



DEMOCRATIC SERVICES COMMITTEE - 5TH MARCH 2014

SUBJECT: 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) final determinations for 2014/15.
- 1.2 To seek the views of Democratic Services Committee before full Council are asked to make decisions on certain aspects of the Members' remuneration scheme 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 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. Last 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 final determinations for 2014/15.

4. PRESCRIBED SCHEME OF REMUNERATION 2014/15

- 4.1 The Independent Remuneration Panel for Wales have made modest increases to payments made to Councillors and Co-opted Members for 2014/15. This is the first increase to Members remuneration since 2011 and includes an up lift in the Basic Salary of 0.99% and a proportionate increase in other payments, 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.

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 salaries for 2014/15 are outlined below:

Role	Senior Salary 2013/14 £	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
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 restated that Senior Salaries for Council Leaders and Executive Members are based on the assumption that the roles are full time. To underline this view, the Panel have determined that a Cabinet Member cannot receive a salary from a 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.
- 6.4 The Panel have determined that a senior salary must be paid to the leader of the largest opposition group, subject to that political group having at least 10% of all council members.

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. To date the Panel have set a single national Civic Salary for the Mayor and Deputy Mayor, however, for 2014/15 the Panel have determined that some local flexibility should apply as responsibilities of the Civic Office holder vary across the Country. Therefore, the Panel have introduced 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 It is a matter for Council to determine the Civic Salaries for 2014/15. For information, the Panel determined Civic Salaries of £21,375 for the Mayor and £16,625 for the Deputy Mayor for 2013/14.

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 have determined that chairs of joint scrutiny committees are aligned with payments to chairs of council committees can receive a senior salary of £8,700 (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 of £4,350 (plus the basic salary).
- 8.3 The chair of a sub committee of a joint scrutiny committee can receive an additional payment of £2,175 (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 of £1,090 (plus the basic salary).
- 8.5 It is a matter for constituent authorities to decide if they wish to award an additional payment to a chair of a joint scrutiny committee or sub committee. The payments for joint scrutiny committee sub committees must be pro rata 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. The Council does not currently have arrangements for joint scrutiny committees or sub committees chaired by a Member from this Council.

9. Co-Opted Member Payments

- 9.1 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. The Council must determine the maximum number of meetings co-opted members can be paid. To date the Council has determined that co-opted members can be paid for a maximum of 10 days per annum. Although co-opted members have never reached the maximum 10 day

maximum, the Standards Committee role has recently increased with the introduction of the Informal Resolution Protocol and could increase further if Members agree to ask the Standards Committee to monitor attendance of their mandatory training requirements. Therefore, it is suggested that a maximum payment cap is not included for Standards Committee Co-opted (lay) Members.

- 9.4 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 a 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.
- 9.5 It is suggested that the Monitoring Officer acts as the 'appropriate officer' for co-opted members serving on the Standards Committee and the Democratic Services Manager acts as the 'appropriate officer' for members serving on the Education for Life Scrutiny Committee.

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 the reimbursement of necessary costs for the care of dependent children and adults to enable any person whose ability to participate as a member would be limited by their responsibilities as a carer.
- 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:

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.
- 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 independently and voluntarily giving notice in writing to the Chief Executive.

15. Implementation

- 15.1 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 the Civic Salaries are set at the closest point to the current level of remuneration. These costs can be accommodated within the Members salaries and expenses budget provision of £1.23 million for 2014/15.

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 recommend to full Council:
 - a. The appropriate level of Civic Salaries for 2014/15.

- b. The maximum number of days payable to co-opted members of the Education for Life Scrutiny Committee.
- c. There is no maximum limit on the number of days payable to co-opted (lay) members of the Standards Committee.
- d. Whether travel claims can be made for journeys made within Members wards.
- e. The Monitoring Officer acts as the 'appropriate officer' for co-opted members serving on the Standards Committee and the Democratic Services Manager acts as the 'appropriate officer' for members serving on the Education for Life Scrutiny Committee.

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.

Author: Jonathan Jones - Democratic Services Manager
Tel 01443 864242 Jonesj16@Caerphilly.gov.uk

Consultees: Stuart Rosser – Interim Chief Executive
Nicole Scammell – Acting Director of Corporate Services and Section 151 Officer
Stephen Harris – Acting Head of Corporate Finance
Gail Williams – Interim Monitoring Officer
Emma Sullivan - Democratic Services Officer
Cllr Keith Reynolds - Deputy Leader and Cabinet Member for Corporate Services
Cllr Christine Forehead - Cabinet Member for Human Resources and Governance
Cllr Colin Mann, Chair - Democratic Services Committee