



**SCHEME FOR ADMINISTRATION OF
NON-ELECTED MEMBERS'
EXPENSES**

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Appendix 1 - Summary of main Travelling and Subsistence Allowances claimable by Non-Elected members

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1. INTRODUCTION

1.1 There are a number of allowances and expenses for which members of all public bodies are entitled to claim for reimbursement. The overriding principle in respect of public appointments is that no Chairman or Member should be out of pocket as a result of their appointment.

1.2 The Council has produced this Scheme for the Administration of Non-Elected Members' Expenses to provide guidance for non-elected members.

2. BACKGROUND

2.1 Schedule 1 to the Children (Scotland) Act 1995 indicates that the local authority may pay the expenses of children's panel members and Children's Panel Advisory Committee (CPAC) members. These are mainly in connection with attendance at a hearings centre to conduct a children's hearing and to reimburse the cost of attending children's panel/CPAC meetings.

2.2 The usual expenses involved are travelling expenses, and occasionally financial loss allowance, care allowance or subsistence. The expenses incurred in attending training sessions and the national school for children's panel members also fall to be reimbursed by the local authority.

2.3 Scottish Ministers had previously determined that rates of expenses for non-elected members would be linked to those payable to members of local authority committees in accordance with Section 45(4) and 46(1) of the Local Government (Scotland) Act 1973. The powers to make any future determination has been transferred to Scottish Ministers. In the absence of a formal guidance circular it is for the Council to determine the rate and there is no requirement to link Elected and Non Elected Members expenses.

2.4 Scottish Ministers have also determined that allowances may cover the provision of legal advice and legal representation in the event of action being taken against a panel member as a result of their duties, or the threat of such action.

3. GENERAL GUIDANCE FOR CHILDREN'S PANEL AND CPAC MEMBERS

3.1 Children's Panel/CPAC Members should endeavour to restrict expense claims to the minimum amount consistent with the efficient discharge of their duties.

3.2 It is the duty of each Children's Panel/CPAC Member to ensure that all amounts claimed are within statutory limits and regulations.

3.3 Children's Panel/CPAC Members should ensure that high standards of stewardship of public money are maintained and that all expenses claimed stand a simple test of reasonableness.

3.4 The Scottish Government has issued circulars outlining maximum rates applicable for travel and subsistence. Details of current rates are attached at **Appendix 1**.

3.5 Claims for travelling and subsistence allowances must be made in such a manner as the Council determines and must be submitted to the appropriate officer within two months of the date on which the duty is carried out.

3.6 This scheme applies equally to attendance at Panel Hearings and attendance at approved Children's Panel/CPAC training courses and meetings.

3.7 Children's Panel/CPAC members may only claim allowances for themselves. Therefore, members are only allowed to make and authorise claims on behalf of themselves.

4. TRAVELLING ALLOWANCES

4.1 Public Transport

- Public transport should be used where possible, particularly for journeys outwith the Region.
- Travel by rail, air, bus or ferry must, wherever possible, be at the cheapest available rate applicable to that form or class of transport at the time of travel although, on overnight journeys, sleeping accommodation may be used.
- The Council expects that all Children's Panel Members travelling by rail will travel second class. Children's Panel Members who wish to travel first class will be reimbursed at the second class rate.
- Children's Panel Members should only claim reimbursement for the exact fare incurred.
- All travel must be for approved duties (refer Section 9) e.g. attendance at hearings, training and meetings of the Children's Panel and CPAC.

4.2 Private Car

- The use of private cars is permitted. However, public transport is encouraged over the use of private cars on the assumption that it is less expense on the public purse. If private cars are used, the Council would encourage Panel Members to share a car where possible.
- The definition of a journey shall be the distance travelled from a person's home/place of work to the meeting and back to the person's home/place of work.
- When a Children's Panel Member chooses to use a private car, the allowances claimable will be those set by the Scottish Government's Non-Elected Members Scheme of Allowances and Expenses.
- Car parking fees and tolls will also be reimbursed. Receipts must be provided.

