

REPORT TO: Cabinet
DATE: 5th August 2010
SUBJECT: Members' Allowances
WARDS AFFECTED: All
REPORT OF: Director of Corporate Services
CONTACT OFFICER: Mike Fogg
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EXEMPT/ CONFIDENTIAL: No

PURPOSE/SUMMARY:

To request that proposed reductions in the Scheme of Members' Allowances be approved.

REASON WHY DECISION REQUIRED:

In order to achieve savings on the Members' Allowances budget

RECOMMENDATION(S):

- i. That the recommendations made by the Leaders in section 2.3 be accepted
- ii. That the changes be implemented with effect from 1st September 2010.
- iii. That any increases from 2011/12 continue to be linked to any National Joint Council (NJC) for Local Government employees pay awards.

KEY DECISION: No

FORWARD PLAN: No

IMPLEMENTATION DATE: 1st September 2010

ALTERNATIVE OPTIONS:

The alternative is to continue with the existing scheme.

IMPLICATIONS:

Budget/Policy Framework: The proposals represent an annual saving in the order of £25,400 (inc on costs) pa

Financial:

<u>CAPITAL EXPENDITURE</u>	2009 2010 £	2010/ 2011 £	2011/ 2012 £	2012/ 2013 £
Gross Increase in Capital Expenditure				
Funded by:				
Sefton Capital Resources				
Specific Capital Resources				
<u>REVENUE IMPLICATIONS</u>				
Gross saving in Revenue Expenditure		14,800	25,400	
Funded by:				
Sefton funded Resources				
Funded from External Resources				
Does the External Funding have an expiry date? Y/N	When?			
How will the service be funded post expiry?				

Legal:**Risk Assessment:**

No specific risk assessment has been carried out, but the risks associated with the report are already being addressed as part of the Council's approach to risk management.

Asset Management:

**CONSULTATION UNDERTAKEN/VIEWS
LEADERS**

CORPORATE OBJECTIVE MONITORING:

<u>Corporate Objective</u>		<u>Positive Impact</u>	<u>Neutral Impact</u>	<u>Negative Impact</u>
1	Creating a Learning Community		√	
2	Creating Safe Communities		√	
3	Jobs and Prosperity		√	
4	Improving Health and Well-Being		√	
5	Environmental Sustainability		√	
6	Creating Inclusive Communities		√	
7	Improving the Quality of Council Services and Strengthening local Democracy	√		
8	Children and Young People		√	

LIST OF BACKGROUND PAPERS RELIED UPON IN THE PREPARATION OF THIS REPORT

Report of the findings of the Independent Remuneration Panel 2007

1. Background

- 1.1 In September 2007, following recommendations from the Independent Remuneration Panel, the Council revised its Scheme of Members' Allowances to reflect the average rate of Basic Allowance for Merseyside, and recommended that a fundamental review should be carried out in 2010/11.
- 1.2 The allowances have been increased annually linked to the Local Government Annual Pay Settlement

2. Current Position

- 2.1 Although the allowances are generally increased annually, no such increases have been awarded in 2010/11, which in effect mirrors the situation with Senior Officers of the Council.
- 2.2 Members are aware that the no salary increases are anticipated for the current year, as confirmed by the NJC Employers Secretary.
- 2.3 An outline of the current arrangements was discussed by the Leaders on 17th June 2010, and a number of options were discussed. The following recommendations were made:
 - Referral to the Independent Remuneration Panel be deferred
 - Basic Allowance to remain unchanged
 - Weightings on Special Responsibility Allowances to remain unchanged
 - Payment of daily Special Responsibility Allowances to cease
 - The rates of all Special Responsibility Allowances be reduced by 5%.
- 2.4 These proposals will also be applied to the payments for Mayoralty duties, which although not part of the Scheme are linked to it.

3. Recommendations

- 3.1 That the recommendations made by the Leaders in 2.3 above be accepted
- 3.2 That the changes be implemented with effect from 1st September 2010.
- 3.3 That any increases from 2011/12 continue to be linked to any National Joint Council (NJC) for Local Government employees pay awards.