

Report to	Democratic Services Committee
Date of meeting	12 March 2021
Lead Member / Officer	Councillor Richard Mainon / Steve Price
Report author	Democratic Services Manager
Title	Independent Remuneration Panel for Wales Annual Report 2021 - 2022

1. What is the report about?

- 1.1. The report is about the Independent Remuneration Panel for Wales' (the 'Panel') annual report for 2021- 2022.

2. What is the reason for making this report?

- 2.1. To advise of the Panel's determinations for 2021 - 2022 in respect of payments to elected and co-opted members.

3. What are the Recommendations?

- 3.1. That the Committee notes the determinations of the Independent Remuneration Panel for Wales for 2021 – 2022 in respect of the payment salaries and payments to co-opted members.
- 3.2 That the Committee considers the level of support provided to members to carry out their duties, with regard to 'Determinations' 9, 10 and 40 of the Annual Report.

4. Report details

- 4.1. The Independent Remuneration Panel for Wales was established in 2008. The Panel's remit and functions were extended in the Local Government (Wales) Measure 2011. The Panel's remit includes councillors, other members of national park authorities, Welsh fire and rescue authorities and community and town councils in addition to county and county borough councils. The Panel is able to stipulate the

actual amount of payment an authority may make to a member and the duties and responsibilities which may qualify councillors to receive payments.

- 4.2. The Panel is required to produce an annual report setting out the levels at which members are to be paid for various duties and responsibilities for the coming municipal year. The Local Government (Wales) Measure 2011 requires local authorities to implement the recommendations of the Panel. The 2021 - 2022 annual report is attached as appendix 2.
- 4.3. The Panel's report sets out three bands of Council and the maximum number of senior salaries that each council may pay. These groupings are set out in Table 2 of the annual report. Table 3 sets out the basic salary and senior salaries that shall be payable to members of councils in each group.
- 4.4. This year the Panel has decided to provide an increment of £150 to £14,368 a year to the basic salary for each councillor. Senior salaries will be increased by 1.06% to the figures shown in table 3 of the Annual Report.
- 4.5. The Panel has noted that councils have strongly expressed their wish for the Panel to set the payments for civic salaries (for the Chair and Vice Chair of Council). The Panel has determined that the Chair of Council will be paid at £23,161 and the Vice Chair at £18,108 – both inclusive of the basic salary. These equate to Band 3 and Band 5 rates respectively.
- 4.6. The Panel remains firmly of the view that maintaining the democratic values of local government is not cost free. Publicly funded remuneration is made available to encourage a diversity of willing and able local people to undertake local government, through their elected, appointed or co-opted roles.
- 4.7. Senior Salary Band 1 and 2 – The Panel has determined five bands of Senior Salary. Band 1 includes the Leader and Deputy Leader and Band 2 includes other Cabinet Members. In the Panel's discussions with elected Members across Wales in 2013 and 2017 there was a consistent view expressed that leadership with executive roles carried the greatest accountability. The Panel retains its view that the size of population remains a factor in influencing levels of responsibility and has therefore retained the 3 population groups (A, B and C) as set out in Tables 2 and 3 of the annual report for the purposes of setting the number of senior salaries available and the level of the Senior Salaries in Bands 1 and 2. It should be noted that in order to

reduce costs Denbighshire appoints 8 Cabinet posts from the maximum of 10 posts it could appoint, which results in a greater range of portfolio responsibilities for each Cabinet member.

