

# Independent Remuneration Panel for Wales

Annual Report <u>2025-2026</u>

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## 1. Foreword

- 1.1 This is the final Annual Report of the Independent Remuneration Panel for Wales ("the Panel"), setting the decisions and determinations on pay, expenses, and benefits for elected members of Principal Councils, Corporate Joint Committees (CJCs), Community and Town Councils, National Park Authorities and Fire and Rescue Authorities for implementation from April 2025.
- 1.2 You can find out more about our Panel members on our website.
- 1.3 This has been a busy year for the Panel, with the focus on compliance, engagement, fairness, and research, whilst also preparing for the transfer of functions to the Democratic Boundary Commission Cymru (DBCC).
- 1.4 Since its inception, I believe that the Panel has had a significant and beneficial influence on the value of elected members of local government in Wales at all levels and in respect of all the all authorities that are within its remit. In particular, the Panel has sought to ensure that remuneration issues do not act as a barrier to participation in local democracy.
- 1.5 The Local Government Measure 2011 requires the Panel to take cognisance of the overall cost to the public purse. We have continued to do this and maintained the principle that the remuneration of elected members of our Principal Councils is linked specifically to the average wages of people in Wales. I am satisfied that the balance between fairness and support to elected members and the overall impact on public finances has been achieved for 2025 to 2026.
- 1.6 The Panel is publishing a Legacy Report alongside this Annual Report. This provides stakeholders with an overview of the history of the Panel, summarising the areas where Determinations have been made, and importantly, passes on the issues that have arisen through our engagement, consultations, and considerations that we are recommending that the DBCC takes forward for the future.
- 1.7 The consultation period on this Annual Report ended on 29 November 2024. The Panel and I would like to thank all those who submitted responses to the draft report, both online and by email. The Panel has considered all representations and is now issuing its Determinations contained in this final annual report for 2025 to 2026.
- 1.8 This is my last Report as Chair of the Panel, before the Panel's functions transfer over to the DBCC from 1 April 2025. It has been a privilege to work with my colleagues and to have had the opportunity to contribute to the continued development of local democracy in Wales. I would like to take this opportunity to thank my fellow members, Saz Willey, Bev Smith, Dianne Bevan and Kate Watkins for their professionalism, engagement, and judgement during the last few years. This has enabled the Panel's Determinations to be robust, sound and well supported by stakeholders.

Also, my grateful thanks to the members of our Secretariat who have supported the Panel since its inception.

Frances C DHy

Frances Duffy

Chair

Independent Remuneration Panel for Wales

## 2. Introduction

- 2.1 The Panel continues to follow the aims and objectives outlined in our Strategic Plan published on 20 June 2023. This sets out the framework for our deliberations and wider context for our decisions from 2023 to 2025.
- 2.2 The strategy outlines an appropriate and fair remuneration framework, aimed at encouraging inclusion and participation in order to support local democracy, and giving communities their voice.
- 2.3 The Panel has a role to promote a wider understanding of the work of local and community council members, to encourage participation in local democracy and to improve diversity of councillors to better represent the diversity of local communities. The Panel has previously introduced reimbursement for cost of care (for all elected members) and a working from home and ICT allowance (community and town councillors) aimed at removing potential barriers relating to caring responsibilities and home working enabling elected members to participate in local democracy.
- 2.4 The Panel continues to monitor, where it can, the impact of its determinations on improving diversity within local democracy, and with the support of Welsh Government, sought views on the association between remuneration and diversity within local democracy. The Panel has written to Welsh Government to ask for support in providing a better baseline of evidence to monitor and track changes in the demographics of our elected officials.
- 2.5 With a strengthened Panel, we continue to focus on building our research and evidence plan to support our discussions on our remuneration framework. We publish our Research and Evidence paper each year along with the Final Report in line with our aim to be open and transparent in all our decision making.
- 2.6 The Panel believes fair and reasonable levels of remuneration are crucial to local democracy. We therefore again agreed to continue to align levels of remuneration for elected members of Principal Councils, Corporate Joint Committees (CJCs), National Park and Fire and Rescue Authorities within the context of average Welsh earnings. This has meant using the Annual Survey of Hours and Earnings within Wales (ASHE) published by Office for National Statistics (ONS) as the main benchmark for setting remuneration.
- 2.7 The <u>Local Government (Wales) Measure 2011</u> states that "the Panel must take into account what it considers will be the likely financial impact on relevant authorities" of its decisions. We considered evidence on public sector finances and the impact on Principal Authorities' budgets before determining remuneration levels across the local government family.
  - 2.8 Whilst the total cost of remuneration for elected members is relatively low in terms of overall budgets, the Panel are aware of the continuing economic and fiscal constraints on Principal Councils. In reaching our decision to continue the

