

Committee: The Chair & Members of the Democratic Services Committee

Date of meeting: **23rd October 2018**

Report Subject: **Draft Report of the Independent Remuneration Panel for Wales 2019/20**

Portfolio Holder: **Councillor N.J. Daniels**

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Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
x	x			x				

1. Purpose of the Report

To inform Members of the proposals contained within the report of the Independent Remuneration Panel for Wales for 2019/20.

2. Scope and Background

The report considers the main proposals included within the 2019/20 report (Appendix 1) of the Independent Remuneration Panel for Wales (the Panel) as they relate to Blaenau Gwent County Borough Council.

The Local Government (Wales) Measure 2011 extended the responsibilities of the Independent Remuneration Panel for Wales (the Panel) and its powers under Section 142 to decide (prescribe) payments to members of relevant authorities.

On an annual basis the Panel publish its report on Members remuneration. The annual report for 2019/20 (attached at Appendix 1) details the determinations for the upcoming year.

During 2017, the Panel visited all 22 principal councils across Wales providing an opportunity to discuss issues with a cross section of members and officers. The conclusions from these discussions have where possible been incorporated in the Panel's determinations.

2.1 Basic & Senior Salaries

When making financial determinations for the annual report 2019/2020, the Panel considered the progression of benchmark figures for the period 2010 to 2017. As well as the ASHE median gross earnings figures for Wales the Panel also considered the RPI, the CPI, NJC Pay Scales and Living Wages

figures. The gap between the level of basic remuneration for elected members of principal councils and relevant indicators of rises in income and costs of living indicators has continued to grow.

In 2017 the Panel began action to narrow the gap and limit the rate of erosion. Any adjustments have been in keeping with the Panel's principle that its determinations should be affordable and acceptable. Although public sector funding continues to be constrained the Panel considers that an increase to the basic salary is justified and has determined that effective from April 2019, the basic salary for members of principal councils shall increase by £268 per annum (an increase of 1.97%).

The Panel has determined that the limit on the number of senior salaries payable will remain in place (for Blaenau Gwent CBC this is 17) and that the rate payable for senior salaries shall not change for 2019/20 except to reflect the increase in the basic salary element.

2.2 **Executive**

Although many Councils operate with a cabinet of 10 (the statutory maximum) others choose to have a smaller cabinet and the range of individual portfolios is much greater. The Panel's previous determinations contained flexibility for each council to decide the appropriate range of portfolios to meet local needs and to adjust payments within the Executive to reflect responsibility.

In 2009 the Panel concluded that Executive members should be considered as working the equivalent of full time (up to 40 hours per week) but not necessarily nine to five. Continued discussions with members and officers have reinforced this conclusion. In fact many executive members indicated that their workload has increased and concerns were also expressed by many members that the differential in salary between a chair of a committee and a member of an executive did not recognise the difference in responsibility or workload.

In recognition of this the Panel has determined that there should be an increase to the Band 1 and Band 2 senior salaries payable to the Leader, the Deputy Leader and Executive Members. The amount of the increase is £800. This is inclusive of the £268 increase to the basic salary that all members will receive as set out in Determination 2.

2.3 **Chairs of Committee**

There is a significant difference in the responsibilities and functions of chairing different committees. Councils are reminded that they do not have to pay chairs of committees. It is a matter for each council to decide which, if any, are remunerated. This allows councils to take account of differing levels of responsibility

Where chairs of committees are paid then the remuneration for 2019/20 will be £22,568

Payment of basic & senior salaries for 2019/20 are therefore:-

	<u>2018/19</u> £	<u>2019/20</u> £
Basic Salary	13,600	13,868
<i>Senior Salaries:</i>		
Leader	43,300	44,100
Deputy Leader	30,300	31,100
Executive Members	26,300	27,100
Committee Chairs	22,300	22,568
Leader of Largest Opposition Group	22,300	22,568
Leader of other political groups	17,300	17,568

2.4 **Leader of Largest Opposition Group**

The Panel remains of the view that a council must make a senior salary available to the leader of the largest opposition group and has determined that this role should be remunerated at £22,568.

