

<b>ISLE OF ANGLESEY COUNTY COUNCIL</b>	
<b>Meeting:</b>	<b>Democratic Services Committee</b>
<b>Date:</b>	<b>29 March 2017</b>
<b>Title of report:</b>	<b>Independent Remuneration Panel for Wales – Annual Report for 2017/18</b>
<b>Report by:</b>	<b>Head of Democratic Services</b>
<b>Purpose of Report:</b>	<b>To inform the Committee of determinations made by the Independent Remuneration Panel for Wales with regard to senior and civic salaries.</b>

## **1.0 Background**

1.1 The Independent Remuneration Panel for Wales (IRP) is independent of central and local government and was initially established to determine the range and levels of allowances payable by county and county borough councils to their elected members and co-opted members with voting rights. Each year the Panel must produce an Annual Report which sets out the type and levels of payments that authorities may or must make available to their members and co-opted members.

1.2 The payments to members and co-opted members for 2017/18 as prescribed by the IRP in its annual report (February 2017) will need to be reported to the full Council on 23 May 2017.

1.3 Elections for principal councils and community and town councils will take place on 4 May 2017. Section 26(3) of The Local Government Act 1972 determines that, on the fourth day following the election, persons who were councillors before the election will retire and newly elected members will assume office. Therefore, the effective dates for the implementation of the determinations contained in the February 2017 report are:

Basic and senior salary holders - 8 May 2017 (subject to the member having signed the declaration of acceptance).

Chair of the Council – civic salary is payable where the chair remains in post until a successor is appointed at the authority's Annual General Meeting following the election.

## **2.0 Payments to elected members of principal councils**

### **Basic salary**

2.1 The Panel has determined there shall be an increase of £100 in the level of basic salary for members of principal councils (which equates to 0.75%). This is the first increase for 3 years. Basic salary for elected members shall therefore be **£13,400** for 2017/18.

## Senior salaries

- 2.2 The Council has discretion on the number of senior salaries it pays, up to the maximum set by the Panel. The maximum number of senior salaries for the Isle of Anglesey remains at 15 for 2017/18 and this figure still includes civic salaries. For both 2015/16 and 2016/17, the Council decided to allocate senior salaries to 14 office-holders to reduce democratic costs.
- 2.3 There are no changes in respect of the payment of senior salaries, but senior salary holders will receive the uplift to the basic salary. Senior salary levels for 2017/18 for the Isle of Anglesey County Council shall therefore be payable as follows:

<b>Senior Salaries (inclusive of Basic Salary):</b>		
<b>Band 1</b>	Leader Deputy Leader	<b>£43,100</b> <b>£30,100</b>
<b>Band 2</b>	Executive members – Level 1 Executive members – Level 2	<b>£26,100</b> <b>£23,500</b>
<b>Band 3</b>	Committee Chairs (if remunerated) Level 1 Level 2	<b>£22,100</b> <b>£20,100</b>
<b>Band 4</b>	Leader of largest opposition group*	<b>£22,100</b>
<b>Band 5</b>	Leader of other political group*	<b>£17,100</b>
<p>* A council must make a senior salary available to the leader of the largest opposition group. The stipulation that an opposition group leader or any other group leader must represent at least 10% of the council membership before qualifying for a senior salary remains unchanged.</p>		

### **Band 2 - Executive Members**

- 2.4 The discretion to pay different salary levels for Executive members remains. In Anglesey, Level 1 amounts to £26,100 and level 2 amounts to £23,500. The Panel's February 2017 report states:

"...It is not the role of the Panel to determine the structure of cabinets of local authorities so the determinations continue to provide flexibility for each newly elected council to decide the appropriate range of portfolios to meet local needs, recognising that there is an inevitable variation on the level of responsibility and workload."

- 2.5 For 2016/17, the Council approved this Committee’s recommendation that level 1 salaries should be paid to Executive members.

