

<b>Meeting of:</b>	<b>COUNCIL</b>
<b>Date of Meeting:</b>	<b>13 MARCH 2024</b>
<b>Report Title:</b>	<b>INDEPENDENT REMUNERATION PANEL FOR WALES ANNUAL REPORT 2024/25</b>
<b>Report Owner / Corporate Director:</b>	<b>MONITORING OFFICER</b>
<b>Responsible Officer:</b>	<b>RACHEL KEEPINS – DEMOCRATIC SERVICES MANAGER</b>
<b>Policy Framework and Procedure Rules:</b>	<b>There is no effect upon the policy framework and procedure rules in respect of this report.</b>
<b>Executive Summary:</b>	<p><b>This report sets out the Independent Remuneration Panel for Wales (IRPW) draft Annual Report for the municipal year 2024/25.</b></p> <p><b>The aim of the IRPW is to support local democracy and give communities their voice, through setting up an appropriate and fair remuneration framework, which encourages inclusion and participation. The IRPW make determinations on the following:</b></p> <ul style="list-style-type: none"> <li>• <b>the salary structure within which members are remunerated;</b></li> <li>• <b>the type and nature of allowances to be paid to members;</b></li> <li>• <b>whether payments are mandatory or allow a level of local flexibility;</b></li> <li>• <b>arrangements in respect of family absence.</b></li> </ul> <p><b>For its Annual Report 2024/25 the main elements of change affecting the Local Authority include:</b></p> <ul style="list-style-type: none"> <li>• <b>Basic Salary for Elected Members of Principal Councils Determination 1;</b></li> <li>• <b>Salaries paid to Senior, Civic and Presiding members of Principal Councils – Determination 2;</b></li> <li>• <b>Salaries for Joint Overview and Scrutiny Committees (JOSC) – Determination 3;</b></li> </ul>

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|  | <ul style="list-style-type: none"><li>• <b>Payments made to co-opted members of Principal Councils and Fire and Rescue Authorities - Determination 5.</b></li></ul> |
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## **1. Purpose of Report**

- 1.1 The purpose of this report is 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 elected members for the 2024/25 municipal year.

## **2. Background**

- 2.1 The Local Authorities (Allowances for Members) (Wales) Regulations 2007 provided for the establishment of the Independent Remuneration Panel for Wales (“the Panel”).
- 2.2 The aim of the IRPW is to support local democracy and give communities their voice, through setting up an appropriate and fair remuneration framework, which encourages inclusion and participation.
- 2.3 The Panel issued its draft Annual Report for consultation on 13 October 2023 for an initial eight-week period, which was later extended slightly to allow more time for all respondents to submit feedback. This year the Panel prepared an evidence and research paper to pull together the various sources of information that the Panel considered in making its Determinations. The Panel also held a number of discussions with key stakeholders which provided an opportunity for the Panel to explore views about existing arrangements, the impact decisions are having on individuals, how the arrangements are operating in practice, any issues or concerns individuals wish to raise and emerging situations. The Panel also held an online seminar in November for Community and Town councillors and local Clerks.
- 2.4 This year the Panel focused on three main issues – affordability, payments made to co-opted members and reporting requirements for Community and Town Councils.
- 2.5 The draft Annual Report was considered by the Democratic Services Committee on 26 October 2023 who supported the report and made a minor comment requesting consideration of pro rata payments to Chairs not in receipt of a Senior Salary. In addition there was a request from the Council for clarification on Member leave entitlement. Both requests were duly forwarded to the Panel for their consideration.
- 2.6 Overall, no comments/responses were received directly in respect of the Panel’s draft Determinations and therefore no changes have been made in the final Determinations.
- 2.7 The Panel’s Determinations for 2024/25 are summarised at pages 22-23 of the Annual Report (attached as **Appendix 1**). Section 153 of the Local Government (Wales) Measure 2011 empowers the Panel to require a relevant authority to comply with the requirements imposed on it by the Annual Report.

- 2.8 In making its determinations the Panel states that its goal continues to be to ensure that levels of remuneration are fair and reasonable to support elected members and not act as a barrier to participation. In doing so the Panel looked to align levels of remuneration for elected members of Principal Councils, National Park and Fire and Rescue Authorities within the context of average Welsh earnings, using the Annual Survey of Hours and Earnings within Wales (ASHE) published by the Office for National Statistics (ONS) as the main benchmark for setting remuneration.
- 2.9 Members are requested to note that the Panel has, over the last few years, significantly reduced the size of their Report and made it more manageable to navigate. All other content and Determinations set out in 2022 to 2023 and 2023 to 2024 remain valid and should be applied. These are made available on the Panel's website.

