

DEMOCRATIC SERVICES COMMITTEE 28 NOVEMBER 2022

REPORT OF THE HEAD OF DEMOCRATIC SERVICES

Members' Schedule of Remuneration 2023 – 2024

Reason for this Report

1. For the Democratic Services Committee to consider:
 - a. the proposals of the Independent Remuneration Panel for Wales (IRPW) ('the Panel') draft report 2023/24 with regard to the levels of Members' remuneration and allowances and
 - b. an addition to the approved duties contained within Cardiff Council's Members' Schedule of Remuneration.

Background

2. The IRPW is a statutory body established initially by the Welsh Government in January 2008 to recommend the levels of salaries, allowances and expenses payable to Councillors and Co-opted Members. The Local Government (Wales) Measure 2011 gave the Panel additional powers to prescribe the levels of Member remuneration and allowances. The Panel also received further powers following the introduction of the Local Government (Democracy) (Wales) Act 2013.
3. The Independent Remuneration Panel for Wales Draft Annual Report 2023, was published on 6 October 2022, detailed its proposals on the payment of remuneration and allowances in 2023 – 2024 to Elected Members and Co-opted Members by principal councils from 1st April 2023.
4. The Panel's Annual Report for 2023 - 24 is attached at **Appendix A**. This report focuses on the changes made as a result of the proposals which has significantly reduced its size and made it more manageable to navigate. The Panel has requested your views about this approach and forms part of the consultation at the end of the report.

Issues

Proposals of the Panel

Basic Salary

- The basic salary, paid to all elected members, is remuneration for the responsibility of community representation and participation in the scrutiny, regulatory and related functions of local governance. It is based on a full time equivalent of three days a week. The Panel regularly reviews this time commitment, and no changes are proposed for 2023 to 2024. The Panel proposes that the annual Basic Salary in 2023 - 24 for elected members of principal councils in Wales shall be increased from £16,800 to £17,600. This will represent a 4.76% increase in the basic salary.

Senior Salaries

- All senior salaries include the basic salary payment. The different levels of additional responsibility of and between each role is recognised in a banded framework. The framework was revised last year after a review of differentials and market comparators. No changes to banding are proposed this year. Early next year the Panel will gather evidence from principal councils to explore whether and how the workload of elected members has changed.
- The annual Senior Salaries in 2023 - 2024 as proposed by the Panel and applicable to the Council are increased at the same rate as basic salaries and are as follows:

Bands of Responsibility	Role(s)	Senior Salaries proposed by the Panel for 2023/24 (inclusive of Basic Salary)
Band 1	Leader	£66,000
	Deputy Leader	£46,200
Band 2	Cabinet Members	£39,600
Band 3	Committee Chairs (if remunerated)	£26,400
Band 4	Leader of largest Opposition Group	£26,400
Band 5	Leader(s) of other political group(s) 'a political group other than controlling/ largest opposition group (if any) which comprises not less than ten per cent of the members of the Council' (if remunerated)	£21,340

Allocation of Senior Salaries

- The Panel has determined that there is no change to the maximum number of the Council's membership that is eligible to receive a Senior Salary in 2023/24. In Cardiff (Population Group A), the maximum number of Senior Salaries is capped at **19**, excluding Civic Salaries. However, this cap is increased for all job-share arrangements (up to 50% of the council's membership).
- For 2022/23, the following 21 post-holders were in receipt of a senior salary:

Bands of Responsibility	Role(s)	No. of Senior Salaries
Band 1	Leader	1
	Deputy Leader	1
Band 2	Other Cabinet Members	10*
Band 3	Scrutiny Chairs	5
	Planning Committee Chair	1
	Licensing / Public Protection Committees Chair	1
Band 4	Leader of the largest opposition group (Conservative Group)	1
Band 5	Leader of the Liberal Democrat Group	1
Total		21

* Including 4 Cabinet Job-Sharers

Salaries for Joint Overview and Scrutiny Committees

10. The Cardiff Capital Region City Deal Joint Scrutiny Committee is currently the only Joint Overview and Scrutiny Committee to which Cardiff Councillors can be appointed as chair or vice-chair. The Panel has identified that the salary of a chair of a Joint Overview and Scrutiny Committee will be £8,800 with the salary of vice-chair being £4,400. There are no other changes to the remuneration of Joint Overview and Scrutiny Committee membership.

Community and Town Councils

11. The Panel has made proposals for Costs and Expenses for members of Community and Town Councils, but there is no direct impact on Cardiff Council of these proposals

Payments to National Parks Authorities and Fire and Rescue Authorities (FRA)

12. Cardiff Council has five representatives on the South Wales FRA with the costs of these roles being met by the FRA. Basic Salary payments are proposed to increase by 4.76% for elected members of principal councils.
13. The remuneration for Chairs will remain linked to a Band 3 senior salary of principal councils which will result in a small increase to the role element of their pay. Deputy Chairs, Committee Chairs and other senior roles will remain linked to Band 5 as shown below

Fire and Rescue Authorities

Basic salary for ordinary member	£2,482
Chair	£11,282

Fire and Rescue Authorities

Deputy Chair (where appointed)	£6,222
Committee Chair or other senior post	£6,222

14. 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 and
 - Co-opted Members
15. It should be noted that any Member may, by notice in writing delivered to the Monitoring Officer, personally elect to forgo any part of his/her entitlement to any salary, allowance or fee payable under this Scheme from the date set out in the notice.

