

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO THE ANNUAL MEETING OF COUNCIL

15 MAY 2019

REPORT OF THE MONITORING OFFICER

REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR WALES 2019/2020

1. PURPOSE OF REPORT

- 1.1 To advise Council of the 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.

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 Annual Report of the Independent Remuneration Panel for Wales (the Panel), and the eighth 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. Additionally, representatives of the Panel held consultation meetings on their proposals, which was attended by the Chairperson of the Democratic Services Committee and an officer from the Democratic Services Team.
- 3.5 The 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 is in recognition of the basic duties expected of all Elected Members. The basic salary in 2019/2020 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 in Table 5, page 15 of the 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. **(Determination 2)**.

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 Subject Overview and Scrutiny Committee 1
- Chairperson Subject Overview and Scrutiny Committee 2
- Chairperson Subject Overview and Scrutiny 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.

4.3 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.

4.4 Co-Opted Members

4.4.1 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 33**).

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)

4.5 Compliance with Panel Requirements

- 4.5.1 The Panel is empowered to require the Authority to comply with the requirements imposed on it by the Annual Report of the Panel and further enables the Panel to monitor compliance by the Authority of the Panel's determinations. Details of all remuneration received by Elected Members must be published annually on the Local Authority's website in the prescribed format.

4.6 Consultation

- 4.6.1 The draft Annual Report of the Independent Remuneration Panel (IRP) for Wales was circulated for consultation to all councils in Wales, with comments requested to be returned to the Panel by 27 November 2018.
- 4.6.2 The Democratic Services Committee at its meeting on 25 October 2018 in considering the Panel's Draft report resolved to write to the IRP whilst endorsing the determinations it would make, the IRP needs to bear in mind the budgetary pressures faced by local authorities when setting salary levels as each Council across Wales have very difficult budgetary decisions to make. The Committee endorsed the independence of the IRP but urged restraint in the conclusions it made in determining pay awards as the Council needs to demonstrate to the public that it is mindful of budgetary constraints in the delivery of public services.

5. **EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES**

- 5.1 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 GENERATIONS (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 2019/20 for the remuneration of elected members is £1,140,740.
- 8.2 The introduction of these proposals will increase the cost of remuneration of Members by £268 per Elected Member which equates to a total of £14,472. Some of this cost may be negated by some Elected Members electing to forgo some or all of their salaries.

9. RECOMMENDATIONS

- 9.1 Council is recommended to note the determinations and recommendations contained within the Report of the Independent Remuneration Panel for Wales in respect of the level and range of remuneration the Authority must pay its Members for the 2019/20 municipal year.
- 9.2 Council is recommended to approve:
- the adoption of the relevant determinations of the Independent Remuneration Panel contained within its 2019 report (**Appendix 1**);
 - those posts (as shown in the revised Members' Schedule of Remuneration at **Appendix 2**), who will receive a senior/civic salary;
 - the level of remuneration for the Senior and Civic Salaries (where appropriate);
 - the revised Members' Schedule of Remuneration at Appendix 2, and for it to become effective from 15 May 2019 (Annual Meeting of Council).
 - that the Members' Schedule of Remuneration be updated with any changes to Senior/Civic Salary positions subsequently made by Council during the 2019/20 municipal year.

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29 April 2019

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Background documents:

- Independent Remuneration Panel for Wales Annual Report 2019/20.