**Band 3 – Committee Chairs**

- 2.6 The discretion to pay different salary levels to Committee Chairs also remains. The two levels of remuneration for Chairs of Committees (if paid) are £22,100 at level 1 and £20,100 at level 2. The Panel’s February 2017 report states:

“The Panel continues to take the view that the responsibility and function of chairing a committee is not generally influenced by population of the authority. However, there is recognition that the specific responsibility and workload of some chairs is greater than others, and this has been a topic of ongoing dialogue and debate. We consider that this should be reflected in the remuneration framework.”

- 2.7 For 2016/17, the Council approved this Committee’s recommendation that level 1 salaries should be paid to Committee Chairs, if paid.

**Civic heads and deputy civic heads**

- 2.8 The Panel remains of the view that it is appropriate for authorities to set remuneration levels which reflect activity and responsibility, rather than local population. A council may decide not to apply any civic salary to the posts of civic head and deputy civic head.

- 2.9 The Panel has determined that (where paid) civic salaries at the following levels are payable and will be applied by principal councils as each considers appropriate, taking account of the anticipated workloads and responsibilities:

<b>Civic Salaries (inclusive of Basic Salary):</b>	
Civic Head (Chair of Council)	<b>1 - £24,100 2 - £21,600 3 - £19,100</b>
Deputy Civic Head (Deputy Chair of Council)	<b>1 - £18,100 2 - £16,100 3 - £14,100</b>

- 2.10 For 2016/17, the Council approved this Committee’s recommendation that level 3 salaries should be paid to the Civic Head and Deputy Civic head.

- 2.11 Group leaders have been consulted on the issue of payment levels. The view was that the same payment levels should continue, ie level 1 to Executive members and Committee Chairs and level 3 to the Civic Head and Deputy Civic Head.

### **3.0 Other changes**

#### **3.1 Reimbursement for the costs of care (previously referred to as ‘care allowance’)**

- 3.1.1 The reimbursement of the costs of care is intended to enable any person whose ability to participate as a member of an authority would be limited by their responsibilities as a carer, or for a member to receive care support to enable that individual to carry out their role. The Panel notes that some members are reluctant to claim the care allowance, because of concerns about the adverse publicity this can attract.
- 3.1.2 The Panel recognises that there is some sensitivity concerning the publication of this legitimate expense and has reflected this in the options provided for publication:
- The details of the amounts reimbursed to named members; or
  - The total amount reimbursed by the authority during the year but not attributed to any named member.
- 3.1.3 It will be a matter for each authority to decide which of these options for publication it considers appropriate. It will also be the responsibility of each authority to establish its own position on how to respond to any Freedom of Information requests it receives with regard to reimbursement of costs of care.
- 3.1.4 The Panel considers that Democratic Services Committees should take steps to encourage and facilitate eligible members in claiming this re-imbusement.

#### **3.2 Sickness absence for senior salary holders**

- 3.2.1 Instances have been raised with the Panel of senior salary holders on long-term sickness and the perceived unfairness in comparison with the arrangements for family absence. In consequence, councils are faced with the dilemma of:
- Operating without the individual member but still paying him/her the senior salary.
  - Replacing the member who therefore loses the senior salary (but retains the basic salary).
- 3.2.2 The Panel has considered this and is amending the Framework to provide specific arrangements for long term sickness as set out below:
- Long term sickness is defined as certified absences in excess of 4 weeks.

