

Report

Newport City Council

Part 1

Date: 24 April 2018

Subject **Members Schedule of Remuneration: Independent Remuneration Panel for Wales (IRPW) Annual Report**

Purpose To present the IRPW's annual report, and ask the Council to determine the level of remuneration for those members receive special responsibility allowances, and to determine any allowances for the City's Mayor and Deputy Mayor for the coming year.

Author Democracy and Communication Manager

Ward All

Summary The IRPW is the body tasked with setting the remuneration levels for Councils in Wales. The Panel makes determinations in relation to basic and senior salaries, and also the rates and conditions for expenses paid by public authorities.

This report contains a summary of the IRPW recommendations for this year, and asks Council to set the Newport City Council schedule of remuneration for 2018-19.

Proposal **That Council**

- i) **adopts the determinations within the Independent Remuneration Panel for Wales' Annual Report 2018-19;**
- ii) **approves the draft Schedule of Remuneration attached at Appendix 1; and**
- iii) **agrees that any claims made for reimbursements of costs of care should be anonymised in future reporting of NCC allowance payments.**

Action by Democracy and Communication Manager

Timetable To publish and submit the schedule of remuneration for 2018-19 by 31 July 2018.

This report was prepared after consultation with:

- Head of Law and Regulation
- Head of Finance
- Head of People and Business Change

Background

The Independent Remuneration Panel for Wales (IRPW) is the body tasked with setting the remuneration levels for Councils in Wales. The Panel makes determinations in relation to basic and senior salaries, and also the rates and conditions for expenses paid by public authorities.

The IRPW's determinations for payments made in 2018-19 are set out in its latest [Annual Report](#).

Summary of Proposed Changes

In summary, the IRPW has determined the following changes:

- **Basic Salaries** – an increase of 1.49%, to a basic annual salary of £13,600.
- **Senior Salaries** – No increase is proposed for senior salaries (but all post holders will receive the basic salary increase). The previous provision for two levels of senior salary has been removed. This provision was not previously supported nor used by Newport City Council.
- **Reimbursement of Costs of Care** – The IRP continues to urge Councils to promote the use of this provision. Last year the Council agreed to change the name of this provision from “Care Allowances”, and the Democratic Services Committee supported the idea that any claims made should be anonymised in reporting. This report includes the recommendation to Council that this be implemented.

Revised Schedule of Remuneration

The attached Schedule of Remuneration at Appendix 1 has been updated with the IRPW's changes. We are required to publish the revised schedule and submit this to IRPW by 31 July 2018. Council is asked to approve the revised schedule, which will be updated with post holder names following the AGM on 15 May before being published and submitted to IRPW in line with the deadline.

List of Determinations / NCC Consultation Response

The IRPW's draft report was shared with the Democratic Services Committee at its meeting on 9 November 2017, and comments on the proposed determinations were fed back as part of the consultation process. Below is the NCC response to the draft determinations, for reference.

Number	Proposed determination	Comments for discussion
Determination 1	Basic Salary in 2018/19 for elected members of principal councils shall be £13,600	Committee considers the determination of the amount of payment is a matter delegated to the panel and they agreed to make no comment.
Determination 2	The Panel has determined that senior salary levels in 2018/19 for members of principal councils shall be as set out in Table 2.	Committee considers the determination of the amount of payment is a matter delegated to the panel and they agreed to make no comment.
Determination 3	The Panel has determined that (where paid) civic salaries at the levels as set out in Table 3 and will be applied by principal councils as	The Committee wish to make no comment to the Panel.

	each considers appropriate, taking account of the anticipated workloads and responsibilities.	
Determination 4	The Panel has determined that, where appointed and if remunerated, a presiding member must be paid a Band 3 senior salary. This post will count towards the cap.	This does not apply in Newport – No comment.
Determination 5	The Panel has determined that the post of deputy presiding member will not be remunerated.	This does not apply in Newport – No comment.
Determination 6	The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its 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.	This operates within Newport and members of the Committee are provided with an annual report by the Head of Democratic Services. This effectively represents no change and members agreed with this determination.
Determination 7	The Panel has determined that 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.	This operates within Newport. This effectively represents no change and members agreed with this determination.
Determination 8	The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.	A number of questions were raised by the committee regarding how this would work in practice, but the general principle was supported.
Determinations 9, 10, 11, 12, 13, 14 , 15 and 16	These proposed determinations relate to payments to Chairs and Deputy Chairs of Joint Overview and Scrutiny Committees; Sub Committees and Task and Finish Groups of Joint Committees. No changes are proposed from existing arrangements.	This represents no change – members agreed with these determinations.
Determination 17	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal	This represents no change – members agreed with this determination, although it was commented that elected members' benefits under the scheme were not the

