NEATH PORT TALBOT COUNTY BOROUGH COUNCIL

Democratic Services Committee

8th April 2024

Report of the Head of Legal and Democratic Services – Mr Craig Griffiths

Matter for Information

Wards Affected:

All wards

Annual Report of the Independent Remuneration Panel for Wales 2024/25

Purpose of the Report:

To advise Members of the Democratic Services Committee of the content of the final Report of the Independent Remuneration Panel for Wales for the civic year 2024/2025.

The link to the annual report is <u>Independent Remuneration Panel for Wales:</u> annual report 2024 to 2025 | GOV.WALES

Background:

The Independent Remuneration Panel for Wales (IRPW) exercises powers set out in various legislation and can also make recommendations. It has the power to set the level of remuneration payable to elected members and co-opted members of local authorities. It has also been given a general power to review councils' pay policy statements as far as they relate to heads of paid service, extended on a temporary basis to chief officers of principal authorities

Annual Report of the Independent Remuneration Panel for Wales

Each year, and before making its final determinations for the next civic year, the Independent Remuneration Panel for Wales publishes a draft report and invites comments on its draft proposals. The proposals proposed for the civic year 2024-25 were considered by this Committee in November 2023.

A copy of the consultation responses as agreed at the November meeting of the Democratic Services Committee are attached at **Appendix 1.**

Members of the Committee were encouraged to respond individually to Question 4 of the consultation, which requested an individual response from members.

All members of the Council were sent a copy of the draft report and encouraged to respond to the consultation questions in their own right.

The IRPW has now published its final proposals for the civic year 2024-25 and Members are asked to note that proposals are unchanged from those contained in the draft report.

The proposed changes that would affect the existing arrangements in this Council are summarised in the table below:

Element of Remunerations	Current:	Proposed 24/25
		•
Basic Salary	£17,600	£18,666
Leader	£59,400	£62,998
Deputy Leader	£41, 580	£44,099
Executive	£35,640	£37,799
Members		
Chairs of	£26,400	£27,999
Committee		
Leader of	£26,400	£27,999
largest		
opposition		
Group		

Leader of other	£21,340	£22,406
Political Group		
Civic Head	£26,400	£27,999
Deputy Civic	£21,340	£22,406
Head		

Payments made to co opted members of Principal Councils, National Park Authorities and Fire and Rescue Authorities:

The current Determination (made in the 2022 to 2023 Annual Report) states that co opted members of the relevant bodies should be remunerated on a day or half day basis. In addition, the relevant officer may decide on the total number of days remunerated in a year and set a reasonable time for meeting preparation.

The Panel has noted the changes to working practices, put in place during Covid and now becoming more routine, that has meant a move towards more frequent use of online meetings and or training courses, often short, as well as more regular committee meetings. The panel also received feedback from Heads of Democratic Services raising this issue. The Panel considered moving to an hourly rate instead. This would better reflect new ways of working and hours actually worked. However, the Panel recognised that this may not always be appropriate, especially to cover in person meetings scheduled to last several hours.

The Panel therefore determines there should be local flexibility for the relevant officer to decide when it will be appropriate to apply a day or a half day rate or to use an hourly rate where it is sensible to aggregate a number of short meetings. The Panel will also provide guidance of good practice examples.

The amounts are set out in Table 3:

	Hourly	Up to 4	4 hours and
	Rate	Hours	over
	Payment	Payment	payment
	-	-	rate
Chairs of	£33.50	£134	£268
standards, and			
audit committees			

Ordinary	£29.75	£119	£238
Members of			
Standards			
Committees who			
also chair			
Standards			
Committees for			
Community and			
Town Councils			
Ordinary	£26.25	£105	£210
Members of			
Standards			
Committees;			
Education			
Scrutiny			
Committee;			
Crime and			
Disorder Scrutiny			
Committee and			
Audit Committee			

Financial Impacts:

The proposals would be contained within the budget provision.

Integrated Impact Assessment:

A beneficial impact in attracting people from diverse backgrounds to stand for election as councillors.

Valleys Communities Impacts:

There are no valley community impacts

Workforce Impacts:

There are no workforce impacts associated with this reports.