link between elected members remuneration and the average earnings of their constituents, the Panel remain of the view that a fair and reasonable remuneration package will continue to support elected members and not act as a barrier to participation. This is an important principle, underpinning our considerations on appropriate remuneration.

- 2.9 In line with our commitment to simplifying reporting and compliance requirements, the Panel this year looked at the reporting for Community and Town Councils (CTCs). We provided clerks of CTCs with a new template report and will continue to monitor the level of payments made. These annual returns form an important part of the evidence that the Panel considers in determining the impact and effectiveness of our decisions.
- 2.10 We addressed queries from CTCs regarding the PAYE treatment of the mandatory allowance for working from home (£156 per annum) and the option of a flat rate of £52 a year for consumables. We updated our guidance on this issue, and this has helped reduce the number of queries. We are mindful of the help that One Voice Wales continues to give to local clerks and councillors on remuneration issues and again, this year, held an online seminar for all community councillors during the consultation period.
- 2.11 We are also mindful of a continuing, albeit reducing, number of CTC councillors who decide to forego all or part of their entitlement. We strongly believe that councillors should be reimbursed for expenses they necessarily incur whilst carrying out their duties. However, the Panel notes that the number of CTCs not submitting their annual Statement of Payments remains high, particularly amongst the Band 4 and Band 5 Councils. This hinders our ability to fully assess the impacts of our Determinations and highlights the continued perception, amongst many CTCs, that the administrative burden remains a concern. The Panel agreed to work constructively with CTC representative bodies to consider how best to support our smaller CTCs. In the meantime, the information on Returns will be shared with Audit Wales.
- 2.12 We introduced a total sum reporting for all mandatory payments to members of CTCs for working from home, the flat rate consumables allowance and travel and subsistence claims. This is in line with the reporting of costs of care and personal assistance claims. The Panel feels this will give the right balance between public accountability and individual privacy, and we hope will encourage all to accept the payments they are entitled to and reduce the administrative burden.
- 2.13 Also, last year, the Panel introduced the option for coopted members of Principal Councils, National Parks Authorities and Fire and Rescue Authorities, to be paid an hourly rather than daily rate where thought appropriate. We will be looking at the annual payment returns for this year to monitor the take up of and this and will encourage Heads of Democratic Services to share best practice.