	councils.	same as staff members.
Determinations 18, 19, 20, 21 22 and 23	These proposed determinations relate to arrangements for payments relating to family absence	This represents no change from the current position and no further comments were made.
Determinations 24 to 37	Determinations 24 to 30 relate to the National Parks Authorities and Determinations 31 to 37 relate to the Fire and Rescue Service	No comments are offered on these proposals as they do not relate to the Council.
Determination 38	Principal Councils, NPAs and FRAs must pay the fees to Co-opted Members (who have voting rights) as set out in Table 6.	No change is proposed. Members agreed with this determination.
Determination 39	Reasonable time for pre meeting preparation is eligible 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.	Effectively this means no change to existing arrangements is proposed. Members agreed with this determination.
Determination 40	Travelling time to and from the place of the meeting can be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).	Effectively this means no change to existing arrangements is proposed. Members agreed with this determination
Determination 41	The appropriate officer within the authority can 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.	The Council has determined the Monitoring Officer as the appropriate officer. Effectively this means no change to existing arrangements is proposed. Members agreed with this determination
Determination 42	Meetings eligible for the payment of fees include 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.	No Change is proposed. Members agreed with this determination
Determination 43	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 in order for them to carry out their approved duties. Reimbursement shall only be made	No Change is proposed. Members agreed with this determination.

	on production of receipts from the carer.	
Determinations 44 - 51	Determinations 44 - 51 relate to Community / Town Councils.	No comments are offered on these proposals as they do not relate to the Council.

Financial Summary / Risks

The determination to add £200 per annum to the basic salary incurs an increased cost of £10,000 per annum. This is an increase that the Council must deliver to meet the IRPW's determinations. The allocated budget for 2018/19 has already been reviewed in light of the IRPW's conclusions, and updated to accommodate this change.

Links to Council Policies and Priorities

There is no direct link to Newport's individual policies or plans as this is a national issue about payments to Councillors.

Proposal

That Council

- i) adopts the determinations within the Independent Remuneration Panel for Wales' Annual Report 2018-19;
- ii) approves the draft Schedule of Remuneration attached at Appendix 1; and
- iii) agrees that any claims made for reimbursements of costs of care should be anonymised in future reporting of NCC allowance payments.

Comments of Chief Financial Officer

The IRPW determination to increase Basic Salary by £200 per Councillor will add £10,000 per annum. This will need to be accommodated within existing budget resources.

Comments of Monitoring Officer

There are no specific legal issues arising from the Report. The IRP has statutory power under Section 147 of the Local Government (Wales) Measure 2011 to set Members Allowances. Democratic Services Committee have previously expressed the opinion that the amounts of basic and senior salaries should be prescribed by the IRP and not left to the discretion of individual councils. The latest IRP Report and prescribed scheme removes certain discretionary elements but there is still some element of local discretion.

The basic salary for all Members is increased by £200 to reflect the fact that salary levels have not previously kept pace with average earnings. However, the IRP recognises that the allowances have to be "affordable" in accordance with the Measure. There is no prescribed increase in the senior salaries.

In the light of previous comments and the fact that no Welsh councils have elected to pay differential salary levels to Cabinet Members, the IRP has abolished the previous two-tier level of payment, according to responsibility. Therefore, all Cabinet Members will, in future, have to be paid at the same level and there is no local discretion. Also, the previous two-tier system of salaries for Chairs of Committee has also been discontinued.

Therefore, the only remaining discretionary elements are in relation to the civic salaries payable to the Mayor and Deputy Mayor. The Council has discretion as to which of three levels they should be paid, or whether to pay any civic salaries at all. In the past, the Council has fixed the civic salary levels for the Mayor and Deputy Mayor at IRP Level 2 and it is recommended that this should continue.

Last year, the IRP determined that the costs of care should be paid as a separate reimbursement rather than as part of a member's salary, to encourage more eligible members to apply for reimbursement. They also relaxed the rules on publication to enable councils to anonymise these payments and not identify the individual members concerned. It is recommended that only the total amount of care costs reimbursed by the authority during the year should be published and not the names of the individual members claiming reimbursement.

Council, is therefore, required to formally approve and adopt the proposed Scheme of Remuneration for the financial year 2018/19. There is no requirement for any member to declare a personal interest, as there is a general dispensation for the approval of Members allowances.

Comments of Head of People and Business Change

There are no specific HR or equalities issues arising from the report as the appointment to posts attracting senior salaries is a political decision by the Council. There are no specific issues in the response in relation to the Wellbeing of Future Generations Act , although those appointed to Cabinet posts in particular will need to consider the principles of the Act as part of the decision making process.

Equalities Impact Assessment and the Equalities Act 2010

No FEIA was undertaken as the report affects elected members only.

Children and Families (Wales) Measure

Not applicable.

Wellbeing of Future Generations (Wales) Act 2015

There are no specific issues in the report in relation to the Wellbeing of Future Generations Act , although those appointed to Cabinet posts in particular will need to consider the principles of the Act as part of the decision making process.

Crime and Disorder Act 1998

Not applicable.

Consultation

The Democratic Services Committee were consulted on the IRPW's draft annual report, and its full response is included in this report.

Background Papers

[The IRPW Annual Report 2018-19](#)

Dated: 11 April 2018