Legal Impacts:

The Panel are exercising powers set out in Part 8 of the Local Government (Wales) Measure 2011, as amended by the Local

Government (Democracy) (Wales) Act 2013 and the Local Government (Wales) Act 2015.

Risk Management Impacts:

Any proposed increased to Member remuneration has the potential to attract public criticism at a time of severe and enduring austerity. The Panel acknowledge this in making its proposals but point to the workloads and responsibilities being borne by elected Members as justification for the proposed changes.

Consultation:

All Members were sent a copy of the draft Report. The Committee and the Head of Democratic Services wrote, on behalf of the Chair and Committee to the IRPW, summarising Members' views on the draft proposals as outlined above

Recommendations:

Members of the Democratic Services Committee are invited to note the contents of the final Annual Report issued by the Independent Remuneration Panel for Wales.

Reasons for Proposed Decision:

To note the Independent Remuneration Panel for Wales' Annual Report to inform arrangements for the 2024/25 Civic Year.

Appendices:

Appendix 1 – Consultation Questions response to the IRPW Draft Report November 2023

List of Background Papers:

None

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Appendix 1

Question 1 - Uplift of remuneration using the Annual Survey of Hours and Earnings (ASHE)

The Panel is fully aware of the current constraints on public funding and the impact its decisions will have on the budgets of Principal Authorities. The Panel is also mindful of our Aims and Objectives to provide a fair and reasonable remuneration package to support elected members and to encourage diversity of representation. We therefore propose to uplift their remuneration based on the average earnings of their constituents.

Do you think that the Panel has struck the right balance between affordability and adequate remuneration for representatives? If not, do you have other suggestions?

Yes √

No

No Opinion

Any additional comments:

The Council maintains its support for the continued linking of remuneration for Elected Members' salaries to ASHE

Question 2 - Local flexibility for payments to co-opted individuals

The Panel has received evidence that it would be more cost effective and fairer to provide for flexibility in paying those who are co-opted to serve on committees of Principal Councils, National Park Authorities and Fire and Rescue Authorities. The Panel has therefore proposed there should be local flexibility for the relevant officer to decide when it will be appropriate to apply a day or half day rate or to use an hourly rate where it is sensible to aggregate a few short meetings. Do you agree with this proposal? If not, do you have any suggested alternatives? Yes $\sqrt{}$

No

No Opinion

Any additional comments:

The Council strongly accepts the stance taken by the IRPW to review existing payment methods to reflect agile working arrangements and changing demands on CoOpted Members and feels this is a very welcome introduction.

Question 3 - Encouraging sustainable travel

The Panel would like to ensure that we support environmental sustainability in our decisions about remuneration. We are aware that there are schemes in many bodies in Wales which encourage sustainable travel and we have advised that, if possible, elected members should be encouraged to participate in these schemes. Do you have any examples of good practice or other ideas of ways in which we might use our powers to encourage more sustainable travel among members?

Yes

No

No Opinion √

Any additional comments:

The Council supports the principle of encouraging the use of sustainable travel by all.

Question 4 - Awareness of the entitlements of representatives.

The Panel has seen evidence of a lack of awareness amongst local elected members of the payments to which they are entitled. We would like to find out if this is a significant issue, and if so, we will aim to raise awareness further, targeted at areas where this may be a problem.

Members encouraged to submit an individual response.

Question 5 - Publication of consolidated sums for Community and Town Councils Community and Town Councils are required to submit an annual statement of payments to the Panel by 30 September each year, and also publish this on their website. The Panel have provided a template return for clerks to use. The Panel have discussed and considered changing the requirements for Community and Town Councils when submitting their statement of payment returns. The Panel's aim is to simplify administration and encourage Councils to ensure all mandatory payments are made to individual members. The Panel proposes that from September 2024, the returns need only show the total amounts paid in respect of the mandatory payments mentioned above. That is the £156 contribution to the costs of working from home, the £52 set rate consumables allowance and the travel and subsistence expenses paid. This brings these in line with the reporting of the costs of care and personal assistance allowances.

Do you agree that these figures may be published as a global total rather than individually?

Yes

No

No View √

What are the reasons for your view?

Whilst this is a matter for Town and Community Councils, the Council supports the Panel's proposal to encourage all Members to take appropriate remuneration for carrying out their duties.