

FLINTSHIRE COUNTY COUNCIL

REPORT TO: FLINTSHIRE COUNTY COUNCIL

DATE: TUESDAY, 11 SEPTEMBER 2012

REPORT BY: DEMOCRACY & GOVERNANCE MANAGER

SUBJECT: CONSULTATION ON INDEPENDENT
REMUNERATION PANEL FOR WALES DRAFT
ANNUAL REPORT

1.00 PURPOSE OF REPORT

1.01 For the council to determine its response to consultation by the Independent Remuneration Panel for Wales (IRPW) on its draft annual report.

2.00 BACKGROUND

2.01 The Local Government (Wales) Measure 2011 provided for the continuation of the IRPW and gave it increased powers. The increased powers include enabling the IRPW to decide the amount of payments to Members and co-opted members rather than as previously merely setting the maximum limits.

2.02 On the 2 August 2012 the IRPW issued its draft annual report for 2013/14 for consultation seeking representations or comments on it no later than the 28 September 2012. Copies of the draft report have been deposited in the Members' library and in the political group rooms. Copies have also been sent to the political Group Leaders and their deputies.

2.03 Following consultation the final version of the Panel's annual report is likely to be issued in December of this year for implementation in May 2013.

3.00 CONSIDERATIONS

3.01 Paragraphs 3.1 to 3.4 of the draft annual report explain the context of the general economic climate remaining challenging for the public sector and that local government staff have not been awarded any general cost of living increases. In paragraph 3.5 it states that consequently the Panel has decided that payments to Members and co-opted members shall remain unchanged for 2013/14. There is however, a change in relation to reimbursement of travel expenses. On page 20 of the draft report it states that authorities may only reimburse travel expenses for their Members and co-opted members

at current HMRC rates. These rates include 45p per mile for up to 10,000 miles a year whereas previously councils could pay less than this. Flintshire currently pays 40p per mile. Whilst the wording on page 20 is ambiguous, the IRPW have confirmed that this ambiguity will be addressed in the final report and that the Panel's clear intention is that when mileage is claimed it should be paid at the full HMRC rate. The council may consider that representations should be made to continue the existing discretion of paying less if a council so decides.

- 3.02 Paragraph 3.6 of the draft report is inaccurate when it says that the previous annual report of the IRPW introduced flexibility by allowing councils to determine which of its committee chairs could receive a band 3 senior salary. Paragraph 3.17 of the December 2011 report from the Panel gave complete flexibility and Flintshire has used this to pay a band 4 senior salary to the chair of the Clwyd Pension Fund. The IRPW had previously specifically authorised a payment in respect of the responsibilities of this post.
- 3.03 Paragraphs 3.6 to 3.10 of the report relate to the cap placed on the proportion of what the IRPW call senior salaries. No change is proposed in limiting Flintshire to 18 which is less than 25% of the membership. Paragraph 3.9 requires that if one scrutiny chair receives a "senior salary" then all overview & scrutiny chairs must do so. Paragraph 3.10 is requiring that a "senior salary" must also be paid to the Leader of the largest opposition group. These proposals are restricting the extent of local choice available to councils in how they allocate the limited number of posts that can receive payment for their added responsibilities. At present Flintshire has decided that all six overview & scrutiny chairs should receive a payment but did not decide to make a payment to the Leader of the largest opposition group. It is suggested that the council respond to consultation by seeking an increase in the proportion of the membership eligible for senior salaries.
- 3.04 The draft report makes no proposed changes to the arrangements for payments to co-opted members, notwithstanding e-mails indicating that it intended to allow such payments to be made for attendance at training events. Despite representations made last year not to change from annual payments to payments for attendance at individual committee meetings, the Panel nevertheless went ahead with that change. As expected the change has generated a lot of extra administrative work. The council may consider it appropriate to reiterate its previous representations but if the IRPW is not prepared to revert to annual payments then it should at least authorise payments for attendance at training and briefing meetings, not just committee meetings.

- 3.05 Chapter 4 of the draft document relates to proposed payments to members of town & community councils. Paragraph 4.9 makes clear that the proposed payments are permissive powers and it will be for each town or community council to decide whether or not to make such payments to its members. The council may consider that such proposals are to be welcomed as they leave it to each town or community council to decide for themselves.
- 3.06 Paragraph 6.1 on page 13 of the draft report is proposing that implementation of the report will be effective from the date of the annual meeting of each relevant authority. This is a departure from previous practice where all authorities have had to implement the changes from the same date. The council may consider that representations should be made to enable councils to implement the Panel's requirements from the same date and ideally for this to be the 1 April 2013.
- 3.07 Attached as appendix 1 to this report is a proposed draft response to the consultation.

4.00 RECOMMENDATIONS

- 4.01 To approve or amend the draft response to consultation shown in appendix 1 to the report.

5.00 FINANCIAL IMPLICATIONS

- 5.01 Subject to any significant changes to the proposals outlined above, any financial implications of the changes will be absorbed by the Members' allowance budget.

6.00 ANTI POVERTY IMPACT

- 6.01 None as a result of this report.

7.00 ENVIRONMENTAL IMPACT

- 7.01 None as a result of this report.

8.00 EQUALITIES IMPACT

- 8.01 None as a result of this report.

9.00 PERSONNEL IMPLICATIONS

- 9.01 None as a result of this report.

10.00 CONSULTATION REQUIRED

- 10.01 None as a result of this report.

11.00 CONSULTATION UNDERTAKEN

11.01 With political Group Leaders.

12.00 APPENDICES

12.01 Appendix 1 – draft response to consultation

**LOCAL GOVERNMENT (ACCESS TO INFORMATION ACT) 1985
BACKGROUND DOCUMENTS**

Draft annual report of the Independent Remuneration Panel for Wales
dated December 2012

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