

CARERS' ALLOWANCE SCHEME

1.0 Legality

- a. The Scheme is established by the Council under the Local Authorities (Members Allowances) (England) Regulations 2003. The Carers' Allowance is payable in respect of the approved duties set out in **Annexes 1-3 of Appendix B**. The scheme requires Councillors claiming the allowance to demonstrate and certify that carer expenses are actually and necessarily incurred in the conduct of their official duties.

2.0 Entitlement

- a. The Scheme provides for payments to be made to Councillors in respect of care for "dependent relatives" living with the Councillor. For the purposes of the scheme, "dependent relatives" are defined as:
 - (i) children aged 15 or under;
 - (ii) elderly relatives requiring full-time care; and
 - (iii) relatives with disabilities who require full-time care.
- b. The allowance is payable for care provided by carers registered by a Councillor with the Council (see paragraph 6. for details). In the case of (i) above, under no circumstances will the allowance be payable to another parent, the parent's spouse or partner. In the case of (ii) and (iii) above, under no circumstances will the allowance be payable in respect of care provided by a member of the Councillor's household.
- c. For meetings or duties within the Council's boundaries as set out in Annexes 1, 2 and 3, the allowance will be paid for the duration of the meeting or otherwise approved duty plus an allowance for up to one hour's travelling time before and after the meeting. For duties outside the Council's boundaries, the allowance will be paid for the duration of the duty plus the actual travelling time to and from the venue. In all instances, total time claimed should be rounded to the nearest half-hour.

3.0 Rates of Allowance

- a. The actual cost of care will be reimbursed, up to a maximum of £8.75 per hour, irrespective of the number of dependants.
- b. Where a dependent relative requires specialist professional care, the full cost of care will be allowed, with the prior written approval of the Director of Corporate Services see paragraph 6 (b).

4.0 Claims Procedures

- a. Councillors wishing to apply for Carers' Allowance must submit an application form to the Director of Corporate Services, declaring that:
 - (i) claims made will only be made in respect of a named dependent relative (or relatives) as defined in the scheme;
 - (ii) claims will only be made in respect of the entitlements set out in 2.0 above;
 - (iii) receipts will be provided in support of all claims; and
 - (iv) where a specialist professional carer is to be engaged, that this is a

necessary expense for which full reimbursement will be claimed.

- b. Councillors are required to notify Democratic Services in the event of their entitlement to Carers' Allowance ending.
- c. All claims will be processed by Financial Services through the Council's payroll system. In exceptional circumstances, and with the approval of the Chief Finance Officer, advance payments may be made in cash and subsequently adjusted through the payroll.

5.0 Taxation and National Insurance Contributions

- a. Advice from the Council's taxation consultants is that payments made under such a scheme will be subject to Income Tax and NIC's unless an arrangement can be reached with the Inland Revenue and dispensation not to tax obtained on the basis that the payments are reimbursement of costs actually and necessarily incurred.
- b. Because of the potential taxation and NIC implications, all payments must be processed through the Council's payroll system.

6.0 Administration

- a. The scheme is an integral element of the Councillors' Allowances Scheme, and responsibility for supervising, maintaining and reviewing the scheme is assumed by the Director of Corporate Services in conjunction with the Chief Executive and the Independent Remuneration Panel.
- b. Signed applications for registration of a carer are to be submitted by Councillors for approval by the Director of Corporate Services. Approved applications will be retained by Democratic Services and a copy forwarded to Financial Services.
- c. Claims for payment of the allowance should be submitted by Councillors to Financial Services on the revised standard Councillors' Allowances Forms. All claims must be supported by a signed pro-forma receipt (in the case of care provided by a non-professional carer) or a receipted official invoice in the case of a specialist carer. Financial Services will check all claims for approval of entitlement, accuracy and reasonableness of duties and times claimed, and submission of supporting receipts and invoices.
- d. Any queries regarding entitlement to the allowance, or individual claims, will be referred in the first instance to Democratic Services. Should a dispute arise as to the eligibility of a claim, this will be referred to the Director of Corporate Services or Chief Executive for decision. Should agreement not be reached the matter will then be referred to the Independent Remuneration Panel for arbitration.

7.0 Audit

Internal Audit will review the systems for payment of Councillors' Allowances on a cyclical basis and include sample testing of Councillors' Allowances transactions in annual probity programmes.