

CONSTITUTION COMMITTEE:

27 JULY 2009

REPORT OF THE MONITORING OFFICER

INDEPENDENT REMUNERATION PANEL FOR WALES:
'WAY FORWARD' POLICY CONSULTATION

AGENDA ITEM: 8

Reason for this Report

1. To consider the consultation paper issued by the Independent Remuneration Panel for Wales.

Background

2. The Local Authorities (Allowances for Members) (Wales) Regulations 2007 provided for the establishment of the Independent Remuneration Panel for Wales (IRP), which is independent of the Welsh Assembly Government.
3. Following the publication of the IRP's Initial Report (August 2008) and Supplementary Report (December 2008) on members' allowances, the IRP has undertaken a 'root and branch' review of the members' allowances framework within Wales. As part of this review, the IRP consulted widely between February and June 2009 with local government in Wales, other relevant stakeholders and the public. This included visits by members of the IRP to each of the 22 unitary councils in Wales, which provided all Members (and appropriate officers) with an opportunity to comment and make representations in relation to councillors' remuneration. Panel Members visited Cardiff Council on 18 March 2009.
4. It is anticipated that a report on the outcomes of the consultation exercise and other evidence gathering and representations will be published in the IRP's Annual Report in December 2009, alongside the IRP's determinations and recommendations for members' allowances for 2010/11.

Issues

5. As part of a second phase of policy consultation with all councils in Wales during 2009, the IRP has issued a further consultation paper, which is included as **Appendix A** to this report. This is intended to further inform the Panel's evidence gathering process and to seek consensus, where possible, on the Panel's emerging thoughts regarding the way forward on members' allowances. As a result, the consultation paper focuses more specifically on

a set of principles and policy positions in respect of the remuneration framework which the Panel has arrived at, and on which it intends to rely, when making its determinations and recommendations for 2010/11 and in future years.

6. A questionnaire or response form has also been issued by the IRP to accompany the consultation paper (**Appendix B**) and responses should be returned to the IRP Secretariat by Friday 4 September 2009.

Finance Implications

7. There are none arising directly out of this report.

Legal Implications

8. There are none arising from the report.

Recommendation

9. The Committee is asked to:
 - i) note the consultation paper issued by the Independent Remuneration Panel for Wales, and;
 - ii) agree that the consultation paper is circulated to all Members to enable individual Members or Groups to make representations to the Independent Remuneration Panel for Wales as appropriate.

KATE BERRY
City and County Solicitor
21 July 2009

Appendix A: 'Way Forward' Policy Consultation – July 2009

Appendix B: 'Way Forward' Policy Consultation – July 2009 Response Form

INDEPENDENT REMUNERATION PANEL FOR WALES

'Way Forward' Policy Consultation: July 2009 Response Form

You are invited to complete the responses below (explanatory details in the accompanying Consultation Paper), indicating agreement or otherwise to the Panel's determinations and recommendations for 2010/2011 and proposals for 2011/2012 and beyond, giving any further comment you wish.

You need not give your name, but it would help in the analysis to know your council and whether you hold special responsibility within your council.

Name

Council

Special Responsibility Post (please detail the post held)

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Common Issues of Terminology and Determination

Proposed Panel Determinations for 2010/2011

- 1 That the "Basic Allowance" be referred to as "Basic Salary" (denoting recompense for time, worth and responsibility rather than entitlement as at present).

Agree Disagree

- 2 That the annual up rating index for Basic Allowance, Special Responsibility Allowance and Co-optees Allowance continues to be the projected public sector pay award and that the Retail Price Index (RPI) continues to be used for the annual up rating of the Care Allowance and the Subsistence Allowance.

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

3 That the Panel prescribes the level of Basic Allowance to be payable in Wales (in place of setting the maximum as at present).

Agree Disagree

4 That the Panel prescribes the level of Leaders' Special Responsibility Allowance to be payable in Wales and any consequent matrix of allowances for special responsibility.

Agree Disagree

5 That the Panel monitors the implementation of members' remuneration schemes by councils.

Agree Disagree

Comment.....
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Principles of Councillors' Remuneration

6 Do you agree the Principles the Panel wishes to adopt?

Agree Disagree

Comment.....
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Basic Allowance

Proposed Panel Determinations for 2010/2011

7 That the Basic Allowance be reset in line with the All Wales full-time male and female median salary which in 2008/2009 was £22,115 pa. In this alignment, remunerated public service set at the equivalent of three working days per week, results in an (indicative) Basic Allowance of £13,269 pa.

