

REPORT OF ADMINISTRATION & DEMOCRATIC SERVICES MANAGER

SUBJECT: MEMBERS' SALARIES 2016/17

Purpose of Report

1. To inform Members of the Independent Remuneration Panel for Wales' decisions in relation to the Basic and Senior Salaries payable to National Park Authority Members for the financial year 2016/17, and
2. To canvass Members' opinion on the payment of such Senior Salaries.

Introduction/Background

The Independent Remuneration Panel for Wales (the Panel) was appointed in January 2008 by the (then) Welsh Assembly Government Minister for Social Justice and Local Government under the provisions of *The Local Authorities (Allowances for Members) (Wales) Regulations 2007*. The Panel was established on a permanent basis to determine the maximum levels of allowances payable by county and county borough councils.

Following the passing of the Local Government (Wales) Measure on the 10th May 2011, the Panel's remit and powers were extended to include National Park Authorities, Fire and Rescue Authorities and 'civic heads' in local authorities. Not only that, the Measure extended the Panel's powers to enable it to prescribe payments rather than determine the maxima as it had done in the past.

The Panel published a draft Annual Report last autumn, which was considered by the Authority at its meeting held on the 18th November 2015, when it was resolved not to comment on the Panel's recommendations. The final Annual Report was published on the 17th February 2016.

Panel determinations

The relevant extracts from the Panel's report relating to National Park Authorities is attached to this report at Appendix 1 but, in summary, the Panel has determined that there will be no increase in Member remuneration for 2016/17. Therefore, salaries will remain at:

- A. £3,600 per annum for the Basic Salary;
- B. £12,300 per annum for the Senior Salary payable to the Chair of the Authority;

- C. £7,300 (Level 1) or £6,000 (Level 2) Senior Salary payable to the Deputy Chair of the Authority and Chair(s) of other Committees. Currently, the Level 2 Senior Salary is payable to the Deputy Chair of the Authority and the Chair of the Development Management Committee.

Travel and subsistence rates have changed slightly, with the overnight allowance for staying in London being increased to £200, and the allowance for staying with family or friends being increased to £30 per night.

The Panel has also decided not to change the fees for Independent Standards Committee Members, or the level of care costs available, although the Authority is required to determine the maximum number of days for which Independent Standards Committee Members may be paid in any one year (currently 4 days per annum). The Annual Report also reiterates the following facts:

- (i) that a Senior Salary is paid **inclusive** of the Basic Salary;
- (ii) that a Senior Salary can be paid to the Chair and Deputy Chair of the Authority, and **up to** two other Committee Chairs;
- (iii) that Members must not receive more than one Senior Salary, and
- (iv) that a local authority Member who is in receipt of a Band 1 or Band 2 Senior Salary (i.e. as a County Council Leader, Deputy Leader or other executive office holder) **cannot** be remunerated for his/her role as an ordinary or senior Member of a National Park Authority.

The new salary framework will come into effect on the date of the Annual General Meeting (15th June 2016).

Options for remuneration

The Authority is entitled to pay a Senior Salary for **up to** four posts (Chair and Deputy Chair of the Authority, together with two Committee Chairs). Three are currently remunerated; the posts of Chair and Deputy Chair of the Authority, together with the Chair of the Development Management Committee. The Senior Salary at present being paid to the Deputy Chair and Chair of Committee is the same, although the Panel has concluded that the Authority "...can decide at which of two levels..." these posts can be remunerated, "...commensurate with the duties to be discharged in a particular role".

Members are, therefore, requested to determine:

- (a) which posts will be eligible to receive a Senior Salary for 2016/17, and
- (b) what level of remuneration should be payable to the posts of Deputy Chair of the Authority and Committee Chair(s), i.e. whether the Senior Salary will be at Level 1 or Level 2.

It should be noted that the same level of remuneration does not have to apply to all the posts referred to in (b) above.

Financial considerations

Member Salaries have been provided for in the budget at current levels. Were the Level 1 Senior Salaries or, indeed, an additional Senior Salary, to be agreed, this would obviously result in an increase in costs.

Compliance

The Independent Remuneration Panel for Wales has prescribed the levels of Basic and Senior Salaries referred to in the report. However, this does not preclude Members from opting out of receiving a Salary and/or Salary increase (where applicable) at any time during their term of office.

RECOMMENDATIONS:

- 1. To note the Independent Remuneration Panel for Wales Annual Report for 2016/17;**
- 2. To determine which post(s) should be remunerated with a Senior Salary;**
- 3. To determine which level of Senior Salary should be payable to appropriate posts, and**
- 4. To determine the maximum number of days for which Independent Standards Committee Members may be paid in any one year (currently 4 days per annum).**

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Consultees: Tegryn Jones, Chief Executive and Richard Griffiths, Finance Manager and Section 151 Officer.*

Background Documents

Independent Remuneration Panel for Wales Annual Report: February 2016
Report to NPA: 18th November 2015

(For further information, please contact Janet Evans, Administration & Democratic Services Manager on extension 4834 or by e-mailing janete@pembrokeshirecoast.org.uk)

Table 4: Fees for co-opted members (with voting rights) of local authorities (including national park authorities and fire and rescue authorities)

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)

Table 5: Basic and senior salaries shall be as follows to members of national park authorities (NPAs)

Basic salary	£3,600
Senior salaries (inclusive of basic salary)	
Chair ⁴ (Band 3)	£12,300
Deputy chair/committee chair (see note i)	
Level 1	£7,300
Level 2	£6,000

Tables 5 & 6 notes

(i) A National Park Authority / Fire & Rescue Authority senior salary can be paid to the chair, deputy chair, and up to two other committee chairs.

