

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2016 – 2017

COUNCIL

25th May 2016

**Joint Report of the Group Director,
Corporate and Frontline Services and
Director, Legal and Democratic Services**

	Agenda Item No. 11
Members' Allowances and Salaries - Independent Remuneration Panel For Wales' Eighth Annual Report	

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1. PURPOSE OF THE REPORT

1.1 To inform Members of the current position regarding both Members' salaries and allowances following the publication of the Independent Remuneration Panel for Wales' Eighth Annual Report (the 'IRP Report') and seek approval for Members' salaries and allowances for Municipal Year 2016-17.

2. RECOMMENDATIONS

2.1 To note the current position with regard to Members' salaries and allowances following the Independent Remuneration Panel's ("the Panel") findings in its Eighth Annual Report.

2.2 To note the Leader's determination with regards to the level at which Executive (Cabinet) Members should be remunerated in accordance with the Executive Member remuneration bandings detailed in paragraph 3.9 of this report.

2.3 To obtain instructions from Council as to which level Committee Chairs shall be remunerated in accordance with the Committee Chair remuneration bandings detailed in paragraph 3.12 of this report.

2.4 To obtain instructions from Council as to which level the Mayor and Deputy Mayor of the Council shall be remunerated in accordance with the civic salary remuneration bandings detailed in paragraph 3.16 of this report.

2.5 To obtain instructions from Council as to which qualifying posts (up to a maximum of 19) will be paid a Senior Salary for Municipal Year 2016-17. A list of the posts that attract a Senior Salary and the amount that would be payable to each is annexed at Appendix 1. A list of the 17 posts to which a Senior Salary is currently paid by the Council is

annexed at Appendix 2 to this report. Members are asked to note that the Chair of the Audit Committee during the 2015-2016 Municipal Year (who is appointed by the Committee itself) was the Co-opted Lay Member of the Committee – hence no Senior Salary was paid for this post. It is therefore recommended that Council determine whether or not this post should be paid a Senior Salary for the 2016-2017 Municipal Year if the appointed Chair of the Committee is not the Co-opted Lay Member.

- 2.6 That Members agree payments to co-opted members continue to be capped at a maximum of the equivalent of 10 full days a year for each committee to which an individual may be co-opted.
- 2.7 That Members agree undertaking constituency duties should not be included as an approved duty for the purpose of claiming travel allowances.
- 2.8 That Members re-confirm subsistence claims for official business which takes place in-county shall not be reimbursed by the Council.
- 2.9 That Members note the publicity requirements of the IRP Report that the Council will need to undertake in respect of the arrangements for the publication of the remuneration received by Members during the Municipal Year.

3. BACKGROUND

- 3.1 A full copy of the IRP Report can be accessed via the following link: -
<http://gov.wales/irpwsb/home/publication/2016-17/irp-annual-report-2016-17/?lang=en>
- 3.2 The Panel originally determined (IRP Annual Report, December 2009) that the payment of basic salary would be aligned to the median gross earnings of full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE). Given the pressures on public expenditure it was not possible for this alignment to be maintained. The Panel will revisit in a future report the basis on which the basic salary has been determined.
- 3.3 The Panel has **not increased** the basic salary level for Municipal Year 2016-17 given the continuing restraints on local government spending and it therefore remains at £13,300.
- 3.4 There is also no change to the maximum proportion of Members who are eligible to receive a Senior Salary. Therefore, the maximum proportion of the Council's membership which can be paid a Senior Salary remains capped at 19.

- 3.5 The list of posts which meet the qualifying criteria and would attract Senior Salaries for this Council are set out at Appendix 1. At present 17 Senior Salaries are paid by this Council and these are set out at Appendix 2 to this report.
- 3.6 The salaries for this Council together with allowances for 2016 - 17 that would be payable are as follows: -

Basic and Senior Salaries

Basic Salary	£13,300
Senior Salaries (<u>inclusive of Basic Salary</u>) (payable to a maximum of 19 posts)	
Band 1	
Leader	£53,000
Deputy Leader	£37,000
Band 2	
Executive members – Level 1	£32,000
Executive members – Level 2	£28,000
Band 3	
Committee Chairs – Level 1	£22,000
Committee Chairs – Level 2	£20,000
Band 4	
Leader of largest opposition group	£22,000
Band 5	
Leader of other political groups (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)	£17,000

