

DEMOCRATIC SERVICES COMMITTEE 13 NOVEMBER 2023

REPORT OF THE HEAD OF DEMOCRATIC SERVICES

**Independent Remuneration Panel for Wales (IRPW) Draft Annual Report
2024-25**

Reason for this Report

1. The Democratic Services Committee is requested to consider the proposals of the Independent Remuneration Panel for Wales (IRPW) ('the Panel') draft report 2024/25 in respect of Members' remuneration and allowances and agree the Committee's consultation response.

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.

Issues

3. The Independent Remuneration Panel for Wales, Draft Annual Report, was published on 13 October 2023 and details its proposals on the payment of remuneration and allowances in 2024 – 2025 to Elected Members, Independent and Co-opted Members by principal councils from 1st April 2024. The Panel's Draft Annual Report for 2024 - 25 is attached at **Appendix A**.

Proposals of the Panel

Basic Salary

4. 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. The Panel has determined that the basic salary will be aligned with three fifths of the Average Hourly Earnings in Wales (ASHE) 2022, the latest figure available at drafting. The Panel proposes that the annual Basic Salary in 2024 - 25 for elected members of principal councils in Wales shall be increased from £17,600 to £18,666.

Senior Salaries

5. 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. No changes to banding are proposed this year.
6. The basic pay element will be uplifted in line with ASHE and this uplift will also apply to the role element of Bands 1, 2, 3 and 4. Where a Band 5 is paid, there is no increase to the role element as this remains temporarily frozen. The increase in the basic salary will apply.
7. The annual Senior Salaries in 2024-25 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 2024/25 (Inclusive of Basic Salary)
Band 1	Leader	£69,998
	Deputy Leader	£48,999
Band 2	Cabinet Members	£41,999
Band 3	Committee Chairs (if remunerated)	£27,999
Band 4	Leader of largest Opposition Group	£27,999
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)	£22,406

Allocation of Senior Salaries

8. 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 2024-25. 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).
9. For 2023 - 24, 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*

Bands of Responsibility	Role(s)	No. of Senior Salaries
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

Civic Salaries

10. For 2023 - 24, the following post-holders were in receipt of a civic salary and the proposed Civic salary for 2024/25 is shown below:

Role(s)	No. of Civic Salaries	Civic Salaries proposed by the Panel for 2024/25 (Inclusive of Basic Salary)
Civic Head (Lord Mayor)	1	£27,999
Deputy Civic Head (Deputy Lord Mayor)	1	£22,406

Payments to Co-opted members

11. The Panel's current determination (made in the 2022 to 2023 Annual Report and retained in the 2023/24 Annual Report) states that co-opted members of the relevant bodies should be remunerated on a full 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.
12. 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 proposes 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, as outlined below:

Role	Hourly rate payment	Up to 4 hours payment rate	4 hours and over payment rate
Chairs of standards, and audit committees	£33.50	£134	£268
Ordinary Members of Standards Committees who also chair Standards Committees for Community and Town Councils	£29.75	£119	£238
Ordinary Members of Standards Committees; Education Scrutiny Committee; Crime and Disorder Scrutiny Committee and Audit Committee	£26.25	£105	£210
Community and Town Councillors sitting on Principal Council Standards Committees	£26.25	£105	£210

Salaries for Joint Overview and Scrutiny Committees

13. 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 £9,333 with the salary of a vice-chair is set at 50% of the Chair and will be £4,667. There are no other changes to the remuneration of Joint Overview and Scrutiny Committee membership.

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

14. Cardiff Council has five representatives on the South Wales FRA with the costs of these roles being met by the FRA. In line with the Panel's decision to increase the basic salary of elected members of principal councils, the remuneration level for ordinary members of both NPAs and FRAs is also increased in line with ASHE.
15. The remuneration for Chairs will remain linked to a principal council Band 3 senior salary. Their role element will therefore increase accordingly. Deputy chairs, Committee chairs and other paid senior posts will remain linked to a Band 5. This means the role element of their pay will continue to be temporarily frozen. Full details of the levels of remuneration for members of NPAs and FRAs is set out below:

Fire and Rescue Authorities	
Basic salary for ordinary member	£2,632
Chair	£11,965
Deputy Chair (where appointed)	£6,372
Committee Chair or other senior post	£6,372

16. There are no further changes to the payments and benefits paid to elected members and therefore all other determinations from 2022 to 2023 are retained and should be applied in 2024 to 2025, 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
17. It should be noted that any Member may, by notice in writing delivered to the Monitoring Officer, personally elect to forgo any part of their entitlement to any salary, allowance or fee payable under this Scheme from the date set out in the notice.

Community and Town Councils

18. 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.

Consultation on Draft Report

19. The Panel would welcome feedback on their draft Report and have included some additional questions at the end of **Appendix B**. A copy of the report and consultation questions has been circulated to all Elected, Independent and Co-opted Members to allow them to provide feedback to the Committee or to make their own responses to the draft report questions.
20. The consultation period will end on the 8 December 2022 and the Democratic Services Committee is requested to consider the questions and agree responses to be submitted within the consultation period.

Legal Implications

21. 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).
22. The IRPW’s publication of its draft Annual Report 2024/25 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 2024/25 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 2024.
23. 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.

24. 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 2024/25 makes no changes in this regard, which means this requirement would continue to apply for the 2024/25 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.
25. 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.
26. 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

27. The overall financial allocation for Members' Remuneration in 2023/24 is £2.047 million. The amendments proposed by the Independent Remuneration Panel for Wales would require an increase to the 2024/25 allocated budget of £189,000.

RECOMMENDATIONS

28. 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 2024-25 published on 13 October 2023 and attached at **Appendix A** and the consultation questions attached at **Appendix B**.
 - b. agree appropriate responses to the consultation questions for submission to the IRPW.
 - c. Delegate authority to the Head of Democratic Services, in consultation with the Chair of the Democratic Services Committee, to finalise the consultation response and submit it to the IRPW before the end of the consultation period on 8th December.

GARY JONES
Head of Democratic Services
7 November 2023

The following Appendices are attached to this report:

- Appendix A Independent Remuneration Panel for Wales Draft Annual Report published on 13 October 2023
- Appendix B Independent Remuneration Panel for Wales Draft Annual Report Consultation questions

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 Gydabyddiaeth Ariannol: adroddiad blynyddol 2022 i 2023 \[HTML\] | LLYW.CYMRU](#)

- [Members Remuneration and Allowances 2023 - 2024](#) report to Council dated 25 May 2023