

Meeting of:	Democratic Services Committee
Date of Meeting:	Monday, 14 November 2022
Relevant Scrutiny Committee:	All Scrutiny Committees
Report Title:	Independent Remuneration Panel for Wales Draft Annual Report 2023/24 - Consultation
Purpose of Report:	To consult and comment on the Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2023/24. The response of the Democratic Services Committee will be submitted to the IRPW by the deadline of 1 st December 2022.
Report Owner:	Head of Democratic Services
Responsible Officer:	Head of Democratic Services
Elected Member and Officer Consultation:	This is an internal matter and consultation is, therefore, not necessary. However, all Members of the Council have been circulated by email on 10 th October, 2022, a link to the IRPW's Annual Report for 2023/24 including information on how to respond to the consultation by the stated deadline.
Policy Framework:	As indicated within the report, the Council has resolved to abide by the determinations of the IRPW as set out in its Annual Report each year.
<p>Executive Summary:</p> <ul style="list-style-type: none"> • To apprise Members of the draft IRPW Annual Report for 2023/24. • In accordance with the requirements of Section 147 of the Local Government (Wales) Measure 2011, the IRPW is required to publish an Annual Report, which would have effect for the financial year 2023/24. • Any representations on the draft IRPW Annual Report should be submitted to the IRPW Secretariat by no later than 1st December, 2022. • All the Determinations contained in the IRPW's Annual Report will apply in respect of Principal Councils and Town and Community Councils and where relevant, Fire and Rescue and National Park Authorities. • The IRPW proposes setting the salaries as detailed in Appendix A of this report in order to avoid further erosion in relation to average earnings. 	

- The Committee's observations are sought in regard to matters relating to the consultation on the Draft Report questions as set out in paragraph 2.7 of the report, which include suggested responses relating to questions 1, 2, 3 and 4 for the Committee to consider. The Committee's observations are also sought in relation to question 5.
- Any Member may forego all or some of their entitlement in any one year by notifying the Head of Democratic Services in writing.

Recommendations

1. T H A T the Committee notes the Independent Remuneration Panel for Wales' (IRPW) draft Annual Report 2023/24 proposals.
2. T H A T the Committee considers and agrees the proposed draft responses to the consultation questions set out in paragraph 3 of the report, with the Committee's views being sought in regard to consultation questions 4 and 5.
3. T H A T the Committee approves the draft response to the IRPW Determinations as set out in Appendix A to the report.
4. T H A T the IRPW be requested to reconsider amending the new format to include a list of all determinations within a single document, to ensure clarity and ease of reference.

Reasons for Recommendations

1. In acknowledgement of the IRPW draft proposals for 2023/24.
2. To provide the opportunity for the Committee to submit comments on behalf of the Council by the consultation deadline of 1st December, 2022.
3. To agree a response to the consultation by 1st December, 2022.
4. For clarity and ease of reference.

1. Background

- 1.1 The Independent Remuneration Panel for Wales (IRPW) is tasked with setting the remuneration levels for Councils in Wales. Each year, they publish a Draft Annual Report which is circulated for consultation. The Draft Report may be viewed at <https://gov.wales/independent-remuneration-panel-wales>.
- 1.2 The consultation period closes on 1st December, 2022.
- 1.3 All Members of the Council were emailed details of the consultation exercise and a link to the IRPW Draft Annual Report for 2023/24 on 10th October, 2022, inviting them to respond directly to the consultation by the deadline. The final IRPW Annual Report will be published in February 2023.

2. Key Issues for Consideration

- 2.1 This report sets out the determinations affecting the Vale of Glamorgan County Borough and proposed responses as necessary.

Determinations within the IRPW Draft Annual Report 2023/2024

- 2.2 The IRPW Draft Annual Report 2023-2024 reflects a new shortened format to that previously produced by the Panel in recognition of climate change issues. The new layout now only includes changes to the previous Annual Report. Whilst the new format is to be welcomed it does leave officers, Members and particularly the public searching for last year's Annual Report and the associated

previous year’s determinations which will apply to 2023/24. To avoid the need for traversing between both documents it is suggested that the Committee consider whether the IRPW should be requested to reconsider amending the new format to include a list of all determinations within a single document, to ensure clarity and ease of reference.

- 2.3 An “Extract of the Determinations of the IRPW Draft Annual Report and the Vale of Glamorgan County Borough’s Comments” is appended at Appendix A.
- 2.4 The Local Government (Wales) Measure 2011 requires the Panel’s Annual Report to take effect from 1st April. In most years, this is in line with the financial and administrative arrangements of all Authorities.
- 2.5 In a year when Local Government Elections take place, certain determinations will take effect in the new Municipal term (a date in early May of that year, determined by the Panel).
- 2.6 **Consultation on Draft Report – Questions**
- 2.7 In addition to the determinations, the IRPW asks 5 consultation questions relating to the Draft Annual Report. Whilst this is a matter for the Committee to agree, to assist Members, set out below are suggested responses for the Committee to consider in regard to questions 1, 2, 3 and 4. The Committee’s observations are also sought in respect of question 5.