Executive Member salaries

- 3.7 As a result of consultation feedback on the draft report and from feedback the Panel had in relation to earlier reports it has recognised that there are a wide variety of arrangements across Council's with regards to executive members' portfolios. They have concluded that some executive members do have greater responsibility and workloads than others but this was largely dependent on the specific organisational arrangements of the cabinets of each authority. For example some authorities (as did this Council during the last Municipal

Year) operate with fewer cabinet members than the statutory maximum of 10 and thus the range of individual portfolios is greater.

- 3.8 The Panel do recognise however that it is not its role to determine the structure of the Council's cabinet so the determination below provides 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.
- 3.9 As is noted above Executive Members may therefore be paid at either of the following two senior salary levels and it is a matter for individual authorities to decide the implementation of the determinations within their specific cabinet structures:

Executive Members – Level 1	£32,000
Executive Members – Level 2	£28,800

- 3.10 In view of the model that this Council operates whereby the Leader appoints his/her Cabinet the Leader determines which level each Member of the Cabinet should be remunerated at and Council is asked to note their determination with regards to that level.

Committee Chair salaries

- 3.11 The Panel has taken the view that the responsibility and function of chairing a committee is not generally influenced by population of the authority. The Panel considers that the specific responsibility and workload of some chairs is greater than others. They have therefore reflected this in the remuneration framework. The Panel has also noted the importance placed by Welsh Government on the value of the scrutiny function for local democracy and has noted that in total 91 chairs of scrutiny received senior salaries. The Panel therefore believes this is clear recognition of the importance of this function and should be maintained.
- 3.12 As is noted above the Panel is introducing two levels of remuneration (where paid) for chairs of committees and it is a matter for individual authorities to determine at which level a chair is paid to reflect the appropriate responsibility attached to the post: -

Level 1 Chairs - £22,000
Level 2 Chairs - £20,000

Basic and Senior Salaries: Other Matters

- 3.13 The Panel stipulates the following:
- 3.13.1 The Basic Salary is paid for the responsibility of community representation and participation in the scrutiny, regulatory or related function of local governance at the time equivalent of

three days a week. Any time commitment beyond three days is an unpaid public service contribution.

- 3.13.2 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.
- 3.13.3 A Member must not be paid more than one Senior Salary (subject to paras 3.48 - 3.49 on JOSCs).
- 3.13.4 All Senior Salaries are paid inclusive of Basic Salary.
- 3.13.5 The Council must pay a Senior Salary to the leader of the largest opposition group (subject to the not less than 10% of total membership requirement).
- 3.13.6 Where Councils enter into joint arrangements the Senior Salary (if paid) of the chair of the joint-committee shall be paid by his/her Council. This Senior Salary will count against that Council's maximum.

Civic Salaries

- 3.14 The Panel now provides for councils to set remuneration levels of Civic Heads (and their deputies) which reflect activity and responsibility rather than population. It has set three levels of civic salary for each of these roles which can be paid by councils according to local factors.
- 3.15 Therefore having regard to the time, role and senior responsibilities of civic heads and deputy civic heads, the Panel has determined that (where paid) civic salaries within the levels set out in paragraph 3.16 below are payable and should be applied by the Council as it considers appropriate taking into account anticipated workloads and responsibilities.

3.16

Remuneration of civic heads and deputy civic heads (inclusive of basic salaries)		
	Civic Heads	Deputy Civic heads
Level 1	£24,000	£18,000
Level 2	£21,500	£16,000
Level 3	£19,000	£14,000

- 3.17 For the 2015-16 Municipal Year this Council determined that the Mayor and Deputy Mayor of the Council be remunerated at the Level 2 banding.
- 3.18 The Council may decide not to apply any civic salary to the posts of civic head and/or deputy civic head.
- 3.19 The posts of civic head and deputy civic head are not included in the cap (of 19).
- 3.20 Members must not be paid a Senior Salary and a civic salary.

