

MEETING	Democratic Services Committee
DATE	26 October 2017
REPORT TITLE	Independent Remuneration Panel – consultation
PURPOSE	To receive the observations of the Democratic Services Committee in response to the consultation
RECOMMENDATION	Submit observations
AUTHOR	Vera Jones Democratic Services Manager

1. The Independent Remuneration Panel for Wales is responsible for determining the salaries and costs payable to councillors for carrying out their duties. The Panel publishes draft proposals, which are consulted upon, every year.
2. A copy of the full consultation can be seen by clicking on the following link:
<http://gov.wales/irpwsb/home/publication-reports/financial-year-2018-19/?skip=1&lang-eng>
3. This year, the Panel visited every authority in Wales to discuss different elements of the Financial remuneration for members, and the recommendations proposed are based on the findings from the discussions.
4. Attention is drawn to the main suggestions which deserve attention:

a) Basic salary:

The Panel is recommending an increase in the basic salary of £200 a year (£13,600 compared to the current £13,400). This would be an increase of 1.49%.

In order to give some context, it should be noted that the Panel's decision in its report in 2009, when setting the members' salary base, links payments with median gross earnings of full-time workers living in Wales. The basic salary was determined on a level which was three fifths of the all-Wales Medial Salary, recognising that there is an unpaid contribution to public service. As a result of financial restrictions on the public sector and local authorities specifically, it has not been possible to maintain the link with median earnings in Wales. Last year, 2017-18, saw the first rise in basic salary for members since 2013, being £100.

The Panel also noted that many members expressed that the basic salary is too low to attract younger people and to encourage diversity, and that there is a significant difference between remuneration and support available to elected members in other levels of government in Wales. On the original basis of 3/5th, the basic annual salary would have increased to £14,700 by now.

Note that there is no recommendation to increase the Senior salaries, however those salaries would benefit from the increase in the basic salary.

Recommendation - to support the proposal to increase the basic allowance from £13,400 to £13,600

b) Two tier levels for Cabinet Members and Chairs of Committees:

The Panel is recommending the removal of the two tier arrangement for executive members and for committee chairs.

The Annual Report 2016 introduced two levels of salary for members of councils' executives and committee chairs of principal authorities. However as far as the payments to members of executives is concerned this flexibility has not been used other than in one case. Similarly it has not been taken on board in respect of chairs of committees.

It was clear from the discussions that arose during the Panel's visits that almost all councils took the view that this arrangement was contrary to the desire for the Panel to be prescriptive in its determinations. The Panel accepts this and has therefore removed the two tier arrangement for executive members and for committee chairs.

Recommendation – to support the proposal to remove the two tier arrangement for executive members and committee chairs.

c) Reimbursement of the costs of care

Members will be aware that there is provision for reimbursing members and co-opted members for costs associated with arranging care for children or dependents in order to allow members to carry out official business. There is a duty on the Council to promote this reimbursement. It should be noted that, once again this year, no claims have been made for the reimbursement in Gwynedd. The reimbursement is for costs incurred whilst undertaking official council business.

Following the Panel's decision to relax the requirements with regards to publishing the reimbursement for the cost of care (whereby the Council can decide to publish the total amount reimbursed by the authority without attributing the payments to named individuals) it will be interesting to see if this will prove effective with more members claiming the reimbursement.

The Panel is urging Democratic Services Committees to take steps to encourage and facilitate greater use of this element of our framework so that members concerned are not financially disadvantaged.

Recommendation - The provision for reimbursing members for care costs are available in order to allow more people from different backgrounds to be able to take up a role as an Elected Member. The Democratic Services Committee notes that the Council has decided to publish the total amount reimbursed by the authority over the course over the year, but without attributing the payments to any named member. It is hoped that this step will see an increase in the number of members claiming.

5. Comments are invited from the Committee.