

Meeting of:	DEMOCRATIC SERVICES COMMITTEE
Date of Meeting:	21 NOVEMBER 2024
Report Title:	INDEPENDENT REMUNERATION PANEL FOR WALES DRAFT ANNUAL REPORT 2025/26
Report Owner / Corporate Director:	HEAD OF DEMOCRATIC SERVICES
Responsible Officer:	RACHEL KEEPINS DEMOCRATIC SERVICES MANAGER
Policy Framework and Procedure Rules:	There is no effect upon the policy framework and procedure rules in respect of this report.
Executive Summary:	<p>This report sets out the Independent Remuneration Panel for Wales (IRPW) draft Annual Report for the municipal year 2025/26.</p> <p>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:</p> <ul style="list-style-type: none"> • the salary structure within which members are remunerated; • the type and nature of allowances to be paid to members; • whether payments are mandatory or allow a level of local flexibility; • arrangements in respect of family absence. <p>For its Annual Report 2025/26 the main elements of change affecting the Local Authority include:</p> <ul style="list-style-type: none"> • Basic Salary for Elected Members of Principal Councils – Determination 1; • Salaries paid to Senior, Civic and Presiding members of Principal Councils – Determination 2; • Salaries for Joint Overview and Scrutiny Committees (JOSC) – Determination 3;

	<ul style="list-style-type: none"> • Payments to Fire and Rescue Authorities – Determination 4; • Payments made to co-opted members of Principal Councils and Fire and Rescue Authorities: Determination 5; • Payments made to co-opted (lay) members of Corporate Joint Committees: Determination 6. <p>The report also refers to the transfer of the Panel’s functions to the Democracy and Boundary Commission Cymru as of 1 April 2025 following the Elections and Elected Bodies (Wales) Act being passed in July 2024.</p> <p>The Committee is asked to note the report and provide any comments to be submitted to the IRPW and the Welsh Local Government Association by the deadline of 29 November 2024.</p>
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1. Purpose of Report

1.1 The purpose of this report is to present the draft Independent Remuneration Panel for Wales (IRPW) Annual Report 2025/26 to the Committee for Members to provide views on its content as part of the consultation process.

2. Background

2.1 In accordance with the requirements of Section 147 of the Local Government (Wales) Measure 2011, the IRPW has published its draft Annual Report setting out its determinations for the municipal year 2025/26.

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 IRPW is responsible for setting the levels and arrangements for the remuneration of elected and co-opted members of the following organisations:

- Principal Councils: County and County Borough Councils
- Community and Town Councils
- National Park Authorities
- Fire and Rescue Authorities
- Corporate Joint Committees

2.4 The IRPW makes determinations on the following:

- The salary structure within which members are remunerated
- The type and nature of allowances to be paid to members
- Whether payments are mandatory or allow a level of local flexibility

- Arrangements in respect of family absence
- Arrangements for monitoring compliance with the Panel's decisions

2.5 In 2023/24 the IRPW concluded that as much of the information published in each Annual Report replicated that of previous years, often without significant change, they would focus instead on the changes made as a result of the proposals. The majority of the content set out in previous reports was therefore removed and placed on the Panel's website, significantly reducing the size of the report and making it more manageable to navigate.

2.6 In order to meet the requirement of the Measure to publish its final report in Spring 2025 the IRPW has requested that any representations or comments about this report should be received no later than 29 November 2024. The IRPW has advised that representations or comments received after this date may not be considered.

3. Current situation / proposal

3.1 The draft IRPW Report is attached at **Appendix A** and 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 for the Authority.

3.2 Basic Salary for Elected Members of Principal Councils – Determination 1

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 2025 to 31 March 2026 the basic salary of Councillors will be aligned with three-fifths of the all-Wales 2022 ASHE, the latest figure available at drafting. This will be £19,771.

3.3 Salaries paid to Senior, Civic and Presiding members of Principal Councils – Determination 2

3.3.1 The number of senior salaries available to this Authority remains unchanged at 18 based on a review undertaken in 2021 of differentials and market comparators. Senior salaries will therefore be increased at the same rate as basic salaries.

3.3.2 The ASHE related uplift will also apply to the role element of the Leader, Deputy Leader, Executive Members, Committee Chairs (if paid), the Leader of the largest opposition group and the Leader of other political groups (if paid), (Bands 1, 2, 3, 4 and 5).

3.3.3 The senior salaries for 2025-26 are summarised in the table below:

Basic salary (payable to all elected members) £19,771			
	Group A Cardiff, Rhondda Cynon Taf, Swansea	Group B Bridgend, Caerphilly, Carmarthenshire, Conwy, Flintshire, Gwynedd, Newport, Neath Port Talbot, Pembrokeshire, Powys, Vale of Glamorgan, Wrexham	Group C Blaenau Gwent, Ceredigion, Denbighshire, Merthyr Tydfil, Monmouthshire, Torfaen, Isle of Anglesey
Senior salaries (inclusive of basic salary)			
Band 1			
Leader	£74,141	£66,727	£63,020
Deputy Leader	£51,899	£46,709	£44,114
Band 2 Executive Members	£44,485	£40,036	£37,812
Band 3 Committee Chairs (if remunerated):		£29,657	
Band 4 Leader of Largest Opposition Group		£29,657	
Band 5 Leader of Other Political Groups		£23,726	

3.4 Salaries for Joint Overview and Scrutiny Committees (JOSC) – Determination 3

3.4.1 The 2022/23 IRPW report stated that, as there had been little use made of the arrangements for JOSCs, the Panel decided to delete the payment from the Framework. If a JOSC is formed by an individual council and it wishes to remunerate, it can apply using the arrangements contained in paragraphs 3.27 and 3.28 of the 2022/23 IRPW report. These paragraphs set out guidance for Local Authorities on the application of specific or additional senior salaries that do not fall within the framework. Current JOSCs in operation will continue without need for further confirmation.

