

**BRIDGEND COUNTY BOROUGH COUNCIL**  
**REPORT TO THE DEMOCRATIC SERVICES COMMITTEE**  
**4 NOVEMBER 2020**

**REPORT OF THE HEAD OF DEMOCRATIC SERVICES**

**DRAFT REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR WALES  
2021/2022**

**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 2021/2022 municipal year.
- 1.2 To provide comments and make recommendations to Council in respect of the Draft Annual Report 2021/2022.

**2. Connection to corporate well-being objectives / other corporate 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 assists in the achievement of the following corporate well-being objective/objectives under the **Well-being of Future Generations (Wales) Act 2015:-**

1. **Supporting a successful sustainable economy** – taking steps to make the county borough a great place to do business, for people to live, work, study and visit, and to ensure that our schools are focussed on raising the skills, qualifications and ambitions for all people in the county borough.
2. **Helping people and communities to be more healthy and resilient** - taking steps to reduce or prevent people from becoming vulnerable or dependent on the Council and its services. Supporting individuals and communities to build resilience, and enable them to develop solutions to have active, healthy and independent lives.
3. **Smarter use of resources** – ensure that all resources (financial, physical, ecological, human and technological) are used as effectively and efficiently as possible and support the creation of resources throughout the community that can help to deliver the Council's well-being objectives.

**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 thirteenth 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 (attached as **Appendix 1**). 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 have held consultation meetings remotely on their proposals, which was attended by the Chairperson of the Democratic Services Committee and the Head of Democratic Services.
- 3.5 The determinations from the Independent Remuneration Panel for Wales Annual Report 2021 are shown at **Appendix 2** for ease of reference.

#### **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 proposed an increase of £150 per annum (1.06%) to the basic salary for members of principal councils effective from 1 April 2021. 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 2021/2022 for Elected Members of principal councils shall be £14,368 (**Determination 1**).

##### 4.2 Senior Salaries

- 4.2.1 The Panel has determined that senior salaries will be increased at the same rate as basic salaries (1.06%). No additional increases will be paid to senior salary holders in 2021/2022. The senior salary levels in 2021/2022 for members of principal councils shall be as set out in Table 3, page 14 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 £49,974 and the Deputy Leader £35,320.

##### 4.2.3 Cabinet Members

Cabinet members will be entitled to receive a senior salary of £30,773.

#### 4.2.4 Chairs of Committees

Where chairs of committees are remunerated, the chairs will be paid a salary of £23,161. The Panel has re-iterated that it is a matter for individual authorities to determine which chairs are paid. At its Annual Meeting in September 2020 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 £268 for a meeting lasting over 4 hours or £134 for meeting under 4 Hours

#### 4.2.5 Largest Opposition Group Leader

The Panel has determined that Council must make a senior salary of £23,161 available to the leader of the largest opposition group. Following a change to the political balance of the Council, there will be no entitlement for this payment to be made to an Opposition Group Leader.

#### 4.2.6 Opposition Group Leaders

A senior salary of £18,108 is able to be paid to any another group leader who represents at least 10% (6 Members) of the Council. This salary will be paid to the Leader of the Independent Alliance Group. The Leader of the Conservative Group is paid a senior salary as Chairperson of Subject Overview and Scrutiny Committee 1.

#### 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 £23,161 and (where paid) a deputy civic head must be paid a salary of £18,108 with effect from 1 April 2021.

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. This Authority must pay the following fees to Co-opted Members (who have voting rights) **(Determination 33)**.

Chairs of standards, and audit committees	£268 (4 hours and over) £134 (up to 4 hours)
Ordinary members of standards committees who also chair standards committees for community and town councils	£238 daily fee (4 hours and over) £119 (up to 4 hours)
Ordinary members of standards committees; education scrutiny committee; crime and disorder scrutiny committee and audit committee	£210 (4 hours and over) £105 (up to 4 hours)
Community and town councillors sitting on principal council standards committees	£210 (4 hours and over) £105 (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 Contribution towards costs of care and personal Assistance

4.6.1 The Independent Remuneration Panel for Wales believes that to enable people who have personal support needs and or caring responsibilities to carry out their duties effectively as a member of an authority, that additional costs of care required to carry out approved duties should not deter any individual from becoming and remaining a member of an authority or limit their ability to carry out the role. The Panel has adopted specific principles related to support for the costs of care which were the subject of a Supplementary Report published in February 2020.

4.6.2 The Panel has reviewed the arrangements for this financial support and proposes the following changes:

a) As payments are taxable under the current HMRC rules, full reimbursement is not possible so for clarity this will be retitled to "Contribution towards the costs of care and personal assistance". It will still require receipts to accompany claims.

b) Claims can be made in respect of a dependant under 16 years of age, or a minor or adult who normally lives with the member as part of their family and who cannot be left unsupervised.

c) Clarification in respect of a member's own care or support needs: Reimbursement may be claimed where the support and or cost of any additional needs are not available or are not met directly by the authority such as Access to work, Personal Payments, Insurance. These could arise when the needs are recent and or temporary.

4.6.3 Members, including co-opted members, are entitled to claim towards the costs of care and personal assistance, for activities that the individual council has designated official business or an approved duty which might include appropriate and reasonable preparation and travelling time. It is a matter for individual authorities to determine specific arrangements to implement this; each authority must ensure that any payments made are appropriately linked to official business or approved duty.

4.6.4 The Panel has reviewed the maximum monthly payment in recognition that this has not changed for several years. Information indicates that monthly costs and claims vary considerably. These can depend on the number of dependants, their ages and other factors. Therefore the monthly cap will be replaced with the following arrangements:

- Formal (registered with Care Inspectorate Wales) care costs to be reimbursed in full.
- Informal (unregistered) care costs to be reimbursed up to a maximum rate equivalent to the Real Living Wage at the time the costs are incurred.

Care costs cannot be paid to someone who is a part of a member's household

4.6.5 The Panel continues to recognise the issues relating to the publication of this legitimate expense and has retained the requirements for publication set out in Annex 4. To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the contribution towards costs of care and personal assistance.

4.6.6 Table 7, page 33 of the Panel's report sets out principles relating to care and personal assistance and the minimum authorities should do and how it could be done.

4.6.7 The Panel has determined that all relevant authorities must provide for the reimbursement of the contribution towards necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs as follows:

- Formal (registered with Care Inspectorate Wales) care costs to be reimbursed in full.
- Informal (unregistered) care costs to be reimbursed up to a maximum rate equivalent to the Real Living Wage at the time the costs are incurred.

Reimbursement must be for the additional costs incurred by members to enable them to carry out official business or approved duties. Each authority must ensure that any payments made are appropriately linked to official business or approved duty. Reimbursement shall only be made on production of receipts from the carer. **(Determination 39).**

4.7 Responses are required to be made on the draft report to meet the Independent Remuneration Panel for Wales deadline of 23 November 2020.

## **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 budget set for the remuneration of Elected Members in 2020/21 is £1,139,980.

8.2 The introduction of these proposals will increase the cost of remuneration paid to Members by £11,833. Some of this cost may be negated by some Elected Members electing to forgo some or all their salaries. Following the publication of the Annual Report for the Independent Remuneration Panel in February 2021, 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 provide comments and make recommendations to Council in respect of the Draft Annual Report of the Independent Remuneration Panel for Wales 2021/2022.

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**Background documents:** None