### **3. Current situation/ proposal**

- 3.1 The Panel's Annual Report 2024/25 proposes some changes to the current remuneration prescribed for elected members at Principal (County Borough) and Town and Community Council levels. The following paragraphs summarise the key elements of the Report applicable to principal councils.

#### **3.2 The Basic Salary**

- 3.2.1 In 2009 the Panel decided the average work commitment of an elected councillor of a principal council was three working days and having reviewed this time commitment, this has not changed.
- 3.2.2 The Panel noted that in previous electoral cycles, the remuneration of councillors fell far behind the key benchmark of Average Hourly Earnings in Wales (ASHE) published by the Office of National Statistics. This led to the Panel to reset the basic salary in 2021 to align with the 2020 ASHE and reduced the imbalance that had arisen between the basic salary of members of principal councils and the average salaries of their constituents. The change took effect from the May 2022 local elections with a significant uplift.
- 3.2.3 The Panel has determined to continue this link with ASHE and for the financial year 1 April 2024 to 31 March 2025 the basic salary will be aligned with three-fifths of the all Wales 2022 ASHE, the latest figure available at drafting. This will be £18,666 and represents an increase of 6.06% in the basic salary.

#### **Determination 1**

**Basic salary in 2024/25 for elected members of principal councils shall be £18,666.**

#### **3.3 Salaries paid to Senior, Civic and Presiding members of principal councils**

- 3.3.1 All senior salaries include the basic salary payment. The different levels of additional responsibility of and between each role is recognised in a banded framework and no changes to banding are proposed this year.

- 3.3.2 The limit on the number of senior salaries payable (“the cap”) will remain in place, at 18 for Bridgend County Borough Council. The maximum number of senior salaries payable within each council remains as set out in the 2022 to 2023 Report: <https://www.gov.wales/independent-remuneration-panel-wales-annual-report-2022-2023-html>. Senior salaries will therefore be increased at the same rate as basic salaries.
- 3.3.3 The ASHE related uplift will also apply to the role element of the Leader, Deputy Leader, Executive Members, Committee Chairs and the Leader of the largest opposition group, (Bands 1, 2, 3, and 4). Where a Band 5 is paid for the Leader of other political groups, there is no increase to the role element as this remains temporarily frozen. The increase in the basic salary will apply.

**Determination 2:**

**The Panel has determined that senior salary levels in 2024/25 for members of principal councils shall be as outlined below.**

<b>Basic salary (payable to all elected members) £18,666</b>			
	<b>Group A</b> Cardiff, Rhondda Cynon Taf, Swansea	<b>Group B</b> Bridgend, Caerphilly, Carmarthenshire, Conwy, Flintshire, Gwynedd, Newport, Neath Port Talbot, Pembrokeshire, Powys, Vale of Glamorgan, Wrexham	<b>Group C</b> Blaenau Gwent, Ceredigion, Denbighshire, Merthyr Tydfil, Monmouthshire, Torfaen, Isle of Anglesey
<b>Senior salaries (inclusive of basic salary)</b>			
<b>Band 1</b>			
Leader	£69,998	£62,998	£59,498
Deputy Leader	£48,999	£44,099	£41,649
<b>Band 2</b>			
Executive Members	£41,999	£37,799	£35,699
<b>Band 3</b>			
Committee Chairs (if remunerated)		£27,999	
<b>Band 4</b>			
Leader of Largest Opposition Group		£27,999	

<b>Basic salary (payable to all elected members) £18,666</b>	
<b>Band 5</b> Leader of Other Political Groups	£22,406

3.4 Joint Overview and Scrutiny Committees

3.4.1 The salary of a chair of a Joint Overview and Scrutiny Committee will be £9,333 and £4,667 for a vice-chair. There are no other changes.

**Determination 3**  
**The salary of a chair of a Joint Overview and Scrutiny Committee will be £9,333 and £4,667 for a vice-Chair.**

3.5 Payments made to co opted members

3.5.1 The current Determination states that co opted members of the relevant bodies should be remunerated on a day or half day basis and that the relevant officer may decide on the total number of days remunerated in a year and set a reasonable time for meeting preparation.

