



ANNUAL MEETING OF COUNCIL – 19TH MAY 2022

**SUBJECT: INDEPENDENT REMUNERATION PANEL FOR WALES ANNUAL
REPORT 2022/23 – SALARIES AND ALLOWANCES**

REPORT BY: CORPORATE DIRECTOR OF EDUCATION AND CORPORATE SERVICES

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1. PURPOSE OF REPORT

- 1.1 To inform Council of the publication of the 2022/23 Annual Report from the Independent Remuneration Panel for Wales which is attached at Appendix 1.
- 1.2 To ask Council to determine which roles should receive the senior salary payments, the appointment of civic roles and salaries together with the other ancillary matters the detail of which are set out in the report and recommendations below.

2. SUMMARY

- 2.1 Council is asked to note the report of the Independent Remuneration Panel for Wales Report for 2022/23 and to decide on the allocation of senior and civic salaries together with ancillary matters set out in the report.

3. RECOMMENDATIONS

Council is asked

- 3.1 To note the determinations of the Independent Remuneration Panel for Wales as set out in the Annual Report for 2022/23.
- 3.2 To confirm which roles should attract a senior salary payment subject to a maximum cap of 18 members.
- 3.3 To advise if a Mayor and Deputy Mayor is to be appointed and if so whether the posts are to be remunerated.
- 3.4 To advise if a Presiding Member is to be appointed and if so whether they are to be remunerated. This remuneration will count towards the cap and may be paid a Band 3 salary.
- 3.5 To note the existing proforma Schedule of Remuneration set out at Appendix 2 and

- a) To increase the cap on payments to co-opted members from 10 to 12 full days a year for each committee to which an individual may be co-opted with voting rights and
 - b) Note the continuation of the approved duties set out in Schedule 2.
- 3.6 To note the publicity requirements set out in the IRP report and in paragraph 5.12 of this report.

4. REASONS FOR THE RECOMMENDATIONS

- 4.1 To comply with the requirements of the Independent Remuneration Panel for Wales Annual Report for 2022/23

5. THE REPORT

- 5.1 The Independent Remuneration Panel for Wales is the body tasked with setting the remuneration levels for members in Wales and each year publishes an Annual Report setting out their determinations for that coming year. The Annual Report for 2022/23 is attached at Appendix 1.
- 5.2 Following the local government elections held on 5th May new municipal arrangements will need to be established for the forthcoming year and as such Council is required to consider the IRP report and make determinations as required.
- 5.3 The decisions made as a result of the recommendations in this report will be populated into the Schedule of Remuneration the outline of which based on the year 2021/22 is attached at Appendix 2 and published in accordance with the requirements of the Panel's report. Co-opted member and community councillor vacancies will be added when the appointments are made.

5.4 Salaries

Basic Salary

The Basic Salary in 2022/23 for members of the Council will be £16,800.

5.5 Senior salaries

Senior salaries are payments to members who are executive, chairs of committees and the leader of the opposition. All senior salaries include the basic salary payment.

The limit on the number of senior salaries for Caerphilly remains at **18** and a decision is required as to which qualifying posts up to a maximum of 18 will be paid a Senior Salary for 2022/23.

- 5.6 In terms of the number of members of a leader and Cabinet executive this may not exceed 10. However, as a result of changes introduced by Section 58 of the Local Government and Elections Wales Act 2021, if two or more councillors are elected to share office as executive leader or are appointed to the executive to share office the number of members of the executive may exceed 10 but not 13. Where the number of members of the executive is 11 or 12 at least two of the members must have been elected or appointed to share office. Where the number is 13 at least three of the members must have been appointed to share office. These numbers are not affected where a member has been appointed to the executive on a temporary basis

to cover the absence of a member exercising a right to a family absence under [Part 2](#) of the [Local Government \(Wales\) Measure 2011](#) . Further information on the remuneration of job sharing arrangements are set out in in paragraph 5.12 below.

The senior salary level for Caerphilly is set out in Group B of the IRP report which is as follows

Band 1 Leader	£56,700
Band 1 Deputy Leader	£39,690
Band 2 Executive Members	£34,020
Band 3 Committee Chairs (if remunerated)	£25,593
Band 4 Leader of the largest opposition group	£25,593
Band 5 Leader of other political groups	£20,540

In 2021/22 Council appointed the following senior salaries based on a Cabinet of 9 members.

Leader

Deputy Leader

Cabinet Members x 7

Chair of Governance and Audit Committee

Chair of Planning Committee

Chair of Licensing Committee

Chair of Policy and Resources Scrutiny Committee

Chair of Education Scrutiny Committee

Chair of Environment and Sustainability Scrutiny Committee

Chair of Housing and Regeneration Scrutiny Committee

Chair of Social Services Scrutiny Committee

*Leader of the largest opposition Group**

**this must be made available*

Listed below are the salaries that could attract a senior salary in addition to the roles identified above but the maximum must remain at 18 senior salaries.