- 2.14 We have reviewed and updated our <u>Guidance</u> (previously called the Regulations) to better support relevant authorities to be able to comply with our determinations about members' remuneration, including payments, reporting and publication requirements as set out in this final annual report.
- 2.15 A key issue that the Panel considered in depth this year was the development of the new Corporate Joint Committees (CJCs). After research into the progress being made and taking evidence and feedback from CJCs and Welsh Government policy colleagues, the Panel consulted on a Draft Supplementary Report covering the remuneration of lay members of CJCs.
- 2.16 Following consideration of responses to the consultation, the Panel determined that lay members of a CJC should be paid in the same way as coopted members of other relevant authorities. A Supplementary Report was published on 31 July 2024, setting out the remuneration levels for lay members, effective from that date.
- 2.17 The final area that the Panel considered this year was the need to review the Framework and Methodology for Remuneration of Senior Roles in Principal Councils, Community and Town Councils (CTCs), and CJCs. This is a considerable piece of work requiring detailed research and engagement, and the Panel is currently finalising a detailed scope and methodology for the review in order for the new Democracy and Boundary Commission Cymru (DBCC) to take this work forward.
- 2.18 Additionally, the Panel has become aware of some concerns over the workload and demands on senior roles in National Park Authorities and Fire and Rescue Authorities. The Panel therefore proposes incorporating research questions that would support a review into these areas also within the scope of the research framework described above. This work will be taken forward by the DBCC.
- 2.19 Finally, in light of feedback from Heads of Democratic Services of Principal Councils and responses to the consultation, the Panel considered a paper on rates paid to coopted members and agreed that no changes would be made for this year. The Panel noted that these rates were last uplifted in 2021. The Panel agreed that a forward note should be made to consider the evidence for an appropriate benchmark for cooptee payments, noting that it had been some time since the Welsh Government Public Bodies Unit had increased their rates. The Panel also highlighted that wider support for cooptees, such as training, IT equipment and travel and subsistence expenses should be provided.
- 2.20 As we come to the end of the year, and the winding up of the Panel and the transfer of its functions to the DBCC, the Panel has prepared a Legacy Report which provides a summary of the main issues we have researched and made decisions on over the past 10 or so years and will form an evidence base for the DBCC to take forward.

## 3. Role and responsibilities of the Panel

#### Our Role:

- 3.1 The Panel is responsible for setting the levels and arrangements for the remuneration of elected and coopted members of the following organisations:
  - Principal Councils County and County Borough Councils
  - Community and Town Councils
  - National Park Authorities
  - Fire and Rescue Authorities
  - Corporate Joint Committees
- 3.2 The Panel is an independent organisation, and the organisations listed above are required, by law, to implement the decisions it makes.
- 3.3 We make determinations on:
  - The salary structure within which members are remunerated
  - The type and nature of allowances to be paid to members
  - Whether payments are mandatory or allow a level of local flexibility
  - Arrangements in respect of family absence
  - Arrangements for monitoring compliance with the Panel's decisions

## Our Aim:

 Supporting local democracy and giving communities their voice, through setting up an appropriate and fair remuneration framework, which encourages inclusion and participation.

## Our Goals:

- Our Determinations should ensure that levels of remuneration are fair, reasonable, represent value for money for the taxpayer, and are set within the context of Welsh earnings and the wider financial circumstances of Wales.
- Our Determinations should support elected members from a diverse range of backgrounds, and levels of remuneration should not act as a barrier to participation.

## **Our Strategic Objectives:**

- To make evidence based Determinations
- To use clear and accessible communications
- To proactively engage and consult
- To simplify compliance and reporting
- To work collaboratively

## **Panel Membership**

Frances Duffy, Chair Saz Willey, Vice Chair Bev Smith Dianne Bevan Kate Watkins

Detailed information about the members, our Strategic Plan, our deliberations and supporting research and evidence can be found on the website: <u>Panel website</u>

## 4. Transfer of Functions to Democracy and Boundary Commission Cymru

- 4.1 The Panel's functions will transfer over to the Democracy and Boundary Commission Cymru on 1 April 2025. This is as a result of the Elections and Elected Bodies (Wales) Act being passed in July 2024. Having received Royal Assent in the Autumn, the Act expands the role and remit of the DBCC across aspects of a healthy Welsh democracy, including setting the remuneration for members of the following bodies across Wales:
  - Principal Councils
  - Town and Community Councils
  - Corporate Joint Committees
  - Fire and Rescue Authorities
  - National Park Authorities
- 4.2 As the DBCC draws on the same evidence base and stakeholders to undertake its own work and its purpose is also rooted in promoting effective local democracy, there is already a strong connection between the work of the two organisations. Both agendas rely on having a real understanding and appreciation of the needs of the population of Wales, the way in which elected members and councils operate and an understanding of members' workloads.
- 4.3 As the Panel is required now, the DBCC will be expected to produce a draft Annual Report for consultation and take account of responses prior to publishing a final Report by 28 February each year. The Report will set out its determination about remuneration levels for the following financial year.
- 4.4 The Panel will be abolished via the Elections and Elected Bodies (Wales) Act on 31 March 2025.
- 4.5 We are working closely with the DBCC to ensure a seamless transfer of the Panel's functions on 1 April 2025. We have set up a transition workstream to capture requirements such as development of a legacy report which will provide details on the Panel's history as well areas which might be considered by the DBCC in the future.

