

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO THE DEMOCRATIC SERVICES COMMITTEE
25 OCTOBER 2018

REPORT OF DEMOCRATIC SERVICES

**DRAFT REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR WALES
2019/2020**

1. PURPOSE OF REPORT

- 1.1 To advise the Democratic Services Committee of the draft Annual Report of the Independent Remuneration Panel for Wales in respect of the level and range of remuneration the Authority must make available to its Members for the 2019/20 municipal year.
- 1.2 To provide comments on behalf of Bridgend County Borough Council in respect of the Draft Annual Report 2019/20.

2. CONNECTION TO CORPORATE IMPROVEMENT PLAN / OTHER PRIORITIES

- 2.1 The Independent Remuneration Panel for Wales has acknowledged the need to ensure that financial barriers do not stand in the way of attracting more people to serve in local government. The active participation of all Members contributes to all the following Corporate Priorities.

1. **Supporting a successful economy** – taking steps to make the county a good place to do business, for people to live, work, study and visit, and to ensure that our schools are focused on raising the skills, qualifications and ambitions of all people in the county.
2. **Helping people to be more self-reliant** – taking early steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services.
3. **Smarter use of resources** – ensuring that all its resources (financial, physical, human and technological) are used as effectively and efficiently as possible and support the development of resources throughout the community that can help deliver the Council's priorities.

3. BACKGROUND

- 3.1 The Local Authorities (Allowances for Members) (Wales) Regulations 2007 provided for the establishment of the Independent Remuneration Panel for Wales.
- 3.2 This is the eleventh draft Annual Report of the Independent Remuneration Panel for Wales (the Panel), and the tenth published under the requirements of the Local Government (Wales) Measure 2011. The Measure extended the responsibilities of the Panel and its powers under Section 142 to decide (prescribe) payments to members of relevant authorities.

- 3.3 The Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting Section 143A. This requires that any principal council or fire and rescue Authority that intends to change the salary of its Head of Paid Service must consult the Panel unless the change is in keeping with changes applied to other officers. Section 143A also enables the Panel to take a view on anything in the Pay Policy Statement of an authority that relates to the salary of the Head of Paid Service (normally the Chief Executive or Chief Fire Officer). The Local Government (Wales) Act 2015 extended this responsibility, on a temporary basis, to Chief Officers of principal authorities. The Panel's approach to its use of these powers is set out in Section 15 of its report and accords with the guidance issued to the Panel by the Welsh Government.
- 3.4 Representatives of the Panel carried out visits to all principal councils last year to discuss the remuneration framework and how it was implemented in each council.
- 3.5 The proposed determinations of the Independent Remuneration Panel Annual Report 2019/20 are shown at **Appendix 1**.

4. CURRENT SITUATION / PROPOSAL

4.1 Basic Salary

- 4.1.1 Although public sector funding continues to be constrained, the Panel considers that an increase in the basic salary is justified. It has determined there shall be an increase of £268 p.a. (which equates to 1.97%) effective from April 2019 to the basic salary for members of principal councils. The proposed increase applied to the basic salary for members of principal councils in recognition of the basic duties expected of all elected members. Basic salary in 2019/20 for elected members of principal councils shall be £13,868. (**Determination 1**).

4.2 Senior Salaries

- 4.2.1 The Panel has determined that the senior salary levels in 2019/20 for members of principal councils shall be increased as set out at page 15 of the draft report (Appendix 1). The Panel considers that the leadership and executive roles carry the greatest individual accountability and that size of population remains a major factor in influencing levels of responsibility and the use of the population groups has therefore been retained.

4.2.2 Leader and Deputy Leader

The Salary for the Leader and Deputy Leader has been based on the population of the County Borough (100,001 to 199,999). The Leader is entitled to receive £49,100 and the Deputy Leader £34,600.

4.2.3 Cabinet Members

Cabinet members are now all entitled to receive a senior salary of £30,100.

