

PENDLE BOROUGH COUNCIL
2016/17 GENERAL FUND REVENUE BUDGET – SAVINGS PROPOSAL

1. SERVICE	Democratic & Legal Services
2. IMPLEMENTATION DATE:	1/4/16
3. CORPORATE PRIORITY	All corporate priorities
4. TITLE OF PROPOSAL	Reduce Members Allowances

5. BRIEF DESCRIPTION OF PROPOSAL:

To implement a reduction in the level of Members' Allowances with effect from April 2016 to deliver a saving on current costs of c£12k.

6. FINANCIAL IMPLICATIONS (NET ADDITIONAL SAVINGS)

	2016/17 £	2017/18 £	2018/19 £
Revenue	12,250*	0	0
Capital	0	0	0

7. IMPACT ON SERVICE PROVISION, IMPLEMENTATION AND OTHER ISSUES

Members Allowances - Option 1 (Basic Allowance reduced)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	2,750	134,750	(12,250)	-8%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	4,000	4,000	-	0%
Executive Members	10	1,200	12,000	1,200	12,000	-	0%
Opposition Group Leader	1	1,200	1,200	1,200	1,200	-	0%
Licensing	1	1,200	1,200	1,200	1,200	-	0%
Area Committee Chairman	5	1,200	6,000	1,200	6,000	-	0%
Scrutiny Mgmt Chairman	1	1,200	1,200	1,200	1,200	-	0%
Taxi Licensing	1	500	500	500	500	-	0%
Development Management	1	500	500	500	500	-	0%
Accounts and Audit	1	500	500	500	500	-	0%
			174,100		161,850	(12,250)	

Members Allowances - Option 2 (all Allowances reduced)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	2,800	137,200	(9,800)	-7%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	3,600	3,600	(400)	-10%
Executive Members	10	1,200	12,000	1,080	10,800	(1,200)	-10%
Opposition Group Leader	1	1,200	1,200	1,080	1,080	(120)	-10%
Licensing	1	1,200	1,200	1,080	1,080	(120)	-10%
Area Committee Chairman	5	1,200	6,000	1,080	5,400	(600)	-10%
Scrutiny Mgmt Chairman	1	1,200	1,200	1,080	1,080	(120)	-10%
Taxi Licensing	1	500	500	450	450	(50)	-10%
Development Management	1	500	500	450	450	(50)	-10%
Accounts and Audit	1	500	500	450	450	(50)	-10%
			174,100		161,590	(12,510)	

Members Allowances - Option3 (Remove Executive Special Responsibility Allowances)

	Cllrs	Current Allowance £	Total £	Proposed			
				New Allowance £	Total £	Savings £	
Annual Basic Allowance	49	3,000	147,000	3,000	147,000	-	0%
Special Responsibility Allowances	No.	Current Allowance £					
Council Leader	1	4,000	4,000	4,000	4,000	-	0%
Executive Members	10	1,200	12,000	-	-	(12,000)	-100%
Opposition Group Leader	1	1,200	1,200	1,200	1,200	-	0%
Licensing	1	1,200	1,200	1,200	1,200	-	0%
Area Committee Chairman	5	1,200	6,000	1,200	6,000	-	0%
Scrutiny Mgmt Chairman	1	1,200	1,200	500	500	(700)	-58%
Taxi Licensing	1	500	500	500	500	-	0%
Development Management	1	500	500	-	-	(500)	-100%
Accounts and Audit	1	500	500	500	500	-	0%
			174,100		160,900	(13,200)	

*Saving shown reflects **Option 1**. **Option 2** results in all allowances being reduced which, if agreed, would generate a saving of £12,510 on current costs.

Option 3 is put forward in anticipation of the possible decision by the Council to move to a Committee system of governance. The central feature of this is that the present 10 strong executive would be replaced by a politically balanced Policy Committee of 17 members. Portfolios are a feature of executive governance arrangements and arguably there is less of a role or need for portfolio holders or lead members on a committee. The requirement for political balance may also mean that such a system would not work smoothly in practice. In addition the move to a Committee system may see the replacement of the Scrutiny Management Committee by an ad hoc Scrutiny panel and the abolition of the Development Management Committee. A further saving of £1,200 could therefore be achieved by reducing the payment for chairing the Scrutiny Panel to £500 and deleting the payment for chairing the Development Management Committee.

Reducing the level of allowances could potentially act as a barrier to some people standing for election to the Council.