3.21 The Panel's principle that a member should not have to pay for the cost of support (see paras 3.30 - 3.32 below) needed to carry out the duties applies particularly in the case of civic heads. The Panel recognises the range of different levels of provision made for civic heads in respect of transport, secretarial support, charitable giving or clothing. The Panel does not consider it appropriate for councils to expect or require that contributions towards this provision should be met from the salaries paid to civic heads.

Co-opted Members

3.22 The Panel has decided that for 2016-17, local authorities must pay the following fees to co-opted members (who have voting rights):

Chair, Standards Committee; Chair, Audit Committee	£256 (4 hours and over) £128 (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)
Ordinary member of standards committees who also chair standards committees for community and town councils	£226 (4 hours and over) £113 (up to 4 hours)

3.23 In the IRP Report the Panel has confirmed that Councils can continue to decide on the maximum number of days for which co-opted members may be paid in any one year.

3.24 Previously payments were capped at a maximum of the equivalent of 10 full days a year for each committee to which an individual may be co-opted and it is recommended Members agree to maintain this cap.

3.25 The Panel has confirmed that 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.

3.26 Travelling time to and from the place of the meeting can be included in the claims for payments to co-opted members (up to the maximum of the daily rate).

3.27 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.

- 3.28 Meetings eligible for the payment of the 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.

Forgoing any part of the salary, allowance or fee

- 3.29 Under Section 154 of the Measure, any Member or co-opted member may by notice in writing to the Monitoring Officer elect to forgo any part of their entitlement to a salary, allowance or fee under the determination of the Panel for that particular year.

Supporting the work of Members

- 3.30 The Panel has determined that the Council must ensure all Members are given as much support as is necessary to enable them to fulfil their duties effectively and the Council must address any particular requirements of individual members.
- 3.31 The Panel has determined such support should be without cost to individual Members. Costs of support must be appropriate, reasonable and publicly declared. Deductions must not be made from Members' salaries by the respective authority as a contribution towards those support costs which the Council considers necessary for the effectiveness and/or efficiency of Members.
- 3.32 It falls within the remit of the Democratic Services Committee to review the level of support provided to Members to carry out their duties and the Panel expects this committee to do so and bring proposals to full Council as to what is considered to be reasonable.

Reimbursement of Care Expenses

- 3.33 The Panel has decided that for 2016-17 councils must make provision for a maximum rate payable of £403 per month to members and co-opted members of local authorities who incur necessary expenses for the care of children or dependants or personal assistance needs whilst undertaking their member duties. Reimbursements shall only be made on production of receipts from the carer.
- 3.34 The Panel has urged authorities to encourage greater take-up of this support to facilitate increased diversity amongst authority members. 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.

Reimbursement of Travel Expenses

- 3.35 The Panel has decided there will be no change in 2016-17 to mileage rates that can be claimed for travel. These remain linked to current HMRC rates:

45p per mile – Up to 10,000 miles in a year by car

25p per mile – Over 10,000 miles by car

5p per passenger per mile – Passenger supplement.

24p per mile – Private motor cycles.

20p per mile – Bicycles.

- 3.36 All other claims for travel, such as bus and taxi fares, will only be reimbursed on production of a receipt showing the actual expense, and are subject to any requirement or further limitation that the Council may determine. Members and co-opted members should always be mindful of choosing the most cost effective method of travel.

Approved Duties – Extension

- 3.37 In its fifth report the Panel decided that councils may define 'official business' to include Members' undertaking constituency responsibilities for which travel expenses may be reimbursed.

- 3.38 At the last Annual Meeting Members decided that undertaking constituency duties should not be included as an approved duty for the purposes of claiming travel allowances. Members will therefore need to resolve whether they wish to continue with this arrangement for Municipal Year 2016-17.