2.5 **Civic Heads and Deputies**

The Panel notes that most councils have currently set salaries for civic heads and deputies to accord with their population groups, rather than to reflect the specific responsibilities attached to the roles. Councils have strongly expressed to the Panel that elected members do not wish to make any choices that require Councils themselves to choose and match the level of activity or duties of a specific member to a given range of salary levels for a role.

All such choices are now removed. In the case of civic salaries, if paid, the payment for Band 3 is set at £22,568 for a civic head and at the Band 5 salary of £17,568 for a deputy civic head (Determination 3).

2.6 **Presiding Member**

Councils are reminded that if a presiding member is appointed they do not have to be remunerated. If they are remunerated the post will count towards the cap and be paid at a Band 3 senior salary of £22,568.

2.7 **Specific or additional senior salaries**

Councils can apply for specific or additional salaries that do not fall within the current Remuneration Framework or which could not be accommodated within the maximum number of senior salaries.

2.8 **Job Share Arrangements**

Some Councils have also raised the possibility of operating some senior salary posts on a 'job share' arrangement. The Panel is supportive of this principle and have determined that:-

- For members of an executive each 'share' will be paid 50% of the appropriate salary.
- The Statutory maximum for cabinets cannot be exceeded and both job sharers will count towards the maximum.

- It is the number of persons in receipt of a senior salary, not the number of senior salary posts that count towards the cap
- The Panel must be informed of the details of any job share arrangements

2.9 **Supporting the Work of Elected members**

The Panel has reiterated its determination that the support provided should take account of the specific needs of individual members. It is considered necessary for each elected member to have ready use of telephone and e-mail services, and to have electronic access to appropriate information via an internet connection (it is not considered appropriate that such facilities are only available within Council offices within office hours).

It is further determined that support should be without cost to the individual members.

The functions of the Democratic Services Committees include a requirement to review the level of support provided to members to carry out their duties, bringing forward proposals to full council as to what is considered to be reasonable.

2.10 **Reimbursement of Mileage, Other Travel & Subsistence Costs**

The Panel has determined that there will be no change to mileage rates which members are entitled to claim.

The Subsistence rates will be as follows, these rates are in line with Welsh Government Rates:-

£28 per day	Day allowance for meals, including breakfast, where not provided in the overnight charge
£200 per night	London
£95 per night	Elsewhere
£30 per night	Stay with friends / family

Recommended practice is that overnight accommodation should usually be reserved and paid for on behalf of members by the Authority, in which case the authority may set its own reasonable limits. – we would not normally divert from these levels

2.11 **Reimbursement of Costs of Care**

There is no change to the reimbursement of Costs of Care, this remains at a maximum of £403 per month upon production of receipts from the carer.

The purpose of this section is to enable people who have personal support needs and or caring responsibilities to carry out their duties effectively as a member of an authority. The Panel believes that additional costs of care required to carry out approved duties should not deter people from becoming and remaining a member of an authority or limit their ability to carry out the role.

To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the reimbursement

of costs of care.

The Panel recognised the issues relating to the publication of this legitimate expense therefore the Panel has decided to provide Authorities with two options: -

1. Details of the amounts reimbursed to named members
2. The total amount reimbursed by the Authority during the year but not attributed to any named member.

It is for the Authority to decide which of these options it considers appropriate.

2.12 **Entitlement to Family Absence**

There is no change to this entitlement. An elected member is entitled to retain a basic salary when taking family absence. (Maternity paternity adoption etc.).

When a senior salary holder is eligible for family absence, he/she will continue to receive the salary for the duration of the absence. It is matter for the authority to decide whether or not to make a substitute appointment.

2.13 **Sickness Absence for Senior Salary Holders**

The Family Absence Regulations are very specific relating to entitlement, absence for reasons of ill health is not included. The Panel has considered this and is amending the framework to provide specific arrangements for long term sickness of Senior salary holders.