(ii) National Park Authorities and Fire & Rescue Authorities, as in the case of principal councils, can decide on the maximum number of days for which co-opted members may be paid in any one year.

⁴ Brecon Beacons, Pembrokeshire Coast, Snowdonia.

⁵ Mid & West Wales, North Wales, South Wales.

6. Payments to members of national park authorities

- 6.1 Given the continuing reduction in public sector funding, the Panel has determined there shall be no increase from spring 2016 in the levels of basic salary for members of national park authorities.
- 6.2 The Panel has based its determinations on the following key points:
- NPA members are drawn from two sources. Welsh Government appointees make up one third of the total of members and two thirds are local authority members nominated by constituent authorities.
 - In addition, standards committees of NPAs have co-opted members whose remuneration is included in the framework.
 - Welsh Government appointees and council nominated members are treated equally in relation to remuneration.
 - NPAs manage their work via formal authority meetings, committees and task and finish groups. Each has a Development/Management/Planning Committee and other committees include Performance and Resources and Audit and Scrutiny. Ordinary NPA members are members of at least one committee as well as being involved in site visits and inspection panels.
 - There is an expectation that members will participate in training and development.
 - The chair of an NPA has a leadership and influencing role in the authority, a representational role similar in some respects to that of a civic head and a high level of accountability. The chair is not only the leader of the authority but is also the public face of the particular national park and is the link with the Minister and AMs with whom they have regular meetings. The role requires a high level of commitment and time.

Basic and senior salaries

- 6.3 The Panel has previously determined that the role of ordinary members of a NPA warranted alignment to the basic salary of a member of a principal council, to be paid for a time commitment of 42 days per year. This continues to underpin its determinations.
- 6.4 The payment of NPA and FRA chairs is set on the same basis (See Section 7). The remuneration of the chair has been aligned to that part of a Band 3 Level 1 senior salary received by a committee chair of a principal authority.
- 6.5 The Panel decided in 2014 to provide local flexibility so that an NPA can decide at which of two levels the roles of deputy chair and other committee chairs can be remunerated. An NPA may choose to pay its deputy chair and/or committee chairs a salary of either £7,300 or £6,000, commensurate with the duties to be discharged in a particular role.

6.6 The Panel has determined that up to two NPA committee chairs can be remunerated.

The Panel has made the following determinations:

Determination 25: The basic salary for NPA ordinary members should be £3,600 ($42/156 \times £13,300$)

Determination 26: An NPA senior salary can be paid to the chair, deputy chair, and up to two committee chairs.

Determination 27: The senior salary of the chair of an NPA should be £12,300

Determination 28: The senior salary of a deputy chair and chairs of NPA committees can be paid at either of the following levels to be decided by the authority to reflect the appropriate responsibility:

£6,000 or £7,300

Determination 29: Members must not receive more than one NPA senior salary.

Determination 30: An NPA senior salary is paid inclusive of the NPA basic salary.

Determination 31: Members of principal local authorities in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA to which they have been appointed.

Reimbursement of travel, subsistence and care costs when on official business

Reimbursement of mileage costs

6.7 The Panel has decided that there will be no change to mileage rates which members are entitled to claim. All authorities may only reimburse travel costs for their members undertaking official business within and/or outside the authority's boundaries 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

6.8 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 other travel costs

6.9 All other claims for travel must only be reimbursed on production of receipts showing the actual cost, and are subject to any requirement or further limitation that an authority may determine. Members should always be mindful of choosing the most cost effective method of travel.

6.10 The Panel noted that in some instances members with disabilities have been reluctant to claim legitimate travel expenses because of an adverse response following the publication of their travel costs. This is not the case in those authorities where travel arrangements are made directly by the authority.

Reimbursement of subsistence costs

£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

6.11 These rates are in line with Welsh Government rates. Recommended practice is that overnight accommodation should usually be reserved and paid for on behalf of members by the relevant authority, in which case an authority may set its own reasonable limits and the limits which apply when an individual member claims in arrears for overnight accommodation costs do not then apply.

6.12 All authorities must continue to reimburse subsistence expenses for their members up to the maximum rates set out above on the basis of receipted claims except for occasions when members stay with friends and/or family.

6.13 There may be instances where an authority has determined that travel costs within its boundaries are payable and require a journey to be repeated on consecutive days. Where it is reasonable and cost effective to reimburse

overnight accommodation costs, instead of repeated daily mileage costs, then it is permissible to do so.

- 6.14 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 if relevant, provided such a claim is accompanied by receipts.

Reimbursement of costs of care

- 6.15 All authorities must provide for the reimbursement of necessary costs for the care of dependent children and adults (provided by informal or formal carers) and for personal assistance needs, up to a maximum of £403 per month. Reimbursement shall only be made on production of receipts from the carer. (See Determinations 8 & 9)
- 6.16 The reimbursement of cost of care allowance is intended to enable any person whose ability to participate as a member of an authority would be limited by their responsibilities 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 urges authorities to promote this allowance and encourage greater take-up of this support to facilitate increased engagement amongst authority members.
- 6.17 Such provision would be especially relevant to those individuals in sectors of the population that are currently under-represented in local government but who may become engaged when awareness of the support available for the costs of care becomes more widely known.