



Report of the Head of Democratic Services

Council - 27 November 2019

Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2020-2021 - Consultation

Purpose:	To approve the recommendations of the Democratic Services Committee as the Authority's response to the Independent Remuneration Panel for Wales' (IRPW) Draft Annual Report 2020-2021.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that: 1) The comments and observations as set out in Appendix A of the report be approved as the Authority's response to the Independent Remuneration Panel for Wales.
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Finance Officers:	Ben Smith / Jeff Dong
Legal Officer:	Tracey Meredith
Access to Services Officer:	Rhian Millar

1. Introduction

- 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-draft-annual-report-2020-2021>. The consultation period closes on 10 December 2019. The final IRPW report will be published in February 2020.
- 1.2 The Democratic Services Committee at its meeting on 6 November 2019 considered the IRPW Draft Annual Report and recommended that their comments and observations be adopted by Council as the Authority's

response to the consultation. This report sets out the determinations affecting the City and County of Swansea and proposes responses as necessary.

2. Determinations within the IRPW Draft Annual Report 2020

- 2.1 The IRPW Draft Annual Report contains a number of determinations that don't affect the City and County of Swansea and are omitted from this report.
- 2.2 An "Extract of the Determinations of the IRPW Draft Annual Report and City and County of Swansea's Comments" is appended as **Appendix A**. The Appendix seeks to stimulate debate and ultimately a formal response to the IRPW consultation.

3. Equality and Engagement Implications

- 3.1 The Council is subject to the Public Sector Equality Duty (Wales) 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 Act.
 - 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.

- 3.2 There are no equality implications in relation to this report.

4. Financial Implications

- 4.1 The IRPW has proposed an increase of £350 / 2.5% to the Basic Salary in order to avoid further erosion in relation to average earning.
- 4.2 The total theoretical financial cost envelope as a result of these draft IRPW determinations is £25,200 and this will need to be fully reflected in future budgets from 2020-2021. 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 receive one higher allowance).

5. Legal Implications

- 5.1 There are no specific legal implications associated with this report.

Background Papers: None.

Appendices:

Appendix A Extract of the Determinations of the IRPW Draft Annual Report and City and County of Swansea's Comments.

Extract of the Determinations of the IRPW Draft Annual Report 2020-2021 and the City and County of Swansea's Comments

Note: For ease this report only outlines the salary figures of Group A Council's to which the City and County of Swansea belongs.

General Observations	
1)	<p>Use of the terms “Elected Member” and “Elected Members. The Authority suggests that the terms “Councillor” and “Councillors” be used instead, to make the document more user friendly for the public. Swansea Council has made this observation annually for the past few years and would welcome feedback on this suggestion.</p>
2)	<p>Decisions of Council Required. The Council notes and welcomes that the IRPW is keen to ensure that there are no options relating to levels of remuneration by Principal Councils that require a decision of full Council. However, there remains a number of areas where a decision of full Council is required. It would be useful, if those options were removed. One example is set out below:</p>
2a)	<p>Section 9 - Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire and Rescue Authorities Paragraph 9.2 states that a Principal Council <i>“can decide on the maximum number of days in any one year for which Co-opted Members may be paid”</i>.</p> <p>The Authority suggests that a further determination should be added allowing the Head of Democratic Services or other Appropriate Officer to determine each request for payment on merit in advance of the meeting. Such a determination could be drafted as follows:</p> <p><i>“The Head of Democratic Services or other Appropriate Officer within the Authority must determine in advance whether a meeting or other activity is eligible for payment to a Co-opted Member”</i>.</p>
3)	<p>Annex 4 Publication of Remuneration - The Panel's Requirements Paragraph 1f) states: <i>“In respect of the publication of the reimbursement of the costs of care, the Panel has decided that relevant authorities should only publish the total amount reimbursed during the year. It is a matter for each authority to determine its response to any Freedom of Information requests it receives. However, it is not intended that details of individual claims should be disclosed”</i>.</p> <p>This Authority has traditionally published the amount that an individual Councillor claims under the Reimbursement of Costs of Care. The Authority has explained to those that question the reason for such payments and robustly supported such payments. The Reimbursement of Costs of Care is an important factor in providing financial support to allow those Councillors and Co-opted Members with caring responsibilities to get appropriate support in order to allow them to undertake their respective duties.</p>