4.2.4 Chairs of Committees

Where chairs of committees are remunerated, the chairs will be paid a salary of £22,568. The Panel has re-iterated that it is a matter for individual authorities to determine which chairs are paid. At its Annual Meeting in May 2018 Council

determined that the following Committee Chairpersons be remunerated as shown below:

- Chairperson Overview and Scrutiny Subject Committee 1
- Chairperson Overview and Scrutiny Subject Committee 2
- Chairperson Overview and Scrutiny Subject Committee 3
- Chairperson of Development Control Committee
- Chairperson of Licensing/Licensing Act 2003 Committee
- Chairperson of Audit Committee
- Chairperson of the Appeals Panel
- An Independent Member chairs the Standards Committee and receives £256 for a meeting lasting over 4 hours or £128 for meeting under 4 Hours

4.2.5 Largest Opposition Group Leader

The Panel has determined that Council must make a senior salary of £22,568 available to the leader of the largest opposition group. The Council currently makes this senior salary available to the leader of the Independent Alliance Group.

4.2.6 Opposition Group Leaders

A senior salary of £17,568 is able to be paid to any another group leader who represents at least 10% (6 Members) of the Council. The Council currently makes a senior salary available to the leader of the Conservative Group.

4.2.7 Maximum number of Senior Salaries

The Panel has prescribed that Bridgend CBC cannot remunerate more than 18 Senior Salaries posts.

4.2.8 The Panel has determined that senior salary levels in 2019/20 for members of principal councils shall be as set out above **(Determination 2)**.

4.3 Civic Salaries

4.3.1 Councils have strongly expressed to the Panel that elected members do not wish to make any choices that require Councils themselves to choose and match the level of activity or duties of a specific member to a given range of salary levels for a role. The Panel has determined **(Determination 3)** that (where paid) a civic head must be paid a salary of £22,568 and (where paid) a deputy civic head must be paid a salary of £17,568.

4.3.2 The Panel recognises the wide range of provision made for civic heads in respect of transport, secretarial support, charitable giving and clothing. Funding decisions in relation to levels of such additional support are not matters of personal remuneration, but of the funding required to carry out the tasks and duties. These matters remain entirely a matter for individual councils. Councils remain free to invest in support at whatever levels they deem appropriate for the levels of civic leadership they have in place.

4.3.3 The Panel's determination in respect of the remuneration of the Presiding Member and Deputy Presiding Member **(Determinations 4 & 5)** are not applicable to this Authority.

4.4 Supporting the Work of local authority Elected Members

4.4.1 The Panel expects the support provided should take account of the specific needs of individual members. The functions of Democratic Services Committees include a requirement to review the level of support provided to members to carry out their duties and the Panel would expect these committees to carry this out and bring forward proposals to the full council as to what is considered to be reasonable (**Determinations 6 & 7**).

4.4.2 The Panel considers it necessary for each elected member to have ready use of e-mail services, and electronic access to appropriate information via an internet connection. The Panel does not consider it appropriate that elected members should be required to pay for internet related services to enable them to discharge their council duties as a ward member, committee member or cabinet member. This comprises the necessary provision for a member to be in proper contact with council services and to maintain contact with those they represent. Many councils in Wales are committed to 'paperless working' and without electronic access members would be significantly limited in their ability to discharge their duties. It is not appropriate for facilities required by members to be available only within council offices within office hours.

4.4.3 The views of the Democratic Services Committee are requested regarding the existing provision of support provided to Councillors.

4.5 Specific or Additional Senior Salaries

4.5.1 The Panel has allowed for greater flexibility through the provision for authorities to apply for specific or additional senior salaries that do not fall within the current remuneration Framework, or which could not be accommodated within the maximum number of senior salaries relating to the authority (**Determination 8**). Guidance to local authorities on the application process was issued in April 2014 and incorporated the following principles:

- The total number of senior salaries cannot exceed fifty percent of the membership
- Applications will have to be approved by the Authority as a whole (this cannot be delegated) prior to submission to the Panel
- There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
- Each application will have to indicate the timing for a formal review of the role to be considered by the Authority as a whole.