Question 1

The Panel has continued to use the Annual Survey of Hours and Earnings (ASHE) published by the Office for National Statistics as the benchmark for setting the basic salary of elected members of principal councils. There is a corresponding proportionate increase proposed for the members of National Park and Fire and Rescue Authorities. The Panel has continued to refer to the last published ASHE which was 2021. Do you agree that the basic salary element should be referenced to the ASHE 2021 data?

Yes	No	No Opinion
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Any Additional Comments

The Council is of the view that the continued linking of remuneration to Elected Member salaries to AHSE 2021 is essential as it provides a transparent and independent framework for setting such payments. If momentum is to be maintained in terms of increasing diversity and attracting candidates standing for future elections, a sustainable approach is needed to ensure that remuneration keeps pace (with other remunerated roles that exist outside local government) and is commensurate to the varied roles and responsibilities performed by Elected Members. It is important to have a clear mechanism to demonstrate how salaries are calculated.

Question 2

The Panel has made changes to the payment of costs and expenses of members of community and town councils. Do you agree with the addition of the “consumables” element?

<i>Yes</i>	<i>No</i>	<i>No Opinion</i>
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Any Additional Comments

Matter for Community / Town Councils

Question 3

The Panel will gather evidence from principal councils to explore whether and how the workload of elected members has changed to inform future Determinations. Are you content that the Panel should build this review into its future work plan and build the evidence base to support decisions?

<i>Yes</i>	<i>No</i>	<i>No Opinion</i>
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Any Additional Comments

The Council supports this proposal. Any review to evidence base future determinations should ensure that the basic level of remuneration is justified, appropriate and reasonable.

Question 4

We have significantly reduced the size of the report this year to concentrate on key decisions made and intend to make more use of the website to provide easy to use guidance to users. This approach is also in line with our efforts to respect the challenges facing us in protecting our planet.

How would you like to access information and guidance from the Panel? (choose all that apply)

<i>Summary report with links to detailed guidance</i>		<i>Social media</i>	
<i>Easy to use guidance notes</i>		<i>Information events</i>	
<i>Frequently asked questions</i>		<i>Other</i>	
<i>Website</i>		<i>-</i>	<i>-</i>

If Other, Please Specify:

The views of the Committee are sought. *The Committee may feel that all of the above options are welcomed however, the Committee may want to suggest to the Panel that the making available of appropriate user friendly guidance notes should be supplemented with frequently asked questions and that they are placed on a prominent page of the IRPW's website.*

Question 5

The Panel intend to undertake a series of engagements with all relevant stakeholders over the next year as part of the development of its forward planning and building of its evidence and research strategy.

Have you any comments that would help the Panel shape this engagement?

For example, a preference for online polls, the holding of engagement events, virtual or face to face, which groups should be involved, how do we engage with prospective candidates etc.

The views of the Committee are sought.

3. How do proposals evidence the Five Ways of Working and contribute to our Well-being Objectives?

Integrated Assessment Implications

3.1 The Council is subject to the Equality Act (Public Sector Equality Duty and the socio-economic duty), the Well-being of Future Generations (Wales) Act 2015 and the Welsh Language (Wales) Measure and must, in the exercise of their functions, have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Acts;
- Advance equality of opportunity between people who share a protected characteristic and those who do not;
- Foster good relations between people who share a protected characteristic and those who do not;
- Deliver better outcomes for those people who experience socio-economic disadvantage;
- Consider opportunities for people to use the Welsh language;

- Treat the Welsh language no less favourably than English;
 - Ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs.
- 3.2** The Well-being of Future Generations (Wales) Act 2005 mandates that public bodies in Wales must carry out sustainable development; Sustainable development means the process of improving the economic, social, environmental and cultural well-being of Wales by taking action, in accordance with the sustainable development principle, aimed at achieving the “well-being goals”.

4. Climate Change and Nature Implications

- 4.1** There are no climate change or nature implications associated with this report.

5. Resources and Legal Considerations

Financial

- 5.1** The IRPW proposes setting the salaries as set out in Appendix A. Members can forego all or some of their entitlement. This is a personal individual decision which must be notified in writing to the Head of Democratic Services. As the IRPW determinations are updated annually with payments based on the financial year, Members would need to notify the Head of Democratic Services each year whether they wished to forego payment in that financial year.
- 5.2** The total theoretical financial cost as a result of these draft IRPW determinations in relation to Salaries is £69.6k (including employer superannuation and National Insurance). This will need to be fully reflected in future budgets from 2023/24. The actual cost in any one year will depend upon who holds any of the Civic or Senior Salary Offices in year (i.e. where one Councillor might discharge two roles but only receives one higher salary).
- 5.3** There are no further changes to remuneration and benefits paid to Elected Members and therefore all other Determinations from 2022 to 2023 still stand and should be applied in 2023 to 2024, including those covering:
- Reimbursement of travel and subsistence.
 - Contributions towards the costs of care and personal assistance.
 - Co-opted Members.
 - Restriction on receiving more than one salary where a member holds more than one post.
- 5.4** It is important to put the proposed salary for Councillors into context. An Independent Member of a Welsh Health Board would currently earn £15,936 pa in line with Welsh Government set remuneration levels, based on a minimum commitment of 4 days per month. The IRPW have based a Councillor’s salary on 3 days per week.

