



## ***FULL COUNCIL - INFORMATION REPORT***

Date Written	9 <sup>th</sup> March 2018
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Service Area	Democratic Services
Exempt/Non Exempt	Non Exempt
Committee Date	2 <sup>nd</sup> May 2018

*To: Chair, Ladies and Gentlemen*

# **Independent Remuneration Panel for Wales Annual Report 2018/2019**

## **1.0 SUMMARY OF THE REPORT**

- 1.1 The Local Government (Wales) Measure 2011 (as amended) sets out the functions of the Independent Remuneration Panel for Wales (IRPW); part of which is to publish an annual report setting determinations on Elected Member remuneration.
- 1.2 The draft report for 2018/19 was published on 4<sup>th</sup> October following visits to all 22 principal councils to provide them with an opportunity to comment on the Remuneration Framework, and to put forward ideas for future consideration.
- 1.3 Details of the draft report were taken to full Council on 22<sup>nd</sup> November 2017 where it was resolved that:
  - 1.3.2 the determinations in the IRPW draft report be noted;
  - 1.3.3 elected members were invited to make comments; and
  - 1.3.1 elected member support be considered by Democratic Services Committee
- 1.4 The final report from the IRPW has now been received and there have been no changes to the determinations affecting the local authority, but there have been slight modifications in respect of the remuneration of community and town councillors.
- 1.5 A task and finish group has been established by the Democratic Services Committee to review the resources available to elected members and ensure they are given as much support as possible to enable them to fulfil their duties effectively.

## **2.0 INTRODUCTION AND BACKGROUND**

- 2.1 Each year the IRPW must produce an annual report which sets out the type and levels of payments that authorities may or must make available to their members and co-opted members.
- 2.2 Authorities cannot vary the amounts payable or delay implementation of the Panel's determinations.
- 2.3 In 2015 the responsibilities of the Panel were extended to include the provision that if a principal council intends to change the salary of the Head of Paid Service or Chief Officer, the IRPW must be consulted; and the authority must have regard to their recommendations when reaching a final decision.
- 2.4 The Council must maintain an annual Schedule of Member Remuneration in accordance with the Panel's determinations on Elected Member salary and co-opted member payments. It must also publish a Statement of Payments made to its members, and both of these documents are published annually on the Merthyr Tydfil County Borough Council website.

## **3.0 PROPOSED CHANGES FOR 2018/2019**

- 3.1 The Panel considered that a Councillor's salary did not encourage diversity as it was too low to attract younger individuals; and whilst the Panel's intention has consistently been to link Elected Members' salaries with average Welsh earnings it has not been maintained in recent years as a result of the financial constraints on the public sector. To avoid further erosion in relation to this disparity the Panel made the decision to increase the basic annual salary by £200 in 2018/2019, to £13,600.
- 3.2 No specific increase has been proposed for senior salaries, but the post holders will receive the increase to the basic salary element.
- 3.3 2016/17 saw the introduction of an optional two salary levels for Executive Members and two salary levels for Committee Chairs, together with the continuance of the three tiers for Civic Heads.
- 3.4 In discussions with Elected Members and officers during their visits, the IRPW found that almost all councils took the view that the arrangements varying the salary levels for Cabinet Members and Chairs was contrary to the desire for the IRPW to be prescriptive in its determinations; so the two tier arrangements in these areas have been removed.
- 3.5 The three tier levels for Civic Heads and Deputy Civic Heads remains and in Merthyr Tydfil's case, is included in the cap of no more than 16 senior salaries.
- 3.6 The remuneration of Chairs of Joint Overview and Scrutiny Committees are not compulsory, but if an authority does choose to make a payment, they must be in line with the levels set in Section 4 of the report. The payment does not count towards the cap unless it exceeds 50% of Council Members.

3.7 The IRPW has determined that each authority, through its Democratic Services Committee, must ensure that all its Elected Members are given as much support as is necessary to enable them to fulfil their duties effectively. In response, the Democratic Services Committee has established a task and finish group to look in more detail at the resources available.

#### **4.0 FINANCIAL IMPLICATION(S)**

4.1 The increase to the basic salary of £200 equates to 1.49% for each Elected Member and is an overall total increase of £6,600 per annum.

#### **5.0 EQUALITY IMPACT ASSESSMENT**

5.1 An Equality Impact Assessment (EqIA) form has been prepared for the purpose of this report. It has been found that a full assessment is not required at this time. The form can be accessed on the Council's website/intranet via the 'Equality Impact Assessment' link.

**GARETH CHAPMAN**  
**CHIEF EXECUTIVE**

**COUNCILLOR ANDREW BARRY**  
**CABINET MEMBER FOR GOVERNANCE**  
**AND CORPORATE SERVICES**

<b>BACKGROUND PAPERS</b>		
<b>Title of Document(s)</b>	<b>Document(s) Date</b>	<b>Document Location</b>
Draft IRPW Annual Report 18/19	October 2017	Democratic Services
Full Council Report re: IRPW Draft Annual Report	22 <sup>nd</sup> November 2017	Democratic Services
Report to Democratic Services Committee	27 <sup>th</sup> November 2017	Democratic Services
Final IRPW Annual Report 18/19	February 2018	Democratic Services
<b>Does the report contain any issue that may impact the Council's Constitution?</b>		<b>No</b>

**APPENDIX ONE**

## BASIC SALARY AND SENIOR SALARIES PAYABLE TO MEMBERS OF PRINCIPAL COUNCILS FOR 2018 / 2019

**Basic salary (payable to all elected members) £13,600**

**Senior salaries (inclusive of basic salary)**

	<b>Group A</b> (Cardiff, Rhondda Cynon Taf, Swansea)	<b>Group B</b> (Bridgend, Caerphilly, Carmarthenshire, Conwy, Flintshire, Gwynedd, Newport, Neath Port Talbot, Pembrokeshire, Powys, Vale of Glamorgan, Wrexham)	<b>Group C</b> (Blaenau Gwent, Ceredigion, Denbighshire, <b>Merthyr Tydfil</b> , Monmouthshire, Torfaen, Isle of Anglesey)
<b>Band 1</b> Leader	£53,300	£48,300	<b>£43,300</b>
Deputy Leader	£37,300	£33,800	<b>£30,300</b>
<b>Band 2</b> Executive members	£32,300	£29,300	<b>£26,300</b>
<b>Band 3</b> Committee Chairs (if remunerated)			<b>£22,300</b>
<b>Band 4</b> Leader of largest opposition group			<b>£22,300</b>
<b>Band 5</b> Leader of other political groups (over 10%)			<b>£17,300</b>

**Remuneration of civic heads and deputy civic heads (inclusive of basic salaries)**

Responsibility Level	Civic Heads	Deputy Civic Heads
Level 1	£24,300	£18,300
Level 2	£21,800	£16,300
Level 3	<b>£19,300</b>	<b>£14,300</b>