

By: Alex King, Deputy Leader
Peter Sass - Head of Democratic Services and Local Leadership

To: Selection and Member Services Committee – Tuesday, 22 March 2011

Subject: MEMBERS' ALLOWANCES AND OVERHEADS.

Classification Unrestricted

FOR DECISION

1. The agreed Medium Term Financial Plan for 2011 - 13 includes a target for efficiency savings in "Members' Allowances and Overheads" of £200,000 in 2011/12. In relation to the proposed reductions in the cost of Members' Allowances, the following proposals have been made:

- A reduction in the cost of Special Responsibility Allowances (SRAs) as a result of the reduction in the number of Deputy Cabinet Member positions from 12 to 10. In addition, two Deputy Cabinet Members will share one SRA. This delivers savings of **£39.9k**
- A reduction in the number of POSCs by one, which will deliver a saving of **£7.7k**
- A reduction in the basic allowance by 1.5%. This will affect all members and deliver **£16.4k**
- A reduction in the remaining SRAs by 2.66%. This will deliver **£16k**

2. It is the role of the County Council formally to amend the Members' Allowances Scheme, on the recommendation of the Independent Remuneration Panel. Accordingly, these proposals are submitted to the Committee for information, pending their consideration by the Independent Remuneration Panel in due course. It is intended that, subject to the Panel's views, the County Council will be asked to formally determine the above changes to the Members' Allowances Scheme at its meeting on 6 April 2011.

3. If the above changes to the Members' Allowances Scheme are agreed by the County Council, this leaves a balance of £120k to be found from the Member Support budgets. Various options to achieve this saving are being investigated and costed and great care is being taken to fully examine all of the options available. In particular, the impact on staff who directly support Members is currently under discussion and will be the subject of a future report to the Committee. Any future changes in Member staffing will need to take into account the proposed development of the Cabinet Office, as outlined in the "Change to Keep Succeeding" report approved by the County Council in December 2010.

4. There are, however, two firm proposals for part of the £120k that do not affect staff and upon which the Committee's approval is requested, as follows:

- A reduction in the remaining £50k budget for Members' IT of £20k, leaving £30k. This will provide an annual revenue contribution to the

election reserve to cover the IT costs for the Council election and £5k for sundries.

- A proposed reduction in the Chairman's budget of 5%, saving £2k

RECOMMENDATIONS:

1. That the Committee notes the proposal to recommend to the County Council a number of changes to the current Members' Allowances Scheme as set out in paragraph 1 above, subject to consultation with the Independent Remuneration Panel; and
2. That the Committee note the current position with regard to achieving the balance of the savings target for 2011/12, as set out in paragraph 3 above; and
3. That the Committee approves the proposed budget reductions as set out in paragraph 4 above

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