## 5. Methodology

- 5.1 As set out in our strategic objectives the Panel has committed to making evidence-based decisions.
- 5.2 This year we again prepared an evidence and research paper to pull together the various sources of information that the Panel considered in making its draft Determinations. This provided a wide range of data, evidence, and contextual factors to inform the Panel's decision-making process in relation to its Determinations for the 2025-2026 financial year. This included:
  - Data on average UK and Wales weekly earnings, including ASHE the Annual Survey of Hours and Earnings
  - Public and private sector pay trends
  - Annual CPIH and CPI inflation rates
  - Benchmarks, including councillor remuneration in Scotland
  - Research on councillor workload, views and attitudes to remuneration and diversity (Welsh Government)
  - Data collected on the take up of remuneration and benefits packages by councillors
  - Data on local authority finances
- 5.3 The full set of evidence and research considered will be published on our website.
- 5.4 The Panel engaged directly with key stakeholder representative groups including the Welsh Local Government Association and One Voice Wales, Society for Local Council Clerks, North and Mid Wales Association of Local Councils. We also received evidence from the Chair of North Wales Fire and Rescue Service, Chair of National Parks Wales (who is also Chair of Pembrokeshire Coast National Park Authority) and the Chair of South West Wales CJC (who is also the Leader of Swansea City Council).
- 5.5 In March, the Panel attended the One Voice Wales conference. This enabled the Panel to meet delegates and discuss issues relating to the Panel's deliberations. The Panel also held an online seminar in November for all CTC councillors. The Panel noted however, that this was less well attended than last year's seminar and will consider any implications for future engagement.
- 5.6 The Panel also met with the Convention of Scottish Local Authorities (COSLA), Scottish Government and the Convener of Scottish Local Authorities Remuneration Committee (SLARC) to discuss SLARC's independent review of councillor remuneration and particular methodology for setting councillor remuneration. The Panel found the conversation interesting and informative on how the Scottish remuneration methodology compares with Wales.
- 5.7 The Panel engaged with Heads of Democratic Services and Leaders of Principal Councils, during the consultation period. These discussions provide an opportunity for the Panel to explore views about existing arrangements, the impact decisions are having on individuals, how the arrangements are

operating in practice and any issues or concerns individuals wish to raise.

It also provides an opportunity for discussion about emerging situations which the Panel may need to consider in respect of its decision making.

5.8 The Panel would like to thank all those that contributed to our deliberations either directly or through feedback and questions on our last report.

## 6. Consultation on the draft Annual Report 2025

- 6.1 The Panel published a draft report on 4 October 2024 for an eight week consultation, which closed on 29 November 2024.
- 6.2 As part of the consultation process, stakeholders were invited to answer three questions using an online survey or by return email. A total of 3 responses were received online, whilst 16 were submitted by email to the IRP Mailbox. The Panel would again like to thank everyone who contributed to the consultation. A summary of the responses is included below.
- 6.3 The consultation responses highlighted a few areas that the Panel will include in the Forward Look section of its Legacy report for the Democracy and Boundary DBCC to consider. This will include the remuneration of coopted members of relevant authorities, which appeared to be the main issue for those who responded to the consultation.
- 6.4 Overall, the responses supported the Panel's determinations and so no changes have been made in the final Determinations which are now set out in this Report.