4.6 Job Sharing arrangements

4.6.1 For members of an executive: Each "sharer" will be paid an appropriate proportion of the salary of the Population Group.

4.6.2 The statutory maximum for cabinets cannot be exceeded so each job sharer will count toward the maximum.

4.6.3 In accordance with 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.

4.7 Joint Overview and Scrutiny Committees (JOSC)

4.7.1 The Panel has decided to delete the payment from the Framework. If, in future, a JOSC is formed by specific councils they can apply to remunerate using the arrangements for specific or additional senior salaries (paragraph 4.5)

4.8 Local Government Pension Scheme (LGPS)

Determination 9 made by the Panel enables all Councillors in the Authority to join the Local Government Pension Scheme if they so wish.

4.9 Family Absence

4.9.1 The Regulations relating to Family Absence for elected members of principal councils were approved by the National Assembly for Wales in November 2013 and cover maternity, new born, adoption and parental absences from official business.

4.9.2 The Panel has determined that an Elected Member is entitled to retain a basic salary when taking family absence under The Family Absence for Members of Local Authorities (Wales) Regulations 2013 irrespective of the attendance record immediately preceding the commencement of the family absence. **(Determinations 10-15)**

4.10 National Park Authorities(NPAs)

4.10.1 This Authority has no representations on the NPAs therefore **Determinations 16-22** do not apply.

4.11 Fire and Rescue Authorities (FRAs)

4.11.1 **Determinations 23-29** relate to the FRAs. Cabinet appointed Cllr DBF White and Cllr C Smith to the South Wales FRA in May 2018.

4.12 Co-Opted Members

4.12.1 The Panel has determined that a daily/half daily fee is appropriate remuneration for the important role undertaken by co-opted members of authorities with voting rights (this includes the co-opted member from a Town or Community Council). The level of payments is equivalent to the current daily rates for chairs and members of the Welsh Government's Band 2 sponsored bodies. The Panel notes there has been no uplift in these payment levels across such bodies since 2010. This Authority must pay the following fees to Co-opted Members (who have voting rights) **(Determination 30)**.

Chairs of standards, and audit committees	£256 (4 hours and over) £128 (up to 4 hours)
Ordinary members of standards committees who also chair standards committees for community and town councils	£226 daily fee (4 hours and over) £113 (up to 4 hours)

Ordinary members of standards committees; education scrutiny committee; crime and disorder scrutiny committee and audit committee	£198 (4 hours and over) £99 (up to 4 hours)
Community and town councillors sitting on principal council standards committees	£198 (4 hours and over) £99 (up to 4 hours)

4.12.2 Reasonable time for pre meeting preparation and travelling time to and from the place of the meeting is eligible to be included in claims made by Co-opted Members (up to the maximum of the daily rate). The extent of which can be determined by the Monitoring Officer in advance of the meeting. **(Determinations 31-34)**

4.12.3 The Panel has determined that each authority, through its Democratic Services Committee or other appropriate committee; must ensure that all voting co-opted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without the cost to the individual member **(Determination 35)**

4.13 Reimbursement of Care costs

4.13.1 All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer. **(Determination 36)**

4.14 Sickness Absence for Senior Salary Holders

4.14.1 The Family Absence Regulations (approved by the National Assembly in 2014) are very specific relating to entitlement and only available for elected members of principal councils. Absence for reasons of ill-health is not included. Instances have been raised with the Panel of senior salary holders on long term sickness and the perceived unfairness in comparison with the arrangements for family absence. In consequence, councils are faced with the dilemma of:

- Operating without the individual member but still paying him/her the senior salary.
- Replacing the member who therefore loses the senior salary (but retains the basic salary).

