

<b>Report to</b>	Democratic Services Committee
<b>Date of meeting</b>	27 November 2023
<b>Lead Member</b>	Councillor Julie Matthews, Lead Member for Corporate Strategy, Policy and Equalities
<b>Head of Service</b>	Catrin Roberts, Head of Corporate Support Service: People
<b>Report author</b>	Steve Price, Democratic Services Manager
<b>Title</b>	Draft Annual Report of the Independent Remuneration Panel for Wales for 2024 - 2025

## **1. What is the report about?**

1.1. This report is about the Independent Remuneration Panel for Wales' (the 'Panel') draft annual report for the 2024 – 2025 financial year.

## **2. What is the reason for making this report?**

2.1. The Panel is consulting on the proposals set out in the draft report. In reviewing the draft report, the committee will be aware of the proposals for the remuneration of members and will be able to respond to the Panel before the consultation period closes on the 8 December 2023. The Panel will issue its final annual report in February.

## **3. What are the Recommendations?**

3.1 That the committee considers the draft Annual Report of the Panel and comments accordingly.

3.2 That the committee comments on the proposed arrangements for the payment of co-opted members.

3.3 That the committee considers responding to the Panel's consultation.

Mae'r ddogfen hon ar gael yn Gymraeg. This document is available in Welsh.

## **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 stipulates the roles undertaken by members that can be remunerated, and the amount of those 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 draft 2024 - 2025 annual report is attached as appendix 1.
- 4.3. The questions the Panel would like responses to are attached as appendix 2. Naturally, the committee could choose to submit responses on relevant issues beyond those prompted by the Panel's set questions.

### **Draft Determinations for 2024 to 2025**

- 4.4. The basic salary, paid to all elected members, is remuneration for the responsibility of community representation and participation in the scrutiny, regulatory and related functions of local governance. It is based on a full time equivalent of 3 days a week. The Panel considers it appropriate to retain the link between the basic salary of councillors and the average salaries of their constituents. The basic salary for the next financial year is proposed to be aligned with three fifths of the 2022 (the latest figures available to the Panel at the time the draft Annual Report was written) statistics for Wales of the 'Annual Survey of Hours and Earnings in Wales'. This would result in the basic salary rising from £17,600 to £18,666 a year.
- 4.5. The Panel classifies Denbighshire as a group C council and is proposing a corresponding increase to the senior salary elements i.e., the part of the senior salary payments beyond the basic salary, that are for the role being undertaken by a Cabinet member or committee chair for example.

## **Co-opted Members**

- 4.6 The Panel's rules currently stipulate that co-opted members of the Council must be remunerated on a day or half day basis, based on set payments for up to 4 hours, and 4 hours or more. The Panel allows the relevant Council officer to decide on the total number of days remunerated in a year and to set a reasonable time for meeting preparation. Earlier consultations with full Council and the Democratic Services Committee have resulted in Denbighshire not applying a cap on the total of days that can be remunerated or on the amount of preparation time that can be claimed.
- 4.7 The Panel has noted the changes to working practices over the last few years, with more frequent use of often short online meetings or training courses, as well as more regular committee meetings. The panel also received feedback from Heads of Democratic Services raising this issue. The Panel therefore proposes there should be local flexibility for the relevant officer to decide when it will be appropriate to apply a day or a half day rate or to use an hourly rate where it is sensible to aggregate a number of short meetings.

## **5. How does the decision contribute to the Corporate Plan 2022 to 2027: The Denbighshire We Want?**

- 5.1. This report outlines the draft decisions of 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 previous payment structure. The Panel's proposals for the basic, senior and civic salaries would equate to an increase of £65,355 or 6% in the salary costs for elected members in 2024 - 2025. The costs associated with the work of the voting co-opted members would be dependent on the amount of official business they are required to undertake, and any changes the Council makes to the time-commitment payment rules.

## **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 This report facilitates the consultation exercise with the Democratic Services Committee.

## **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; and the Local Government (Wales) Measure 2011.