Agree Disagree

8 That the Basic Allowance for 2010/2011 be set at the equivalent of three working days derived from the 2009/2010 All Wales full-time male and female median salary when advised.

Agree Disagree

9 That the Basic Allowance for 2010/2011 be updated in line with the public sector pay increase when advised.

Agree Disagree

10 That the “public sector discount” be reconceptualised to denote the unremunerated time committed in excess of three working days per week.

Agree Disagree

11 That the support expenses element of around £1,000 included in the £13,356 maximum Basic Allowance for 2009/2010 be discontinued (**note:** the 2008/2009 alignment of £13,269 does **not** include the support element of £1,000).

Agree Disagree

Comment.....
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Proposed Panel Recommendations for 2010/2011

12 That councils note the discontinuation of support expenses included in councillors' Basic Allowance and consider direct provision to meet such supports as are necessary for the efficient discharge of councillor duties.

Agree Disagree

13 That councils consider negotiating block tax dispensations for their elected membership in respect of office expenses in the councillor's home.

Agree Disagree

14 That councils, in association with the WLGA, consider adopt and publish a statement of basic responsibility setting out councillor duties in regard to democratic representation and local governance.

Agree Disagree

15 That councils, in association with the WLGA, consider, and where possible implement, mechanisms and formats for the annual reporting of activity, attendance and relevant training for each member, to be placed in the public domain.

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

16 That adoption of a basic responsibility statement for councillors becomes obligatory.

Agree Disagree

17 That annual reporting in the public domain of each councillor's activity, attendance and relevant training becomes obligatory.

Agree Disagree

Comment.....
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Special Responsibility Allowances (SRAs)

Proposed Panel Determinations for 2010/2011

18 That, for the purpose of determining the scope and complexity of Special Responsibility Allowances, councils be grouped by population as follows:

Group A: (population over 200,000)
Cardiff; Rhondda Cynon Taf; Swansea

Group B: (population 100,000 to 199,999)
Bridgend; Caerphilly; Carmarthenshire; Conwy;
Flintshire; Gwynedd; Neath Port Talbot; Newport;
Pembrokeshire; Powys; Vale of Glamorgan;
Wrexham

Group C: (population below 100,000)
Blaenau Gwent; Ceredigion; Denbighshire;
Isle of Anglesey; Merthyr Tydfil; Monmouthshire;
Torfaen

Agree Disagree

Comment.....
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19 That, for the purpose of determining the level of responsibility within councils, the following responsibility bands will apply:

Band 1 Leaders of councils in a leader and cabinet executive
Chairs of Boards in councils operating alternative
arrangements

Band 2 Members of Executives in leader and cabinet executives

Members of Boards in councils operating alternative arrangements

Band 3 Leader of the largest Opposition Group
Chairs of Overview and Scrutiny Committees
Chairs of Planning; Chairs of Licensing;
Chairs of Audit

Band 4 Leaders of other political groups (as defined in the 2002 Regulations).

The Panel will consider specific requests from councils for a SRA outside of those set out in this matrix

Agree Disagree

Comment.....
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20 That, in line with the population grouping of councils, the Panel will set the total amount available for the remuneration of members of cabinets and boards, with each council setting the individual remuneration of each cabinet/board member up to the total amount identified.

Agree Disagree

21 That the Panel will use multiples (varying with population grouping) of the All Wales full-time male and female median earnings in the 2009/2010 index when available, as the baseline for setting Leaders/Chairs Special Responsibility Allowances (£22,115 in the 2008/2009 index).

Agree Disagree

22 That the Panel will set the remuneration for Deputy Leaders/Vice Chairs at 65% of the Leaders' remuneration in each population grouping.

Agree Disagree

23 That the Panel will set the remuneration for Cabinet/Board members as a percentage of the Leaders' remuneration in each population grouping.

Agree Disagree

24 That the Panel will use multiples of the new Basic Allowance derived from the 2009/2010 index when available (£13,269 in the 2008/2009 index) as the baseline for setting a single SRA applicable across all Welsh unitary councils for the functional roles of chairs of Audit, Licensing, Planning and Scrutiny Committees, and leaders of the largest and other political groups.

Agree Disagree

25 That the Panel will publish a consolidated total of Basic Salary + Special Responsibility Allowance as the remuneration for Leaders and all special responsibility post holders.