Chair Democratic Services Committee

Chair Appointments Committee

Chair Appeals Committee

Chair Pension Compensation Committee

Chair Investigating and Disciplinary Committee

Chair Corporate Health and Safety Committee

Voluntary Section Liaison Committee

Joint Consultative Committee

Leaders of other political groups**

[*must comprise not less than 10% of the members of council]

Council is asked to note that the Chair of the Governance and Audit Committee must now be a lay member as required by the Local Government and Elections Wales Act 2021, therefore a senior salary is no longer payable for this post.

The Panel recognises that there is a significant variance in the responsibilities and functions of chairing different committees. Councils do not have to pay chairs of committees; each council can decide which if any chairs of committees they pay taking into account the differing levels of responsibility.

5.7 **Civic Heads and Deputies (Mayor and Deputy Mayor)**

It is a matter for the Council to decide whether it pays a Mayor or a deputy but where paid the Mayor must be paid Band 3 £25,593 and deputy mayor at Band 5 £20,540. These posts are not included in the cap of 18 (subject to not exceeding 50% of the Council membership).

5.8 **Presiding members**

The Local Government (Democracy) (Wales) Act 2013 allows councils to appoint a presiding member whose role is to chair meetings of the whole council. Where appointed there would be a consequential reduction in the responsibilities of the respective mayor. If a presiding member is appointed they do not have to be remunerated. **If they are the post will count towards the cap and be paid at a Band 3 salary of £25,593.** The post of deputy Presiding member is not remunerated.

5.9 The Panels' report sets out the key factors underpinning the above determinations which are as follows

The basic salary is based on a full time equivalent of three days a week and is paid to all elected members. It is remuneration for the responsibility of community representation and participation in local governance.

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 Council's Chief Executive to decline all or any element of the payment.

5.10 The Panel has stipulated the following

- An elected member must not be remunerated for more than one senior post within their authority.
- An elected member must not be paid a senior salary and a civic salary.
- All senior and civic salaries are paid inclusive of basic salary.
- If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader.
- members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA (National Parks Authority) or FRA (Fire and Rescue Authority) to which they have been appointed. They remain eligible to claim travel and subsistence expenses and contribution towards costs of care and personal assistance from the NPA or FRA.
- 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. They remain eligible to claim travel and subsistence expenses and contribution towards costs of care and personal assistance from the community or town council. Where this situation applies, it is the responsibility of the individual member to comply.

5.11 An overview of the Panel's Other Determinations

Supporting the work of local authority elected member

The Panel expects support to be provided to elected members taking into account the specific needs of individual members and requires the Democratic Services Committee to periodically review the level of support provided to members. All elected members and co-opted members should be provided with adequate telephone, email and internet facilities and without cost to any member.

Job Share arrangements

As outlined in paragraph 5.6, new statutory arrangements have been introduced for job sharing for the Leaders and Cabinet members.

For members of an executive: Each job sharer will be paid an appropriate proportion of the salary group as set out in Table 3 of the IRP report (which for Caerphilly is set out on page 19 of the Panel's report).

The statutory maximum, as set out in the Act, for cabinets cannot be exceeded so each job sharer will count toward the maximum.

In respect of job-sharing arrangements for other senior salary posts (e.g. Committee Chairs: Opposition Group leaders) the Panel is supportive and will normally be prepared to agree to submissions from councils subject to the limitations set out in the following paragraph.

Under the Measure, it is the number of persons in receipt of a senior salary, not the number of senior salary posts that count towards the cap. Therefore, for all job share arrangements the senior salary cap will be increased subject to the statutory maximum of 50% of the council's membership. Where the arrangements would mean that the statutory maximum would be exceeded the Panel would need to seek the approval of Welsh Ministers.

Assistants to the Executive

The Local Government and Elections Act 2021 gives principal councils the right to appoint elected members to assist the executive in discharging its functions. Such appointments are made by the leader of the council and can include:

- the number of assistants that may be appointed
 - the term of office of the assistants
 - the responsibility of the assistants
- There are exclusions to the appointments as set out in the legislation and assistants are not members of the cabinet. The Panel will consider on a case by case basis the appropriate senior salary if any for assistants to the cabinet.

Joint Overview and Scrutiny Committees

Little use has been made of these arrangements therefore the Panel has decided to delete the payment from the Framework. If in future a JOSOC is formed and the council wishes to remunerate it can apply using the arrangements contained in the IRP report.

Corporate Joint Committees

In terms of the Panel's report, as CJC's are in their infancy, the Panel considered it to be too soon to decide if members of CJC's should be remunerated and will evaluate this over time.

Pension Provision for Elected Members

All eligible elected members are entitled to join the Local Government Pension Scheme.

Entitlement to Family Absence.