Employment

5.5 There are no employment implications associated with this report.

Legal (Including Equalities)

5.6 There are no specific legal implications associated with this report,

6. Background Papers

IRPW Annual Report 2022/23.

Extract of the Determinations of the IRPW Draft Annual Report 2023-2024 and the Vale of Glamorgan comments

Note: This report only outlines the salary figures of Group B Council's to which the Council belongs.

Determination 1	Basic Salary in 2023/24 for elected members of principal councils shall be £17,600
Comments	<p>The basic salary will be aligned with three fifths of the All Wales 2021 ASHE (Annual Survey for Hours & Earnings), the latest figure available at drafting. This represents a 4.76% increase in the basic salary. https://www.ons.gov.uk/employmentandlabourmarket/peopleinwork/earningsandworkinghours/bulletins/annualsurveyofhoursandearnings/2021 This is in line with the IRPW stated aims.</p> <p>The Authority makes no comment on the increase.</p>

Determination 2	Senior Salary levels in 2023/24 for Members of Principal Councils shall be set out in Table 1 (of the IRPW Annual Report)
Comments	<p>The All Wales 2021 ASHE (Annual Survey for Hours & Earnings) applies to Band 1 (Leader of Council & Deputy Leader of the Council) & Band 2 (Executive Members). All other Bands have been decided in reference to this.</p> <p>The Authority makes no comment on the increase. Determination 2 of the IRPW would have the following effect:</p>

Senior Salaries (inclusive of Basic Salary) – Group B Councils	Current	Proposed 2023/24
Band 1		
Leader	£56,700	£59,400
Deputy Leader	£39,960	£41,580
Band 2		
Executive Members	£34,020	£35,640
Band 3		
Committee Chairs (if remunerated) and Civic Head	£25,593	£26,400
Band 4		
Leader of the Largest Opposition Group	£25,593	£26,400
Band 5		
Leader of Other Political Groups and Deputy Civic Head	£20,540	£21,340

Determination 3	The salary level for a Chair of a Joint Overview and Scrutiny Committee shall be £8,800 & Vice-Chair will be £4,400
Comments	The current amounts are £8,793 & £4,396 respectively. The Authority makes no comment on the increase.

Determination 4	<p>Payments towards costs & expenses of <u>Members of Community & Town Councils</u></p> <p>Basic payment for extra costs of working from home All Community/ Town Councils must pay members £156 per year (equivalent to £3 a week) towards extra household expenses (including heating, lighting, power & broadband) of working from home.</p> <p>Set payments for consumables These Councils must pay their members £52 a year for the cost of office consumables required to carry out their role, or alternatively councils must enable members to claim full reimbursement for the cost of their office consumables. It is a matter for each Council to make and record a policy decision in respect of when and how the payments are made and whether they are paid monthly, yearly, or otherwise. The policy should also state whether and how to recover any payments made to a member who leaves or changes their role during the financial year.</p>
Comments	The Authority makes no comment on the increase.

Determination 5	Payments to National Park Authorities & Fire and Rescue Authorities
Comments	<p>Payments will increase as a result of the uplift proposed for elected members of principal councils. Therefore, there will also be an uplift of 4.76% in the basic salary element.</p> <p>The remuneration for Chairs will remain linked to a Band 3 senior salary of principal councils. Therefore, there will be a small increase to the role element of their pay. Deputy Chairs, Committee Chairs and other senior roles will remain linked to Band 5. Therefore, their role element of pay will remain frozen. The increase in basic salary will apply. Full details of the levels of remuneration for members of National Park Authorities and Fire and Rescue Authorities, is set out in Table 3.</p> <p>The Authority makes no comment on the increase.</p>

Summary of Determinations:

Determination 1:

The basic level of salary for elected members of principal councils will set at £17,600.

Determination 2:

The salary of a Leader of a Group B Principal Council will be £59,400. All other payments have been decided in reference to this.

Determination 3:

The salary of a chair of a Joint Overview and Scrutiny Committee will be £8,800.

The salary of vice-chair will be £4,400.

Determination 4:

Members of Community and Town Councils will be paid £156 a year (equivalent to £3 a week) towards the extra household expenses (including heating, lighting, power and broadband) of working from home. And Councils must either pay their members £52 a year for the cost of office consumables required to carry out their role, or alternatively councils must enable members to claim full reimbursement for the cost of their office consumables.

Determination 5:

The basic pay of members of National Park Authorities and Fire and Rescue Authorities has been increased by 4.76%. All payments are set out in Table 3 of the IRPW Annual Report.

Determination 6:

All other Determinations set out in the 2022/23 Annual Report of the Panel remain valid and should be applied.