**APPENDIX 1** 



# REPORT ON THE OUTCOME OF THE PANEL'S VISITS TO WELSH PRINCIPAL COUNCILS 2017

## 1. Introduction

Members of the Panel visited each of the 22 principal councils following the Local Government elections in May 2017. These visits, undertaken over the summer/early autumn provided the Panel:

With feedback on the Panel's Remuneration Framework;

With qualitative information about the current role and workload of members and how it has developed since previous visits in 2013.

To give members the opportunity to obtain greater understanding of the Panel's function and how decisions are arrived at.

Each visit was attended by 2 or 3 Panel Members and detailed notes were recorded. In total we met: 142 members of executives; 280 other councillors; 59 co-opted members and 90 chief officers.

#### 2. Main Findings

- The basic salary is not adequate remuneration for the hours worked: in many cases members are working for less than the minimum wage.
- Senior salaries are not adequate remuneration for the skills and qualities required especially compared with other public sector posts.
- The workload and role of members has changed: hours have increased and the role now demands a more strategic outlook and ability to work with partners.
- Representing constituents is now only part of the role.
- The quality of support provided for members is an issue in some councils.
- The diversity of membership is slowly improving but several factors have the potential to militate against a greater diversity among people standing for election. These include the reluctance of existing members to take the full salary and to

claim costs and expenses properly due because of the fear of adverse public reaction.

## 3. Background

The basic salary originally set by the Panel was based on the all Wales average earnings and pro-rated to three fifths. At that time the accepted view was that a backbench member would spend 23 to 25 hours a week on council and constituency business. Any excess time was regarded as "public service discount" If the same alignment was used currently the basic salary would be well in excess of £15000 rather than the current salary of £13,600. Senior salaries were determined using multiples of the basic.

## 4. Commentary on the visits

a) 2017 election

Almost all councils reported a significant turnover of membership; the overall average was in excess of 30%. It was notable that there was a number of younger members of both genders in the new intake.

We observed a distinct and developing direction toward greater professionalism of the role of a councillor.

b) Workload

The overwhelming majority of members we met stated that their workload had increase exponentially. The common theme was this was a consequence of public sector austerity and increasing expectation from their constituents. The latter fuelled by the use of social media and the presumption that members should provide an immediate response. Many stated that they were "the first port of call" for any issue irrespective whether or not it was a matter for the council

Very few indicated that the workload could be contained within the notional 23 /25 hours. There was an emerging view that to be an effective member required skills in advocacy as well as in governance.

c) Remuneration - Basic

Although recognising the context of the financial position of local authorities the members we met, from all political persuasions felt that they were underpaid by some margin. Many commented that for the hours that they had to devote to the role the amount they received was less than the minimum wage. They acknowledged and understood that the Panel has a statutory obligation to take account of affordability in reaching its decisions and that in current circumstances limited the level of increases to the basic salary.

d) Remuneration – Senior Members

The Panel's Framework recognises that members who take on additional responsibility should be rewarded.

Leaders/Executive members: Based on the evidence of previous visits and discussion with senior members, the Panel has consistently taken the view that to undertake the role of a member of a member of cabinet effectively required input equivalent to full time (but not necessarily normal office hours). We found no evidence to suggest that this was not still valid; in fact those executive members we met indicated that they put in many more hours beyond that which would be regarded as full time. This view was generally supported by officers. This did not preclude some who were in employment but they usually had jobs that allowed flexibility. Several councils had appointed newly elected members to cabinet roles as they had recognised skills to undertake a particular portfolio. We were made aware of examples of executive members who had taken a sabbatical from their jobs but to do so had to accept a significant reduction in earnings as a consequence.

The general view of executive members was that they were underpaid but acknowledged the affordability issue.

The leaders we met did not raise the quantum of their payments but colleagues were forceful in commenting that payments to leaders was not commensurate with the responsibility attached to the role and compared unfavourably with other public sector roles. We consider that there is validity to this view but in current financial circumstances has to be an issue for the longer term.

Chairs of Committees: As each council will have different structures and priorities for its governance we will retain the present arrangements for individual councils to decide which and how many chairs are remunerated.

