

ISLE OF ANGLESEY COUNTY COUNCIL

Meeting:	County Council
Date:	12 May 2016
Title of report:	The Scheme of Member Remuneration for 2016/17
Report by:	Head of Democratic Services and Head of Function - Resources
Purpose of Report:	To determine the number and level of senior salary payments for 2016/17

1.0 Introduction

- 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, including co-opted members, for 2016/17 is prescribed by the Independent Remuneration Panel (IRP) in its annual report dated February 2016. The main changes are set out in this report. This information needs to be reported to the Council in order to confirm the number of Members entitled to a senior salary as well as the amounts payable to Executive Members, Committee Chairs, Civic and Deputy Civic Leaders. There is a budget in place for 2016/17 to cover member remuneration.

2.0 Payments to elected members of principal councils

Basic salary

- 2.1 The Panel has determined there shall be no increase in the level of basic salary for members of principal councils. Basic salary for elected members shall therefore remain at **£13,300** for 2016/17.

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 2016/17 and this figure still includes civic salaries. For the past two years, the Council decided to allocate senior salaries to 14 office-holders to reduce democratic costs.

2.3 The Panel has determined that senior salary levels for 2016/17 for the Isle of Anglesey County Council shall be payable as follows:

Senior Salaries (inclusive of Basic Salary):		
Band 1	Leader Deputy Leader	£43,000 £30,000
Band 2	Executive members – Level 1 Executive members – Level 2	£26,000 £23,400
Band 3	Committee Chairs (if remunerated) Level 1 Level 2	£22,000 £20,000
Band 4	Leader of largest opposition group*	£22,000
Band 5	Leader of other political group*	£17,000
<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 IRP has introduced two levels of payment for Executive members. In Anglesey, Level 1 amounts to £26,000 and Level 2 amounts to £23,400. Currently, Executive members in Anglesey are paid £26,000. The IRP Annual Report states:

“Although many councils operate with a cabinet of 10, the statutory maximum, others choose to have smaller cabinets and therefore the range of individual portfolios is much greater. We have concluded that this should be reflected in the remuneration framework. It is not the role of the Panel to determine the structure of cabinets of local authorities so the new determinations provide flexibility for each 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”..... “it will be a matter for individual authorities to decide the implementation of the determinations within their specific structures”.

Band 3 – Committee Chairs

2.5 In addition, the IRP has introduced two levels of payment for Committee Chairs. The two levels of remuneration for Chairs of Committees (if paid) are £22,000 at Level 1 and £20,000 at Level 2. Currently, Committee Chairs in Anglesey in receipt of a senior salary are paid £22,000. The IRP Annual 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”..... “It is a matter for individual authorities to determine at which level a chair is paid to reflect the appropriate responsibility attached to the specific post.”

- 2.6 The WLGA does not support the differentiation of salaries for Cabinet Members or Committee Chairs and support the payment of salaries at Level 1 to reflect responsibilities. The Council has also made representations to the IRP on this basis during consultation on the draft IRP report.
- 2.7 Group leaders have been consulted on the issue of payment levels and the majority view was that Level 1 payments should continue. One of the reasons for this view is that the total cost in Anglesey is lower than the basic recommendation as the number of portfolio holders is lower than the maximum involved.

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 population. A council may decide not to apply any civic salary to the posts of civic head and deputy civic head.
- 2.9 The Council therefore still has discretion to pay a civic salary (inclusive of basic salary) in accordance with the following payment levels prescribed by the IRP:

Civic Salaries (inclusive of Basic Salary):	
Civic Head (Chair of Council)	A - £24,000 B - £21,500 C - £19,000
Deputy Civic Head (Deputy Chair of Council)	A - £18,000 B - £16,000 C - £14,000

- 2.10 For the past two years, the Chair and Vice Chair of the Council received a salary of £19,000 and £14,000 respectively inclusive of basic salary.

Democratic Services Committee

- 2.11 The Democratic Services Committee considered the above determinations for 2016/17 at its meeting on 23 March 2016, when it was resolved:

“to recommend to the full Council on 12th May, 2016 that payments for 2016/17 be based on 2015/16 levels namely:-

The payment of Level 1 salaries for Executive Members;
 The payment of Level 1 for Committee Chairs;
 The payment of Levels C for Civic Leaders and Deputy Civic Leaders.”

Key factors underpinning the Panel's determinations

- 2.12 The basic salary, paid to all members, is remuneration for the responsibility of community representation and participation in the scrutiny, regulatory and related functions of local governance at the time equivalent of three days a week. Any time commitment beyond three days is an unpaid public service contribution.
- 2.13 The prescribed salary and expenses must be paid in full to each member unless an individual has independently and voluntarily opted in writing to the authority's proper officer to forego all or any element of the payment.

The following must be applied:

- 2.14 An elected member must not be remunerated for more than one senior post within his or her authority.
- 2.15 An elected member must not be paid a senior salary and a civic salary.
- 2.16 All senior and civic salaries are paid inclusive of basic salary.
- 2.17 If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and the other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader.
- 2.18 Members in receipt of Band 1 and Band 2 Senior Salaries cannot receive a salary from any National Park Authority or Fire and Rescue Authority for which they have been appointed.

