



FULL COUNCIL

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Report Author	Ann Taylor
Service Area	Democratic Services
Exempt/Non Exempt	Non Exempt
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To: Chair, Ladies and Gentlemen

Independent Remuneration Panel for Wales (Draft) Annual Report

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.

1.3 The draft Annual Report for 2021/2022 was published in October 2020 and proposed:

1.3.1 An increase of 1.06% across all salary levels; and

1.3.2 An increase of £12 per day to the fees for co-opted members with voting rights.

A full list of salaries payable and costs for co-opted members is shown at Appendix 1

2.0 RECOMMENDATION(S) that

2.1 The content of the Draft Annual Report of the IRPW for 2021/2022 be noted.

2.2 Comments from the meeting are collated and forwarded on to the IRPW by the Democratic Services Department.

3.0 INTRODUCTION AND BACKGROUND

3.1 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.

- 3.2 There is a statutory limit of no more than 50% of a council's membership receiving a senior salary. Whilst in the majority of cases the posts of civic head and deputy civic head are not included in the cap; they **are** included for Merthyr Tydfil.
- 3.3 Should the authority wish to exceed the maximum number of senior salaries; consent must be obtained from Welsh Ministers.
- 3.4 Opposition Group Leaders or other Group Leaders must represent at least 10% of the Council membership before qualifying for a senior salary.
- 3.5 The entitlement to join the Local Government Pension Scheme applies to all eligible Elected Members of principal councils.
- 3.6 Elected Members may claim reimbursement for travel and subsistence costs where they have arisen whilst undertaking official duties and on production of receipts.
- 3.7 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 documents are published annually on the Merthyr Tydfil County Borough Council website.

4.0 PROPOSED SALARY CHANGES FOR 2021/2022

Basic Salary

- 4.1 The IRPW continues to work toward aligning the basic salary of elected members to the median gross earnings of full-time employees resident in Wales.
- 4.2 This year, following continued liaison with elected members and in keeping with the Panel's principle that its determinations should be affordable and acceptable, they have proposed an increase to the basic salary of elected members by £150 (1.06%) to £14,368.

Chairs of Committee

- 4.3 The Panel considers that there is a significant difference in the responsibilities and functions of chairing different committees. It is therefore a matter for each council to decide which, if any, chairs of committees are remunerated.
- 4.4 Where chairs of committees are paid, the remuneration is increased to £23,161, 1.06% on the previous year's salary.

Executive Members:

- 4.5 The Panel continues to take the view that executive members should be considered as working the equivalent of full time, around 40 hours per week, and have increased their salary by 1.06% (see Appendix 1 for a breakdown).

Civic Heads and Deputy Civic Heads:

- 4.6 In 2019 the IRPW removed the ability for councils to vary salaries of civic heads and deputy civic heads but retained the council's ability to choose whether they should be remunerated. Where paid, the Civic Head and Deputy Civic Head salaries have also been increased by 1.06% to £23,161 and £18,108 respectively.

5 PAYMENTS TO CO-OPTED MEMBERS WITH VOTING RIGHTS

- 5.1 The number of days in any one year for which co-opted members may be paid reflects the specific work they undertake. In consultation with the IRPW these members have indicated that they do not identify the payments as an income for living upon which they depend. Any uplifts in payments, therefore, are not comparable with the changes to salaries of elected members.
- 5.2 The IRPW proposes an increase of £12, to the daily rate for co-opted members and for those with additional responsibility.

6.0 FINANCIAL IMPLICATION(S)

- 6.1 The 1.06% increase across all elected member salaries is absorbed by the estimated growth included in the authority's budget planning for 2021/22.