4.3 Taxis

- The general rule should be that the cost of a taxi can be reimbursed if there is no reasonable public transport available. Prior agreement must be sought from the Accountable Officer (Clerk to the CPAC) as to the hire of taxis for those Panel Members that require the use of a taxi to attend a meeting. This is to allow the possibility of sharing arrangements being made.

- In cases where it is deemed that there is reasonable public transport and/or prior agreement has not been sought, then payment will be restricted to a maximum of the normal mileage allowance or the cost of public transport. A receipt for the cost of the taxi should accompany each claim.
- If travelling outwith the region, it is appreciated that the use of taxis is sometimes necessary e.g. from railway station to meeting. In this instance the prior agreement from the Accountable Officer is not required. A receipt for the cost of the taxi should accompany each claim.

5. SUBSISTENCE

5.1 Amounts claimed should be restricted to expenditure actually incurred. The statutory scale amounts are maxima and should not be claimed as an allowance in excess of actual expenditure.

5.2 Overnight expenses should be incurred only when:

- an unreasonably early start would otherwise be required (it is considered to be reasonably possible to travel on the same day to a meeting held anywhere in the Region with a 10.00am start)
- it is not reasonably possible to return home the same day;
- the cost is reasonable compared to alternative means of carrying out Council business on consecutive days

5.2a Prior agreement must be sought from the accountable officer.

5.3 All claims must be supported by receipts to enhance accountability and to enable VAT to be reclaimed.

5.4 Hotel bookings should be made through the appropriate officer (Clerk to the CPAC and/or Children's Hearings Training Unit). This allows for corporate rates to be negotiated.

5.5 Children's Panel Members are only allowed to make and authorise claims on behalf of themselves e.g. if two Members have lunch in the course of their duties, then each should try to obtain an individual receipt. If only one receipt is available, then that Member can claim only for their share of the cost i.e. they are not allowed to claim the combined cost of the bill. In this instance, one Panel Member should obtain a photocopy of the receipt for claim purposes.

6. FINANCIAL LOSS ALLOWANCE

6.1 Financial Loss Allowance is an allowance payable towards the additional expenditure (other than travel and subsistence) necessarily incurred in carrying out an approved duty. There is a requirement to declare the extra costs or loss of income caused by performing the duty. The allowance is regarded therefore as a reimbursement of expenses or losses rather than a form of remuneration – as a consequence, it is not taxable.

6.2 The amount claimed cannot be greater than the financial loss shown. The amount payable is limited by rates set by the Scottish Government and reviewed annually.

6.3 The most common type of financial loss allowance is loss of earnings or loss of profit. The burden of proof is on the individual – no formal documentation is

required by law but authorities and their auditors may wish to establish guidelines and check claims.

6.4 Financial Loss Allowance is available to Children’s Panel Members as per Section 45 of the Local Government (Scotland) Act 1973. The amounts which can be paid are restricted under Regulations (The Local Authorities Etc (Allowances) (Scotland) regulations 1995 – SI 912 which are amended from time to time.

6.5 It is important to note that it is the Scottish Government that determines the amounts of the allowances that can be paid in respect of any loss of earnings/loss of profit. The current rates laid down were effective from 3 May 2004 and were provided by the Scottish Executive Office – Finance and Central Services Department. They are as follows:

Allowance	Maximum Amount Payable
FINANCIAL LOSS	
up to 4 hours	£27.21
over 4 hours	£54.43
It should be noted that the maximum amount payable, £54.43, applies to the period exceeding 4 hours including those exceeding 24 hours.	