3.4.2 There are no other changes relating to Joint Committees other than the salary of a

chair of a Joint Overview and Scrutiny Committee will continue to be aligned to Band 3 and will be set at £9,886. The salary of a vice-chair is set at 50% of the Chair and will be £4,943.

3.5 Payments to Fire and Rescue Authorities – Determination 4

3.5.1 The three Fire and Rescue Authorities (FRAs) in Wales: Mid and West Wales, North Wales and South Wales were formed as part of Local Government re-organisation in 1996. FRAs comprise elected members who are nominated by the Principal Councils within each fire and rescue service area.

3.5.2 In line with the Panel's decision to increase the basic salary of elected members of principal councils, the remuneration level for ordinary members of FRAs is also increased in line with ASHE.

3.5.3 The remuneration for Chairs will remain linked to a Band 3 senior salary of principal councils, therefore, there will be a small increase to the role element of their pay. Deputy Chairs, Committee Chairs and other senior roles will remain linked to Band 5. Further details of this are provided below:

Fire and Rescue Authorities

Basic salary for ordinary member	£2,788
Chair	£12,674
Deputy Chair (where appointed)	£6,743
Committee Chair or other senior post	£6,743

3.5.4 All current Determinations, including restrictions on receiving double allowances, will be published on the IRPW website.

3.6 Payments made to co-opted members of Principal Councils and Fire and Rescue Authorities: Determination 5

3.6.1 The current Determination (made in the 2022 to 2023 Annual Report) states that co-opted members of the relevant bodies should be remunerated on a day or half day basis. In addition, the relevant officer may decide on the total number of days remunerated in a year and set a reasonable time for meeting preparation.

3.6.2 Following the Covid pandemic and changes in the ways of working with more frequent use of online meetings and training courses as well as more regular committee meetings, the IRPW considered moving to an hourly rate instead. It was recognised however, that this may not always be appropriate, especially to cover in person meetings scheduled to last several hours.

3.6.3 The Panel therefore determined that 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.

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

Role	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
Community and Town Councillors sitting on Principal Council Standards Committees	£26.25	£105	£210

3.7 Payments to co-opted (lay) members of Corporate Joint Committees: Determination 6

3.7.1 Co-opted lay members of a Corporate Joint Committee (CJC) will be paid on the same basis as co-opted (lay) members with voting rights of other bodies within the local government family as indicated in the table below:

Role	Hourly rate payment	Up to 4 hours payment rate	4 hours and over payment rate
Lay chairs of committees	£33.50	£134	£268
Ordinary lay members with voting rights	£29.75	£119	£238

3.8 The IRPW report indicates no further changes to the payments and benefits paid to elected members and therefore all other Determinations from 2022 to 2024 still stand and should be applied in 2024 and 2025, including those covering:

- Travel and subsistence;
- Care and Personal Assistance;
- Sickness Absence;
- Corporate Joint Committees,

- Assistants to the Executive,
- Additional salaries and Job sharing arrangements

3.9 Transfer of Functions to Democracy and Boundary Commission Cymru

3.9.1 Following an independent ten-year review of the Panel in 2021, and as a result of the Elections and Elected Bodies (Wales) Act being passed in July 2024, the Panel's functions will transfer over to the Democracy and Boundary Commission Cymru (DBCC) on 1 April 2025. The Act expands the role and remit of the DBCC across aspects of a healthy Welsh democracy, including setting the remuneration for members of the following bodies across Wales:

- Principal Councils
- Town and Community Councils
- Corporate Joint Committees
- Fire and Rescue Authorities
- National Park Authorities

3.9.2 As the Panel is required now, the DBCC will be expected to produce a draft Annual Report for consultation and take account of responses prior to publishing a final Report by 28 February each year. The Report will set out its determination about remuneration levels for the following financial year.

3.9.3 The Panel will be abolished via the Elections and Elected Bodies (Wales) Act on 31 March 2025.

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

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 proposed changes to the remuneration of Elected Members for the 2025-26 financial year will potentially increase the financial commitment required from this Authority.
- 8.2 A full assessment of the financial impact to the Council in respect of Elected Members' remuneration will be required. Any additional costs will be a pay pressure for the service in 2025-26 and will need to be considered when finalising the Medium-Term Financial Strategy and addressed as part of the budget setting process for that year.

9. Recommendations

- 9.1 It is recommended that the Committee:
- a) Note the content of the report;
 - b) Provide any response in respect of the IRPW Draft Annual Report 2025/26;
 - c) Approve that any response of the Committee be submitted to the IRPW and the WLGA by the deadline of 29 November 2024.

Background documents

None