

# Report



## Newport City Council

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### Part 1

Date: 30 April 2019

**Subject** **Members Schedule of Remuneration: Independent Remuneration Panel for Wales (IRPW) Annual Report**

**Purpose** To present the IRPW's annual report, and ask the Council to adopt the members' allowances determined by the IRPW, and to approve the draft Schedule of Remuneration for 2019/20.

**Author** Democracy and Communication Manager

**Ward** All

**Summary** The IRPW is the body tasked with setting the remuneration levels for Councils in Wales. The Panel makes determinations in relation to basic and senior salaries, and also the rates and conditions for expenses paid by public authorities.

This report contains a summary of the IRPW recommendations for this year, and asks Council to set the Newport City Council schedule of remuneration for 2019-20.

**Proposal** **That Council**

- i) **adopts the determinations within the Independent Remuneration Panel for Wales' Annual Report 2019-20; and**
- ii) **approves the draft Schedule of Remuneration attached at Appendix 1.**

**Action by** Democracy and Communication Manager

**Timetable** To publish and submit the schedule of remuneration for 2019-20 by 31 July 2019.

This report was prepared after consultation with:

- Head of Law and Regulation
- Head of Finance
- Head of People and Business Change

## Background

The Independent Remuneration Panel for Wales (IRPW) is the body tasked with setting the remuneration levels for Councils in Wales. The Panel makes determinations in relation to basic and senior salaries, and also the rates and conditions for expenses paid by public authorities.

The IRPW's determinations for payments made in 2019-20 are set out in its latest [Annual Report](#).

## Summary of Proposed Changes

In summary, the IRPW has determined 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 (£22,568) for the Civic Head and Band 5 (£17,568) for the Deputy Civic Head.

## Revised Schedule of Remuneration

The attached Schedule of Remuneration at Appendix 1 has been updated with the IRPW's changes. The Council is required to publish the revised schedule and submit this to IRPW by 31<sup>st</sup> July 2019. Council is asked to approve the revised schedule, which will be updated with post holder names following the AGM on 14<sup>th</sup> May before being published and submitted to IRPW in line with the deadline.

## Consultation

The IRPW's draft report was shared with the Democratic Services Committee at its meeting on [8 November 2018](#), and comments on the proposed determinations were fed back as part of the consultation process.

## Financial Summary / Risks

The determination to add £268 per annum to the basic salary and £800 to executive member salaries incurs an increased cost of £18,188 per annum plus on costs. This is an increase that the Council must deliver to meet the IRPW's determinations. The allocated budget for 2019/20 has already been reviewed in light of the IRPW's conclusions.

## 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.

## Proposal

That Council

- i) adopts the determinations within the Independent Remuneration Panel for Wales' Annual Report 2019-20; and
- ii) approves the draft Schedule of Remuneration attached at Appendix 1.

## **Comments of Chief Financial Officer**

The IRPW determination to increase Basic Salary by £200 per Councillor will add £10,000 per annum. Budgets for 2019/20 were increased to meet the anticipated increases predicted at that time and should accommodate the proposed increases from IRPW.

## **Comments of Monitoring Officer**

There are no specific legal issues arising from the Report. The IRPW has statutory power under Section 147 of the Local Government (Wales) Measure 2011 to set Members Allowances. Democratic Services Committee have previously expressed the opinion that the amounts of basic and senior salaries should be prescribed by the IRP and not left to the discretion of individual councils. The latest IRP Report and prescribed scheme removes most discretionary elements but there is still some element of local discretion.

The basic salary for all Members is increased by 1.97% (£268) in line with inflation. There is also a prescribed increase in senior salaries for executive salaries of £800 (inclusive of the £268 basic salary increase), as this has not been increased for a number of years. There is no longer any two-tier system for Cabinet Members and Chairs of Committees and, therefore, no discretion as to the levels of payment.

The only remaining discretionary element of the Members Allowances Scheme is in relation to the whether the Council decides to pay civic salaries to the Mayor and Deputy Mayor. Previously, there was also a discretion as to which of three levels they should be paid, based upon the duties and responsibilities of the roles, but the IRPW has now accepted that the levels of salaries should be prescribed according to council size. Therefore, if the Council agrees that discretionary civic salaries should continue to be paid to the Mayor and Deputy, then the amounts are fixed at Band 3 and Band 5 respectively

The IRPW has determined that the costs of care should be paid as a separate reimbursement rather than as part of a member's salary, to encourage more eligible members to apply for reimbursement. They have relaxed the rules on publication to enable councils to anonymise these payments and not identify the individual members concerned and the Council agreed to this last year. Therefore, it is recommended 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.

Council, is therefore, required to formally approve and adopt the proposed Scheme of Remuneration for the financial year 2019/20. There is no requirement for any member to declare a personal interest, as there is a general dispensation for the approval of Members allowances.

## **Comments of Head of People and Business Change**

There are no specific HR or equalities issues arising from the report as the appointment to posts attracting senior salaries is a political decision by the Council. There are no specific issues in the response in relation to the Wellbeing of Future Generations Act , although those appointed to Cabinet posts in particular will need to consider the principles of the Act as part of the decision making process.

## **Equalities Impact Assessment and the Equalities Act 2010**

No FEIA was undertaken as the report affects elected members only.

## **Children and Families (Wales) Measure**

Not applicable.

## **Wellbeing of Future Generations (Wales) Act 2015**

There are no specific issues in the report in relation to the Wellbeing of Future Generations Act , although those appointed to Cabinet posts in particular will need to consider the principles of the Act as part of the decision making process.

## **Crime and Disorder Act 1998**

Not applicable.

## **Consultation**

The Democratic Services Committee were consulted on the IRPW's draft annual report.

## **Background Papers**

[The IRPW Annual Report 2019-20](#)

Dated: 15 April 2019