	<p>This Authority supports this change and hopes that it will encourage more Councillors and Co-opted Members to come forward to utilise the financial assistance on offer.</p> <p>This decision by the IRPW may also encourage diversity in democracy by attracting new candidates to stand for election. Hopefully, it will strengthen the membership of Local Authorities to adequately reflect the demographic and cultural make-up of the communities that Authorities such as Swansea serve.</p>
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Observations Relating to Section 3 “Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

1)	<p>The Council notes that the following paragraphs extracted from the IRPW’s Draft Annual Report 2020-2021:</p> <p><i>“3.1 In 2009 the Panel set the maximum basic salary at £13,868, representing three fifths of the then median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE) published by the Office of National Statistics. The Panel assessed it appropriate to use a figure comparable with constituents’ pay, adjusted for the part-time nature of the work of a member with no senior responsibilities. This identical figure of £13,868 was determined as the basic salary in the IRPW 2019 annual report, ten years on.</i></p> <p><i>3.1.1 Over this last decade, taking account of affordability and acceptability, the Panel has determined figures for basic salary which have varied but have not kept pace with measures of inflation or other possible comparators. Table 1, illustrated by Graph 1, demonstrates the rate of increase of these alternative measures on the basic salary from 2012 of £13,175. Table 2 expresses these increases as a percentage year on year. The various comparators analysed are Retail Prices Index, Consumer Prices Index, Wales Median Salary (ASHE), NJC (public sector employees), Living Wage, Assembly Members, and MPs. This is calculated on an assumption that the basic activity required of an elected member (i.e. without the additional work required for a senior salary) is equivalent to three days’ work a week. The Panel acknowledges that many members routinely work in excess of these hours, as analysed in paragraphs 3.2 and 3.3. It follows that, other than the Basic Elected Member figure, the amounts shown are predictive and notional.</i></p> <p><i>3.1.2 To set this in the context of other Welsh elected members, over this same 8-year period an assembly member’s salary has increased by 25.6% (£53,852 to £67,649 - now indexed to Average Salaries in Wales ASHE) and an MP’s salary has increased by 22.4% (£65,738 to £79,468, again linked to constituents’ pay).</i></p> <p><i>3.1.3 Thus, backbench members’ salaries have fallen significantly behind by any reasonable measure of inflation.”</i></p>
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2)	<p>Paragraph 3.5 “This salary shall be paid by each principal authority in Wales from 1 April 2020 to each of its elected members unless any individual member opts personally and in writing to receive a lower amount”.</p> <p>Councillor Salaries have traditionally been paid based on the Municipal Year of an Authority. As such, the determinations of the IRPW would take effect from the date of an Authorities Annual Meeting of Council (normally May).</p> <p>This paragraph alters that long standing system and puts in place a system which would create additional administration work for an Authority, potentially confuse Councillors and the public.</p> <p>Councillors are appointed to the Cabinet and to Committees etc. at the Annual Meeting of Council. Their term of office runs for the Municipal Year. The new system suggested by the IRPW would mean that an Authority would pay a Salary to a Councillor for the period of the Annual Meeting of Council until 31 March and then have to recalculate the payment for the period 1 April to the date of the Annual Meeting. This will mean that the figures quoted by an Authority in its “Statements of Payments” as required by the IRPW will never actually accord with the amount that the IRPW states should be paid as the payment will have straddled 2 separate IRPW Annual Reports.</p> <p>This is an unwelcomed change and the Authority respectfully asks that it be reconsidered and changed back to the date of the Annual Meeting of Council and run for the whole of the Municipal Year.</p>

Section 3 - Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

Determination 1	The Basic Salary in 2020/21 for elected members of principal councils shall be £14,218 with effect from 1 April 2020.
Comments	This is a rise of £350 per Councillor. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year.