Agree Disagree

26 That the Panel will term this consolidated amount 'Senior Salary' or 'Executive Salary'.

Agree Disagree

Comment.....
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Proposed Panel Recommendations for 2010/11

27 That all councils publish widely all public service payments received by their members at least once a year. This should include payments and expenses for all public appointments.

Agree Disagree

28 That councils consider whether, consequent on the Panel's decision to remove SRAs from vice-chairs, they can publicly justify any increase in the number of committees attracting a SRA to the 50% maximum.

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

29 That the Panel considers further the current 50% limit on special responsibility posts held in councils.

Agree Disagree

Comment.....
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Care Allowance

Proposed Panel Determinations for 2010/2011

30 That the Care Allowance (set at a maximum of £403 per month for 2009/2010) continues to be available to facilitate all councillor activity, as a contribution towards the costs of caring for adult and child dependants.

Agree Disagree

31 That the Care Allowance be reimbursed only upon the production of receipts from informal and formal carers for actual expenses incurred, up to £403 per month (2009/2010 maximum).

Agree Disagree

Comment.....
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Proposed Panel Recommendations for 2010/2011

32 That councils bring the “salary sacrifice scheme” to the attention of the elected membership as an alternative means of assisting with child-care costs.

Agree Disagree

33 That councils consider introducing more flexibility in the scheduling of meetings/meetings cycles to assist councillors with caring responsibilities (and those in less flexible employment).

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

34 That consideration be given to discontinuing the Care Allowance as a separate allowance when the Basic Allowance may be at a level which better assists in meeting caring costs.

Agree Disagree

Comment.....
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Co-optees’ Allowance

Proposed Panel Determinations for 2010/2011

35 That the annual remuneration for co-optees reflects an expected position of attendance at six meetings. At the levels set for 2009/2010 this would raise the statutory co-optees’ allowance to a maximum of £1,200 per year and that for Chairs of Standards Committees to a maximum of £2,230 per year.

Agree Disagree

36 That where independent vice-chairs of Standards Committees carry a demonstrable additional responsibility (usually for Community and Town Councils) the remuneration be based on an expected position of attendance at seven meetings. This would result in an annual allowance of a maximum of £1,400.

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

37 That the Panel considers extending the eligibility for the Care Allowance to statutory co-optees.

Agree Disagree

38 That the Panel considers whether statutory co-optees are eligible to claim more than one allowance when they sit on more than one council committee.

Agree Disagree

Travel and Subsistence Allowances

Proposed Panel Determinations for 2010/2011

39 That the Panel maintains the maximum mileage allowance payable at HMRC rates:

*All sizes of private motor vehicle
up to 10,000 miles – 40p per mile
over 10,000 miles – 25p per mile*

passenger supplement – 5p per mile

*private motor cycles – 24p per mile
pedal cycles – 20p per mile*

Agree Disagree

40 That the Panel increases the overnight allowance for London to a maximum of £150.

Agree Disagree

41 That the Panel introduces a new overnight allowance for Cardiff at a maximum of £120.

Agree Disagree

Comment.....
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Proposed Panel Recommendations for 2010/2011

42 That all arrangements for travel outside the council's area (including overseas travel) be arranged by Member Services.

Agree Disagree

43 That councils negotiate with HMRC for identified named rural wards only, an increase in the 10,000 mileage allowance at the 40p rate.

Agree Disagree

44 That councils consider further whether it is necessary, given the receipt based nature of claims made, to reduce the flexibility intended in setting a daily subsistence rate, by setting fixed cost elements for constituent meals.

Agree Disagree

Comment.....
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Proposed for 2011/2012 and Beyond

45 That consideration be given to removing the ability to claim subsistence allowance for 'approved duty' within a council's boundaries.

Agree Disagree

46 That consideration be given to extending the definition of 'approved duty' to include constituency duties for the purposes of claiming a mileage allowance in council identified named rural wards.

Agree Disagree

47 That consideration be given to developing a Green Travel Policy, including discussing with HMRC more favourable mileage rates for low carbon emission cars, and an increased passenger supplement.

Agree Disagree

Comment.....
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Thank you for your help.

Please return this Response Form by **Friday, 4 September** by email or post to:

Caroline.thomas@wales.gsi.gov.uk

Caroline Thomas
Secretariat
Independent Remuneration Panel for Wales
N07 First Floor, North Wing
New Crown Buildings
Cathays Park
Cardiff CF10 3NQ