## 7. Consultation: Summary of responses

- 7.1 The Panel engaged in a number of stakeholder meetings during the consultation period to share information and gather important feedback on the draft annual report 2025. See below for details:
- 7.2 The website link and Pdf version of the draft report was sent to:
- One Voice Wales
- Welsh Local Government Association
- Society for Local Council Clerks
- North and Mid Wales Association of Local Councils
- Principal Councils
- Fire and Rescue Authorities
- National Parks Authorities and
- Community and Town Councils

## Determination 1: Basic salary for elected members of principal councils

7.3 Seven responses were received, in respect of Determination 1. Four responses confirmed the Panel has struck the right balance between affordability and adequate remuneration for representatives, whereas three stated the negative impact of the Panel's Determination on principal council budgets and authorities' current financial constraints. The Panel continue to consider the financial impact of its Determinations but remain committed to its Strategic aim of maintaining the link to average wages in Wales.

## Determination 4: Payments to national parks authorities and fire and rescue authorities

7.4 One response was received regarding the treatment of tax on remuneration for Welsh Government appointed members of a national park authority. This is not an issue within the competence of the Panel.

## Determination 5: Payments made to coopted members of Principal Councils, National Park Authorities and Fire and Rescue Authorities

- 7.5 There were four responses regarding the level of payment to coopted members of Principal Councils voicing disagreement with the Panel's decision to maintain allowances. One response stated there is a potential for Lay Members to feel undervalued as there had been no increase in their remuneration for 5 years. The Panel has not recommended any change, noting that this should be reviewed in line with any changes in rates set out by Welsh Government Public Bodies Unit. Any changes to remuneration levels will be considered by the DBCC.
- 7.6 One response from a principal council supports the introduction of the flexibility to use an hourly rate where appropriate. The Panel is pleased to learn a several principal councils are using the flexibility for remunerating coopted members.

## Determination 6: Community and Town Councils Mandatory payments Payment for extra costs of working from home and Set payment for consumables

- 7.7 One Community Council requested that the Panel reconsider the £156 mandatory payment to Councillors in light of significant impact on budget precepts held by smaller community councils. The Panel reaffirms individuals are able to opt out of receiving mandatory payments. Any opt outs should be declared in writing.
- 7.8 Finally, no responses were received with regard to:

Determination 2: Salaries paid to Senior, Civic and Presiding members of principal councils

**Determination 3: Salaries for Joint Overview and Scrutiny Committees** 

**Determination 7: Compensation for financial loss** 

**Determination 8: Reporting requirements** 

## Other responses

- 7.9 In addition to the Panel receiving responses to the specific consultation questions, a number of more general comments were made by consultees.
- 7.10 Such feedback, whilst not directly related to the consultation questions, is always useful to the Panel in helping Members better understand the context of local democratic participation and the impact of the Panel's deliberations.
- 7.11 Feedback has also been received through the participation of Panel Members in meetings with those representing the principal, and town and community councils, including with One Voice Wales, North and Mid Wales Association of Local Councils. Heads of Democratic Services and the WLGA.
- 7.12 One issue raised orally, for example, was whether the timing of the publication of the annual Report could be reviewed to provide assurance that it is aligned to the optimal extent with the budget setting cycle of councils. This issue will now be included in the Legacy Report of the Panel to be submitted to the DBCC.