- The maximum length of sickness absence within these proposals is 26 weeks or until the individual's term of office ends, whichever is sooner (but if reappointed any remaining balance of the 26 weeks will be included).
- Within these parameters a senior salary holder on long term sickness can, if the authority decides continue to receive remuneration for the post held.
- It is a decision of the authority whether to make a substitute appointment but the substitute will be eligible to be paid the senior salary appropriate to the post.
- If the paid substitution results in the authority exceeding the maximum number of senior salaries payable for that authority as set out in the Annual Report, an addition will be allowed for the duration of the substitution. (However, this would not apply to Merthyr Tydfil or the Isle of Anglesey councils if it would result in more than 50% of the membership receiving a senior salary. It would also not apply in respect of a council executive member if it would result in the cabinet exceeding 10 posts - the statutory maximum).
- When an authority agrees a paid substitution the Panel must be informed within 14 days of the decision of the details including the specific post and the estimated length of the substitution. The authority's Schedule of Remuneration must be amended accordingly.
- It does not apply to elected members of principal councils who are not senior post holders as they continue to receive basic salary for at least six months irrespective of attendance and any extension beyond this timescale is a matter for the authority.

## **4.0 Publication of Statement of Payments made to Members**

- 4.1 The Panel requires all local authorities to publish a statement by 30 September each year of payments made by the Authority to its members.
- 4.2 In a letter dated 17 February 2017 (copy attached), the Chairman of the Panel notes that the Panel has reviewed the extent of compliance in respect of this statutory requirement for the 2015/16 municipal/financial year and has found a significant degree of non-compliance. Of the 28 Statements produced for 2015/16, only 7 were sent to the Panel before 30 September 2016. The Panel has noted that this Authority was one of the 7 which were compliant with this requirement and sent the statement to the Panel as well as making the information publically available.

## **5.0 Recommendations**

5.1 The Democratic Services Committee is requested to consider the determinations within the report of the Independent Remuneration Panel for Wales for 2017/18 and make recommendations to the full Council, with specific reference to:

5.1.1 The payment of Level 1 and Level 2 salaries for Executive Members

5.1.2 The payment of Level 1 and Level 2 salaries for Committee Chairs

5.1.3 The payment of either Levels 1, 2 or 3 for Civic Heads and Deputy Civic Heads.

**Huw Jones**  
**Head of Democratic Services**  
**16/03/17**

Background paper:- The Independent Remuneration Panel for Wales Annual Report (February 2017) - <http://gov.wales/docs/dsjlg/publications/localgov/170223-annual-report-en.pdf>



J Huw Jones  
Head of Democratic Services  
Isle of Anglesey Council

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17 February 2017

Dear Huw

### **Publication of Statement of Payments Made to Members**

As you will be aware the Independent Remuneration Panel for Wales requires all local authorities to publish a statement of the payments made by the authority to its members by 30<sup>th</sup> September each year. Annex 4 of the Panel's Annual Report details the required content of the published statement.

The Panel has reviewed the extent of compliance in respect of this statutory requirement for the 2015/16 municipal/financial year and has found a significant degree of non-compliance.

The Statements of Payments Made to Members must be published in a place easily accessible to the public, no later than the 30<sup>th</sup> September following the year to which the payments applied. It must also be sent to the Panel directly by 30<sup>th</sup> September, either electronically or by post. Of the 28 Statements produced for 2015/16, only 7 were sent to the Panel before 30<sup>th</sup> September 2016. The Panel has noted that your authority was one of the 7 which were compliant with this requirement and sent the statement to the Panel as well as making the information publically available.

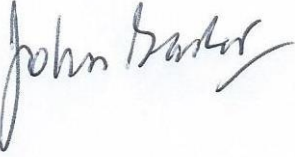
The Panel is also concerned over the lack of consistency in the information being produced across authorities and in the interest of transparency has decided to produce a pro forma for the Statements of Payments Made to Members. The draft pro forma will be issued by the Panel secretariat in due course for your comments. Once finalised we expect all authorities to use it when compiling and publishing the information.

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The Panel is also aware that a number of councillors have exercised their right to forgo part or all of their salary. Where this is the case, officers should clearly show on the statement what percentage of salary has been relinquished and by whom.

Yours Sincerely

A handwritten signature in black ink that reads "John Bader". The signature is written in a cursive style with a long, sweeping underline.

John Bader  
Chairman