Payments of senior salaries must be contained within the maximum number that we have set for each council.

#### e) Member Support

The Panel's framework emphasises that members should be provided with access to IT and other support to enable them to carry out their duties. At a minimum, this should include the ready use of email and electronic access to information and adherence to the principle that members should not be out of pocket in order to fulfil their duties.

The Panel has observed that the quality of member support varies across Wales and more than once members have appealed to the Panel to rule on if a particular system for example broadband access requiring a contribution from the member falls within this principle.

The Panel is of the view that should not be the arbiter between local authorities and members of what is fair and reasonable to support members in carrying out their role but the visits offered the opportunity to note that it is still the case that some authorities provide minimum support to members, for example IT access only within office hours.

The inadequacy of member support in terms of lack of IT, lack of phones was raised together with many backbench members noting that there was insufficient officer support and research support which impacted on their ability to study and comment on policy proposals from the executive.

## f) Governance

A few issues relating to governance emerged:

Scrutiny – several councils mentioned that some of their members had refused to sit on scrutiny committees. The reasons varied including "lack of time" and "they were pointless and had no effect". A further complaint was that officer support for the scrutiny committees had been severely reduced (because of cuts) which hindered the quality of the work.

Smaller authorities appeared to struggle to find individuals from their membership with skills to meet specific needs because of limited numbers of councillors. This might have been exacerbated in the short term because of the new intake of elected members.

# g) Diversity

There are encouraging signs that local authority membership is becoming more diverse with younger and more females entering local government. However, they are still in the minority. There is evidence that payment of salaries has been a factor in improving diversity. To quote responses from a few individuals "I am not doing this because it is paid but I couldn't do so if it wasn't".

Reimbursement of the costs of care should be another factor to encourage diversity but the take up continues to be disappointing and many members who would be eligible and probably have the need are self-precluded because of perceived criticism from the public that they would be subjected to when claims are published. We have given the options to councils to publish these costs as a total without naming the individual members.

## h) Members forgoing payments

Our determinations have always recognised that individuals have the right not to take all or part of any payment but we have been clear that to do so they must formally advise the appropriate officer of their decision in writing. This is to overcome potential coercion of members to take less than the prescribed salary for political benefit and so we can ensure compliance, and would undermine the principle of an independent organisation prescribing payments. Councils were unanimous that we should prescribe specific payments when the 2011 Wales Measure gave the Panel the power to do so. If members are under pressure to take less than the prescribed salary it will potentially result in a "race to the bottom" and undermine the worth of a councillor. Regrettably there are a few instances where it appears that group decisions have been made and pressure applied to forgo increases. In one case we found that new members were informed of their salary at a level below the prescribed amount, unaware that it was £100 more. In that same authority members were telling us that the role was significantly underpaid and to quote one cabinet member "to me £100 means 3 pairs of shoes for my children".

i) Regional working and the impact on governance

This was raised by most councils as an issue that could have implications for remuneration. We will be assessing this over the next few months following discussions with leaders involved in current projects.

j) Case Studies

We are considering, producing case studies of specific members to demonstrate a variety of backgrounds of current members and their journey to becoming local councillors. The idea behind this is to show the commitment that individuals bring to serving their communities and to counter the myth that councillors are only there to serve their own purposes.

# 5. Other Issues

There were other matters raised that are beyond our remit but these are included as matters for Welsh Government to consider.

Redundancy/parachute payments: a number of councillors raised what they considered an inequity of treatment when they lose their seats or stand down compared with Members of Parliament or Members of the National Assembly.

The position of local authority employees who wish to stand for election for their council: They have to resign when they put their name forward whereas this does not apply to elections for the Assembly or Parliament.

Member Abuse: Several members raised concerns about the level of abuse that they were subjected to. There have been a number of serious incidents which are matters for the police but it seems that social media is also a factor in the ability for individuals to attack members if they believe that they have failed to respond positively to complaints/issues. The members who raised this believe that some form of protection and training in security measures should be provided without cost to themselves.

John Bader Chair of the Independent Remuneration Panel for Wales December 2017