

# Report

## Democratic Services Committee

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### Part 1

Date: 8 November 2018

Item: 05

### **Subject** Independent Remuneration Panel Draft Report

**Purpose** To present the draft IRPW Annual Report, and discuss the response from Newport City Council as part of the consultation process.

**Author** Democratic Services and Communications Manager

**Ward** No Wards / All members affected

**Summary** The Independent Remuneration Panel for Wales (IRPW) is the body tasked with setting the remuneration levels for Councils in Wales. Each year, they publish a Draft Annual Report which is circulated for comment

In accordance with the requirements of Section 147 of the Local Government (Wales) Measure 2011 (“the Measure”), the Panel’s draft Annual Report, including proposals which would have effect for the municipal year 2019-2020, has now been published on its website.

Consultation ends on 27 November 2018. The final IRPW report will be published in February 2018.

A summary of the proposed changes, and some suggested responses, are set out below.

The full IRPW report is also attached.

**Proposal** To consider the draft IRPW Annual Report, and agree the response from Newport City Council as part of the consultation process.

**Action by** Democratic Services and Communications Manager

**Timetable** In line with the consultation deadline

## Background

The Independent Remuneration Panel for Wales (IRPW) is the body tasked with setting the remuneration levels for Councils in Wales. Each year, they publish a Draft Annual Report which is circulated for comment.

In accordance with the requirements of Section 147 of the Local Government (Wales) Measure 2011 (“the Measure”), the Panel’s draft Annual Report, including proposals which would have effect for the municipal year 2019-2020 has now been published on its website.

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## Summary of Proposed Changes

In summary the Remuneration Panel proposes the following changes:

- **Basic Salaries** – an increase of 1.97%, to a basic annual salary of £13,868.
- **Executive Member Salaries** – an increase of £800 (inclusive of the £268 increase in the basic salary)
- **Civic Head / Deputy Civic Head Salaries** - an increase to Band 3 (£22568) for the Civic Head and Band 5 (£17568) for the Deputy Civic Head.

The report deals a set of potential determinations as follows. The column headed “Comments for discussion” is included to aid the Committees consideration of the proposals only.

Number	Proposed determination	Comments for discussion
Determination 1	Basic Salary in 2019/20 for elected members of principal councils shall be £13,868	This is a rise of £268. The Committee has normally not commented on amounts allocated with the view this is a matter for the Panel. However Committee members may wish to comment on the principle of the proposed increase or members could determine to make no comment.
Determination 2	The Panel has determined that senior salary levels in 2019/20 for members of principal councils shall be as set out in the table immediately below	This includes a rise of £800 for executive members. The Committee has normally not commented on amounts allocated with the view this is a matter for the Panel. However Committee members may wish to comment on the principle of the proposed increase or members could determine to make no comment.

In summary the changes are as follows for Newport:

	2018-19	2019-20	Comments
Basic Salary	£13,600	£13,868	Increase by £268 per annum or 1.97%
No of eligible Senior salaries	18	18	No change

Leader	£48,300	£49,100	Increase by £800
Deputy Leader	£33,800	£34,600	Increase by £800
Cabinet members	£29,300	£30,100	Increase by £800
Committee Chairs	£22,300	£22,568	No change for NCC other than the increase in basic salary.
Leader of the Opposition	£22,300	£22,568	No change other than the increase in basic salary
Leader of other political groups	£17,300	£17,568	No change other than the increase in basic salary

Determination 3	The Panel has determined that (where paid) a civic head must be paid a Band 3 salary of £22,568 and (where paid) a deputy civic head must be paid a Band 5 salary of £17,568	Previously all Councils had discretion on whether and what amount to pay the Mayor and Deputy, and in Newport payments have been set at level 2 of the IRP's table for civic head payments.  The separate payment schedule for civic heads has been removed. There is still discretion whether or not to pay the civic heads, but where paid, this must be set at Band 3 and 5 respectively.
Determination 4 & 5	Relating to payments to Presiding Members	This does not apply in Newport
Determination 6	The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its elected members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone, email and internet facilities giving electronic access to appropriate information.	This operates within Newport and members of the Committee are provided with an annual report by the Head of Democratic Services.  This effectively represents no change and members may wish to agree with this determination.
Determination 7	The Panel has determined that such support should be without cost to the individual member. 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.	This operates within Newport  This effectively represents no change and members may wish to agree with this determination
Determination 8	The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.	This represents no change to current arrangements.
Determination 9	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal	This represents no change – members may wish to agree this determination

