



GUIDE TO MEMBERS' ALLOWANCES AND EXPENSES

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CONTENTS

	Page
Section 1 - Introduction	2
Section 2 - Allowances and Expenses	3
Level of allowances	3
Method of payment	3
Daily rate allowances	3
Carers' allowance	3
Monitoring of attendance at meetings	4
Changes in office	4
Choosing not to claim	4
Submission of claims	5
Annual review of allowances and expenses	5
Travelling expenses	5
Subsistence expenses	6
Section 3 - The Procedure for Claims and Payments	7
How do I make a claim?	7
How and when should the claim form be submitted?	7
How do I complete the form?	8
When and how will I be paid?	9
Section 4 - Statutory Deductions and Benefits	9
Introduction	9
What is deductible?	9
On what basis is tax and National Insurance deducted?	10
Points to be borne in mind regarding National Insurance	10
Unemployment benefit.	10
Appendix 1 Details of Allowances and Expenses to Members	11
Appendix 2 List of Approved Duties	12

1. INTRODUCTION

- 1.1 The Police Authority has approved a scheme of allowances and expenses for Members in accordance with the provisions of Section 107 of the Criminal Justice and Police Act 2001 and Section 94 of the Police Reform Act 2002.
- 1.2 The notes contained in this document apply to all Members of the Authority and offer guidance in the compiling and submitting of claims for allowances and expenses. The payment of allowances and expenses under this scheme is based on the recommendations of Association of Police Authorities' Independent Panel. The previous hourly attendance allowance shall not be payable under this scheme.
- 1.3 These notes are designed, in summary form, to assist you as a Member of the Cheshire Police Authority in making your claim for allowances and expenses. They are by no means comprehensive and you should consult one of the following officers if you have any problems or query not dealt with in the notes.

Mark Sellwood, Chief Executive

Tel: (01244) 614001

Martin Eaton, Member Services Manager

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- 1.4 Detailed advice on taxation/benefits should be sought from the local Tax Inspector or the local DSS office (see Section 4).
- 1.5 Whilst officers are happy to advise and assist, Members are reminded that they remain personally responsible in law for the accuracy of their claims.
- 1.6 The Authority has to make available for inspection by any person interested, the accounts which are to be audited by the Audit Commission, and all books, deeds, contracts, bills, vouchers and receipts relating to them. The inspection can only be made during a period of 15 days immediately before the advertised opening date of the audit of accounts. This provision required that both the record of allowances and individual claim forms must be available for inspection.

2. ALLOWANCES AND EXPENSES

Level of Allowances

- 2.1 The scheme provides a fixed basic allowance of £8,632.
- 2.2 The scheme also provides varying levels of allowances for Members who undertake special responsibilities within the Authority (i.e. Chairman, Vice-Chairman, Committee, Panel, Police Question Time Chairman and Partnership Leads). The level of allowances payable are as follows:-

	£
Chairman of the Authority	21,580
Vice-Chairman, Chairmen of Committees & Panels*/Police Question Time Chairman/Partnership Leads	10,789
<small>(* Audit Committee, Staff Committee, Engagement Committee and Service Improvement Panel)</small>	

- 2.3 The allowances are intended to recognise the time commitment expected of each Member to enable them to carry out their duties effectively and take account of the public service element of the role. No Member shall receive more than one allowance, which shall be the highest of any such allowance available to the Member.

Method of payment

- 2.4 Payment of allowances shall be made monthly on the 18th day of the month. The monthly amount payable shall be one-twelfth of the annual allowance specified in this Scheme. For details of the payment of travelling and subsistence allowances refer to section 3 – The procedure for claims and payments.

Daily Rate Allowances

- 2.5 The Daily Rate Allowance for Members appointed to serve on Police Appeals Tribunals is £210 for a full day (£105 per half day i.e. sittings of 4 hours including travelling time or less) and £15.00 per hour for preparatory work/report writing as set by the Home Office. The same rates apply to the Independent Chairman/Members of the Standards Committee; all Members of the Selection Panel and persons appointed to serve on Police Misconduct Panels.