Other issues raised included the following:

- 7.13 A respondent did not agree that the system of grouping local authorities to determine senior salaries is fair and reasonable, or that it supports increasing the diversity of elected members.
- 7.14 Other responses suggested that the Panel should reconsider the methodology for determining salary levels in relation to workload and proposed that a Committee Vice Chair should be remunerated for deputising for a Chair.
- 7.15 A respondent also felt that the Committee Chair salary was generous compared to some executive positions.
- 7.16 Comments were also received that it was disappointing that the role of those serving on Regional Partnership Boards or Public Service Boards are not within the Panel's remit and that attendance allowance at Corporate Joint Committees (CJC) sub-committees was not specified within the report.
- 7.17 These issues highlight the need for the DBCC as the successor body to the Panel, to consider whether issues relating to potential remuneration of more recent working partnership arrangements is sufficiently reflected in its inherited remit.
- 7.18 The Panel received a suggestion that attendance related pay could be considered as meetings are a large part of the councillor's role and other respondents highlighted that the £156 payment to smaller Community and Town Councils should not be mandatory. Additionally, a respondent raised their

concern over how Councillors value for money could be established, and another comment received expressed the view that any remuneration system could be open to abuse.

7.19 A number of comments were also received in relation to the level of payment made to coopted lay members, suggesting that an increase might lead to making the roles more attractive and encourage more diverse applications, and a further respondent suggested a need to specify the amount of mileage that could be claimed for such members who attend multi location meetings, outside of their home county.

## 8. Summary of responses to online questionnaire

8.1 There were only a small number of responses to the questionnaire this year, which the Panel has viewed as being broadly supportive of its Determinations. The questions and responses were:

## Question 1

8.2 The Panel is fully aware of the current constraints on public funding and the impact its decisions will have on the budgets of Principal Authorities. The Panel is also mindful of our Aims and Objectives to provide a fair and reasonable remuneration package to support elected members and to encourage diversity of representation. We therefore propose using the ASHE for all Wales to increase their remuneration in line with the average earnings of their constituents.

Do you think that the Panel has struck the right balance between affordability and adequate remuneration for representatives? If not, do you have other suggestions?

## Responses

- 8.3 Four answered this question agreeing that the Panel have struck the right balance between affordability and adequate remuneration for representatives. Three responses indicated disagreement. However, no suggestions were provided.
- 8.4 A respondent highlighted the percentage increase felt high and contrasted this with officers increase and having to do more work with less financial reward. The same response stated members felt remuneration level needed to be fair in order to appeal to a more diverse and broader cross-section of constituents and commented that members felt the allowance is fair, particularly in line with the amount of hours members put in to their role.

## Question 2

8.5 Following evidence received from Heads of Democratic Services of Principal Councils, on local flexibility for payments to coopted members, serving on committees of Principal Councils, National Park Authorities and Fire and Rescue Authorities. This Panel consulted on this proposal and responses (from the

consultation on the 2024 to 2025 draft annual report) supported the Panel's determinations and so no changes were made in the final Determinations, resulting in the Panel allowing relevant officers to decide if it would be appropriate to apply a day or half day rate or to use an hourly rate where it is sensible to aggregate a few short meetings. The Panel would now like to know if this determination has been adopted by your relevant authority:

## Responses

8.6 Five of those who answered this question agreed and two had no opinion. Those who agreed, thought an hourly rate was thought to be more cost effective and would provide flexibility to attend shorter meetings with officers when needed. The Panel maintains, the principle of authorities being able to be flexible to suit their own requirements.

## Question 3

8.7 Last year, in conjunction with One Voice Wales, the Panel held a seminar on the treatment of tax on members Community and Town Councils (CTC) allowances. This was followed up with guidance on how to apply the exemption to the working from home allowance (£156). The Panel is interested to learn if the seminar and or guidance has increased the number of CTC members receiving the allowance.

## Responses

- 8.8 One of those who answered this question disagreed and two had no opinion.
- 8.9 Since the Panel has engaged with members of One Voice Wales, Society for Local Council Clerks and North and Mid Wales Association of Local Councils, it has agreed to revisit the template format in order to increase the level of reporting on the number of councillors claiming and declining allowances.

## Question 4

8.10 All allowances paid to elected members of Community and Town Councils should be recorded on the Annual Statement of Payments for Community and Town Councils (noting Statements already submitted by Community and Town Councils would be accepted). This includes NIL returns. Earlier this year, a revised Statement template and advice note were issued to Community and Town Councils. The Panel are interested if the Template has again increased the number of councillors claiming allowances?

