

BRIDGEND COUNTY BOROUGH COUNCIL
REPORT TO THE ANNUAL MEETING OF COUNCIL
18 MAY 2016

REPORT OF THE MONITORING OFFICER

REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR WALES – MEMBERS’ REMUNERATION

1. PURPOSE OF REPORT

- 1.1 To advise Council of the determinations and recommendations contained within the February 2016 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 2016/17 municipal year.
- 1.2 To seek:
- the adoption of the relevant determinations of the Independent Remuneration Panel contained within its February 2016 report
 - Determination of those posts (as detailed in the revised Members’ Schedule of Remuneration at Appendix 2), who will receive a senior/civic salary.
 - Council’s determination of the level of remuneration for the Senior and Civic Salaries.
 - approval of the revised Members’ Schedule of Remuneration at Appendix 2, which will become effective from 18 May 2016 (Annual Meeting of Council).
 - approval that the Members’ Schedule of Remuneration be automatically updated with any changes to remuneration subsequently made by Council during the 2016/17 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 serving in local government. The active participation of all Members contributes to all Corporate 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 During 2015 the Panel met with Chairpersons and/or Heads of Democratic Services of all Local Authorities in Wales to discuss the impact of their draft determinations and to explain their rationale for their proposals.

- 3.3 This is the eighth Annual Report of the Independent Remuneration Panel for Wales (the Panel), and the fifth 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.
- 3.4 Many of the determinations within the published report have addressed the concerns raised during wide ranging discussions across Wales on the draft proposals.
- 3.5 The 54 determinations of the Independent Remuneration Panel report published in February 2016 are shown at Appendix 1 and are separated into appropriate sections for clarity.

4. CURRENT SITUATION / PROPOSAL

- 4.1 Maximum number of council members eligible for payment of senior salaries in Bridgend is 18 not including the Mayor and Deputy Mayor. The Authority currently has the following remunerated roles:
1. Leader
 2. Deputy Leader
 3. Cabinet Member - Resources
 4. Cabinet Member – Adult Social Care and Health & Wellbeing
 5. Cabinet Member - Communities
 6. Cabinet Member - Children’s Social Services & Equalities
 7. Cabinet Member – Regeneration & Economic Development
 8. Chairperson of Corporate Resources & Improvement Overview and Scrutiny Committee
 9. Chairperson of Partnerships and Governance Overview and Scrutiny Committee
 10. Chairperson of Children and Young People’s Overview and Scrutiny Committee
 11. Chairperson of Community Environment and Leisure Overview and Scrutiny Committee
 12. Chairperson of Adult Social Care Overview and Scrutiny Committee
 13. Chairperson of Development Control Committee
 14. Chairperson of Licensing Committee
 15. Chairperson of Audit Committee
 16. Chairperson of the Appeals Panel
 17. Leader of the Largest Opposition Group
 18. Not used
- 4.1.1 Any senior or civic salary is inclusive of the basic salary allocated to all elected members
- 4.2 Basic Salary
- 4.2.1 In view of the continuing reduction in public sector funding, the Panel has determined there shall be no increase from spring 2016 in the level of basic salary for members of principal councils. **(Determination 1)**.
- 4.3 Senior Salaries
- 4.3.1 The Panel has revisited its previous decisions in respect of the senior salaries paid to the following post holders. **(Determination 2)**.
- 4.3.2 The Executive:-

The conclusion of the Panel was that Executive members should be considered as working the equivalent of full time (up to 40 hours per week) but not necessarily nine to five. The Panel stressed that with nearly 200 Executive members (excluding Leaders) there were to be a variety of arrangements and that some portfolio holders may have greater responsibility and workloads than others depending on the specific arrangements of the cabinets of each authority.

4.3.3 The Panel concluded that this should be reflected in the remuneration framework. It is not the role of the Panel to determine the structure of cabinets of local authorities however the new determinations provide flexibility for each council to decide the appropriate range of portfolios to meet local needs, recognising that there is an inevitable variation on the level of responsibility and workload.

4.3.4 The Panel has determined that the Leader and Deputy Leaders remuneration will remain unchanged. However, it would be for individual authorities to decide the level at which Cabinet members may be paid from either of the two senior salary levels as shown below based.

Level 1	Level 2
£29,000	£26,100

4.3.5 Cabinet Members are currently in receipt of the Level 1 senior salary and Council is requested to approve that this level of remuneration continue for the 2016-17 municipal year.

4.3.6 Chairs of Committees:-

The Panel continues to take the view that the responsibility and function of chairing a committee is not generally influenced by population of the authority. However, it has been recognised that the specific responsibility and workload of some chairs is greater than others, and that this had been a topic of ongoing dialogue and debate. The Panel considered that this should be reflected in the remuneration framework and therefore it has introduced two levels of remuneration for chairs of committees as shown below. Individual authorities could determine at which level each chairperson is paid to reflect the appropriate responsibility attached to the specific post.