4.14.2 The Panel has considered this and is amending the Framework to provide specific arrangements for long term sickness as set out below:

- a) Long term sickness is defined as certified absences in excess of 4 weeks.
- b) The maximum length of sickness absence within these proposals is 26 weeks or until the individual's term of office ends, whichever is sooner (but if reappointed any remaining balance of the 26 weeks will be included).
- c) Within these parameters a senior salary holder on long term sickness can, if the authority decides, continue to receive remuneration for the post held.
- d) It is a decision of the authority whether to make a substitute appointment but the substitute will be eligible to be paid the senior salary appropriate to the post.

- e) If the paid substitution results in the authority exceeding the maximum number of senior salaries payable for that authority as set out in the Annual Report, an addition will be allowed for the duration of the substitution. It would not apply in respect of a council executive member if it would result in the cabinet exceeding 10 posts - the statutory maximum).
- f) When an authority agrees a paid substitution the Panel must be informed within 14 days of the decision of the details including the specific post and the estimated length of the substitution. The authority's Schedule of Remuneration must be amended accordingly.
- g) It does not apply to elected members of principal councils who are not senior post holders as they continue to receive basic salary for at least six months irrespective of attendance and any extension beyond this timescale is a matter for the authority.

4.14.3 This arrangement applies to members of principal councils, National Park Authorities and Fire and Rescue Authorities who are senior salary holders, including Welsh Government appointed members, but does not apply to co-opted members.

4.15 Reimbursement of travel, subsistence and care costs when on official business

4.15.1 All authorities may only reimburse travel costs for their members undertaking official business at the current HMRC rates which 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 passenger per mile Passenger supplement
- 24p per mile Motor cycles
- 20p per mile Bicycles

4.15.2 In respect of the reimbursement of subsistence costs the Panel has agreed that: the rates payable must be in alignment to those of the Welsh Government 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 including Cardiff
- £30 per night Staying with friends and/or family

4.16 Payments to members of Town and Community Councils

4.16.1 **Determinations 37-45** relate to payments to members of Town and Community Councils and therefore are not applicable to this Authority. Members should have the opportunity to comment on these determinations via their own Town or Community Councils

4.17 Electing to Forego Remuneration

4.17.1 Although Council is unable to change the prescribed level of remuneration determined by the Panel, individual members are permitted to independently and voluntarily forego all or any element of remuneration to which they are entitled by writing to the Authority's Proper Officer.

4.18 Compliance

4.18.1 The Panel's report also requires the Authority to publish its Schedule of Remuneration in accordance with the guidance and update it whenever changes are required. Details of all remuneration received by Elected Members must be published annually on the Local Authority's website in the prescribed format.

4.18.2 This Authority has a very good relationship with the Independent Remuneration Panel and its practices and documentation have been used as an exemplar of good practice and shared with all Authorities in Wales.

4.19 Salaries of Heads of Paid Service of Principal Councils and Chief Officers of Principal Councils.

4.19.1 Section 63 of the Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting section 143A. This enables the Panel to take a view on anything in the Pay Policy Statements of these authorities that relates to the salary of the head of paid service (Chief Executive). Section 39 of the Local Government (Wales) Act 2015 further amended the Measure extending this function to include Chief Officers of Principal Councils.

4.19.2 The functions of the Panel and the requirements on authorities established by the legislation and the subsequent guidance are:

- a) If a principal council intends to change the salary of the head of paid service or chief officer, or if a fire and rescue authority intends to change the salary of its head of paid service it must consult the Panel unless the change is in keeping with changes applied to other officers of that authority (whether the change is an increase or decrease). 'Salary' includes payments under a contract for services as well as payments of salary under an employment contract.
- b) The authority must have regard to the recommendation(s) of the Panel when reaching its decision.
- c) The Panel may seek any information that it considers necessary to reach a conclusion and produce a recommendation. The authority is obliged to provide the information sought by the Panel.
- d) The Panel may publish any recommendation that it makes. It is the intention that, in the interests of transparency, it will normally do so.
- e) The Panel's recommendation(s) could indicate:
 - approval of the authority's proposal
 - express concerns about the proposal
 - recommend variations to the proposalas long as these comply with any guidance issued by the Welsh Government.