Reimbursement of Expenses: Subsistence

- 3.39 The maximum rates for subsistence which can be claimed are set out below (all claims must be supported by receipts):

£28 per day Day allowance for meals, including breakfast, where not provided in the overnight charge

£200 per night London

£95 per night Elsewhere

£30 per night Staying with friends and/or family

- 3.40 Overnight accommodation should be reserved and paid for by the Council itself. It is not necessary to allocate the maximum daily rate (£28 per day) between different meals, as the maximum daily rate reimbursable covers a 24 hour period and can be claimed for any meal during this period, provided such a claim is supported by receipts.

Subsistence claims within council boundaries

- 3.41 Council will need to consider whether it wishes to maintain the restriction in respect of such subsistence claims, and that for 2016-17 subsistence expenses for official business which takes place in-county shall only be reimbursed by the Council when the Council is satisfied it can be justified on economic grounds
- 3.42 The Panel accepts that different considerations apply when official business requires a member to travel beyond county boundaries when additional subsistence costs may be incurred. In this case, reimbursement of subsistence, subject to the specified limits, is acceptable.

Pension provision for Elected Members

- 3.43 The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all elected members of the Council.

Implementation 2016-17

- 3.44 For both Basic and Senior Salaries the provisions of the IRP Report will take effect from the date of the annual meeting of the Council.

Compliance and the publicity requirements

- 3.45 The Council must maintain an annual Schedule of Member Remuneration (the 'Schedule'). Annex 2 to the IRP Report sets out the content that must be included in the Schedule. The Panel have produced a template Schedule which it recommends that councils now use and it is intended that this Council will adopt use of the template Schedule.
- 3.46 The Council must make arrangements for the Schedule's publication within county borough as soon as practicable after determination and not later than 31 July next following the start of the year to which it applies.
- 3.47 The Council must make arrangements for publication within the authorities area of the total sum paid by it to each Member and co-opted Member in respect of salary, allowances, fees and reimbursements as soon as practicable and no later than 30 September following the close of the year to which it relates. Annex 3 to the IRP Report sets out the content that must be included in the publicity requirement. The Schedule of Member Responsibility and Remuneration must be sent to the Panel at the same time as the Council sends it for local publication.

Joint Overview and Scrutiny Committees (“JOSC”)

- 3.48 For 2016-2017 the Panel has determined the following: -
- (i) the chair of a JOSC is eligible for a salary equivalent to that part of a Band 3 Level 2 salary that remunerates a committee chair of a principal authority (£6,700) per annum.
 - (ii) in cases where the chair is already in receipt of a Senior Salary for a Band 3, 4 or 5 role the payment will be £3,350 per annum.
 - (iii) the chair of a sub-committee of a JOSC is eligible for a salary set at £1,675 per annum.
 - (iv) in cases where the chair of the sub-committee is already in receipt of a Senior Salary for a Band 3, 4 or 5 role the payment will be £837 per annum.
 - (v) Payments to chairs of task and finish sub-committees are to be pro-rated to the duration of the task.
 - (vi) Payments to a chair of a JOSC or a chair of a sub-committee of a JOSC are additional to the maximum proportion of the authority’s membership eligible for a Senior Salary.
 - (vii) A deputy chair of a JOSC or sub-committee is not eligible for payment.
 - (viii) Co-optees to a JOSC or to a sub-committee are not eligible for a Co-optee member fee unless they are appointed by an authority under s144(5) of the Measure.
- 3.49 The remuneration of chairs of JOSC’s (or a sub-committee of JOSCs) is not prescribed and is a matter for the constituent councils to decide whether such a post will be paid.

Family Absence

- 3.50 Generally, a decision taken by the Council under the Family Absence regulations which relates to a member who is a basic salary holder is not a matter for the Panel, as the Panel considers that the current statutory position in respect of the absence of a member (the “six month rule”) coincides with the maximum period of absence set out in the regulations. Therefore a member taking Family Absence would be entitled to retain the basic salary. Nevertheless, there could be instances where the member concerned has already accumulated absences prior the commencement of an agreed Family Absence. The determinations set out below take account of such a situation.

3.51 For 2016 - 2017 the Panel has determined the following: -

a) A 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 the family absence.

b) When a senior salary holder is eligible for family absence, he/she will be able to continue to receive the salary for the duration of the absence.

c) It is a matter for the authority to decide whether or not to make a substitute appointment. The member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.

d) 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 IRP Report, an addition to the maximum will be allowed for the duration of the substitution. Specific approval of Welsh Ministers is required in such circumstances.

e) When an authority 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.

f) The schedule of remuneration must be amended to reflect the implication of the family absence.