Carers' Allowance

- 2.6 Any Member who is required to pay a carer in order to attend Police Authority meetings may claim a Carers' Allowance. This allowance shall be paid upon the production of a valid signed receipt, and shall be for actual expenditure incurred up to a maximum of £6 per hour.
- 2.7 Carers' Allowance may be claimed for the total hours it takes for a Member to leave home and return home after attending Police Authority meetings. The allowance shall not be payable in respect of care provided by a member of the claimant's family or household.

- 2.8 Payments may be claimed in respect of children aged 16 or under and in respect of other dependants where there is medical or social work evidence that care is required.

Monitoring of attendance at meetings

[Paragraphs 2.9 & 2.10 are currently under review]

- 2.9 The Scheme includes a review process to monitor Members attendance at Authority meetings and Have Your Say meetings (Authority meetings include meetings of the Authority, committees, panels and seminars). The Chief Executive is responsible for undertaking the monitoring role. Every six months, the Chief Executive will review Members attendance and advise any Members who may fail to meet the required level of attendance. Members will be invited to explain in writing the reasons for their level of attendance.
- 2.10 If a Member without good cause, fails to attend 70% of all Authority meetings to which they are appointed and a minimum of five Have Your Say meetings with at least two outside the Area within which they reside per annum, the Chief Executive will present a report to the Standards Committee for consideration. The Standards Committee will submit a report to the Authority, to be considered within the public section of the meeting, recommending an appropriate course of action. This may result in the Member being required to repay such proportion of their attendance allowance as the Standards Committee and/or the Authority determines or even a request to consider their position on the Authority.

Changes in office

- 2.11 The Chief Executive is authorised to take all appropriate action in respect of payment of allowance if:-
- (a) the scheme is amended;
 - (b) a person becomes, or ceases to be, a Member;
 - (c) a Member accepts or relinquishes a responsibility in respect of which enhanced allowance is payable.
- 2.12 When the term of office of a Member either commences and/or ceases during the course of a year, the entitlement to the Allowance shall be based on the number of days in office during that year. Similar pro rata entitlements will apply in situations where a Member has special responsibilities (as defined within this Scheme) for part of a year.

Choosing not to claim

- 2.13 A Member may elect not to claim any or all of the allowances. Such election should be in the form of a written notice to the Chief Executive.

Submission of Claims

- 2.14 All Members claims for travelling and subsistence expenses and any other expenses must be submitted within three months of the performance of the approved duty. A list of approved duties is attached as Appendix 2. A claim submitted outside this period and/or a claim, which is retrospective to the last financial year, will be paid only after the express approval of the Authority.

Annual Review of Allowances and Expenses

- 2.15 The rates of allowance, including Daily Rate Allowance, shall be reviewed annually on 1 April by the Chief Executive in line with police staff percentage pay increases. The rates for travelling expenses set by the Inland Revenue will be updated periodically. The rates for subsistence expenses set by the Authority shall be reviewed annually on 1 October in line with RPI. Members will be notified of any amendments in the rates of allowances and expenses.

2.16 Travelling Expenses

- (1) Appendix 1 details the travelling expenses that can be claimed in respect of the distance between your place of departure and the place where the approved duty is carried out and return.

You will normally be aware of meetings well in advance and so will, in most cases, be claiming for travel from home or place of work. There may however be occasions when meetings are called at short notice. The question of eligibility for expenses from other points of departure in such circumstances, requires careful consideration and, for this reason, you are advised to seek guidance from the Chief Executive.

If you travel from your place of work to attend meetings held at a point between the place of work and home, no travelling expense will ordinarily be payable. If, however, the meeting is held at a point, which requires that a detour is made from the normal route, the travelling expenses will be restricted to "additional" mileage. In cases of doubt please seek guidance from the Chief Executive.

