

AGENDA
ITEM

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SOUTH HAMS DISTRICT COUNCIL

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NAME OF COMMITTEE	COUNCIL
DATE	19 December 2013
REPORT TITLE	Members' Allowances 2014/15
Report of	The Democratic Services Manager
WARDS AFFECTED	All

Summary of report:

To determine the new Scheme of Members' Allowances for the 2014/15 financial year.

Financial implications:

If Council supports the recommended increase in the Basic Allowance, the total budget increase would amount to £6,692.00 per annum.

RECOMMENDATION:

That the Council RESOLVES that the revised Scheme of Members' Allowances for 2014/15 (as shown at presented Appendix A) be adopted from 1 April 2014 and be in place until the Annual Council meeting in May 2015.

Officer contact:

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1. BACKGROUND

- 1.1 At its meeting on 5 December 2011, the Independent Panel on Members' Allowances felt that, unless the Scheme changed dramatically, the time was now right to align the Basic Allowance to a prescribed Index. The Panel proceeded to conclude that the Consumer Price Index should be the measure used for this purpose for the next four years.

2. ISSUES FOR CONSIDERATION

- 2.1 According to the Office of National Statistics, the Consumer Price Index stood at 2.7% in September 2013.
- 2.2 If Members are minded to agree to this increase, the Basic Allowance will increase by £117 from £4,343 to £4,460 per annum.
- 2.3 The proposed Scheme of Members' Allowances, that reflects this recommended increase, is shown at Appendix A.
- 2.4 A summary of the budget implications arising from this proposed increase is outlined at Appendix B.

Alternative Options

- 2.5 If Council is not minded to support the recommendation in this instance, the Panel has previously considered alternative options including:-
- aligning to the staff pay award. For 2013/14, Council staff received a 1% pay increase which would result in a revised Basic Allowance of £4,386 per annum;
 - multiplying the last LGA daily rate (£152.77) by 32 days. This would result in the Basic Allowance being increased to £4,889;
 - aligning to the Retail Price Index (which stood at 3.2% for September 2013). This would lead to a £139 increase in the Basic Allowance for 2014/15 to £4,482; and
 - maintaining the Basic Allowance at the current rate.

Potential Adjustment to the Current Scheme

- 2.6 For clarification purposes, officers are also recommending that the current practice whereby Member attendance at a conference, seminar or training course has to be 'signed off' by the Leader of Council and the Leader of the Opposition, should be formally included in the Scheme in order to be recognised as an Approved Duty.

T18 Programme and Boundary Review

- 2.8 In light of the implications arising from the T18 Programme and the Boundary Review, it is envisaged that the Scheme of Members' Allowances will require an extensive review during the spring of 2014, with a view to a new Scheme coming into effect after the May 2015 local elections.

- 2.9 As a consequence, it is recommended that a revised Scheme of Members' Allowances be adopted from 1 April 2014 and be in place until the time of the Annual Council meeting in May 2015.

3. RISK MANAGEMENT

The risk management implications are shown at the end of this report in the Strategic Risks Template.

Corporate priorities engaged:	None directly related to this report.
Statutory Powers	The Local Authorities (Members' Allowances)(England) Regulations 2003.
Considerations of equality and human rights:	None directly related to this report.
Biodiversity considerations:	None directly related to this report.
Sustainability considerations:	None directly related to this report.
Crime and disorder implications:	None directly related to this report.
Background papers:	The Scheme of Members Allowances – April 2013; The notes of the Independent Panel on Members Allowances meeting held on 5 December 2011; and The Local Authorities (Members' Allowances)(England) Regulations 2003.
Appendices attached:	A: Copy of the proposed Scheme of Members' Allowances for 2014/15. B: Summary of the Budget Implications arising from the proposed increase.

STRATEGIC RISKS TEMPLATE

No	Risk Title	Risk/Opportunity Description	Inherent risk status			Mitigating & Management actions	Ownership	
			Impact of negative outcome	Chance of negative outcome	Risk score and direction of travel			
1	Statutory Requirement	The Council has a statutory requirement to adopt a Scheme of Allowances and to consider the recommendations of its Independent Panel in doing so.	4	1	4	↔	The Council considers the matter sufficiently far in advance of the start of the Financial Year to ensure that an amended scheme can be re-presented if the Council cannot agree approval.	Democratic Services Manager

Direction of travel symbols ↓ ↑ ↔