

CONSTITUTION & DEMOCRATIC SERVICES COMMITTEE

Date of Meeting	Wednesday, 9 November 2022
Report Subject	Independent Remuneration Panel for Wales (IRPW) draft Annual Report 2023/2024
Report Author	Democratic Services Manager

EXECUTIVE SUMMARY

Each year, the Independent Remuneration Panel for Wales (IRPW) determines the rates of payment which are to be made to elected and co-opted members of Welsh Local Authorities for the following year.

Established by the Local Government (Wales) Measure 2011, the IRPW is independent of local authorities. It has emphasised from its inception that:

“Local democracy and governance of public services is not cost free and need to be valued if we are to enable everyone to participate. Levels of remuneration need to be set at a level sufficient to encourage a diversity of willing and able people to undertake local governance through elected, appointed or co-opted roles.”

The draft Annual Report is sent by the IRPW to County Councils each year. This year, it did so on the 6th October 2022, requesting comments to be made by no later than the 1st December 2022.

The IRPW is required to take into account any representations which it receives on the draft report before issuing its final version of the report in February.

The IRPW says that the year 2023/24 will be a ‘*year of consolidation*’. This is in recognition of the major changes that were introduced for 2022/23, to ‘*allow time for last year’s Determinations to bed in*’.

Last year, the Panel reset the basic salary for elected members of principal councils to align with the 2020 Annual Survey of Hours and Earnings (ASHE).

They propose to retain the link between basic salary of councillors and the average salaries of their constituents.

The basic salary in 2023/24 for elected members of principal Councils shall be £17,600 with effect from 1st April 2023.

Small increases are also proposed for Cabinet Members, Council Leaders and their deputies.

RECOMMENDATIONS

1	That the Committee considers and comments on the Determinations made by the Independent Remuneration Panel for Wales in their draft Annual Report for 2023/24.
2	That the Head of Democratic Services be authorised to make a response on behalf of the Council, reflecting the decision made at the meeting, to the Independent Remuneration Panel for Wales.

REPORT DETAILS

1.00	DETAILING THE DRAFT ANNUAL REPORT OF THE INDEPENDENT REMUNERATION PANEL FOR WALES (IRPW) 2022/23
1.01	Members will be aware that the IRPW produces a report on an annual basis, which sets out what it has decided (these are called Determinations) the rates of payment to Members and co-optees of Local Authorities in Wales for the following year should be.
1.02	<p>For 2023/24, the Panel have revised the format of their report, removing information that remains the same as previous years. This information will be available on their website.</p> <p>Their report will now focus on the changes resulting from the Panel's proposals.</p>
1.03	<p>In their report (which is attached as an appendix), the Panel states</p> <p><i>Last year the Panel reset the basic salary to align with the 2020 Annual Survey of Hours and Earnings (ASHE) published by the Office of National Statistics. This reduced the imbalance that had arisen between the basic salary of members of principal councils and the average salaries of their constituents.</i></p> <p><i>Building on this decision the Panel has determined that for the financial year 1 April 2023 to 31 March 2024 it is right to retain a link between the basic salary of councillors and the average salaries of their constituents.</i></p> <p>The table below shows the 2022 IRPW determined salary levels and the proposed levels for 2023.</p> <p>All salaries include the basic Member salary. (Determinations 1 and 2)</p>