6.6 The concept of Loss of Earnings/Loss of Profit is that it should only be claimed for losses that are **real**. The following examples are provided:

a. Loss of Earnings

- Loss of Earnings will only be paid to cover normal contracted working hours. Therefore, if a Member attends a Children’s Panel meeting then they will be able to claim for the loss of earnings that they had incurred up to the maximum limits.
- If a person forgoes the opportunity to work additional time/overtime in order to attend a Children’s Panel meeting, they would not receive any payment. Additional hours/overtime are not contracted hours so no loss of earnings would be due as the Panel Member has made a conscious decision to attend the Panel meeting instead of attending work.
- If a person is on leave/off for the weekend and attends a Children’s Panel meeting, then again no Loss of Earnings/Loss of Profit payment will be made. The person is not deemed to be at work, therefore no loss is due.
- If a person attends a Panel meeting that lasts say 4 hours (including reasonable travel time) but has to give up a 12 hour shift to do so, then that person would be given financial loss allowance based on the rate applicable for the period exceeding 4 hours up to a maximum of £54.43.
- Loss of Earnings/Loss of Profit cannot be claimed twice – if Financial Loss is claimed, then babysitting fees cannot be claimed for the same period. It is argued that if a babysitter is employed to cover a person’s working hours, then

that person would have to employ the babysitter irrespective of whether he/she attended a Panel meeting or not. So if Loss of Earnings/Financial Loss is claimed with respect to attendance at a meeting, then no babysitting fees would be payable.

- However, if a Panel Member forgoes work to attend a Panel meeting, but due to the meeting being scheduled to run on longer than normal working hours is obliged to hire a babysitter to cover the post-work hours, then Financial Loss and babysitting fees are separately payable.
- Proof of Loss of Earnings must be provided in the form of a signed statement from employers.

b. Loss of Profit

- Loss of Profit is a more difficult concept to prove. The onus of proof is on the individual to prove that a loss did occur. One way of doing this if a Panel Member is self-employed would be for “their business” to submit a claim with respect to Financial Loss rather than the individual him/herself. Again, the maximum amount claimable is that laid down by the Scottish Government and the same figures apply as for Loss of Earnings.
- To illustrate - a person is e.g. a self-employed taxi-driver and normally works an eight hour day. If he/she attends a Panel meeting e.g. for 4 hours, what would that person require to prove to claim financial loss allowance? The taxi driver would be expected to provide the evidence of loss for an “average day”. This calculation would firstly have to be pro-rated to the 4 hours attending the Panel against the 8 hour normal shift.
- More importantly, he/she would have to back this up by supplying a set of accounts as well as a calculation showing the basis of his/her loss. A statement saying that he/she collects an average income in fares per day of £X would not suffice because the concept of loss of profit would require that a proportion of fuel costs, insurance, road tax, wear and tear etc would have to be offset against any figure of average income. In addition, there would also have to be a degree of “reasonableness” built into any calculation.

7. OTHER EXPENSES

7.1 Childminding fees will be paid up to a maximum of the national minimum wage rate (currently £5.73 per hour) and receipts are required.

7.2 Claims for meals must be accompanied by receipts and the scale amounts shown in **Appendix 1** are the maximum amounts claimable.

7.3 Telephone expenses should be accompanied by receipts where possible. It is appreciated that telephone bills often do not detail local calls under a certain amount. Therefore, claims for telephone expenses under £5.00 per month do not have to be accompanied by receipts. For claims greater than £5.00 the required receipt should be in the form of a telephone bill detailing the numbers to which the claim relates. The Panel Member is required to submit the telephone bill for the previous quarter within two months of the bill being received e.g. if the quarterly telephone bill is received on 27 March, then the Panel Member has until the end of May to make a claim based on it.

7.4 Postage expenses should be accompanied by receipts where possible. However expenses under £5.00 per month do not have to be accompanied by receipts.

8. SUBMISSION OF CLAIM

8.1 Claims should cover a calendar month and be submitted on the appropriate form and sent to the appropriate officer.

8.2 All claims must be accompanied by appropriate receipts.

8.3 All claims must show details of the date the duty was carried out along with the start and end times and purpose of the duty.