## Responses

8.11 One response stated the revised template had not increased the number of councillors claiming allowances, and another two responded with no opinion.

## 9. Determinations for 2025 to 2026

## **Principal Councils**

## Basic salary for elected members of principal councils:

## **Determination 1**

- 9.1 The Panel has determined that for the financial year 1 April 2025 to 31 March 2026 it is right to retain the link between the basic salary of councillors and the average salaries of their constituents. The basic salary will be aligned with three fifths of all Wales 2022 ASHE for 2022 to 2023, the latest figure available at drafting. **This will be £19,771.**
- 9.2 The Panel is fully aware of the current constraints on public funding and the impact its decisions will have on the budgets of Principal Authorities. The Panel is also mindful of our Aims and Objectives to provide a fair and reasonable remuneration package to support elected members and to encourage diversity of representation.

## Salaries paid to Senior, Civic and Presiding members of principal councils:

- 9.3 The limit on the number of senior salaries payable ("the cap") will remain in place.
- 9.4 All senior salaries include the basic salary payment. The different levels of additional responsibility of and between each role is recognised in a banded framework. No changes to banding are proposed this year.
- 9.5 Assistants to the Executive The Panel will decide on a case-by-case basis the appropriate senior salary, if any, for assistants to the executive.
- 9.6 Under the <u>2011 Measure</u>, it is the number of persons in receipt of a senior salary, not the number of senior salary posts that count towards the cap. Therefore, for all job share arrangements the senior salary cap will be increased subject to the statutory maximum of 50% of the council's membership. Where the arrangements would mean that the statutory maximum would be exceeded a local authority will need the approval of the Panel, and Welsh Ministers prior to any arrangements being established.
- 9.7 The basic pay element will be uplifted in line with ASHE and this uplift will also apply to the role element of Bands 1, 2, 3, 4 and 5.
- 9.8 The salary of a leader of the largest (Group A) council will therefore be £74,141.
- 9.9 All other payments have been decided in reference to this and are set out in Tables 1-3.

## **Group A**

- Cardiff
- Rhondda Cynon Taf
- Swansea

Table 1 – Salaries payable to Basic, Senior, Civic and Presiding members of principal councils (Group A)

Description	Amount
Basic salary	£19,771
Band 1 leader	£74,141
Band 1 deputy leader	£51,899
Band 2 executive members	£44,485
Band 3 committee chairs (if paid)	£29,657
Band 4 Leader of the largest opposition group	£29,657
Band 5 Leader of other political groups (if paid) and deputy	£23,726
civic head	
Civic Head (if paid)	£29,657
Deputy Civic Head (if paid)	£23,726
Presiding member (if paid)	£29,657
Deputy Presiding Member (basic only)	£19,771

## **Group B**

- Bridgend
- Caerphilly
- Carmarthenshire
- Conwy
- Flintshire
- Gwynedd
- Newport
- Neath Port Talbot
- Pembrokeshire
- Powys
- Vale of Glamorgan

Wrexham

Table 2 – Salaries payable to Basic, Senior, Civic and Presiding members of principal councils (Group B)

Description	Amount
Basic salary	£19,771
Band 1 leader	£66,727
Band 1 deputy leader	£46,709
Band 2 executive members	£40,036
Band 3 committee chairs (if paid)	£29,657
Band 4 Leader of the largest opposition group	£29,657
Band 5 Leader of other political groups (if paid) and deputy	£23,726
civic head	
Civic Head (if paid)	£29,657
Deputy Civic Head (if paid)	£23,726
Presiding member (if paid)	£29,657
Deputy Presiding Member (basic only)	£19,771

## **Group C**

- Blaenau Gwent
- Ceredigion
- Denbighshire
- Merthyr Tydfil
- Monmouthshire
- Torfaen
- Ynys Môn