4.19.4 The Panel also has a general power to review the Pay Policy Statements of authorities so far as they relate to the heads of paid service (and chief officers until 2020). However, it is important to note that the Panel will not decide the amount that an individual head of paid service will receive.

4.19.5 The Panel is very aware that this additional function is significantly different from its

statutory responsibilities in relation to members' remuneration. However, it will ensure that it undertakes this role with clarity and openness, taking into account all the relevant factors in respect of specific individual cases. Authorities are encouraged to consult the Panel at an early stage in their decision making on such matters. This will enable the Panel to respond in a timely manner.

4.20 Consultation

- 4.20.1 The draft Annual Report of the Independent Remuneration Panel for Wales has been circulated for consultation to all councils in Wales. Comments on the draft proposals have been requested to be return to the Panel by 27 November 2018. This will provide an opportunity to review their determinations based on the feedback and finalise their determinations in the published report in February 2019.
- 4.20.2 The Draft Annual Report has been circulated by the Democratic Services Team to all Group Leaders and Independent Members. They have been advised that they were able to submit their comments for consideration by the Democratic Services Committee.
- 4.20.3 The Democratic Services Committee is recommended to consider the draft Annual Report of the Independent Remuneration Panel for Wales in respect of the level and range of remuneration the Authority must make available to its Members for the 2019/20 municipal year and provide comments on behalf of Bridgend County Borough Council in respect of the Draft Annual Report 2019/20.

5. EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES

- 5.1 This is a draft report and there is currently no impact of the Policy Framework or procedure rules.

6. EQUALITIES IMPACT ASSESSMENT

- 6.1 This report is supportive of the equalities implications for Elected Members by Including care, family and other allowances.

7. WELL-BEING OF FUTURE GENERALTIONS (WALES) ACT 2015 IMPLICATIONS

- 7.1 The well-being goals identified in the Act were considered in the preparation of this report. It is considered that there will be no significant or unacceptable impacts upon the achievement of wellbeing goals/objectives as a result of this report

8. FINANCIAL IMPLICATIONS

- 8.1 The current budget set for 2018/19 for the remuneration of elected members is £1,104,440.
- 8.2 Should these proposals be introduced the cost of remuneration of members is likely to increase by £268 per Elected Member which equates to a total of £14,472. Some of this cost may be negated by some of the Elected Members electing to forgo some or all of their salaries.

- 8.3 It is uncertain at this stage if the proposals in the draft Annual Report will be implemented and therefore an assessment of the future budget costs cannot be made at this stage.
- 8.4 Following the publication of the Annual Report for the Independent Remuneration Panel in February 2019, an assessment will be undertaken of the cost implications prescribed by the Panel and submitted to Council for consideration.

9. RECOMMENDATIONS

- 9.1 The Democratic Services Committee is recommended to consider the draft Annual Report of the Independent Remuneration Panel for Wales in respect of the level and range of remuneration the Authority must make available to its Members for the 2019/20 municipal year and to provide comments on behalf of Bridgend County Borough Council in respect of the Draft Annual Report 2019/20.

Contact Officer: Mark Galvin
Senior Democratic Services Officer - Committees

Address: Civic Offices
Angel Street
Bridgend
CF31 4WB

Telephone: 01656 643148

E-mail: mark.galvin@bridgend.gov.uk

Background documents:

- [Independent Remuneration Panel for Wales Draft Annual Report February 2019/20.](#)
- [Bridgend County Bough Council - Schedule of Remuneration](#)
- Local Government (Wales) Measure 2011