An elected member is entitled to retain a basic or senior salary when taking a period of family absence. It is a matter for the council to decide if a substitute appointment should be made and there are provisions set out in the report if such an appointment exceeds the cap on senior salaries.

Payments to Co-opted Members of Principal Councils

The Panel has determined that a daily or half daily fee is appropriate remuneration for the important role undertaken by co-opted members of authorities with voting rights. The Council can decide on the maximum number of days in any one year for which co-opted members may be paid. It is proposed that the current maximum of 10 days per year is increased to 12 having regard to the changes to the membership and roles of the lay members of the Governance and Audit Committee. The fees payable for co-opted members have not changed and are set out in the proforma in Appendix 2. Full details are contained in Section 9 of the IRP report,

Contribution towards Costs of Care and Personal Assistance.

The purpose of this section is to enable people who have personal support needs or caring responsibilities to carry out their duties effectively as a member of the authority. The principles underpinning this payment are set out from page 40 of the Panel's report.

The Panel has stipulated the following:

- As payments are taxable under the current HMRC rules, full reimbursement is not possible so for clarity this is retitled to "contribution towards the costs of care and personal assistance". It will still require receipts to accompany claims.
- Claims can be made in respect of a dependant under 16 years of age, or a minor or adult who normally lives with the member as part of their family and who cannot be left unsupervised.
- Reimbursement may be claimed for member's own care or support needs where the support and/or cost of any additional needs are not available or are not met directly by the authority such as Access to Work, Personal Independence Payments, insurance. These could arise when the needs are recent and or temporary.

Members, including co-opted members are entitled to claim towards the costs of care and personal assistance, for activities that the individual council has designated official business or an approved duty which might include appropriate and reasonable preparation and travelling time. It is a matter for individual authorities to determine specific arrangements to implement this.

Each authority must ensure that any payments made are appropriately linked to official business or approved duty.

There is no longer a monthly cap and the following arrangements apply

- Formal (registered with Care Inspectorate Wales) care costs to be paid as evidenced.
- Informal (unregistered) care costs to be paid up to a maximum rate equivalent to the Real Living Wage hourly rates as defined by the Living Wage Foundation at the time the costs are incurred.

For clarification, care costs cannot be paid to someone who is a part of a member's household.

The Panel continues to recognise the issues relating to the publication of this legitimate expense and has retained the requirements for publication set out in Annex 4. **To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the contribution towards costs of care and personal assistance.**

Travelling and Subsistence costs for official business

The full provisions are set out in section 12 of the Panel's report.

The reimbursement of mileage costs are as follows

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 on authority business
24p per mile Motorcycles
20p per mile bicycles.

The reimbursement of subsistence costs are as follows

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

5.12 Publicity requirements

The Council must as soon as practicable after determining its Schedule of Remuneration for the year under these Regulations and any Report of the Panel and not later than 31 July of the year to which the Schedule refers, arrange for the Schedule's publication within the authority's area and to notify the Panel.

As soon as practicable and no later than 30 September following the end of the financial year all relevant authorities must publicise within the authority's area and notify the Panel:

- the total sum paid by it to each member or co-opted member in respect of basic salary, senior salary, co-opted member fee, travel and subsistence payments.
- the total expenditure on contribution towards costs of care and personal assistance.

In the same timescale and in the same manner, an authority must publicise any further remuneration received by a member nominated or appointed to another relevant authority.

5.13 **Conclusion**

Council is asked to consider the detail of the report and make determinations in accordance with the recommendations.

6. **ASSUMPTIONS**

- 6.1 In relation to the cap on the number of meetings a co-optee may be reimbursed for this is based on the assumption that Council wishes to increase the limit from 10 meetings to 12 meetings per year. The remainder of the report contains information from the IRP report and requires a decision from Council on various salary appointments together with ancilliary matters.

7. **SUMMARY OF INTEGRATED IMPACT ASSESSMENT**

- 7.1 No Integrated Impact Assessment has been undertaken as the Independent Remuneration Panel for Wales has the power under the Local Government (Wales) Measure 2011 to set Members Allowances.

8. **FINANCIAL IMPLICATIONS**

- 8.1 The salary costs will be factored into the forthcoming budget for the 2022/23 financial year.

9. **PERSONNEL IMPLICATIONS**

- 9.1 There are no personnel implications arising from this report.

10. **CONSULTATIONS**

- 10.1 The report has been circulated to the consultees below and any responses have been incorporated within the report.

11. **STATUTORY POWER**

- 11.1 Local Government and Housing Act 1989, the Local Government Act 2000, Local Government Wales Measure 2011, Local Government (Democracy) (Wales) Act 2013 and Family Absence for Members of Local Authorities Wales Regulations 2013 (as amended).

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Appendix 1 Independent Remuneration Panel for Wales Annual Report 2022/23
Appendix 2 Schedule of Remuneration Proforma