- 4.8. Denbighshire has set the number of its senior salary payments (the number of Cabinet and committee chair allowances being paid) at 2 below the maximum allowed by the Panel for an authority of Denbighshire's size.
- 4.9 Band 3 – For the coming year, committee chairs (if remunerated) will be paid £23,161 (inclusive of the basic salary). In Denbighshire's case there are fewer scrutiny committees than in most other authorities and the importance of the chairing roles for the other committees such as the Planning and Licensing Committees should be noted.
- 4.10 Band 4 and 5 – The Panel has taken the view that the payment of the leader of the largest opposition group is important for local democracy. The Panel have therefore continued their previous determination that this Senior Salary (band 4) must be paid. The payment corresponds to the level of payment for committee chairs. The Panel has previously noted that very few leaders of other political groups have been allocated a salary in Welsh authorities. The Panel has determined that where such salaries are paid the level should be at £18,108.
- 4.11 Co-opted Members with Voting Rights – Table 6 of the Panel's report has the fees for co-opted members with voting rights which are based on an attendance allowance and time commitment of up to 4 hours (a half day fee) or 4 hours or more (a daily fee). The Panel allows co-opted voting members to include travelling time and reasonable time for pre-meeting preparation and has increased the daily payment rate for ordinary co-opted members by £12 to £210.
- 4.12 Mileage Rates – Authorities can only reimburse travel costs for their members undertaking official business. There is to no change to the mileage rates.
- 4.13 Presiding Member - The Local Government Democracy Act 2013 allows local authorities to appoint a presiding member who would chair the business meetings of the Council in addition to a civic leader. A Council may also appoint a deputy presiding member. Where appointed, a presiding member would be paid at the Band 3 level (committee chair salary) and the post would contribute towards the cap on the

number of senior salaries that can be paid. The post of deputy presiding members would not receive a payment.

- 4.14 Joint Scrutiny Committees – Two or more authorities can establish joint scrutiny committees as Denbighshire and Conwy have done with the establishment of the Joint Scrutiny Committee for the Public Services Board. The Panel has determined that the salary level for a Chair of a Joint Overview and Scrutiny Committee would be £8,793 and £4,396 for a Vice Chair. Payments to chairs of Joint Overview and Scrutiny Committees or Sub Committees would be additional to the maximum number of senior salaries permitted, but would be counted in respect of the total number of senior salaries not exceeding 50% of a council's membership.
- 4.15 Town, Community and City Councils – for town, city or community councils (all referred to here now as 'community councils') the Panel in 2018 grouped community councils into 3 groups (A, B and C) based on their income or expenditure in the previous financial year, whichever is the highest. Those below £30,000 are in Group C, between £30,000 and £199,999 are in Group B and those with £200,000 and above are in Group A (see table 8 of the Panel's report).
- 4.16 Community councils in all 3 groups must now make available a payment to each of their members of £150 per year for the costs incurred on council business e.g. telephone usage and IT costs. Receipts are not required for these payments.
- 4.17 Group A community councils must make available an annual payment of £500 each to at least 1 of their members and up to a maximum of 5 members in recognition of specific responsibilities. This is in addition to the payment of £150 for costs and expenses. Group B and C councils are able to decide whether they make a payment of £500 to up to 5 members in recognition of specific responsibilities (in addition to the £150 payments for costs and expenses).
- 4.18 County councillors on Cabinet cannot receive any payment from any community council, other than travel and subsistence expenses and contribution towards costs of care and personal assistance. However, this does not preclude them from taking on a senior role without payment.

5. How does the decision contribute to the Corporate Priorities?

5.1. This report outlines the decisions taken by the Panel and does not in itself contribute to the corporate Priorities.

6. What will it cost and how will it affect other services?

6.1. The Panel's annual report largely continues the current payment levels. The increase in the basic, senior and civic salaries equates to £16,502 a year for all members with a slight increase in costs from the voting co-opted members which will be dependent on the amount of official business they are asked to undertake.

7. What are the main conclusions of the Well-being Impact Assessment?

7.1. This report is made in accordance with statutory obligations and the determinations of the Independent Remuneration Panel for Wales. An impact assessment is not required for this report.

8. What consultations have been carried out with Scrutiny and others?

8.1. The Panel consults nationally on the draft contents of each annual report.

9. Chief Finance Officer Statement

9.1. Not required for this report.

10. What risks are there and is there anything we can do to reduce them?

10.1 The majority of the payments (basic salaries, leader of the largest opposition group, co-opted members with voting rights) set out in the annual report have to be made available and a budget has been allocated to cover the payments.

11. Power to make the decision

11.1 Section 111 Local Government Act 1972 / Local Government (Wales) Measure 2011