



DEMOCRATIC SERVICES COMMITTEE - 25TH NOVEMBER 2013

**SUBJECT: DRAFT INDEPENDENT REMUNERATION PANEL FOR WALES
ANNUAL REPORT 2014/15**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151
OFFICER**

1. PURPOSE OF REPORT

- 1.1 To report the Independent Remuneration Panel for Wales' (the Panel) draft determinations for 2014/15.
- 1.2 To seek Members views on the Panel's draft determinations for 2014/15.

2. LINKS TO STRATEGY

- 2.1 Members are entitled to receive remuneration prescribed by the Independent Remuneration Panel for Wales ("the Panel").

3. BACKGROUND

- 3.1 The Panel is a statutory body established by Welsh Government in January 2008 to determine the scope and salaries, allowances and expenses payable to Councillors and Co-opted Members.
- 3.2 The Local Government (Wales) Measure 2011 gave the Independent Remuneration Panel for Wales additional powers to prescribe Members remuneration. This was a significant change to the well established practice of Members determining their own scheme of allowances within the maximum sums prescribed by the Panel. This year the Panel have received further powers following the introduction of the Local Government (Democracy) (Wales) Act 2013 including the ability to make recommendations about the pay of heads of paid service for county and county borough councils and fire and rescue authorities. However, this power has not yet been commenced and the Panel awaits guidance from Welsh Ministers in relation to this new power.
- 3.3 This report reflects the Panel's draft determinations for 2014/15.

4. PRESCRIBED SCHEME OF REMUNERATION 2014/15

- 4.1 The Independent Remuneration Panel for Wales are suggesting modest increases to payments made to Councillors and Co-opted Members for 2014/15, namely:

5. BASIC SALARY

- 5.1 All Members are entitled to receive the Basic Salary and for 2014/15 it will increase from £13,175 in 2013/14 to £13,300 in 2014/15 (an increase of approximately 1%).

6. SENIOR SALARIES

- 6.1 Senior Salaries are payable to Members that hold certain prescribed roles and for this authority are limited to a maximum of 18 posts. Senior Salaries are paid inclusive of the Basic Salary.
- 6.2 The Senior Salaries set for 2013/14 and the proposed salaries for 2014/15 are outlined below:

Role	Senior Salary 2013/14 £	Proposed Senior Salary 2014/15 £
Leader	47,500	48,000
Deputy Leader	33,460	33,500
Cabinet Member	28,780	29,000
Committee Chairs (e.g. Scrutiny, Planning, Licensing, Audit, Democratic Services)	21,910	22,000, 20,000 or 18,000
Leader of the Largest Opposition Group	21,910	22,000
Leaders of Other Political Groups (not less than 10% of members). This currently not payable by the Council due to the political make up of members.	16,920	17,000

- 6.3 The Panel have provided a modest increase in all salaries, the basic by just less than 1% and others proportionally although some have been rounded up and others down. The IRP have previously stated that Senior Salaries of Council Leaders and Executive Members are based on the assumption that the roles are full time. To underline this view, last year the Panel determined that a Cabinet Member can no longer receive a salary from any National Park Authority or Fire and Rescue Authority to which they have been nominated. In addition, a Member cannot receive more than one Senior Salary (there are certain exceptions for Chairs of Joint Scrutiny Committees and their sub committees) nor a Senior Salary and a Civic Salary. These principles remain in the Panel's proposals for 2014/15.

Committee Chairs

- 6.4 During the course of 2013 the Panel visited all Local, Fire and Rescue and National Park Authorities. They report that there was a desire for greater local flexibility to be introduced into the Members' remuneration framework. Therefore, the Panel are proposing to introduce 3 levels of remuneration for committee chairs:

Level 1 - £22,000
Level 2 - £20,000
Level 3 - £18,000

- 6.5 The Panel are proposing that each local authority can determine the appropriate Level of remuneration for each committee chair based on their specific duties and responsibilities (other than the Leader of the largest opposition group above 10% of the council membership which must be paid). The Panel state that this proposal will provide local authorities with increased flexibility whilst at the same time maintaining a clearly prescribed remuneration framework.

