



MEMBERS ALLOWANCE & EXPENSE GUIDANCE

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**BUSINESS SUPPORT UNIT
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1.0 INTRODUCTION

New remuneration arrangements for elected members came into force on 2 May 2007 by virtue of the Local Governance (Scotland) Act 2004 (Remuneration) Regulations 2007. This applied to all local authorities in Scotland and Joint Boards. However, the Regulations did not apply to SPT.

In order to regulate matters, the Partnership agreed to adopt the principles outlined in the Regulations for approved duties. A copy of the minute is reproduced as part of attached appendices for information.

New guidance on the Regulations was issued by Scottish Government in April 2010 and took effect from 5 April 2010.

This guidance note and documentation replaces all previous member travel and subsistence arrangements and guidance notes.

SPT does not make special responsibility payments to any member other than the Chair and Vice-Chair(s). All councillor members will receive their basic salary from their constituent council. Any councillor member can decide to renounce receipt of any payment, or part of the payment made in respect of the approved duties, if they chose to do so. Payments will be made 4 weekly in arrears directly to a designated bank or building society account. For calculation purposes, salaries are based on 365 days per year.

Where an elected member has been suspended as a result of a contravention of the Members Code of Conduct, the Standards Commission may, on imposing such suspension, direct that any remuneration or allowance deriving from membership of SPT, and that would be payable to the member, not be paid or be reduced as directed.

HM Revenue & Customs has confirmed that for income tax and national insurance purposes, councillors are regarded as office holders and liable for PAYE and Class 1 national insurance contributions. As such, councillors will be entitled to Statutory Sick Pay and Statutory Maternity Pay. These payments are not classed as social security benefits but replacement earnings and are therefore taxable and subject to national insurance contributions as employment income in the same way as other elements of their remuneration.

2.0 ELEMENTS OF REMUNERATION PACKAGE

2.1 PAYMENT

All councillor members will receive their basic remuneration from their respective council. SPT has agreed to make a payment to the Chair and Vice-Chair(s) in respect of the approved duties undertaken by both these roles. SPT has 2 Vice Chairs.

SPT has agreed that the Chair will receive a total payment, inclusive of the basic remuneration, of £36,528. SPT will therefore make a payment of £20,294 to the Chair of SPT. This sum will be subject to PAYE and NI contributions via the SPT payroll.

SPT has agreed that the Vice-Chair(s) will receive a total payment, inclusive of the basic remuneration, of £27,396. SPT will therefore make a payment of £11,292 to the Vice-Chair(s) of SPT. This sum will be subject to PAYE and NI contributions via the SPT payroll.

These sums are based on a basic remuneration level of £16,234 with effect from 5 April 2010. The basic remuneration cannot be varied by individual councils but is set nationally.

2.2 PENSION PAYMENTS

The current local government pension scheme (LGPS) is now available to all Councillors. Deductions will be made by the "employing authority".

The LGPS should apply at the same retirement age as others in the scheme. Member contributions are set on a tiered basis, depending on remuneration levels, the same as other members of the scheme and normal employer contributions will apply with calculations based on career average rather than final salary. This differs from that applying to other members of the scheme and is intended to reflect that councillors may hold positions of responsibility with higher remuneration at various points in their career. However, at the time of writing, the above regulations and the relevant definition of pensionable pay does not include payments made by SPT. As a result the payments made by SPT will not be subject to pension deductions and will not count towards a member's pension calculation.

The regulations governing pension matters is the responsibility of the Scottish Pension Service.

2.3 ALLOWANCES & EXPENSES

Any member of the Partnership is entitled to receive payments from the Partnership in respect of reimbursement of travel, subsistence or other expenditure incurred by that member, but only where the following conditions are met:

The expenditure on travel, subsistence or other expenditure is expenditure reasonably incurred by the member for the purpose of enabling them to perform an approved duty as a member of the Partnership;

The expenditure is defined in Schedule 2 of the Local Government (Allowances & Expenses) (Scotland) Regulations 2007; and the expenditure is fully receipted.

2.4 APPROVED DUTIES

A list of the current approved duties is attached for information as Appendix 2.

Reimbursement of any expense incurred while undertaking SPT approved duties must be claimed directly from SPT and not from constituent councils unless prior arrangements have been made between the respective Chief Financial Officers as to the appropriate process for reimbursement between the two bodies.

2.5 CLAIM FORMS

Standard claim pro-formas must be completed by the claimant, detailing all of the relevant information about claims. Receipts must be attached where appropriate. Unreceipted expenditure will not be reimbursed.