	councils.	
Determinations 10 to 15	These proposed determinations relate to arrangements for payments relating to family absence	The Committee debated and made its view known on the whole issue of family absence previously. The view was that the existing 6-month rule is adequate. That said, the proposals in the draft report represent no change from the current position and members may wish to make no further comment other than to note.
Determinations 16 to 29	These determinations relate to the National Parks Authorities and the Fire and Rescue Service	No comments are offered on these proposals as they do not relate to the Council
Determination 30	Principal Councils, NPAs and FRAs must pay the following fees to Co-opted Members who have voting rights <ul style="list-style-type: none"> <li>• Chairs of Standards and Audit Committees £256 (4 hours and over) : £128 (up to 4 hours)</li> <li>• Ordinary members of Standards Committee who also Chair Standards Committees for Community/Town Councils £226 daily fee (4 hours and over) : £113 (up to 4 hours)</li> <li>• Ordinary members of Standards Committees; Education Scrutiny Committee, Crime and Disorder Scrutiny Committee and Audit Committee £198 (4 hours and over) : £99 (up to 4 hours)</li> </ul>	No change is proposed. Members may wish to agree these proposals
Determination 31	Reasonable time for pre meeting preparation is to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.	Effectively this means no change to existing arrangements is proposed. Members may wish to agree these proposals
Determination 32	Travelling time to and from the place of the meeting can be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).	Effectively this means no change to existing arrangements is proposed. Members may wish to agree these proposals
Determination 33	The appropriate officer within the authority can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.	The Council has determined the Monitoring Officer as the appropriate officer. Effectively this means no change to existing arrangements is proposed. Members may wish to agree these proposals
Determination 34	Fees must be paid for meetings and other activities including other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or	No Change is proposed. Members may wish to agree these proposals

	any other formal meeting to which co-opted members are requested to attend.	
Determination 35	The Panel has determined that each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting co-opted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without cost to the individual member.	This is a new provision. The Committee may wish to agree these proposals and/or include this as a matter to consider specifically when next reviewing member support.
Determination 36	All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.	No change is proposed. Members may wish to agree these proposals.
Determinations 37 - 45	Determinations 44 - 51 relate to Community / Town Councils.	No comments offered

## Financial Summary

There is no financial cost to making a response. The IRPW determination to increase salaries will need to be accommodated within existing budget resources.

## Risks

Should the Council not provide a response to the draft report, clearly the ability to comment and influence the final decisions will be lost. The opportunity to ask for clarity or guidance will also be lost.

## Links to Council Policies and Priorities

There is no direct link to Newport's individual policies or plans as this is a national issue about payments to Councillors.

## Options Available

1. To respond based on the suggested response set out in the report
2. To amend the suggested response after consideration of the report
3. Not to respond after consideration of the report.

## Preferred Option and Why

1. Members would wish to consider the proposals set out in this report and may wish to amend the proposed response.
2. Members may conclude not to respond

The preferred option is option 1 as should we make no response the ability to comment and influence the final decisions will be lost. The opportunity to ask for clarity or guidance will also be lost.

## **Comments of Chief Financial Officer**

To follow

## **Comments of Monitoring Officer**

There are no specific legal issues arising from the Report. The IRP has statutory power under Section 147 of the Local Government (Wales) Measure 2011 to set Members Allowances. They have invited comments on their draft proposals for 19/20. Democratic Services Committee have previously expressed the opinion that it would not be appropriate to comment on the amounts of basic and senior salaries being proposed by the IRP and have taken the view that all salaries should be prescribed by the IRP and not left to the discretion of individual councils. The latest proposals would remove further discretionary elements but there is still some element of local discretion.

The report recommends that basic salaries should be increased by 1.97% (£268) and senior salaries increased by a flat rate of £800, in line with average earnings. However, the IRP recognises that the allowances have to be “affordable” in accordance with the Measure.

The only remaining discretionary elements are in relation to the civic salaries payable to the Mayor and Deputy Mayor. The Council has discretion as to whether or not to pay these salaries and, currently, can determine the level at which they should be paid. Under the new proposals, the amounts to be paid (if agreed) would be fixed at Band 3 (£22,568) for the mayor and Band 5 (£17,568) for the Deputy.

The costs of care will continue to be paid as a separate reimbursement rather than as part of a member's salary, to encourage more eligible members to apply for reimbursement. The rules on publication will also continue to be relaxed to enable councils to anonymise these payments and not identify the individual members concerned. DSC may wish to recommend to full Council that only the total amount of care costs reimbursed by the authority during the year should be published and not the names of the individual members claiming reimbursement.

## **Staffing Implications: Comments of Head of People and Business Change**

To follow

## **Background Papers**

Draft Independent Remuneration Panel Annual Report and Cover Letter

Dated: 1 November 2018