- (2) *Travel by your own vehicle* may be claimed at the rate per mile detailed in Appendix 1. You must ensure that your private car insurance covers the use of the vehicle on Authority business and supply the Chief Executive with a copy of the relevant insurance schedule and vehicle registration documents. The Authority has adopted the Inland Revenue rates and therefore payment is exempt from income tax until the 10,000 mile limit is breached.

The 10,000 mile limit applies to mileage undertaken on Police Authority business, therefore Members do not need to aggregate all their mileage. Tax will only be payable if an excess of 10,000 miles is undertaken on Police Authority business.

You are able to reclaim any reasonable expenditure incurred during the

journey on Authority business, such as the payment of tolls, fees and charges (eg city centre congestion charges and toll road fees). Receipts should be submitted with completed claim forms.

- (3) Travel by public transport entitles you to claim the fare of the class actually travelled, together with the cost of any reservation of seats and deposit or portage of luggage. Members may travel by First Class rail.

Members undertaking train journeys on official business on behalf of the Authority are expected either to use a Rail Warrant or submit a ticket receipt with their claim form. Alternatively arrangements for the purchase of rail tickets can be made via the Chief Executive's office.

For those Members who are eligible, attention is drawn to the potential financial savings to the Authority through use of a Senior Citizens Discount, which enables the cost of all rail journeys to be reduced by a third of the original price. Members may claim any cost associated with purchasing such a card.

- (4) Travel by taxi may be claimed where appropriate. This embraces the amount of actual fare and any reasonable gratuity. Where appropriate is generally accepted as meaning cases of urgency or where no public transport is reasonably available. In any other case, only the fare for travel by appropriate public transport may be claimed. Members are required to submit a receipt of expenditure with their claim form.
- (5) Travel by hire car normally may not be claimed at more than the rate payable had the vehicle belonged to you. Exceptionally, where there are special circumstances and the Chief Executive so approved, the rate may be increased up to the actual cost of hiring.
- (6) Where a Member attends a meeting of some other authority at the same place (town) on the same day, travel costs will need to be apportioned between the respective authorities in a fair and reasonable manner.

2.17 **Subsistence Expenses**

- (1) Subsistence will only be paid for attendance at Authority, Committee or Panel meetings including seminars, subject to the conditions contained in the following paragraphs 2-8.
- (2) The levels of reimbursement for meals will be:-
- | | |
|-----------|---------------------------------------|
| Lunch | £12.07 (over 4 hours/up to 12 hours) |
| Dinner | £24.16 (over 12 hours/up to 24 hours) |
| Overnight | £35.88 (24 hours) |
- (3) A subsistence payment will not be payable for periods of less than four hours (including travelling time).
- (4) Claims for meals and other expenses will be paid on the basis of actual

expenditure with a receipt.

- (5) Subsistence expense claims in relation to meetings held at Constabulary HQ are taxable and have to be identified separately on the claim form.
- (6) The cost of a meal provided at the expense of the Authority counts against the subsistence expense. Where a lunch is provided for Members by the Authority or by the organiser of an event attended by the Member, whether taken or not, no lunch allowance will be paid.
- (7) All necessary hotel accommodation required for Authority business will be booked and paid for by the Authority. For attendance at an approved conference you should discuss the arrangements with the Chief Executive or a member of his staff prior to the visit. These arrangements only apply when the accommodation recommended by the conference organisers is used. In extenuating circumstances where a Member is required to make their own booking of hotel accommodation, you will be reimbursed for actual reasonable expenditure subject to the appropriate receipts being submitted with the claim form. Subsistence payable during attendance at conferences will be based on reasonable expenditure.
- (8) The cost of meals taken on trains during a period for which there is an entitlement to day subsistence will be reimbursed subject to the appropriate receipt being submitted with the claim form and only where meals are not provided as part of the ticket price.

3. THE PROCEDURE FOR CLAIMS AND PAYMENTS

How do I make a Claim?