Copies of the claim forms to be used are included at Appendix 3, and are also available electronically at

http://www.spt.co.uk/wmslib/Documents_Partnership/member_expense_guide.pdf

2.6 TRAVEL BY PRIVATE TRANSPORT

There is a presumption that SPT members will travel by public transport unless in exceptional circumstances. However, RTP members may claim costs incurred when travelling by private car or van, motorcycle and bicycle on approved duties, and may also claim costs for travelling with passengers, where both the RTP member and the passenger are carrying out any approved duty or partnership business. The allowance for travel by private car, motorcycle and bicycle are as follows:

- 45p per mile for travel by car or van
- 24p per mile for travel by motorcycle
- 20p per mile for travel by bicycle
- 5p per passenger per mile where both the passenger and the councillor are carrying out an approved duty.

The number of miles per mode reimbursed will be included with SPT's publication of members expenses – see section 2.11

HM Revenue & Customs has intimated that mileage up to 10,000 miles per annum will be tax free. Payments for mileage beyond this are taxable and should be declared.

Leased cars will not be made available to members. SPT, as the promoter of public transport, expects that cost effectiveness and value for money will be considered when choosing mode and class of travel. It is expected that members should travel by standard / economy class on public transport for the vast majority of their journeys.

Receipts are required for

- Parking charges – receipted costs of expenses incurred
- Road Tolls – cost of expenses incurred
- Road pricing / congestion charges – receipted costs of expenses incurred but not penalty charges
- Ferry fares for cars / motorcycles and bicycles – receipted costs of expenses incurred

SPT will not reimburse any costs associated with parking fines or recovery of vehicles towed away.

For the purposes of calculating claims, a member's normal place of residence is regarded as his or her normal place of work, so expenses associated with travel from home to SPT places of business may be claimed back. Equally if a member travels on SPT business from his or her place of employment of business, that will be reimbursed. However, if the cost of making that journey would have been lower had it started at the members home, then that lower cost is the maximum that will be reimbursed.

SPT will not reimburse mileage costs for journeys outside Scotland, unless in exceptional circumstances where the cost of private travel outweighs the cost by public transport. In such circumstances, the arrangements and price comparisons must be agreed prior to travel arrangements being made.

2.7 TRAVEL BY PUBLIC TRANSPORT

SPT's core business and objectives centre on the planning, promotion and delivery of effective public transport solutions and services, which are fit for purpose and accessible by all. SPT therefore actively supports and encourages all members to use public transport services wherever possible.

The following expenses may be reclaimed by members who use public transport to carry out their duties:

- Buses and Trams – expenses incurred and receipted, including a season ticket if this is a more cost effective solution
- Trains, air travel, ferry travel – receipted cost of fare
- Taxi – receipted costs but taxi fares will only be reimbursed where no alternative transport service is available or in the interests of safety.

It is expected that all members should travel by standard or economy class for the vast majority of journeys. However, members of SPT should also consider the cost effectiveness and value for money when choosing the mode of transport for a journey on SPT business.

In assessing private transport or public transport, consideration must also be given to the practical realities of time to travel and whether journeys by public transport are the most effective in terms of cost.

2.8 MEALS & ALLOWANCES

Where members are required to carry out SPT business outwith their own ward or outwith the SPT offices, the actual cost of reasonable expenses incurred for meals may be reimbursed on the production of a receipt. The maximum daily limits have been set by regulation and only receipted costs will be reimbursed up to:

- Breakfast £8 per day
- Lunch - £12 per day
- Dinner - £25 per day

SPT will continue to provide a sandwich lunch on days of Committee meetings and Partnership meetings only.

Each element of reimbursement claimed is unique. Members must not claim reimbursement for the same expense more than once.

2.9 OVERNIGHT SUBSISTENCE RATES

Where a member has an overnight stay away from home there are upper limits of £110 for the UK, and £131 for London to cover bed and breakfast. These are the maximum sums and will only be reimbursed on production of receipts.

Where a member must travel overseas on SPT business, the London rate of £131 per night for bed and breakfast will apply. These are the maximum amounts and will only be reimbursed on production of receipts.

Where an overnight claim has been made, no additional payment for breakfast will be reimbursed.

Bookings should be made by individual councillors and reimbursed. However, where several members are attending an event or conference and SPT can demonstrate best value would be achieved, it may choose to book accommodation on behalf of members. These costs should be within the above rates.

