

Meeting of:	COUNCIL
Date of Meeting:	12 MARCH 2025
Report Title:	INDEPENDENT REMUNERATION PANEL FOR WALES ANNUAL REPORT 2025-2026
Report Owner / Corporate Director:	MONITORING OFFICER
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) Annual Report for the municipal year 2025-2026.</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 2025-2026 the main elements of change affecting the 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>
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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 (IRPW) in respect of the level and range of remuneration the Authority must make available to its elected members for the 2025-2026 municipal year. Council is asked to approve and adopt the determinations of the Panel, approve the posts who will received a senior/civic salary as agree the revised Scheme of Remuneration effective from 1 April 2025.

2. Background

- 2.1 In accordance with the requirements of Section 147 of the Local Government (Wales) Measure 2011, the IRPW has published its Annual Report setting out its determinations for the municipal year 2025-2026.
- 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 The Panel issued its draft Annual Report for consultation on 4 October 2024 for an eight-week period. Again, as in previous years, 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 held a number of discussions with key stakeholder representative groups, such as the Welsh Local Government Association and One Voice Wales and also engaged with Heads of Democratic Services and Leaders as well as Community and Town Councillors. These discussions provide 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 and any issues or concerns individuals wish to raise.
- 2.6 This year the Panel focused on three main issues – reporting and payments relating to Community and Town Councils (CTCs), monitoring the take up of payments to coopted members and the development of Corporate Joint Committees (CJCs).
- 2.7 In addition, the report refers to the transfer of the Panel's functions to the Democracy and Boundary Commission Cymru, following an independent ten-year review of the Panel in 2021, and as a result of the Elections and Elected Bodies (Wales) Act 2024 being passed in July 2024. One of the other areas that the Panel considered this year was the need to review the Framework and Methodology for Remuneration of Senior Roles in Principal Councils, Community and Town Councils (CTCs), and CJCs. This is a considerable piece of work requiring detailed research and engagement, and as the report states, the Panel is currently finalising a detailed scope and methodology for the review in order for the new Democracy and Boundary Commission Cymru (DBCC) to take this work forward.
- 2.8 The draft Annual Report was considered by the Democratic Services Committee on 21 November 2024. The Committee's response included several comments on the draft IRPW report 2025-2026 listed below:
- The Committee queried why there is no remuneration for Members that sit on the Regional Partnership Board (RPB) or Public Services Board (PSB), yet Members get remunerated for sitting on the Fire and Rescue Authority. Members also raised the point that generally female orientated roles (such as anything related to Social Services, such as the RPB) generally receive less remuneration which is creating a gender pay gap for Members. The Committee requested that these aspects be considered by the Panel as Members on both the RPB and PSB do a considerable amount of work.
 - Members highlighted that the IRPW Annual Report refers to the work of a Councillor based on an assessment of a 3 day week, however this was last assessed in 2021. The Committee therefore proposed that this might be worth revisiting.
 - Members asked for more guidance on the remuneration for Members in job share roles.

In addition to this, the Democratic Services Committee made the following general comments back to the Panel:

- The makeup of the existing Panel doesn't reflect diversity. Members would like due regard and understanding that we live in a diverse community;
- Members highlighted that there was insufficient information on the IRPW website, in that it was a basic website and supplementary information should be readily available;
- Members requested further information and detail as to how the new Democracy and Boundary Commission Cymru will exercise the functions of the Panel moving forward.

- 2.9 The above requests and comments were duly forwarded to the Panel for their consideration along with a letter from the Chair of the Democratic Services Committee to the Chair of the Panel thanking them for all their work.
- 2.10 According to the IRPW report, the consultation responses highlighted a few areas that the Panel will include in the Forward Look section of its Legacy report for the Democracy and Boundary DBCC to consider. Overall, the responses supported the Panel's determinations and so no changes have been made in the final Determinations set out in the report.
- 2.11 The Panel's Determinations for 2025-2026 are summarised at pages 28-29 of the Annual Report (attached as **Appendix 1**). The Local Government (Wales) Measure 2011 places a duty on Relevant Authorities to comply with requirements imposed on them in annual reports published by the Panel.
- 2.12 In making its determinations the Panel states that its goal continues to be to ensure that levels of remuneration are fair and reasonable. In doing so the Panel looked to align levels of remuneration for elected members of Principal Councils, Corporate Joint Committees (CJCs), 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.
- 2.13 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 previous reports and on the Panel's website remain valid and should be applied.

3. Current situation / proposal

- 3.1 The Panel's Annual Report 2025/26 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 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

Basic salary (payable to all elected members) £19,771	
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	£26.25	£105	£210

Principal Council Standards Committees			
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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 current Determinations still stand and are published on their website, including those covering:

- Payments for undertaking senior roles;
- Travel and subsistence;
- Care and Personal Assistance;
- Attendance allowance
- Sickness Absence;
- Assistants to the Executive;
- Additional salaries and Job sharing arrangements.

3.9 Compliance with Panel Requirements

3.9.1 The Authority must implement the Panel's determinations in this report from the date specified within the Annual Report (April 2025).

3.9.2 Compliance by relevant authorities with the determinations is monitored 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.

3.10 Transfer of functions to the Democracy and Boundary Commission Cymru

- 3.10.1 As stated above, 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 officially transfer over to the Democracy and Boundary Commission Cymru (DBCC) on 1 April 2025.
- 3.10.2 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
- 3.10.3 In the same way as the Panel is currently required, 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.
- 3.10.4 The Panel will be abolished via the Elections and Elected Bodies (Wales) Act 2024 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 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 2025-26 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 2025- 26 financial year.

9. Recommendations

9.1.1 It is recommended that Council note the Annual Report for 2025-2026 and approve:

- a) The adoption of the relevant Determinations of the Panel contained within the Annual Report (attached as **Appendix 1**);
- b) Those posts (shown in the revised Members' Schedule of Remuneration at Schedule 1 of **Appendix 2**) who will receive a senior / civic salary;
- c) The revised Members' Schedule of Remuneration (**Appendix 2**) and for it to become effective from 1 April 2025;
- d) That the Members' Schedule of Remuneration be updated with any changes subsequently made by Council at the Annual Meeting of Council or during the 2025-2026 municipal year.

Background documents

None