ❖ attends to present an item which he/she has requested be included on the Agenda in his/her name;
  - ❖ is required to attend to answer questions/give evidence; or
  - ❖ attends to present a report on behalf of another body of the Council;
- attendance at conferences, seminars and other Councillor Development and training events as approved by the Council or the Service Director (Legal and Democratic Services);
- attendance at casework surgeries organised at advertised times and venues within the Councillor's own ward;
- any other duty approved by the Council in connection with discharging the duties of the authority or its committees or sub-committees.

#### **14. Indexing**

- 14.1 The **Basic Allowance, Special Responsibility Allowances and Civic Allowances** are subject to indexation at a rate of 2% per year from 1 April 2019 until the end of the financial year beginning 1 April 2021
- 14.2 **The Dependent Carer's Allowance:** indexed to the maximum hourly rates for minimum wage for age of carer/average hourly cost of Milton Keynes Council home help.
- 14.3 **Travel and Subsistence allowances:** at the same rates and conditions applicable to Officer and HMRC rates where applicable.

#### **15. Duration**

- 15.1 The above Scheme of Allowances is operative from 1 April 2018 until 31 March 2019 or such other time as agreed by the Council.