



Report of the Head of Democratic Services

Democratic Services Committee – 7 November 2022

Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2023-2024 - Consultation

Purpose:	To consult and comment on the Independent Remuneration Panel for Wales (IRPW) Draft Annual Report 2023-2024. The comments of the Democratic Services Committee will lead to a Council report proposing a formal reply to the IRPW.
Policy Framework:	None.
Consultation:	Access to Services, Finance, Legal.
Recommendation(s):	It is recommended that the Committee: 1) Notes the IRPW draft Annual Report 2023-2024 proposals and considers any consultation response to the proposals for consideration by full Council.
Report Author:	Huw Evans
Finance Officer:	Ben Smith
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>
- 1.2 The consultation period closes on 1 December 2022; however, the IRPW have given Swansea Council an extension until 4 December 2022 to allow Council to consider the Draft Report at its Meeting on 3 December 2022. The final IRPW report will be published in February 2023.
- 1.3 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 2022-2023

- 2.1 The IRPW Draft Annual Report 2023-2024 takes on a new format in that it only includes changes to the previous Annual Report. Whilst this does make the Annual Report shorter, it will require searching for earlier determinations in several locations. It is proposed that the IRPW be asked to include a list of all determinations in one document, to ensure clarity and ease.
- 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**.
- 2.3 The IRPW’s Annual Report takes effect from 1 April.

3. Consultation on Draft Report - Questions

- 3.1 In addition to the determinations, the IRPW asks 5 consultation questions relating to the Draft Annual Report. It is proposed that the Authority responds as follows.

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
------------	-----------	-------------------

Any Additional Comments

The Authority believes that linking salaries to the AHSE 2021 ensures an independence and clarity for payments to Councillors. It helps ensure that the former ‘Race to the Bottom’ approach by Authorities will not be returned to by putting in place a clear mechanism of 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?

Yes	No	No Opinion
------------	-----------	-------------------

Any Additional Comments

It ensures that Community / Town Councillors are reasonably remunerated for such costs.

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?

Yes	No	No Opinion
-----	----	------------

Any Additional Comments

The creation of evidence-based decisions ensures that remuneration levels are 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)

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

If Other, Please Specify:

--

The views of the Committee are sought. It is suggested that detailed, easy to use guidance notes together with frequently asked questions on the IRPW website would be welcomed.

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.

4. Integrated Assessment Implications

4.1 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.

4.2 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’.

4.3 Our Integrated Impact Assessment (IIA) process ensures we have paid due regard to the above. It also takes into account other key issues and priorities, such as poverty and social exclusion, community cohesion, carers, the United Nations Convention on the Rights of the Child (UNCRC) and Welsh language.

4.4 There are no integrated assessment implications in relation to this report.

5. Financial Implications

5.1 The IRPW proposes setting the salaries to avoid further erosion in relation to average earnings:

Description	Current	Proposed 2023/24
Basic Salary (x54)	£16,800	£17,600
Senior Salaries	-	-
These are inclusive of Basic Salary		
Band 1 (Group A)	-	-
Leader of Council (x1)	£63,000	£66,000
Deputy Leader of Council (x1)	£44,100	£46,200
Band 2 (Group A)	-	-
Executive Members (x8)	£37,800	£39,600
Band 3 (If Remunerated)	-	-
Committee Chairs (x8)	£25,593	£26,400
Civic Head (x1)		
Presiding Officer (Not Remunerated)		
Band 4	-	-
Leader of Largest Opposition Group (x1)	£25,593	£26,400
Band 5	-	-
Leader of Other Political Groups (Not Remunerated)	£20,540	£21,340
Deputy Civic Head (x1)		

5.2 There are no further changes to the payments 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:

- Travel and subsistence.
- Care and Personal Assistance.
- Sickness Absence.
- Corporate Joint Committees.
- Assistants to the Executive.
- Additional salaries and Job-sharing arrangements.
- Co-opted Members.

5.3 The total theoretical financial cost of these draft IRPW determinations in relation to Salaries is £71,570. This will need to be fully reflected in future budgets. 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 salary).

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 p.a. in line with Welsh Government set remuneration levels, based on a minimum commitment of 4 days per month. The IRPW have based a Councillors salary on 3 days per week.

6. Legal Implications

6.1 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 2023-2024 and the City and County of Swansea's Comments

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

Determination 1	Basic Salary 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	Salaries paid to Senior, Civic & Presiding Member of Principal Councils
Comments	<p>The All Wales 2021 ASHE (Annual Survey for Hours & Earnings) applies to Band 1 (Leader of Council & Deputy Leader of 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.</p>
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 Members of Community & Town Councils</p> <p>Basic payment for extra costs of working from home All 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 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 the largest (Group A) council will be £66,000. 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.

Determination 6:

All other Determinations set out in the 2022 to 2023 Annual Report of the Panel remain valid and should be applied.