

Report

Newport City Council

Part 1

Date: 28th July 2020

Subject **Members Schedule of Remuneration 2020/21**

Purpose To approve the Members Schedule of Remuneration for 2020/21.

Author Head of Law & Regulation

Ward All

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

The IRPW Annual Report 20/21 was reported to Council on 27th February 2020 as part of the Minutes of the Standards Committee meeting on 20th February. The IRPW has determined that there should be an inflationary increase of £350 (2.5%) to the basic annual salary of 13,866, giving an increased basic salary of £14,218, which will be backdated to 1st April 2020 .

Council is now required to formally approve and adopt the Members Schedule of Remuneration for 20/21 as set out in Appendix 1.

Proposal **That Council approves and adopts the Members Schedule of Remuneration 20/21 as set out in Appendix 1.**

Action by Head of Law & Regulation and Head of Finance.

Timetable To publish and submit the schedule of remuneration for 2019-20 by 31 July 2019.

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 to be made to elected members as from 1st April 2020 are set out in the latest Annual Report, which was reported to Democratic Services Committee on 20th February and Council on 27th February 2020.

Summary of Proposed Changes

In summary, the IRPW has determined that there should be an inflationary increase of £350 (2.5%) to the basic annual salary of 13,866, giving an increased basic salary of £14,218, which will be backdated to 1st April 2020. However, there are no further increases to senior salaries beyond the uplift in the basic allowance and the allowances and rates for co-opted members, travelling and subsistence and care costs remain the same.

Revised Schedule of Remuneration

The attached Schedule of Remuneration at Appendix 1 has been updated with the IRPW's changes. The Council is required to publish the revised schedule and submit this to IRPW by 31st July 2019. Council is asked to approve the revised schedule, which will be updated with post holder names following the AGM on 28th July before being published and submitted to IRPW in line with the deadline.

Consultation

The IRPW's draft report was shared with the Democratic Services Committee at its meeting in November 2019, and comments on the proposed determinations were fed back as part of the consultation process.

Financial Summary / Risks

The determination to add £350 per annum to the basic salary incurs an increased cost of £17,500 per annum plus on costs. This is an increase that the Council must deliver to meet the IRPW's determinations. The allocated budget for 2020/21 has already been reviewed in light of the IRPW's conclusions.

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 approves and adopts the Members Schedule of Remuneration 20/21 as set out in Appendix 1

Comments of Chief Financial Officer

The IRPW determination to increase Basic Salary by £350 per Councillor will increase the allowances by £17,500 per annum, plus on costs. Provision has been made within the budget for 20/21 for the increased allowances.

Comments of Monitoring Officer

There are no specific legal issues arising from the Report. The IRPW 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 IRPW and not left to the discretion of individual councils. The latest IRPW Report and prescribed scheme removes most discretionary elements but there is still some element of local discretion.

The basic salary for all Members is increased by 2.5% (£250) in line with inflation, giving an increased basic salary of £14,218. However, there are no further changes to last year's scheme.

The only remaining discretionary element of the Members Allowances Scheme is in relation to the whether the Council decides to pay civic salaries to the Mayor and Deputy Mayor and senior salaries to Chairs of Committees. The Council has previously determined to pay these discretionary allowances and the amounts are, therefore, fixed at £22,918 and £17,918 for the Deputy Mayor.

The IRPW has 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 have relaxed the rules on publication to enable councils to anonymise these payments and not identify the individual members concerned and the Council agreed to this last year. Therefore, 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. The IRPW has published a supplementary report for 20/21 which has been circulated to all members to remind councillors of their entitlement to claim reimbursement of care costs.

Council, is therefore, required to formally approve and adopt the proposed Scheme of Remuneration for the financial year 2020/21. 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.

Background Papers

IRP Annual Report 20/21.

Dated: 21st July 2020