

# **NEATH PORT TALBOT COUNTY BOROUGH COUNCIL**

## **DEMOCRATIC SERVICES COMMITTEE**

18 December 2015

### **Report of the Head of Corporate Strategy and Democratic Services – Karen Jones**

#### **Matter for Information**

#### **Wards Affected:**

All Wards

## **INDEPENDENT REMUNERATION PANEL FOR WALES - DRAFT ANNUAL REPORT 2016**

#### **Purpose of the Report**

1. To inform Members of the publication of the Independent Remuneration Panel's for Wales draft annual report for 2016/17.

#### **Background**

2. In 2013 the Independent Remuneration Panel for Wales (IRPW) revisited the local authority to discuss how its determinations were working in practice. This resulted in a number of significant changes to the Panel's remuneration framework in its Annual Report published in February 2014, including a small increase in the Basic Salary.

3. For the financial year 2015/16 the panel decided that given the continuing constraints on local government spending there would be no increase in remuneration, and will take the same approach in 2016/17.
4. Prior to the publication of its draft report, the Panel was given a remit letter by its sponsor Minister in which the Minister drew the Panel's attention to the desire of Welsh Government to reduce the cost of politics to the public purse and pointed to a number of aspects of the current remuneration framework that it was felt needed to be given consideration.
5. Within the Minister for Public Services' letter reference is made to the White Paper, Reforming Local Government: Power to Local People and queries have been raised as to the legitimacy in providing the panel with directions prior to the publication of its Annual Report. Furthermore, concerns have been expressed as to the effect of this correspondence impinging on the independence and impartiality of the panel.
6. The panel has also given further consideration to the remuneration of members of community and town councils in the light of additional information it has obtained about their work, and have decided to make some amendments to the remuneration framework as it applies to these councils.
7. In terms of the support provided to members to discharge their functions effectively the Panel remains concerned about inconsistency across local authorities and that some councillors have not always fully utilised the support provided through the Panel's framework, including the Care Allowance.
8. The Local Government (Wales) Bill currently being considered by the National Assembly proposes additional powers and responsibilities for the Panel. These will on a temporary basis, extend their functions relating to Heads of Paid Service to Chief Officers or principal local authorities.
9. In addition, the Bill provides that the Panel be given powers to determine remuneration for members of shadow authorities and newly forming principal councils.

10. The Panel has also stated that it is aware of the way Welsh Government is progressing the work of the Commission on Public Service Governance and Delivery and will be liaising closely with the Local Democracy and Boundary Commission for Wales in preparation for the implementation of the various Acts that will determine the future shape of local government in Wales.

### **Key Determinations**

11. The key determination made by the panel relate to retaining the basic salary in 2016/17 of an elected member at £13,300.
12. In addition, the Panel have chosen to introduce a new 'two-tiered' banding for Executive Members. Up to four Members will be eligible to claim a senior salary (inclusive of basic salary) of £29,000. All other Executive Members will be eligible to a statutory maximum limit of £26,100. This Council currently operates a Cabinet model with seven Cabinet Members (excluding the Leader and Deputy Leader).
13. The panel has also taken the view that the responsibility and function of chairing a committee is not generally influenced by population of the authority and it is believed that workload of some chairs is greater than others, which had been a topic of ongoing dialogue and debate.
14. As such, the panel is introducing two levels of remuneration for Chairs of Committees: £22,000 (Level 1) and £20,000 (Level 2).
15. Each Individual authority will be left to decide which of the Chairs (if remunerated) are level 1 or level 2. However, the panel has stated that the payment of a level 1 salary would be to recognise exceptional responsibility.
16. In relation to the Leader of the largest opposition group (who represents at least 10% of the council membership) the panel have determined that local authorities must make a senior salary available which will be set at £20,000. This is a reduction of £2,000 from the panel's determination for the financial year 2015/16.

17. In relation to Community and Town Councils authorisation has been given to make a payment to each of their members of a maximum of £100 per year for costs incurred in respect of telephone usage, information technology and consumables.
18. Community and town councils are also authorised to make an annual payment not exceeding £500 to up to three members in recognition of specific responsibilities.
19. The full list of 2016/17 determinations made by the panel is outlined in Appendix 1.

### **Financial Impact**

20. There will be a financial impact and potential cost saving to the authority due to the introduction of a two tier payment scheme for Executive Members.

### **Workforce Impacts**

21. Following consideration there are no workforce impacts.

### **Legal Impacts**

22. Following consideration there are no legal impacts.

### **Risk Management**

23. Following consideration there are no significant risks.

### **Consultation**

24. There is no requirement for external consultation under the Constitution.

### **Recommendations**

25. To note the Independent Remuneration Panel's determinations for 2016/17.

## **Reason for Proposed Decision**

26. Matter for information, no decision required.

## **Appendices**

27. Appendix 1 - Independent Remuneration Panel for Wales - Determinations 2016/17

## **List of Background Papers**

28. Independent Remuneration Panel for Wales - Draft Annual Report 2016/17

<http://gov.wales/irpwsb/home/publication/2016-17/?lang=en>

## **Officer Contacts**

Karen Jones - Head of Corporate Strategy and Democratic Services

e-mail: [k.jones3@npt.gov.uk](mailto:k.jones3@npt.gov.uk)

Telephone: 01639 763284

Rhys George - Electoral and Democratic Services Manager

e-mail: [r.j.george@npt.gov.uk](mailto:r.j.george@npt.gov.uk)

Telephone: 01639 763719