- 3.1 Claims must be submitted on the Members' Expense Claim Form, which will be provided each month along with a pre-paid envelope for its return. As part of the audit trail, Members **must** submit receipts in support of **all** expenditure in their claims.

How and when should the Claim Form be submitted?

- 3.2 You will probably find it helpful to complete the Claim Form after each approved duty is undertaken. The Chief Executive will circulate annually a list of monthly deadlines for receipt of claims. The claims period will run up to the deadline, any claim for meetings should be included in the next months claim. The completed Claim Form should then be submitted to the Chief Executive, as soon as possible after the end of the claim period. In this way, you can be more assured as to the liability or personal entitlement to/for income tax, National Insurance, and other appropriate DSS benefits. (Further advice regarding these liabilities/entitlements is provided in Section 4 of this Guide.)

On receipt of your completed claim in the Chief Executive's office, you will be sent an acknowledgement and a blank form for your next claim.

How do I complete the Form?

3.3 An example of a completed expense claim form is attached at Appendix 3. The following provides some general advice on how the form should be used to claim the appropriate expenses:-

- Column 1** Insert the date on which the approved duty was carried out.
- Column 2** Insert a description/purpose of the meeting attended.
- Column 3** Insert the location of the meeting attended.
- Column 4** Insert from where you departed to attend the meeting.
- Column 5** Insert your destination following the meeting.
- Column 6** Insert engine size of motor vehicle
- Column 6a/6b** Insert total number of journey miles and insert the rate per mile applicable.
- Column 7** Insert the cost of any taxi, rail or bus fare incurred plus any other approved out-of-pocket expenses eg car parking, tolls etc and attach receipts.
- Column 8** Insert amounts for any meals and accommodation charges, which you have incurred, attaching receipts and noting the scale of reimbursements set out in Appendix 1.
- Subsistence allowance should be claimed for the periods detailed in Appendix 1. Subsistence expense claims in relation to meetings held at Constabulary HQ are taxable and have to be included in the 'Taxable' column on the claim form.
- If the conference or meeting is held outside the United Kingdom, the prescribed limits on mileage and subsistence allowance do not apply. The amounts claimed must nevertheless be reasonable. Advice from the Chief Executive should be sought on these occasions.
- Column 9** Calculate the total amount of expenses being claimed. (Any disallowed or major errors in your claim will be drawn to your notice by the Chief Executive).

You are reminded that you are personally responsible for the accuracy of your claims, including the calculations.

When and how will I be paid?

- 3.4 After you have completed and certified the Claim Form it can either be posted to the Chief Executive in the pre-paid envelope provided or handed to the Chief Executive.
- 3.5 Each claim will be processed and paid into a bank or building society account of your choice. An advisory statement is issued at the same time as the payment is being credited to your account giving a detailed breakdown of the payment.
- 3.6 Claims will be processed for payment on the 18th of each month. In each case, claim forms will need to be submitted to the Chief Executive by the prescribed deadlines to ensure payments is made in the following month after submission. Claim forms submitted after the monthly deadline may be paid by a supplementary payment at the end of the following month or on the 18th day two months later.
- 3.7 An Income Tax Form P60 will be sent to you at the end of the financial year summarising all taxable payments and deductions made during the previous 12 months.

4. STATUTORY DEDUCTIONS AND BENEFITS

Introduction

- 4.1 This section provides only general guidance on the liability to income tax and national insurance contributions on payments made in respect of allowances and expenses. Further detailed advice, taking into account individual personal circumstances can be obtained from HM Inspector of Taxes at the following address:-

Bootle Mersey View,
Taxpayer Service Office,
HM Inspector of Taxes,
The Triad,
Stanley Road,
Bootle,
Merseyside
L75 2YY
Tel: 0845 300 3939 (quoting reference 083/CPOL)

or a local officer of the Department of Social Security in cases of query regarding national insurance contribution and/or State Benefits.

What is deductible?