7. CIVIC SALARIES

- 7.1 Payments made to the Mayor and Deputy Mayor are also under the control of the Panel but are not included as part of the Council's 18 Senior Salary posts. Civic Salaries are paid inclusive of the Basic Salary. Again, the Panel are proposing greater local flexibility to be introduced into Civic Salary payments, therefore, the Panel are proposing to introduce 3 levels of remuneration for the Mayor and Deputy Mayor roles:

	Mayor	Deputy Mayor
Level 1	£24,000	£18,000
Level 2	£21,500	£16,000
Level 3	£19,000	£14,000

- 7.2 The Panel state that this proposal will provide local authorities with further increased flexibility within a prescribed remuneration framework and take into account the activity and responsibilities of the Civic Office holder as roles vary greatly across the Country.

8. JOINT OVERVIEW AND SCRUTINY COMMITTEES

- 8.1 Chairs of Joint Overview and Scrutiny Committees maybe remunerated in addition to the Council's 18 senior salaries. That said, it should be noted there is a statutory limit in place precluding no more than 50% of the Council's overall membership to be in receipt any type of senior salary. The Panel are proposing that chairs of joint scrutiny committees are aligned with payments to chairs of council committees, namely:

Level 1 - £8,700 (plus the basic salary)
Level 2 - £6,700 (plus the basic salary)
Level 3 - £4,700 (plus the basic salary)

- 8.2 Chairs of joint scrutiny committees already in receipt of a senior salary in band 3 (committee chair), band 4 (Leader of the largest opposition group) or band 5 (Leader of other political groups) can receive an additional payment as chair of a joint scrutiny committee, namely:

Level 1 - £4,350 (plus the basic salary)
Level 2 - £3,350 (plus the basic salary)
Level 3 - £2,350 (plus the basic salary)

- 8.3 The chair of a sub committee of a joint scrutiny committee can receive an additional payment, namely:

Level 1 - £2,175 (plus the basic salary)
Level 2 - £1,675 (plus the basic salary)
Level 3 - £1,175 (plus the basic salary)

- 8.4 The chair of a sub committee of a joint scrutiny committee already in receipt of a senior salary in band 3 (committee chair), band 4 (Leader of the largest opposition group) or band 5 (Leader of other political groups) can receive an additional payment as chair of a joint scrutiny committee, namely

Level 1 - £1,090 (plus the basic salary)
Level 2 - £850 (plus the basic salary)
Level 3 - £600 (plus the basic salary)

- 8.5 It is a matter for the constituent authorities to decide if they wish to award an additional payment to a chair of a joint scrutiny committee or sub committee and at which level the salary should be set. The payments for joint scrutiny committee sub committees are to be pro rated for the duration of the sub committee. The Council of the Member elected as Chair must pay for the above allowances unless there is an agreement to apportion costs by the partner authorities.

9. CO-OPTED MEMBER PAYMENTS

- 9.1 Until last year payments to co-opted members have been limited to 10 days per annum, however, the Council can now determine the maximum number of meetings co-opted members can be paid. The Panel recently broadened the activities for which co-opted members can receive a payment from just committee meetings to include authorised training events, conferences, pre-meetings with officers, other formal meetings where co-opted members are requested to attend, travel time to and from a meeting and reasonable preparation time. Payments to co-opted members remain as a daily fee (with provision for a ½ day payment) and are set at the rates paid to members of Welsh Government Band 2 sponsored bodies.
- 9.2 The Council must pay the following fees to co-opted Members with voting rights:

Role	Fee
Co-opted Chair, Standards Committee and Audit Committee	£256 daily fee (£128 ½ day)
Co-opted Member of Standards Committee who Chairs Standards Committees for Community Councils (Not applicable for CCBC)	£226 daily fee (£113 ½ day)
Co-opted Member of Standards Committee, Education Scrutiny Committee, Crime and Disorder Scrutiny Committee and Audit Committee	£198 daily fee (£99 ½ day)

- 9.3 A full day is defined as a meeting lasting over 4 hours and a half-day as up to 4 hours. This year the Panel have made two additional determinations in relation to co-opted members. Firstly, that an 'appropriate officer' determines the preparation time available to co-opted members in advance of the meeting. The second is that the 'appropriate officer' decides in advance of the meeting if the meeting is programmed for a full day and the co-opted member fee will be paid on the basis of this decision even if the meeting finishes before four hours has elapsed.