8.4 A photocopy of a standard claim form is attached to this Scheme as **Appendix 2**.

8.5 The declaration on the form must be signed in respect of the claim.

9. APPROVED DUTIES

Approved duties for panel members shall be as follows:

- travelling to and from home/work to hearings
- travelling to and from home/work to training and meetings called by Chairman of CP/CPAC
- travelling to Reporters office to collect papers for late hearings
- for Chairman and Depute of Children's Panel, travelling to and from CPAC meetings

10. ASSISTANCE WITH COMPLETING FORM/ ADDITIONAL INFORMATION ON GUIDELINES

If a Children's Panel Member requires any additional information on the Guidelines or requires advice on completing the form, they should contact the following staff member at Education, Social Work and Community Services:

Kathryn Ritchie

Staffing Section

Telephone: 01387 260497

11. MONITORING AND REVISION OF SCHEME

11.1 All matters of interpretation of this Scheme are to be determined by the Proper Officer.

11.2 The Proper Officer is authorised to make any necessary amendment to or to correct any error arising in this Scheme which is of an administrative nature.

DUMFRIES AND GALLOWAY COUNCIL

SUMMARY OF MAIN TRAVELLING AND SUBSISTENCE ALLOWANCES CLAIMABLE BY NON-ELECTED MEMBERS

1. Travelling Allowance	Public Transport - ordinary fare or available cheap fare where more than one class of fare is available.	
		Pence per mile
	Motor Cycle	24
	Motor Vehicle	49.3
	Where passengers who would be entitled to claim in their own right are carried, the above rates may be increased by 5.0p for Motor Cycles and Motor Vehicles.	
	Actual car parking fees and tolls necessarily incurred will be reimbursed in addition to the above scale payments.	
2. Subsistence	Costs actually and necessarily incurred subject to the following scale maxima:	£
	Breakfast Allowance (more than 4 hours away from place of residence before 11.00am)	5.08
	Lunch Allowance (more than 4 hours away from place of residence including the period between 12 noon and 2.00pm)	6.99
	Tea Allowance (more than 4 hours away from place of residence including the period between 3.00pm and 6.00pm)	2.75
	Dinner Allowance (more than 4 hours away from place of residence ending after 7.00pm)	8.70
	The rates specified above shall be reduced by an appropriate amount in respect of any meal provided free of charge by an authority or body during the period to which the allowance relates.	
	Absence overnight <ul style="list-style-type: none"> • Standard - £82.53; • London or approved conference - £94.11 (sums exceeding this to be reported to Committee)	Sums claimed are in respect of 24 hour periods of absence.
	Claims for overnight subsistence must be supported by appropriate vouchers e.g. VAT invoices/receipts	
3. Childminding Allowance	up to a maximum of £5.73 per hour (in accordance with national minimum wage rates)	
4. Financial Loss	With effect from 3 May 2004	
		maximum (over 4 hours) £54.43 maximum (up to 4 hours) £27.21

The above represents a summary of only the main allowances which may be claimed, details having been extracted from the relevant Scottish Government Circular. Enquiries and details of other minor allowances claimable should be addressed to the Staffing Section, Education, Social Work & Community Services, Woodbank, 30 Edinburgh Road, Dumfries DG1 1NW.

DUMFRIES AND GALLOWAY COUNCIL**RESPONSIBILITIES OF APPROPRIATE OFFICERS****1. CHECK THE FOLLOWING BEFORE PASSING FOR PAYMENT**

- that the claimant has signed the reverse side of the claim form
- that the claim is arithmetically correct
- that the appropriate receipts are attached to the claim form
- that the amounts claimed do not exceed the approved allowances

2. RECORD OF DETAILS

2.1 An annual record of the following should be maintained as this information may be required by the tax office:

- Fares/other authorised payments
- Mileage
- Rate per mile
- Amount claimed
- Subsistence

Currently, the original Children's Panel Claim Forms are retained by the Creditors Section, Financial Services, which meets the above requirement.