Level 1	Level 2
£22,000	£20,000

4.3.7 Chairpersons of the committees shown in paragraph 4.1 above, currently receive Level 1 senior salaries. Council is requested to approve the continuation of this level of remuneration for the 2016-17 municipal year.

4.3.8 Largest Opposition Group Leader

The Panel previously determined that Council must make a senior salary available to the leader of the largest opposition group who represents at least 10% (6 Members) of the Council before qualifying for a senior salary. There is only one group leader who meets this criteria for receiving a senior salary.

4.3.9 The IRP has determined that the Leader of the Largest Opposition Group can receive either the level 1 or 2 salary. Currently, the Leader of the largest Opposition Group receives the Level 1 salary.

Level 1	Level 2
£22,000	£20,000

4.3.10 Council is requested to approve that this level of remuneration continue for the 2016-17 municipal year.

4.4 Civic Salaries

4.4.1 The Panel has determined (**Determination 3**) that civic salaries can be paid and that the level of remuneration should be decided by Councils after taking into account the anticipated workloads and responsibilities of the roles.

<u>Level</u>	<u>Mayor</u>	<u>Deputy Mayor</u>
Level 1	£24,000	£18,000
Level 2	£21,500	£16,000
Level 3	£19,000	£14,000

4.4.2 The current Mayor and Deputy Mayor receive Level 2 Civic Salaries and Council is requested to approve the continuation of this level of remuneration for the 2016-17 municipal year.

4.5 The Panel's determination of the remuneration of the Presiding Member and Deputy Presiding Member (**Determinations 4 & 5**) are not applicable to this Authority

4.6 Support for Elected Members

4.6.1 The Panel has reiterated its view that each Authority must ensure that all its councillors are given as much support as is necessary to enable them to fulfil their duties effectively. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and/or efficiency of members. The Panel considered that determining the level of appropriate support fell within the function of the Democratic Services Committee (DSC) and it was for this Committee to review the support provided to councillors and recommendations could be made to Council accordingly. (**Determinations 6 & 7**)

4.7 Reimbursement of travel, subsistence and care costs when on official business

4.7.1 The Panel has determined that there will be no change to the mileage rates for which members are entitled to claim. All authorities may only reimburse travel costs for their members undertaking official business at the current HMRC rates which are:

- 45p per mile Up to 10,000 miles in a year by car
- 25p per mile Over 10,000 miles in a year by car
- 5p per passenger per mile Passenger supplement
- 24p per mile Motor cycles

- 20p per mile Bicycles

4.7.2 In respect of the reimbursement of subsistence costs the Panel has agreed that: the rates payable must be in alignment to those of the Welsh Government as follows:

- £28 per day allowance for meals, including breakfast, where not provided in the overnight charge
- £200 per night London
- £95 per night Elsewhere including Cardiff)
- £30 per night Staying with friends and/or family

It should be noted that the subsistence rate for London has increased from £150 to £200 and the rate for staying with friends and/or family has increased from £25 to £30 in this report.

4.7.3 The determination in respect of the re-imbursment for the care of dependent children and adults up to a maximum of £403 per month remains unchanged. **(Determination 8).**

4.7.4 The Panel has introduced a new requirement **(Determination 9)** for authorities to reimburse necessary costs for the care of personal assistance needs (provided by informal or formal carers) up to a maximum of £403 per month. Reimbursement shall only be made on presentation of receipts from the person providing the care. This new provision has been added the Schedule of Remuneration and will allow Elected Member to claim for appropriate care provision when undertaking approved duties only. The Schedule of remuneration has been revised to reflect this change.

4.7.5 The panel's determination in respect of Family absence and substitution remain unchanged **(Determinations 10-15)**

4.8 Joint Overview and Scrutiny Committees (JOSC)

4.8.1 Remuneration for representatives on Joint Overview and Scrutiny Committees (JOSC) is not prescribed by the Panel and is for each Local Authority to determine. There are currently no JOSCs established with Elected Members from Bridgend and therefore it is proposed that no payments for the representative on JOSC be made. **(Determinations 16-23)**

4.9 Local Government Pension Scheme (LGPS)

4.9.1 The Local Government (Wales) Measure 2011 provided the Panel with the authority to make determinations in respect of pension entitlement. The Panel has determined that the entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all Elected Members of principal councils. **(Determination 24)** This Council currently has 23 Councillors who have joined the Local Government Pension Scheme.