A senior salary holder on long term sickness can, if the authority decides, continue to receive remuneration for the post held (the maximum length of sickness absence is proposed as 26 weeks or until the individual's term of office ends).

It will be a decision for the Council whether to make a substitute appointment but the substitute will be eligible to be paid the senior salary appropriate to the post.

If the paid substitution results in the authority exceeding the maximum number of senior salaries payable an addition will be allowed for the duration of the substitution. The Panel must be informed within 14 days of the decision and the authority's Schedule of Remuneration amended accordingly.

2.14 **Payments to Co-opted Members**

The Panel has determined that a daily/half daily fee remains appropriate remuneration for the role undertaken by co-opted members of the Council as follows:-

Chairs of Standards and Audit Committees	£256 (4 hours & over) £128 (up to 4 hours)
Ordinary members of standards committees who also chair standards committees for community & town councils	£226 (4 hours & over) £113 (up to 4 hours)
Ordinary members of standards committees, education scrutiny committee, crime & disorder scrutiny committee and audit committee	£198 (4 hours & over) £99 (up to 4 hours)

Reasonable time for pre-meeting preparation is eligible to be included in claims made by co-opted members, the extent of which can be determined by the appropriate officer in advance of the meeting.

Travelling time to and from the place of the meeting can be included in the claims for payments made by the co-opted member (up to the daily rate).

The appropriate officer within the authority can determine in advance whether the meeting is programmed for a full day and the meeting will be paid on this basis even if the meeting finishes before four hours has elapsed.

Meetings eligible for the payment of fees include other committees and working groups (including task & finish groups), pre meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.

The Council can decide on the maximum number of days in any one year for which co-opted members may be paid. Blaenau Gwent County Borough Council has previously decided that 10 days is the maximum.

3. **Options for Recommendation**

Democratic Services Committee to consider and agree the Draft IRPW proposals for 2019/2020 prior to Consideration by full Council.

Democratic Services Committee to agree the preferred option for the publication of the costs of care :-

1. Details of the amounts reimbursed to named members
2. The total amount reimbursed by the Authority during the year but not attributed to any named member.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

5. **Implications Against Each Option**

5.1 **Impact on Budget (short and long term impact)**

Salaries for all members will increase by £268 per member per annum.

In addition, senior salaries payable to the Leader, the Deputy Leader and Executive Members will increase by £800 per annum, inclusive of the £268 increase to basic salary.

Based upon current arrangements, the additional costs for 2019/20 are estimated to be £15,000. It is anticipated that this additional cost can be absorbed within the existing 2019/20 budget.

5.2 **Risk including Mitigating Actions**

Failure to comply with the Panel's determinations will result in reputational damage for the Council. This is mitigated by Democratic Services Committee and Council considering and agreeing the determinations.

5.3 **Legal**

It is also the responsibility of the Council to establish our position on how to respond to any Freedom of Information requests we receive in relation to reimbursement of costs of care. This position should be on the same basis as the options contained in section 3.

5.4 **Personnel**

There are no direct staffing implications from this report.

6. **Supporting Evidence**

Independent Remuneration Panel for Wales Draft Report 2019/20

<https://gov.wales/docs/dsjlg/publications/181002-irp-draft-report-en.pdf>

6.1 **Performance Information and Data**

Not applicable to this report

6.2 **Expected outcome for the public**

Not applicable to this report

6.3 **Involvement (consultation, engagement, participation)**

Not applicable to this report

6.4 **Thinking for the Long term (forward planning)**

Not applicable to this report

6.5 **Preventative focus**

Not applicable to this report

6.6 **Collaboration / partnership working**

Not applicable to this report

6.7 **Integration(across service areas)**

Not applicable to this report

6.8 **EqlA(screening and identifying if full impact assessment is needed)**
Not applicable to this report

7. **Monitoring Arrangements**

7.1 *State how the work will be monitored e.g. through scrutiny or directorate performance management arrangements*

7.2 **Background Documents /Electronic Links**

- <https://gov.wales/docs/dsijg/publications/181002-irp-draft-report-en.pdf>