

**Committee: The Chair & Members of the Democratic Services Committee**

Date of meeting: **5<sup>th</sup> November 2019**

Report Subject: **Draft Report of the Independent Remuneration Panel for Wales 2020/21**

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                             |                    |                     | x       |                      |

**1.0 Purpose of the Report**

1.1 To inform Members of the proposals contained within the draft report of the Independent Remuneration Panel for Wales for 2020/21.

**2.0 Scope and Background**

2.0.1 The report considers the main proposals included within the 2020/21 draft report of the Independent Remuneration Panel for Wales (the Panel) as they relate to Blaenau Gwent County Borough Council.

2.0.2 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.

2.0.3 On an annual basis the Panel publish its report on Members remuneration. The draft annual report for 2020/21 (attached at Appendix 1, point 7.2 – published 15<sup>th</sup> October 2019) details the determinations for the upcoming year.

2.0.4 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**

2.1.1 In 2017 Panel members visited all Welsh principal councils to meet with elected members to inform and update their understanding of elected and co-opted member activities. During 2018 and 2019 the Panel continued its regular liaison with councillors and officers. Panel members met with the

Chairs of Democratic Services Committees and their officers. The position generally expressed by councillors and officers remains, particularly in the context of austerity, that the basic workload discharged by all elected members is substantial and exceeds 3 days per week.

2.1.2 When making financial determinations for the Annual Report, the Panel considered the progression of the variety of benchmark figures and has determined there shall be an increase for 2020/21 of £350 a year which equates to 2.5%, a point midway between RPI and CPI.

2.1.3 This salary shall be paid by each principal authority in Wales from 1 April 2020 to each of its elected members unless any individual member opts personally and in writing to receive a lower amount

## 2.2 **Executive**

2.2.1 Many Councils operate with a cabinet (Executive) 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.

2.2.2 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.

2.2.3 No additional increases will be paid to senior salary holders in 2020/21 – they will receive the basic salary element increase.

## 2.3 **Chairs of Committee**

2.3.1 There is a significant difference in the responsibilities and functions of chairing different committees. Councils do not have to pay chairs of committees and 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.

2.3.2 Where chairs of committees are paid then the remuneration for 2020/21 will be £22,918.

2.3.3 Payment of basic & senior salaries for 2020/21 are therefore:-

|                                    | 2019/20<br>£ | 2020/21<br>£ |
|------------------------------------|--------------|--------------|
| <b>Basic Salary</b>                | 13,868       | 14,218       |
|                                    |              |              |
| <b>Senior Salaries</b>             |              |              |
| Leader                             | 44,100       | 44,450       |
| Deputy Leader                      | 31,100       | 31,450       |
| Executive Members                  | 27,100       | 27,450       |
| Committee Chairs                   | 22,568       | 22,918       |
| Leader of Largest Opposition Group | 22,568       | 22,918       |
| Leader of other political groups   | 17,568       | 17,918       |

2.4 **Leader of Largest Opposition Group**

2.4.1 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 £22,918.

2.5 **Civic Heads and Deputies**

2.5.1 The Panel had previously allowed councils to vary salaries of civic heads and deputy civic heads to reflect the specific responsibilities attached to the roles. However, Councils strongly expressed to the Panel that elected members do not wish to make decisions and as such, the choices and options were removed in 2019.

If civic salaries are to be paid, the payment for Band 3 is set at £22,918 for a civic head and at the Band 5 salary of £17,918 for a deputy civic head (Determination 3).

2.6 **Presiding Member**

2.6.1 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 £22,918.

2.7 **Specific or additional senior salaries**

2.7.1 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**

2.8.1 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**

2.9.1 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. The Panel does not consider it appropriate that elected members should be required to pay for internet related services to enable them to discharge their council duties as a ward member, committee member or cabinet member.

2.9.2 Councils are committed to 'paperless working' and without electronic access members would be significantly limited in their ability to discharge their duties. It is not appropriate for facilities required by members to be available only within council offices within office hours.

2.9.3 The responsibility of each council through its Democratic Services Committee to provide support should be based on an assessment of the needs of its members. When members' additional needs or matters of disability apply, or there are specific training requirements indicated, each authority will need to assess any particular requirements of individual members.

## 2.10 **Key Factors underpinning the Panel's determinations**

2.10.1 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 for the time equivalent of three days a week. Any time commitment beyond three days is an unpaid public service contribution.

2.10.2 The prescribed salary and expenses must be paid in full to each member unless an individual has independently and voluntarily opted in writing to the authority's proper officer to forego all or any element of the payment. It is fundamental there is transparency in this process so any possible suggestion that members are put under pressure to forego some of the salaries is avoided.

