

# Report

## Council

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### Part 1

Date: 18 July 2023

**Subject** **Members Schedule of Remuneration 2023/24**

**Purpose** To approve the Members Schedule of Remuneration for 2023/24.

**Author** Head of Law and Standards.

**Ward** All

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

The IRP has published its Annual Report for 23/24. The IRP has determined that the basic annual salaries for elected members should be re-based at £17,600 to consolidate last year's Determinations that took account of inflationary increases over the past few years and to ensure that remuneration is linked to average salary levels. This represents a 4.76% increase in the basic salary. Senior salaries are also increased and re-set in line with relevant comparators.

The increases in basic salaries will take effect from 1<sup>st</sup> April 2023 and backdated payments will be made to members. Any changes to additional remuneration for senior salaries will be payable as from the date of appointment of the post-holders at the Council AGM on 16<sup>th</sup> May 2023. The names of the relevant senior-salary holders will be added to the Schedule before it is published.

Council is now required to formally approve and adopt the Members Schedule of Remuneration for 23/24 as set out in Appendix 1.

**Proposal** **That Council approves and adopts the Members Schedule of Remuneration 23/24 as set out in Appendix 1.**

**Action by** Head of Law and Standards

**Timetable** To publish and submit the schedule of remuneration for 2023-24 by 31 July 2023.

This report was prepared after consultation with:

- Democratic Services Committee
- Head of Finance
- Head of People Policy & Transformation.

**Signed**

## **Background**

The Independent Remuneration Panel for Wales (IRP) 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 IRP's determinations for payments to be made to elected members as from 1<sup>st</sup> April 2023 are set out in the latest Annual Report, which was published in February 2023.

### **Summary of Proposed Changes**

In summary, the IRP has determined that the basic annual salaries for elected members should be re-based at £17,600 in order to retain a link between the basic salary of councillors and the average salaries of their constituents, and to consolidate the determinations made by the Panel in 2022. The basic salary will be aligned with 3 fifths of the all Wales 2021 Annual Survey of Hours and Earnings published by the Office of National Statistics, which was the latest figure available at drafting. Senior salaries are also increased and re-set in line with relevant comparators.

The Panel does not propose any increase in the daily allowances payable to co-opted members. Independent chairs of Standards and Governance & Audit Committee will continue to receive £268 per day or £134 for up to 4 hours. Ordinary co-opted members of Committees will continue to receive £210 per day or £105 for up to 4 hours. The allowances and rates for travelling and subsistence and care costs also remain the same.

The increases in basic salaries will take effect as from 1<sup>st</sup> April 2023. Any changes to additional remuneration for senior salaries will be payable as from the date of appointment of the post-holders at the Council AGM on 16<sup>th</sup> May 2023

### **Revised Schedule of Remuneration**

The attached Schedule of Remuneration at Appendix 1 has been updated with the IRP's changes. The Council is required to publish the revised schedule and submit this to IRP by 31<sup>st</sup> July 2023. Council is asked to approve the revised schedule, which will be updated with post holder names following the meeting of Full Council on 18<sup>th</sup> July 2023, before being published and submitted to IRP in line with the deadline.

### **Consultation**

The IRP's draft report was shared with the Democratic Services Committee as part of the consultation process.

### **Financial Summary (Capital and Revenue)**

The determination to increase basic and senior salaries incurs an increased cost and the relevant budget for 2023/24 for this was increased to take account of this. This is an increase that the Council must deliver to meet the IRP's determinations.

### **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.

### **Proposed Action**

That Council approves and adopts the Members Schedule of Remuneration 23/24, as set out in Appendix 1.

### **Comments of Chief Financial Officer**

Provision was made within the 23/24 budget for the anticipated basic and special responsibility allowance increase based on an advance copy of the review board findings. As always, there is a degree of uncertainty in the actual costs which is affected by a number of things; for example, how many roles attracting senior salaries will be in place, how many members join the LG pension Scheme, which members claim travel and other expenses and make use of the other allowances available to support

them in their duties. These expenses/allowances have been very minimal in the past and the Council is required to report these annually on the Council's website for each member.

## **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. 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 to £17,600, which is an increase of approximately £800 compared with 2022/23. The IRP has re-based the level of allowances to take account of inflationary increases and increases in average salaries and relevant comparators. Senior salaries have also been increased on the same basis by an equivalent amount. Allowances for co-opted members and rates for travel and subsistence remain the same.

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 Presiding Member, Mayor and Deputy Mayor and senior salaries to Chairs of Committees. The Council has previously determined to pay these discretionary allowances and the amounts are, therefore, fixed at £26,400 and £21,340 for the Deputy Mayor.

The IRP 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. The IRP has reminded councillors of their entitlement to claim reimbursement of care costs.

Council, is therefore, required to formally approve and adopt the proposed Scheme of Remuneration for the financial year 2023/24. 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 Policy and Transformation**

The basic allowance for members recommended in the report has been determined by the Independent Remuneration Panel for Wales. 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.

## **Fairness and Equality Impact Assessment:**

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

## **Background Papers**

IRP Annual Report 2023/24



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[Independent Remuneration Panel for Wales: annual report 2023 to 2024 \[HTML\] | GOV.WALES](#)

**Dated: 12 July 2023**