Specific or Additional Senior Salaries

3.52 As was noted at last years AGM a number of Council Leaders have requested changes to the Framework to include what they described as 'development' posts, which they indicated would support and assist members of an executive.

3.53 The Panel considered the request for greater flexibility and concluded that it would be most appropriately addressed by allowing authorities to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework or which could not be accommodated within the maximum number of senior salaries relating to the authority.

3.54 The Panel therefore issued guidance in respect of making such applications and a full copy of that guidance can be accessed via the following link: -

<http://wales.gov.uk/irpwsb/home/publication/201415/guidance-for-salaries/?lang=en>

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APPENDIX 1

**POSTS THAT ATTRACT SENIOR SALARIES
(CAPPED AT 19 POSTS)
MUNICIPAL YEAR – 2016-2017**

Note: - There are 23 posts (subject to a Cabinet of 9 Members) listed below which would meet the qualifying criteria for a Senior Salary (as set out in the IRP Report).

POSITION	AMOUNT (£)
Leader	£53,000
Deputy Leader	£37,000
Executive (Cabinet Member) (x7)	£32,000 – Level 1 £28,800 – Level 2
Development Control Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Licensing Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Overview and Scrutiny Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Scrutiny Committee Chairs (x4)	£22,000 - Level 1 £20,000 – Level 2
Corporate Governance and Constitution Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Appeals Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Appointments Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Democratic Services Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Audit Committee Chair	£22,000 - Level 1 £20,000 – Level 2
Pension Fund Committee Chair* *Subject to the establishment of this committee - See Agenda Item 6	£22,000 - Level 1 £20,000 – Level 2
Leader of Opposition	£22,000

N.B. STATED AMOUNTS ALL INCLUSIVE OF BASIC SALARY

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APPENDIX 2**POSTS THAT ATTRACT SENIOR SALARIES
PAID BY THIS COUNCIL DURING THE 2015-2016 MUNICIPAL YEAR**

Note: - These are the 17 posts which meet the qualifying criteria for a Senior Salary (as set out in the IRP Report) paid by this Council during the 2015-2016 Municipal Year. The amount shown is the amount that would be paid as a Senior Salary should Members resolve to pay the same posts Senior Salaries for Municipal Year 2016-17.

POSITION	AMOUNT (£)
Leader	£53,000
Deputy Leader	£37,000
Executive (Cabinet Member) (x7)	LEVEL TO BE DETERMINED BY LEADER – see Appendix 1 above
Development Control Committee Chair	LEVEL TO BE DETERMINED – see Appendix 1 above
Licensing Committee Chair	LEVEL TO BE DETERMINED – see Appendix 1 above
Overview and Scrutiny Committee Chair	LEVEL TO BE DETERMINED – see Appendix 1 above
Scrutiny Committee Chairs (x4)	LEVEL TO BE DETERMINED – see Appendix 1 above
Leader of Opposition	£22,000

Members should note that the Chair of Audit Committee during the 2015-2016 Municipal Year (who is appointed by the Committee itself) was the Co-opted Lay Member of the Committee – hence no Senior Salary was paid for this post.

It is therefore recommended that Council determine whether or not this post should be paid a Senior Salary for the 2016-2017 Municipal Year if the appointed Chair of the Committee is not a Co-opted Lay Member.

N.B. STATED AMOUNTS ALL INCLUSIVE OF BASIC SALARY

LOCAL GOVERNMENT ACT 1972

as amended by

LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

LIST OF BACKGROUND PAPERS

COUNCIL

25th MAY 2016

REPORT OF THE DIRECTOR, LEGAL & DEMOCRATIC SERVICES

REPORT

OFFICER TO CONTACT

**Members' Allowances and Salaries -
Independent Remuneration Panel For Wales Eighth
Annual Report**

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Background Papers

Independent Remuneration Panel For Wales Eighth
Annual Report