- 4.2 Most entitlements to Members allowances and expenses are subject to deductions for income tax and National Insurance.
- 4.3 In respect of mileage expenses, the Inland Revenue approved rates adopted by the Authority are exempt of payment of income tax and National Insurance.

Subsistence expenses have a liability for income tax and National Insurance.

On what basis is Tax and National Insurance deducted?

- 4.4 PAYE tax will be deducted at the basic rate (22p in £) on tax code BR unless a tax code can be provided/assessed via Form P45/P46 or the tax office can send a Form P6. In these cases deductions will be made in accordance with the tax code issued.
- 4.5 Flat rate Class I National Insurance contributions (Category A) will be deducted on pay when the lower earnings limit is exceeded unless you produce a valid exemption certificate available from your local DSS office.

Points to be borne in mind regarding National Insurance

- 4.6 If you are self-employed or have full-time employment with another employer, you may separately pay more National Insurance than is needed. If so a refund will be initiated by the DSS after the year-end and when the total overpayment can be accurately assessed. You are recommended to obtain leaflet NP 18, which sets out in detail the contribution liability of persons with more than one job/employer.
- 4.7 If you are over retirement age you need pay no contributions, regardless of whether you are receiving a pension. However you must obtain a certificate of non-liability.
- 4.8 If you or your spouse is in receipt of Invalidity Benefit you should note that all allowances count as earnings whether or not they are actually being claimed and paid. Consequently, it is left to you to declare your 'earnings' to the DSS in cases where a state benefit is also being received.

Unemployment Benefit

- 4.9 If you are in receipt of Unemployment Benefit you should contact the DSS to inform them of the allowances you are in receipt of from the Police Authority. The DSS Office will be able to advise you on how this affects your entitlement to unemployment benefit.
- 4.10 If you have any queries regarding taxation you should contact HM Inspector of Taxes on the above telephone number.
- 4.11 If you have any queries regarding Social Security payments please contact the DSS directly.

CHESHIRE POLICE AUTHORITY – ALLOWANCES AND EXPENSES TO MEMBERS

MEMBERS ALLOWANCES

Basic Allowance	£ 8,632
Chairman	£21,580
Vice-Chairman, Committee & Panel*/Police Question Time Chairmen	£10,789
<i>(*Audit Committee, Engagement Committee, Staff Committee and Service Improvement Panel)</i>	

MILEAGE EXPENSE RATE (PER MILE) <i>(Inland Revenue approved rates)</i>			SUBSISTENCE EXPENSE RATE <i>(wef 1 October 2009)</i>		
Mileage up to 10,000 miles per year	Mileage greater than 10,000 miles per year	Bicycle Allowance	Day (up to 12 hours)	Day (over 12 hours/less than 24 hours)	Overnight (24 hours)
40p	25p	20p	£12.07	£24.16	£35.88

Meals on Trains – Actual receipted expenditure.

Dated: April 2010

CESHIRE POLICE AUTHORITY – LIST OF APPROVED DUTIES

Police Authority

- any meeting of an outside body to which a Member has been appointed or is requested to attend either as a substitute or otherwise by the Chief Executive
- to undertake any duties requested by the Authority
- Police Dog Welfare Inspection Scheme visits

Audit Committee

- any meetings or visits relating to reviews on which Members are the nominated Authority representative

Engagement Committee

- Custody Visitor Seminars

Remuneration Committee

Selection Committee

Staff Committee

Standards Committee

Finance Panel

Performance Panel

Police Authority Improvement Panel

Selection Panel

Service Improvement Panel

- Site visits
- Official openings

Policing Plan Development Group

Scrutiny Activity

Police 'Question Time' Meetings

- briefing meetings with Area Commander

Community Action Meetings and local community meetings

Pre-agenda meetings and briefings

Conferences/workshops/seminars/briefings/visits/roadshows/accompanying officers on patrol where attendance has been arranged and agreed by the Chief Executive

Thematic presentations, briefings and visits to Areas, departments, police units agreed with the Chief Executive

Any other meetings called by the Chief Executive