Consultation of Draft Report

16. The Panel would welcome feedback on their draft Report and have included some additional questions at the end of **Appendix A**. The consultation period will end on the 1 December 2022 and the Democratic Services Committee is requested to consider the questions and agree responses to be submitted within the consultation period.
17. A copy of the report and consultation questions will be circulated to all Group Leaders, Group Whips and all Members to allow them to make their own responses to the draft report questions.

Addition to the "Approved Duties" of the Member Schedule of Remuneration

18. On 27 May 2021 the Council approved a revised template for the Members Schedule of Remuneration proforma for 2021-22 and future years in order to promote best practice and assist with consistency in the production of such schedules within Wales.
19. Specific sections within the document can be amended in order to suit each Authority's own particular circumstances, and this includes adding to the list of "Approved Duties" for which elected members can be remunerated.
20. The existing approved duties list contained within Schedule 2 of the Schedule of Remuneration did not equitably reflect the remuneration of those duties undertaken by elected members appointed to senior salary roles by the Council, for example, Committee Chairs, and therefore an amendment is proposed to include this as an additional 'approved duty' for which Members may be remunerated.
21. The full wording of the recommended amendment to the list of approved duties is at Appendix B. Initial consultation has been undertaken with group whips to confirm there is no objection to the revised wording.

22. The Democratic Services Committee is requested to consider the proposed extension to the list of “Approved Duties” and recommend its adoption by Council.

Legal Implications

23. The legal framework is set by Part 8 of the Local Government (Wales) Measure 2011 (“the Measure”), under which the Independent Remuneration Panel for Wales (“the Panel”) is given functions relating to payments to Councillors and Councillors’ pensions (s.142 of the Measure). The Panel is required to publish an annual report on the exercise of its functions with respect to each financial year (s.143 of the Measure); and the Council must comply with the requirements imposed on it by the Panel’s Annual Report (s.153 of the Measure).
24. The IRPW’s publication of its draft Annual Report 2023/24 gives the Council and its Members the opportunity to provide comments on the Panel’s *proposed* determinations in relation to remuneration for the financial year 2023/24 before they become binding upon the Council. The Panel’s final determinations will be published, having regard to consultation responses, in its Annual Report, which is due to be published in February 2023.
25. After the IRPW Annual Report is published in final form, the Council is required to produce and maintain an annual Schedule of Remuneration (*‘the Schedule’*), which must be published and sent to the IRPW as soon as practicable after determination and not later than 31 July in the year to which it applies. The approval of the Schedule of Remuneration must be made by full Council.
26. The IRPW Regulations (Annex 2 within the 2022/23 Annual Report) state that the Council must make provision for reimbursement of care costs, travel and subsistence for Members carrying out ‘official business’ as a Member or co-opted member of the Council. (The draft Annual Report 2023/24 makes no changes in this regard, which means this requirement will continue to apply for the 2023/24 Schedule.) The definition of ‘official business’, as reflected in the ‘approved duties’ listed in Schedule 2 to Cardiff’s Schedule of Remuneration 2022/23, includes ‘any other duty approved by the authority, [...] undertaken for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees’. This allows the Council to add to the list of ‘approved duties’ for which Members may be remunerated.
27. The Council may amend its Schedule of Remuneration at any time during the year, provided that the amendments accord with the Panel’s determinations for that year. Any amendments made to the Schedule during the year must be notified to the Panel as soon as possible after the amendment is made.
28. All Members entitled to receive payment have a personal interest in this report which should be declared. However, paragraph 12.2 (b)(iv) of the Code of Conduct states that you will not be regarded as having a prejudicial interest in any business of the Council relating to remuneration or an allowance or payment or pension made in accordance with the Local Government (Wales) Measure 2011 or the Local Government and Housing Act 1989. This means all Members may debate and vote on the recommendations in this report.

Financial Implications

29. The overall financial allocation for Members' Remuneration in 2022/23 was £1.871 million. The amendments proposed by the Independent Remuneration Panel for Wales will require an increase to the 2023/24 allocated budget of £161,000.

RECOMMENDATIONS

30. The Democratic Services Committee is requested to:

- a. consider the proposals of the Independent Remuneration Panel for Wales (IRPW) in its Draft Annual Report for 2023-24 and consultation questions published on 06 October 2022 as attached at **Appendix A**
- b. agree appropriate responses to the consultation questions for submission to the IRPW before the end of the consultation period.
- c. Consider the proposed extension to the list of "Approved Duties" contained within Schedule 2 of the Members Schedule of Remuneration as shown at **Appendix B**.
- d. recommend the amended list of "Approved Duties" within Schedule 2 of the Members' Schedule of Remuneration 2022/23 to Council for approval and adoption.

GARY JONES
Head of Democratic Services
22 November 2022

The following Appendices are attached to this report:

- Appendix A Independent Remuneration Panel for Wales Draft Annual Report published on 06 October 2022
- Appendix B Proposed amendments to the list of Approved Duties in Schedule 2 to the Members' Schedule of Remuneration

Background Papers:

- Independent Remuneration Panel for Wales Annual Report (February 2022)

English:

[Independent Remuneration Panel for Wales: annual report 2022 to 2023 \[HTML\] | GOV.WALES](#)

Cymraeg:

[Panel Annibynnol Cymru ar Gydnabyddiaeth Ariannol: adroddiad blynyddol 2022 i 2023 \[HTML\] | LLYW.CYMRU](#)

- [Members' Remuneration and Allowances 2021-2022](#) report to Council dated 27 May 2021.
- [Members Remuneration and Allowances 2022 - 2023](#) report to council dated 26 May 2022