Determination 2	Senior Salary levels in 2020/21 for members of principal councils shall be as set out in Table 5 (of the IRPW Report) with effect from 1 April 2020. <i>The proposed and current levels are outlined below for ease.</i>
Comments	Senior Salaries include the Basic Salary element. They have all raised by £350 in line with Determination 1. There has been no further change to Senior Salaries. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year. Determination 2 of the IRPW would have the following effect:

Senior Salaries (inclusive of basic salary) - Group A Councils	Current 2019/20	Proposed 2020/21
Band 1 Leader Deputy Leader	£54,100 £38,100	£54,450 £38,450
Band 2 Executive Members	£33,100	£33,450
Band 3 Committee Chairs (if remunerated)	£22,568	£22,918
Band 4 Leader of the Largest Opposition Group	£22,568	£22,918
Band 5 Leader of Other Political Groups	£17,568	£17,918

Determination 3	Where paid, a Civic Head must be paid a Band 3 salary of £22,918 and, where paid, a Deputy Civic Head must be paid a Band 5 salary of £17,918 with effect from 1 April 2020.
Comments	Civic Salaries include the Basic Salary element. They have all raised by £350 in line with Determination 1. There has been no further change to Senior Salaries. Given the explanation for the pay rise as outlined above, the Authority makes no comment on the increase; however it urges the IRPW to reconsider the effective date of payment and to re-align it with the date of the Annual Meeting of Council and that it run for the Municipal Year.

Civic Salaries (inclusive of Basic Salary)	Current 2019/20		Proposed 2020/21	
	Civic Leader	Dep Civic Leader	Civic Leader	Dep Civic Leader
Responsibility Level	£22,568	£17,568	£22,918	£17,918

Determination 4	Where appointed and if remunerated, a Presiding Member must be paid a Band 3 Senior salary of £22,918.
Comments	This has raised by £350 in line with Determination 1. The Presiding Member within the City and County of Swansea is not remunerated. No comment.
Determination 5	The post of Deputy Presiding Member will not be remunerated.
Comments	No Change. Agreed.
Determination 6	<p>a) An elected member must not be remunerated for more than one senior post within their authority.</p> <p>b) An elected member must not be paid a senior salary and a civic salary.</p> <p>c) All senior and civic salaries are paid inclusive of basic salary.</p> <p>d) If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader.</p>
Comments	No Change. Agreed.
Determination 7	Members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA or FRA to which they have been appointed. They remain eligible to claim travel and subsistence expenses and reimbursement of costs of care.
Comments	No Change. Agreed.
Determination 8	Members in receipt of a Band 1 or Band 2 salary cannot receive any payment from a Community or Town Council of which they are a member other than travel and subsistence expenses and reimbursement of costs of care.
Comments	No Comment. Agreed.
Determination 9	Each authority, through its Democratic Services Committee, must ensure that all its elected members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone, email and internet facilities giving electronic access to appropriate information.
Comments	No Comment. Agreed.

Determination 10	Such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and or efficiency of members.
Comments	No Comment. Agreed.

Determination 11	Principal Councils can apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Comments	No Comment. Agreed.

Section 5 - Pension provision for Elected Members of Principal Councils

Determination 12	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.
Comments	No Change. Agreed.

Section 6 – Entitlement to Family Absence

Determination 13	An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.
Comments	No Change. Agreed.

Determination 14	When a senior salary holder is eligible for family absence, they will continue to receive the salary for the duration of the absence.
Comments	No Change. Agreed.

Determination 15	It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
Comments	No Change. Agreed.

Determination 16	If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.
Comments	No Change. Agreed.

Determination 17	When a Council agrees a paid substitution for family absence the Panel must be informed within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.
Comments	No Change. Agreed.

Determination 18	The Council's schedule of remuneration must be amended to reflect the implication of the family absence.
Comments	No Change. Agreed.

Section 7 - Payments to Members of National Park Authorities

Determinations 19-26 relate to Members of National Park Authorities. The Authority does not have any Councillors that are Members of National Park Authorities. No comment.

Section 8 - Payments to Members of Welsh Fire and Rescue Authorities

Determination 27	The basic salary for FRA ordinary members shall be £2,005.
Comments	There are 7 Swansea Councillors that are Members of Welsh Fire and Rescue Authorities. This determination would lead to an increase of £225 per Councillor which would be payable by the Fire and Rescue Service. No comment.

Determination 28	The senior salary of the Chair of an FRA shall be £10,705.
Comments	This determination would lead to an increase of £225 for the Chair of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 29	An FRA senior salary of £5,705 must be paid to the Deputy Chair where appointed.
Comments	This determination would lead to an increase of £225 for the Deputy Chair of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 30	Up to two Chairs of committees can be paid. This shall be paid at £5,705.
Comments	This determination would lead to an increase of £225 for up to 2 Chairs of Committees of the FRA which would be payable by the Fire and Rescue Service. No comment.