2.10.3 The following must be applied:

Determination 6:

- a) An elected member must not be remunerated for more than one senior post within their authority.
- b) An elected member must not be paid a senior salary and a civic salary.
- c) All senior and civic salaries are paid inclusive of basic salary.

Determination 7: Members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any National Parks Authority or Fire Rescue

Authority to which they have been appointed. They remain eligible to claim travel and subsistence expenses and reimbursement of costs of care.

Determination 8: Members in receipt of a Band 1 or Band 2 salary cannot receive any payment from a Community or Town Council of which they are a member other than travel and subsistence expenses and reimbursement of costs of care.

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

2.11.1 The Panel has determined there will be no change to mileage rates which members are entitled to claim. All authorities may only reimburse travel costs for their members undertaking official business within and or outside the authority's boundaries at the current HM Revenue and Customs (HMRC) rates which are:-

|              |                                     |
|--------------|-------------------------------------|
| 45p per mile | Up to 10,000 miles in a year by car |
| 25p per mile | Over 10,000 miles in a year by car  |
| 5p per mile  | Per passenger carried               |
| 24p per mile | Motor cycles                        |
| 20p per mile | Bicycles                            |

2.11.2 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   |

2.11.3 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.

**2.12 Reimbursement of Costs of Care**

2.12.1 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.

2.12.2 From the discussions held during IRPW visits to principal Councils it is clear that very few members are utilising the provision in the framework to reimburse the costs of care. It appears that some members are still reluctant to claim all they are entitled to support them in their role, because of concerns about the adverse publicity this can attract. The IRPW urges Democratic Services Committees to take steps to encourage and facilitate greater use of this element of the framework so that members concerned are not financially disadvantaged. The IRPW are currently undertaking a review of this provision with a view to encouraging greater take up by those members who have caring responsibilities.

2.12.3 Previously it was the decision of each principal Council in how the cost of care is published. For 2020/2021 the IRPW has removed this option and

stipulates, in section 1.F of annex 4, ‘the Panel has decided that relevant authorities should only publish the total amount reimbursed during the year’.

It is a matter for each authority to determine its response to any Freedom of Information requests it receives. However, it is not intended to disclose details of individual claims.

**2.13 Entitlement to Family Absence**

2.13.1 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.).

2.13.2 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.

**2.14 Sickness Absence for Senior Salary Holders**

2.14.1 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.

2.14.2 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).

2.14.3 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.

2.14.4 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.

**2.15 Payments to Co-opted Members**

2.15.1 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)<br>£128 (up to 4 hours) |
| Ordinary members of standards committees who also chair standards committees for community & town councils                      | £226 (4 hours & over)<br>£113 (up to 4 hours) |
| Ordinary members of standards committees, education scrutiny committee, crime & disorder scrutiny committee and audit committee | £198 (4 hours & over)<br>£99 (up to 4 hours)  |

- 2.15.2 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.
- 2.15.3 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).
- 2.15.4 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.
- 2.15.5 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.
- 2.15.6 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**

- 3.1 Democratic Services Committee to consider and agree the Draft IRPW proposals for 2020/2021 prior to Consideration by full Council.

#### **Option 1:**

Agree with the determinations set out in the draft IRPW report in Appendix 1 for 2020/2021

#### **Option 2:**

Consider each of the determinations contained in the draft IRPW report for 2020/2021 and give comments for submission to the IRPW as part of the consultation process that ends on 10<sup>th</sup> December 2019.

### **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 £350 per member per annum.

Based upon current arrangements, the additional costs for 2019/20 are estimated to be £15,000.

#### **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**

The report outlines the plans of the IRPW in terms of elected member remuneration which will become regulation.

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. The IRPW states within annex 4 of appendix 1, that it is not the intention to disclose details of individual's claims.

**5.4 Personnel**

There are no direct staffing implications from this report.

**6. Supporting Evidence**

Independent Remuneration Panel for Wales Draft Report 2020/21  
[https://gov.wales/sites/default/files/publications/2019-10/independent-remuneration-panel-draft-annual-report-2020-2021\\_0.pdf](https://gov.wales/sites/default/files/publications/2019-10/independent-remuneration-panel-draft-annual-report-2020-2021_0.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 EqIA(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**

## Appendix 1

- [https://gov.wales/sites/default/files/publications/2019-10/independent-remuneration-panel-draft-annual-report-2020-2021\\_0.pdf](https://gov.wales/sites/default/files/publications/2019-10/independent-remuneration-panel-draft-annual-report-2020-2021_0.pdf)