OVERSEAS TRAVEL AND ACCOMMODATION

Travel for overseas business will normally be based on economy or standard class travel. The exceptions to this are in instances of long haul flights greater than 6 hours in duration (USA or Far East) when premium economy (if available) or business class may be considered where merited in the circumstances.

2.10 TELEPHONE AND EQUIPMENT

SPT will provide equipment necessary to allow members to carry out their approved duties and roles, consistent with the assessment of normal business needs. Members will not be reimbursed for purchasing such equipment.

Any telephone costs necessarily incurred to allow members to carry out their role effectively may be also be reimbursed.

SPT may provide the Chair and Vice-Chair(s) of the Partnership with mobile phones if this is a more cost effective way of conducting SPT business. In these circumstances, this will be at the cost to SPT and each member will be asked to certify that the device is not used for personal purposes, thus complying fully with HM Revenue and Customs treatment. All personal calls should be identified and paid for by the member.

2.11 PUBLICATION OF REMUNERATION INFORMATION

The Partnership must publish information on members' allowances and payments in respect of the previous year in a standard format by 1 June of each year. This should include information on all costs reimbursed but also information on any cost for transport or subsistence, or other costs, which have been booked or provided by the Partnership on behalf of the member.

The Partnership will also be required to make information on members' remuneration and expenses available at the Partnership offices when requested to do so in writing.

There is also an expectation that at the same time as publishing the members' expenses, the Partnership will also publish details of any training undertaken by members in the previous year. As a minimum this will include reference to the number of members undertaking training provided by SPT and the various courses and conferences attended should be included as a footnote.

The minimum information to be published will include:

- name of the member;
- position held and unitary authority represented;
- remuneration;

- car and van mileage;
- other travel;
- subsistence costs, split between accommodation and meals;
- training and conference expenses;
- telephone and information communication technology expenses, excluding capital costs where ownership is retained by SPT;
- other expenses;
- total expenses; and
- total Salary & Expenses.

Specifically, the Public Services Reform Act (Scotland) 2010, places a duty on SPT to make an additional public statement in relation to overseas travel and the associated cost. This covers the cost of overseas travel by any member, irrespective of whether or not this has been included in an expense reimbursement statement expense claim. This will include

- cost of hotel;
- conference fee;
- cost of travel;
- subsistence; and
- any other related expenditure.

**Excerpt from minute of the
Strathclyde Partnership for Transport
31 May 2007**

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6. Chair and Vice-Chair remuneration

There was submitted and approved a report (issued) of 14 May 2007 by the Secretary,

- (1) reminding members of the recent changes to the way in which elected members were remunerated as a result of the Local Government (Scotland) Act 2004;
- (2) advising members
 - (a) that although the Act applied to all local authorities and joint boards it did not apply specifically to Regional Transport Authorities; and
 - (b) that although the Transport (Scotland) Act 2005 and subsequent orders permitted Regional Transport Partnerships to make payments for members' expenses only, the previous powers of the former SPTA which had been transferred to this RTP, permitted SPT to make payments for the following approved duties:-
 - attendance at a meeting of the body;
 - attendance at a meeting of a committee or sub committee of the body in particular circumstances; and
 - doing anything for the purposes of, or in connection with, the discharge of the functions of the organisation; and
- (3) explaining that in view of the amendments to the existing legislation, it was necessary for SPT to amend its scheme of allowances to take account of the revised legislative structure;
- (4) proposing that SPT formally adopt the principles outlined in the legislation, insofar as was practicable in respect of councillor remuneration and expenses as if they applied to the RTP, treating the RTP consistently with the Police and Fire Joint Boards in so far as possible;
- (5) informing members
 - (a) that the impact of this would be that the Chair of the RTP would be entitled to receive a total payment of £34,768 per annum which equated to 75% of the remuneration of the leader of the highest banded council and Vice Chairs 75% of the Chair's remuneration (£26,076 per annum), inclusive of any sum paid to them as a councillor; and

- (b) that given the unique circumstances applicable to RTPs whereby the Chair and Vice-Chairs maintained their positions until the first meeting of the Partnership, it was further proposed that the revised scheme be applied from 3 May 2007 if an office bearer previously held the post of Chair or Vice- Chair;
- (6) intimating
 - (a) that arrangements would be made with each of the councils from which those posts were filled for payment purposes; and
 - (b) that liaison would continue with the Scottish Executive to investigate a more straightforward basis on which payments could be made; and
- (7) highlighting that a full Members' Allowance and Expenses Handbook had been prepared and would be distributed to all members and deputies.