Determination 31	FRAs can apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Comments	No Comment. Agreed.

Determination 32	Members must not receive more than one FRA senior salary.
Comments	No Comment. Agreed

Determination 33	A FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility.
Comments	No Comment. Agreed.

Determination 34	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.
Comments	No Comment. Agreed.

Section 9 - Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire and Rescue Authorities

Determination 35	Principal councils, NPAs and FRAs must pay the following fees to co-opted members who have voting rights Table 8 (of the IRPW Report).
Comments	No Change. Agreed.

Chairs of Standards, and Audit Committees	£256 (4 hours and over) £128 (up to 4 hours)
Ordinary members of Standards Committee who also Chair Standards Committees for Community / Town Councils	£226 daily fee (4 hours and over) £113 (up to 4 hours)
Ordinary members of Standards Committees; Education Scrutiny Committee, Crime and Disorder Scrutiny Committee and Audit Committee	£198 (4 hours and over) £99 (up to 4 hours)
Community and Town Councillors sitting on Principal Council Standards Committees	£198 (4 hours and over) £99 (up to 4 hours)

Determination 36	Reasonable time for pre-meeting preparation is to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.
Comments	No Change. Agreed.

Determination 37	Travelling time to and from the place of the meeting is to be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).
Comments	No Change. Agreed.

Determination 38	The appropriate officer within the authority must determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.
Comments	No Change. Agreed.

Determination 39	Fees must be paid for meetings and other activities including other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.
Comments	No Change. Agreed.

Determination 40	Each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting co-opted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without cost to the individual member.
Comments	No Change. Agreed.

Section 10 – Reimbursement of Costs of Care

Determination 41	All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members to enable them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.
Comments	No Change. Agreed.

Section 13 - Payments to Members of Community and Town Councils

Determinations 42-51 relate to Community / Town Councils. They are listed below for information only.

Determination 42	All community and town councils must make available a payment to each of their members of £150 per year as a contribution to costs and expenses.
Comments	No Comment. Agreed.
Determination 43	Community and town councils in Group A must make available an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
Comments	No Comment. Agreed.
Determination 44	Community and town councils in Groups B or C can make an annual payment of up to £500 each to up to 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
Comments	No Comment. Agreed.
Determination 45	Community and town councils can make payments to each of their members in respect of travel costs for attending approved duties. Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below: <ul style="list-style-type: none">• 45p per mile up to 10,000 miles in the year.• 25p per mile over 10,000 miles.• 5p per mile per passenger carried on authority business.• 24p per mile for private motor cycles.• 20p per mile for bicycles.
Comments	No Comment. Agreed.

Determination 46	<p>If a community or town council resolves that a particular duty requires an overnight stay, it can authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:</p> <ul style="list-style-type: none"> • £28 per 24-hour period allowance for meals, including breakfast where not provided. • £200 - London overnight. • £95 - elsewhere overnight. • £30 - staying with friends and/or family overnight.
Comments	No Comment. Agreed.
Determination 47	<p>Community and town councils can pay financial loss compensation to each of their members, where such loss has occurred, for attending approved duties as follows:</p> <ul style="list-style-type: none"> • Up to £55.50 for each period not exceeding 4 hours. • Up to £110.00 for each period exceeding 4 hours but not exceeding 24 hours.
Comments	No Comment. Agreed.
Determination 48	<p>All community and town councils must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month. Reimbursement must be for the additional costs incurred by members to enable them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.</p>
Comments	No Comment. Agreed.
Determination 49	<p>Community and town councils can provide a payment to the mayor or chair of the council up to a maximum of £1,500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.</p>
Comments	No Comment. Agreed.
Determination 50	<p>Community and town councils can provide a payment to the deputy mayor or deputy chair of the council up to a maximum of £500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.</p>
Comments	No Comment. Agreed.

Determination 51	Members in receipt of a Band 1 or Band 2 senior salary from a principal council (that is Leader, Deputy Leader or Executive Member) cannot receive any payment from any community or town council, other than travel and subsistence expenses and reimbursement of costs of care.
Comments	No Comment. Agreed.