

RHONDDA CYNON TAFF COUNTY BOROUGH COUNCIL

MUNICIPAL YEAR 2015-2016

**DEMOCRATIC SERVICES
COMMITTEE
26TH NOVEMBER, 2015**

**REPORT OF THE HEAD OF
DEMOCRATIC SERVICES**

Agenda Item No. 5(a)

**FEEDBACK FROM MEETING
BETWEEN THE INDEPENDENT
REMUNERATION PANEL FOR WALES
AND CHAIRS/HEADS OF
DEMOCRATIC SERVICES IN
RELATION TO THEIR 2016/17 DRAFT
ANNUAL REPORT**

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1. PURPOSE OF REPORT

To provide feedback to Members' following the meeting held between the Independent Remuneration Panel for Wales and the Chairs of Democratic Services Committees and the Heads of Democratic Services held on the 2nd November, 2015.

2. RECOMMENDATIONS

It is recommended that:

1. That Members note the feedback from the meeting held between members of the Independent Remuneration Panel for Wales and the Chairs/Heads of Democratic Services.
2. That should any Member wish to make any comment in relation to the Draft Annual Report 2016/17 of the IRP then they be submitted on an individual basis by the deadline of the 30th November, 2015.

3. BACKGROUND

- 3.1 The Independent Remuneration Panel for Wales ("the Panel") was established in 2008 and currently comprises five members (soon to be increased to 7 members) appointed by the Minister for Local Government. The link to the Panel's Draft Annual Report for 2016/17 was emailed to all Members on the 6th October, 2015.
- 3.2 The full report of the Panel has not been appended to this report due to its volume. However, this does not prevent any Member making individual comments to any part of the document by the response deadline of the 30th November, 2015 either by post: IRP Secretariat, Welsh Government, First

Floor, North Wing, M05, Cathays Park, Cardiff. CF10 3NQ or by email: IRPMailbox@wales.gsi.gov.uk.

3.3 The eighth (2016/17) Annual Report can be accessed by using the link: <http://gov.wales/irpwsb/home/publication/2016-17?lang=en>

3.4 Following the publication of the Draft Annual Report for 2016/17 on the 5th October, 2015, Chairs and Heads of Democratic Services were invited to meet with the Panel at one of the three sessions that were held during the latter part of October and the beginning of November, 2015. The Head of Democratic Services attended the event held at Cathays Park, Cardiff on Monday, 2nd November, 2015, unfortunately, the Chair of the Committee submitted apologies as she was unwell.

4. BRIEF OUTLINE OF THE DISCUSSIONS HELD AT THE MEETING WITH THE PANEL

4.1 The main points raised at the meeting were in relation to:-

- the two different levels of salaries to be paid to Cabinet Members e.g. for Rhondda Cynon Taf (Group A) up to 5 Cabinet post (excluding the Leader) will be paid a salary of £32,000 and Deputy Leaders (where appointed) will be one of the 5 posts and the salary will be increased by 15%; any other Cabinet Member (up to the statutory maximum) will be paid a salary of £28,000. However, the Panel will not determine the structure of Cabinets of local authorities as they were of the view that 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. The Chairs and Heads of Democratic Services were of the view that it would be difficult for Leaders/Councils to differentiate the levels of salaries to be allocated to Cabinet Members as, for example, in many cases their Role Descriptions are very similar.
- The introduction of two levels of remuneration for Chairs of Committees – level 1 will be paid a salary of £22,000 and level 2 will be paid a salary of £20,000 and again it will be for each Council to decide which of the chairs (if remunerated) are level 1 or level 2. The expectation of the Panel is that the payment of a level 1 salary would be to recognise exceptional responsibility.
- Leaders of the largest opposition group to be paid a salary of £20,000, which would be a reduction of £2,000.
- Chairs and Heads of Democratic Services also raised concern in relation to one of the paragraphs in the letter of the Panel which accompanied the Draft Annual Report 2016/17 – *“for the first time this year the Panel also received a remit letter from its sponsor Minister which drew to the Panel’s attention the Welsh Government’s desire to reduce the cost of politics”*. – Chairs of Democratic Services were

concerned that the Panel's independence had been compromised, given that they had introduced new proposals following a Ministerial remit letter.

- The Panel also raised concern at the meeting that some Councillors do not always fully utilise the support that has been provided through the Panel's remuneration framework and urged all those involved to ensure that the determinations are fully implemented and that individual Councillors be encouraged to access all the support available, including the Care Allowance.

4.2 Following the three events held across Wales, the following excerpts are taken from a publication issued on "Wales On-Line" on Sunday, 8th November, 2015:-

4.2.1 "The independent panel which sets pay rates for Councillors has proposed that some Cabinet members should have their salaries reduced".

4.2.2 "The independent panel which sets pay rates for Councillors has proposed that some Cabinet members should have their salaries reduced because they do less work than some of their colleagues. But the move has met a furious reception and could be dropped following a consultation exercise that lasts until the end of November".

4.2.3 "A spokesman for the WLGA said: "The Panel's evidence base, methodology and framework has not changed for the past four years. However, following a Ministerial remit letter, the Panel has put forward a number of proposals which mark a significant shift in that framework.....With regards to the call to `cut the cost of politics`, no one understands the impacts and challenges of the need to cut costs more than Councillors; they are having to make some of the most difficult and unpalatable service decisions ever taken given the unprecedented funding pressures faced",

4.2.4 "Richard Penn, who chairs the IRP, said: "We put forward the proposed pay cut in our draft report for 2016-17, which is out for consultation. The thinking behind it comes from discussions we've had with elected members who told us that not all Cabinet members do the same amount of work and have the same level of responsibility. So we've put forward the idea of having one salary for `big` Cabinet posts like education, perhaps, and a slightly lower salary for less demanding posts like culture, perhaps. We've wanted to give the Councils themselves some flexibility – but maybe they don't want it. It would be a brave Council Leader who said to his or her colleague that they are more valued than others. I was recently at a meeting of Councillors who Chair Democratic Services Committees, and the reception for the proposal was lukewarm to say the least. Depending on the results of the consultation, we may change the final report".

Link to full story:

<http://www.walesonline.co.uk/news/politics/councillors-wales-resist-plan-10-10400970>

5. CONCLUSION

- 5.1 The report summarises for Members' information the outcomes of the meeting with the IRP to which the Chairman and I were invited.
- 5.2 One of the issues that was not discussed on the 2nd November, 2015 was that for the second consecutive year the Panel decided that given the continuing constraints on local government spending there would be no increase in remuneration in 2016/17.
- 5.3 The Local Government (Wales) Bill will also introduce changes whereby the Panel's membership can be a minimum of 3 Members and up to a maximum of 7 Members. It is therefore, proposed to increase the current membership of the Panel from 5 to 6 with effect from the 1st January, 2016. It is the last year that Richard Penn will be Chair and a member of the Panel, the new Chair will be John Bader, who is currently the Vice-Chair, with the addition of two new members.
- 5.4 Members can respond to any of the contents within the Draft Annual Report 2016/17 on an individual basis by the deadline of the 30th November, 2015.

LOCAL GOVERNMENT ACT 1972

AS AMENDED BY

THE LOCAL GOVERNMENT (ACCESS TO INFORMATION) ACT 1985

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REPORT OF THE HEAD OF DEMOCRATIC SERVICES

BACKGROUND PAPERS

Feedback from meeting between the Independent Remuneration Panel for Wales and Chairs/Heads of Democratic Services

Freestanding Matter