4.10 Payments to members of National Park Authorities

4.10.1 The Panel has made determinations relating to the National Park Authorities (NPA) which do not apply to this Authority. **(Determinations 25-31)**

4.11 Payments to members of Welsh Fire and Rescue Authorities

4.11.1 The Panel has made determinations relating to the Fire and Rescue Authorities (FRA) (**Determinations 32- 38**) which do not apply to this Authority. The Panel has re-iterated that any Elected Member from a Local Authority in receipt of a Senior Salary cannot receive a salary from and FRA to which they have been appointed. (**Determination 39**)

4.12 Payments to co-opted members

4.12.1 The Panel's decisions in respect of co-optee payments (with voting rights) adopted by Council on 11 December 13 and implemented on 1 January 2014 remain extant. (**Determinations 40 – 44**)

4.12.2 Co-opted members with voting rights are entitled to claim payments for attendance at meetings as shown below:

ENTITLEMENT AS STATUTORY CO-OPTTEES	AMOUNT OF CO-OPTTEES ALLOWANCES
Chairperson Of Standards Committee	£256 Daily Fee £128 ½ Day Fee
Chairperson of Audit Committee	£256 Daily Fee £128 ½ Day Fee
Statutory Co-optees - Standards Committee, Education OVSC Committee, Audit Committee, Crime and Disorder OVSC	£198 Daily Fee £99 ½ Day Fee
Statutory Co-optees -ordinary members of Standards Committee who also chair Standards Committees for Community Councils	£226 Daily Fee £113 ½ Day Fee

4.12.3 These payments are payable for attendance of up to a maximum of and equivalent to 10 full day meetings. With the agreement of the Monitoring Officer a meeting payment can include, training activities, travelling time and reading time.

4.12.4 The maximum number of full day allowances is unlikely to be achieved as the equivalent meetings in 2015-16 only provided opportunities for a maximum equivalent of 6 full day meetings.

4.12.5 The following co-optees roles are entitled to be remunerated:

- 5 Registered representatives on the Children and Young People overview and Scrutiny Community,
- 1 Lay-person appointed to the Audit Committee
- 4 Independent Members appointed to the Standards Committee
- 2 Town and Community Council representatives appointed to the Standards Committee.

4.13 Specific or additional senior salaries

4.13.1 The Panel provided opportunities in its last report for other roles for which senior salaries can be paid (**Determination 45**). Guidance to local authorities on the application process was issued in April 2014 and incorporated the following principles:

- The total number of senior salaries cannot exceed fifty percent of the membership (this applies to principal councils; different restrictions will apply to national park authorities and fire and rescue authorities).
- Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
- There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
- Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

4.13 Payments to members of Town and Community Councils

4.13.1 Determinations 46-54 relate to payments to members of Town and Community Councils and therefore are not applicable to this Authority.

4.14 Electing to Forego Remuneration

4.14.1 Although Council is unable to change the prescribed level of remuneration determined by the Panel, individual members are permitted to independently and voluntarily forego all or any element of remuneration to which they are entitled by writing to the Authority's Proper Officer.

4.14.2 There are currently 50 Elected Members who have volunteered to receive less than the prescribed level of remuneration. This results in a saving of approximately £7,000.

4.15 Compliance

4.15.1 The Panel report also requires the Authority to publish the Schedule of Remuneration and update it whenever changes are required. Details of all remuneration received by Elected Members must be published annually on the Local Authority's website.

4.15.2 This Authority has a very good relationship with the Independent Remuneration Panel and its practices and documentation have been used as an exemplar of good practice and shared with all Authorities in Wales.

5. EFFECT UPON POLICY FRAMEWORK & PROCEDURE RULES

5.1 The Members' Schedule of Remuneration will need to be updated to reflect any changes approved by Council and to meet the requirements of the Independent Remuneration Panel.

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. FINANCIAL IMPLICATIONS

7.1 The current budget set for 2016/17 for the remuneration of elected members is £1,087,000. Potentially, savings could be achieved in relation to the proposed tiered level of allowances as follows:

- If the Cabinet Members salaries were to be reduced from £29,000 to £26,100 this would generate savings of approx. £11,600.
- If the salary for the Committees Chairpersons and the Leader of the Largest Opposition Group were to be reduced from £22,000 to £20,000, this would generate potential savings of approx. £22,000.

7.2 It is very difficult to assess whether the budget is sufficient to cover the maximum salary and payments which could be paid in 2016/17. The determination of Council regarding the number of remunerated posts, the level of salary that will be provided and the wishes of each individual Members regarding their remuneration will impact on the current budget. It is envisaged based on historical information that the budget will be sufficient. However, the budget will need to be monitored and reviewed in 2016/17 in readiness for the 2017/18 budget setting process.

8. RECOMMENDATIONS

8.1 Council is recommended to note the determinations and recommendations contained within the February 2016 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 2016/17 municipal year as shown at Appendix 1..

8.2 Council is requested to approve:

- the adoption of the relevant determinations of the Independent Remuneration Panel contained within its February 2016 report
- 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 18 May 2016 (Annual Meeting of Council).
- that the Members' Schedule of Remuneration be automatically updated with any changes to Senior/Civic Salary positions subsequently made by Council during the 2016/17 municipal year.

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10 May 2016

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Background documents:

- [Independent Remuneration Panel for Wales Annual Report February 2016.](#)
- Local Government (Wales) Measure 2011