3.0 Supporting the work of local authority elected members

- 3.1 The Democratic Services Committee has a specific role to ensure that elected members are supported to fulfil their duties. These matters will form part of the Committee's work programme for 2016/17.

4.0 Payments to co-opted members of principal councils

- 4.1 The determinations for 2016/17 are set out below:

Principal councils must pay the following fees to co-opted members (who have voting rights):	
Chairs of standards committees and audit committees	£256 (4 hours and over) £128 (up to 4 hours)
Ordinary members of standards committees who also chair standards committees for community and town councils	£226 daily fee (4 hours and over) £113 (up to 4 hours)
Ordinary members of standards committees; education scrutiny committee; crime and disorder scrutiny committee and audit committee	£198 (4 hours and over) £99 (up to 4 hours)

- 4.2 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.
- 4.3 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).
- 4.4 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.
- 4.5 Meetings eligible for the payment of fee 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.

5.0 Other payments and allowances

The remainder of this report details other payments and allowances payable as prescribed by the IRP.

Reimbursement of mileage costs

- 5.1 The Panel has decided there will be no charge in 2016/17 to mileage rates which members are entitled to claim. All authorities may only reimburse travel costs for their members undertaking official business at current HMRC rates which are:
- 45p per mile – up to 10,000 miles in a year by car
 - 25p per mile – over 10,000 miles in a year by car
 - 5p per passenger per mile – passenger supplement
 - 24p per mile – motor cycles
 - 20p per mile – bicycles
- 5.2 Authorities should pay mileage at the prescribed rates to a member who has been a passenger in a vehicle driven by someone else provided the authority is satisfied that a cost has been incurred by the member. Travel expenses paid to councillors by their local authority are exempt from Income Tax and employee NICs.

Reimbursement of subsistence costs

- 5.3 Reimbursement of subsistence expenses for members and co-opted members are based on the maximum rates set out below by the Panel on the basis of receipted claims except for occasions when members stay with friends and/or family:
- £28 per day – day allowance for meals, including breakfast where not provided in the overnight charge
 - £150 per night - London
 - £95 per night – elsewhere
 - £25 per night – overnight staying with friends and/or family

Reimbursement of the costs of care

- 5.4 The Panel has determined that all authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the person providing the care.
- 5.5 The Panel has also determined that all authorities must provide for the reimbursement of necessary costs for the care of personal assistance needs (provided by informal or formal carers) up to a maximum of £403 per month. Reimbursement shall only be made on presentation of receipts from the person providing the care.
- 5.6 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 responsibility as a carer or by their own requirements for personal care and assistance. The Panel recognises that there is some sensitivity concerning the publication of this legitimate expense. However, the Panel has urged authorities to promote this allowance and encourage greater take-up of this support to facilitate increased engagement amongst authority members.
- 5.7 Such provision would be especially relevant to those individuals in sectors of the population that are currently under-represented on authorities but who may become engaged when awareness of the support available for the costs of care becomes more widely known.

Entitlement to family absence

- 5.8 The Regulations relating to family absence for elected members of principal councils were approved by the National Assembly for Wales in November 2013. The Panel considered the implications for the remuneration of such members who are given absence under the terms of the Welsh Government Regulations and the Panel's determinations are set out below:
- An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of family absence.
 - When a senior salary holder is eligible for family absence, he/she will continue to receive the salary for the duration of the absence.
 - It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
 - If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to this Council if it would result in the number of senior salaries exceeding 50% of the Council membership. Specific approval of Welsh Government is required in such circumstances.

- When a Council agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details, including the particular post and the duration of the substitution.
- The schedule of remuneration must be amended to reflect the implication of the family absence.

Pension provision

- 5.9 The Local Government (Wales) (Measure) 2011 provides a power to the Panel to make determinations on pension entitlement for elected members of principal councils.
- 5.10 The Panel has determined that the entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.

6.0 Recommendations

The Council is requested:

- 6.1 to confirm that senior salaries should be payable to the following office holders during 2016/17:

Chair of Council
 Vice Chair of Council
 Leader
 Deputy Leader
 Other Executive Members (5)
 Chair of the two Scrutiny Committees
 Chair of Planning and Orders Committee
 Chair of Audit Committee
 Leader of the Largest Opposition Group

- 6.2 to consider the recommendations of the Democratic Services Committee on 23 March 2016 with regard to the payment of senior salaries (as outlined in paragraph 2.11) and confirm the level of the payment of senior salaries during 2016/17 for:

- Executive Members
- Committee Chairs
- Civic Head and Deputy Civic Head

- 6.3 to note other details on payments and allowances for 2016/17 as prescribed by the Independent Remuneration Panel for Wales.

Huw Jones
Head of Democratic Services
30/04/16

Background paper:- The Independent Remuneration Panel for Wales Annual Report (February 2016) - <http://gov.wales/irpwsb/home/publication/2016-17/irp-annual-report-2016-17/?lang=en>

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