	Position	Current, 2022 IRPW Determination	Proposed, 2023 IRPW Determination	Amount of proposed increase
	Member of Council	£16,800	£17,600	£800
	Committee Chair	£25,593	£26,400	£807
	Leader of largest Opposition Party	£25,593	£26,400	£807
	Chair of Council	£25,593	£26,400	£807
	Vice-Chair of Council	£20,540	£21,340	£800
	Cabinet Member	£34,020	£35,640	£1,620
	Deputy Leader	£39,690	£41,580	£1,890
	Leader	£56,700	£59,400	£2,700
	These increases will apply from 1 st April 2023.			
	The increases are between 3.15% and 4.76%, which is well behind the current rate of inflation.			
1.04	Determination 3 relates to Salaries for Joint Overview and Scrutiny Committees which do not currently apply to Flintshire.			
1.05	Determination 4 relates to Town and Community Councils.			
1.06	Determination 5 relates to National Park Authorities and Fire & Rescue Authorities. National Park Authorities do not apply to Flintshire.			
	The changes to payments to Fire & Rescue Authorities are shown in the table below:			
	Position	Current, 2022 IRPW Determination	Proposed, 2023 IRPW Determination	Amount of proposed increase
	Member	£2,369	£2,482	£113
	Chair	£11,162	£11,282	£120
	Vice-Chair	£6,109	£6,222	£113
	Committee Chair	£6,109	£6,222	£113
	Flintshire nominates 6 members of the North Wales Fire & Rescue Authority.			
1.07	All of the other determinations made for 2022-23 will remain the same and therefore be applied to 2023-24. These cover:			
	<ul style="list-style-type: none"> • Contributions towards costs of care and personal assistance; • Reimbursement of Travel and subsistence costs; 			

	<ul style="list-style-type: none"> • Compensation for financial loss; • Co-opted Members and • Restrictions on receiving double remuneration where a member holds more than one post.
1.09	As with each draft Annual Report, the Panel are seeking feedback on the content of the report. A copy of the consultation questions is included as Appendix 2.
1.10	The Committee is invited to consider, and comment on the Independent Remuneration Panel for Wales Draft Annual Report and its Determinations for 2023. The consultation period ends on 1 st December.
1.11	<p>The lower than inflation proposed increases reflect the historical nature of the comparator. Due to the method being used, Councillors' allowances will always "be playing catch up".</p> <p>During the term of the last Council, levels of payment fell behind and the IRPW recommended a large increase to bring them "into line". It is possible that the link with ASHE will prevent that from happening in future. However, the IRPW should be trying to guard this risk to avoid a recurrence of the need to increase allowances just before an election. There is a specific question in the consultation on the link with ASHE and it is perhaps worth pointing out that, should any "corrections" be needed, they should be applied incrementally over the next 5 years rather than in a single uplift.</p>

2.00	RESOURCE IMPLICATIONS
2.01	<p>Any member or co-opted member may by notice in writing to the proper officer of the authority elect to forgo any part of their entitlement to a payment under the determination of the Panel for that particular year (as relating to the authority).</p> <p>If all of the increases are accepted as per the IRPW report, there will be a budget increase of £61,580 for 2023-24.</p>

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	The IRPW are consulting about their proposals and Members have the opportunity to feedback their views.

4.00	RISK MANAGEMENT
4.01	The decision to increase Member Salaries is made by the Independent Remuneration Panel for Wales, not Flintshire County Council.

5.00	APPENDICES
5.01	Appendix 1 - Independent Remuneration Panel for Wales – Draft Annual Report 2023 Appendix 2 - Independent Remuneration Panel for Wales – Draft Annual Report 2023 – consultation questions

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	The background paper to this report is the Independent Remuneration Panel for Wales draft report, attached as an appendix. Contact Officer: Steven Goodrum, Democratic Services Manager Telephone: 01352 702320 E-mail: Steven.Goodrum@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	<ul style="list-style-type: none"> • Independent Remuneration Panel for Wales (IRPW) - body established by the Welsh Government to determine the level of Local Authority payments to Members. • Determinations - the decisions which the IRPW makes. • Basic Salary – the salary or allowance which the IRPW determines should be paid to each Member of the Council which for 2023/24 is £17,600. • Senior Salary - a senior salary is payable to a Councillor with special responsibility such as the Leader, Deputy Leader, Cabinet Members, Committee Chairs and the leader of the largest opposition group (a Group B Council such as Flintshire may pay up to 18 senior salaries). • Civic Salaries - these are the payments made to the Chair and Vice Chair of Council.