APPROVED DUTIES FOR MILEAGE/SUBSISTENCE

1. Attendance at a meeting of the RTP or any of its committees, sub committees or pre-agenda meetings.
2. Attendance at any meeting or conference to which the member has been appointed or invited by the RTP or a committee to attend.
3. Attendance at visits and inspections arranged by the RTP or at a function approved by the RTP.
4. Attendance at consultations with departmental officers.
5. Attendance at duties in connection with any bodies specifically prescribed by the First Minister.
6. Attendance at meetings of a community relations nature, including meetings of the community councils, residents associations, community groups etc in so far as they affect the planning and provision of transport.
7. Visits to the departments of the RTP to discuss departmental matters affecting the Strathclyde area or matters raised by members of the RTP.

DETAILS OF NEW ELECTED MEMBERS

NAME	
ADDRESS	
DATE OF BIRTH	
NAT. INSURANCE NO	
EMPLOYMENT STATUS	
COUNCIL REPRESENTED	

Please supply the following information:

BANK NAME	
BRANCH	
ADDRESS	
SORT CODE (6 digits)	
ACCOUNT NO: (8 digits)	
SIGNATURE	
DATE	

Internal Use Only – complete and initial confirmation

P46 Issued / P45 Received

Tax Code

NI Category



MEMBERS TRAVEL & SUBSISTENCE EXPENSE CLAIM FORM

Name		Payroll No	
Vehicle Reg No		Period End	

Summary of Claim

	£	Official Use Only
Car Mileage		
Motorcycle Mileage		
Bicycle Mileage		
Passenger Mileage		
Subsistence		
Other Travel		
Other Expenses		
Total Claim		

Declaration

I declare that:

- The amounts of travel and subsistence expense claimed, have been actually and reasonably incurred for the purpose of enabling me to perform approved duties as a member of SPT
- I have paid the fares shown and all other amounts claimed are in accordance with rates approved by the RTP
- I have attached all necessary receipts in connection with expenses claimed
- I have not made, and will not make, any other claim under any enactment for subsistence expenses or allowances in connection with the duties indicated in this form
- Where I am claiming mileage expenses, I have a valid licence and appropriate motor insurance, which covers my vehicle being used for business purposes.

Signature

Date

Internal Use Only

Checked By

Date

NOTES OF GUIDANCE FOR COMPLETION OF CLAIM FORM

The claim form has been devised to take account of the requirements for publishing information in a standard format about members' claims. This form will also provide the necessary documentation for HM Revenue and Customs and Internal and External Audit.

To assist in the completion of the form your attention is drawn to the following points:

1. Date – please insert the date for which the expense is being claimed.
2. Times of departure and arrival – departure and arrival times should be entered for verification of amounts claimed for subsistence
3. Detailed description of approved duty – clearly indicate which meeting you have attended or the relevant detail of the approved duty undertaken. Approved duties should indicate – Partnership meeting, duties in connection with Partnership functions, conference, seminar etc, nominee to other bodies, duties undertaken by Chair/Vice-Chair(s) and meetings with named officers.
4. Expense Items/journey details – as meetings and approved duties are held at various locations, it is essential for the calculation of mileage that all locations visited are entered onto the claim form.
5. Passenger miles – this calculation should be entered by calculating the number of miles travelled multiplied by the number of passengers eg 2 passengers times 30 miles = 60 passenger miles.
6. Subsistence – subsistence relates to overnight accommodation and meals. Only receipted costs will be reimbursed to the prescribed maximum levels when SPT business is required to be conducted outwith the SPT area, or outwith the Partnership premises, or otherwise in accordance with Schedule 2 to the Local Governance (Scotland) Act 2004 (Allowances and Expenses) Regulations 2007.
7. Other travel expenses – this column should be used to record claims for public transport, taxi and fares and any other allowable travel expenses for which a receipt is available.
8. Other Expenses – this column should be used for reimbursement of other receipted allowable expenditure.



RECORD OF CLAIMS – Annual Return

Appendix 5

NAME	DESIGNATION	SALARY	REIMBURSEMENT OF EXPENSES								
			TRAVEL EXPENSES		SUBSISTENCE EXPENSES		TELEPHONE & INFORMATION COMMUNICATION TECHNOLOGY (ICT) EXPENSES	OTHER EXPENSES	TOTAL EXPENSES	SALARY & EXPENSES TOTAL	
			Car & Van	Other Travel	Accommodation	Meals					
(A)	(B)	(C) £	(D) £	(E)	(F)	(G) £	(H) £	(I) £	(J)=(D) – (I) £	(K)=(C)+(J) £	