3.5.2 The Panel noted the changes in ways of working following the Covid pandemic with many more meetings and training sessions held remotely, and therefore considered moving to an hourly rate for co-opted members. However, in light of some meetings still scheduled to last several hours, the Panel determined there should be local flexibility for the relevant officer to decide when it will be appropriate to apply a day or a half day rate or to use an hourly rate where it is sensible to aggregate a number of short meetings.

3.5.3 The proposal for payments made to co-opted members of Principal Councils and Fire and Rescue Authorities are set out in the table below:

	Hourly rate payment	Up to 4 hours payment rate	4 hours and over payment rate
Chairs of standards, and audit committees	£33.50	£134	£268
Ordinary Members of Standards Committees who also chair Standards Committees for Community and Town Councils	£29.75	£119	£238

Ordinary Members of Standards Committees; Education Scrutiny Committee; Crime and Disorder Scrutiny Committee and Audit Committee	£26.25	£105	£210
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#### **Determination 5**

**For co opted members of Principal Councils, National Park Authorities and Fire and Rescue Authorities, payments, the Panel proposes there should be local flexibility for the relevant officer to decide when it will be appropriate to apply a day or a half day rate or to use an hourly rate where it is sensible to aggregate a number of short meetings.**

**The full and half day rates remain unchanged from 2023 to 2024. The only change is the stipulation of hourly rates.**

### 3.6 Compliance with Panel Requirements

3.6.1 The Authority must implement the Panel's determinations in this report from the date specified within the Annual Report (April 2024).

3.6.2 The Panel will monitor the compliance with the determinations in its Annual Report by relevant authorities against the following requirements:

- (i) The Authority must maintain an annual Schedule of Member Remuneration;
- (ii) The Authority must make arrangements for the Schedule's publication within the Authority area and send the Schedule to the Panel as soon as practicable and not later than 31 July in the year to which it applies;
- (iii) Any amendments to the Schedule made during the year must be conveyed to the Panel as soon as possible after the amendment is made;
- (iv) The Authority must make arrangements for publication within the Authority area of the total sum paid by it to each member and co-opted member in respect of salary (basic, senior and civic), allowances, fees and reimbursements in a Statement of Payments as soon as practicable and no later than 30 September following the close of the year to which it relates. It must be submitted to the Panel no later than that date.

## **4. Equality implications (including Socio-economic Duty and Welsh Language)**

4.1 The protected characteristics identified within the Equality Act, Socio-economic Duty and the impact on the use of the Welsh Language have been considered in the

preparation of this report. As a public body in Wales the Council must consider the impact of strategic decisions, such as the development or the review of policies, strategies, services and functions. It is considered that there will be no significant or unacceptable equality impacts as a result of this report.

## **5. Well-being of Future Generations implications and connection to Corporate Well-being Objectives**

- 5.1 The Annual Report contributes to the well-being goals identified in the Act. It is consistent with the five ways of working as defined within the sustainable development principle in the Act to encourage more diverse representation among Councillors and Co-opted Members. A more representative group should be better able to take into account the well-being goals when reviewing services and policies and consider the positive and negative impacts upon future generations, long term community resilience and economic, environmental and social capital.

## **6. Climate Change Implications**

- 6.1 There are no Climate Change implications as a result of this report.

## **7. Safeguarding and Corporate Parent Implications**

- 7.1 There are no Safeguarding or Corporate Parent implications as a result of this report.

## **8. Financial Implications**

- 8.1 The changes to the remuneration of Elected Members for the 2024-25 financial year will increase the financial commitment required from this Authority. Some of the cost may be negated by members electing to forgo some or all of their salaries or choosing not to opt into the Local Government Pension Scheme. Only an individual member may communicate in writing to the Monitoring Officer if, as an individual, they wish to decline all or part of the payment to which they are entitled. The additional costs will be met from the centrally held provision for pay and price increases during the 2024-25 financial year.

## **9. Recommendations**

It is recommended that Council note the Annual Report for 2024/25 and approve:

- 9.1 The adoption of the relevant Determinations of the Panel contained within the Annual Report (attached as **Appendix 1**);
- 9.2 Those posts (shown in the revised Members' Schedule of Remuneration at Schedule 1 of **Appendix 2**) who will receive a senior / civic salary;
- 9.3 The revised Members' Schedule of Remuneration (**Appendix 2**) and for it to become effective from 1 April 2024;
- 9.4 That the Members' Schedule of Remuneration be updated with any changes to senior / civic salary positions subsequently made by Council during the 2024/25 municipal year.

## **Background documents**

None