10. TRAINING AND DEVELOPMENT

- 10.1 The Panel expects every Member 'to undertake such training and personal development opportunities as are required to properly discharge the duties for which they are remunerated'.

11. CARE EXPENSES

- 11.1 This relates to dependent children below the age of 15 where costs are incurred in providing care while Members or Co-opted Members are engaged on Council business and, to a dependent over the age of 15 years who requires care while Members or Co-opted Members are away from their home on Council business.
- 11.2 The Panel have determined that the maximum care expenses payable for 2014/15 will remain at £403 per month. The monthly maximum is considered a reimbursement of care expenses and cannot be annualised.
- 11.3 Care expenses shall only be payable for actual and receipted costs.

12. TRAVEL AND SUBSISTENCE ALLOWANCES

- 12.1 The Panel are proposing to keep the current HMRC mileage rates for 2014/15 for Councillors and Co-opted Members with voting rights:

Motor vehicles up to 10,000 miles – 45p per mile
Motor vehicles over 10,000 miles – 25p per mile
Passenger supplement – 5p per passenger per mile
Motor cycles – 24p per mile
Pedal cycles – 20p per mile

- 12.2 In 2012 the Panel introduced an additional definition of 'official business' to allow for the reimbursement of travel claims for Members undertaking constituency business (official business is defined as 'a duty undertaken by members of principal councils in connection with constituency or ward responsibilities which arise from the discharge of local authority functions). Allowing travel claims for journeys made within Members wards is a matter for local determination. To date the Council made the decision not to allow such travel claims.
- 12.3 All other claims for travel such as bus/train/taxi fares (when authorised by the Democratic Services Manager) must be accompanied by appropriate receipts showing the actual expense. Members should always be mindful of choosing the most cost effective method of travel. Members should also be aware that tickets for public transport can be organised by Democratic Services staff.

13. SUBSISTENCE ALLOWANCES 2013/14

- 13.1 The subsistence allowances proposed for 2014/15 for Councillors and Co-opted Members with voting rights are outlined below:
- 13.2 The maximum subsistence allowance is set at £28 per day (including breakfast when not provided as part of overnight accommodation). This is paid as a reimbursement of actual costs for approved duties with receipts provided.
- 13.3 The allowances available for an overnight stay whilst undertaking an approved duty are set at £150 for London and £95 elsewhere with receipts to be provided. Previously there has been a £120 rate available for Cardiff but this has been deleted.
- 13.4 A maximum of £25 is available for an overnight stay with friends or relatives whilst on approved duty.

14. FOREGOING PAYMENTS

- 14.1 Members or Co-opted Members may forego any part of their remuneration entitlement by giving notice in writing to the Chief Executive.

15. IMPLEMENTATION

- 15.1 It is expected that the Panel's determinations will take effect from the date of the Council's Annual General Meeting.

16. PERSONNEL IMPLICATIONS

- 16.1 There are no personnel implications associated with this report.

17. EQUALITIES IMPLICATIONS

- 17.1 An EqIA screening has been completed in accordance with the Council's Strategic Equality Plan and supplementary guidance and no potential for unlawful discrimination and/or low level or minor negative impact have been identified, therefore a full EqIA has not been carried out.

18. FINANCIAL IMPLICATIONS

- 18.1 Members' salaries and expenses will be funded from the Democratic Services budget. If the Panel's proposals are implemented it is estimated that the Council's members salaries and expenses scheme is likely to cost an additional £11,435 plus associated national insurance and pension costs for 2014/15, assuming that committee chairs are set at Level 1 which is the closest point to the current level of remuneration.

19. CONSULTATION

- 19.1 There are no consultation responses that have not been reflected in the recommendations of this report.

20. RECOMMENDATIONS

- 20.1 Democratic Services Committee comment on the Panel's draft determinations for 2014/15. The comments will be used to respond to the Panel's consultation exercise.

21. STATUTORY POWERS

- 21.1 Local Government and Housing Act 1989, the Local Government Act 2000, Local Government Wales Measure 2011 and the Independent Remuneration Panel for Wales Annual Reports and Regulations. This is a Council function.

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