Table 3 – Salaries payable to Basic, Senior, Civic and Presiding members of principal councils (Group C)

Description	Amount
Basic salary	£19,771
Band 1 leader	£63,020
Band 1 deputy leader	£44,114
Band 2 executive members	£37,812
Band 3 committee chairs (if paid)	£29,657
Band 4 Leader of the largest opposition group	£29,657
Band 5 Leader of other political groups (if paid) and deputy	£23,726
civic head	
Civic Head (if paid)	£29,657
Deputy Civic Head (if paid)	£23,726
Presiding member (if paid)	£29,657
Deputy Presiding Member (basic only)	£19,771

9.10 There are no further changes to the payments and benefits paid to elected members. All current Determinations are published on our <u>website</u>.

## **Salaries for Joint Overview and Scrutiny Committee:**

- 9.11 The salary of a chair of a Joint Overview and Scrutiny Committee will continue to be aligned to Band 3 and will be set at £9,886.
- 9.12 The salary of a vice-chair is set at 50% of the Chair and will be £4,943.
- 9.13 There are no other changes.

## Payments to National Parks Authorities and Fire and Rescue Authorities:

- 9.14 The three national parks in Wales Eryri (Snowdonia), Pembrokeshire Coast and Bannau Brycheiniog (Brecon Beacons), were formed to protect spectacular landscapes and provide recreation opportunities for the public. The Environment Act 1995 led to the creation of a National Park Authority (NPA) for each park. National Park authorities comprise members who are either elected members nominated by the principal councils within the national park area or are members appointed by the Welsh Government through the Public Appointments process. Welsh Government appointed and council nominated members are treated equally in relation to remuneration.
- 9.15 The three fire and rescue services (FRAs) in Wales: Mid and West Wales, North Wales and South Wales were formed as part of Local Government reorganisation in 1996. FRAs comprise elected members who are nominated by the Principal Councils within each fire and rescue service area.
- 9.16 In line with the Panel's decision to increase the basic salary of elected members of principal councils, the remuneration level for ordinary members of both NPAs and FRAs is also increased in line with ASHE.
- 9.17 The remuneration for Chairs will remain linked to a principal council Band 3 senior salary. Their role element will therefore increase accordingly. Deputy chairs, Committee chairs and other paid senior posts will remain linked to a Band 5. Full details of the levels of remuneration for members of NPAs and FRAs is set out in Tables 4 and 5.

Table 4 – Payments to National Parks Authorities

National Parks Authorities	Amount
Basic salary for ordinary member	£5,576
Chair	£15,462
Deputy Chair (where appointed)	£9,531
Committee Chair or other senior post	£9,531

Table 5 – Payments to Fire and Rescue Authorities

Fire and Rescue Authorities	Amount
Basic salary for ordinary member	£2,788
Chair	£12,674
Deputy Chair (where appointed)	£6,743
Committee Chair or other senior post	£6,743

9.18 All current Determinations, including restrictions on receiving double allowances, are published on our website. Other than the above increases, there are no changes determined this year.

## Payments made to coopted members of Principal Councils, National Park Authorities and Fire and Rescue Authorities:

- 9.19 Coopted members of the relevant bodies should be remunerated on a day, half day basis or hourly basis. In addition, the relevant officer may decide on the total number of days remunerated in a year and set a reasonable time for meeting preparation.
- 9.20 Each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting coopted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without cost to the individual member.

Table 6: Payments made to coopted members of Principal Councils, National Park Authorities and Fire and Rescue Authorities

Role	Hourly rate payment	Up to 4 hours payment rate	4 hours and over payment rate
Chairs of standards and audit committees	£33.50	£134	£268
Ordinary Members of Standards Committees who also chair Standards Committees for Community and Town Councils	£29.75	£119	£238
Ordinary Members of Standards Committees; Education Scrutiny Crime and Disorder Scrutiny Committee and Audit Committee	£26.25	£105	£210
Community and Town Councillors sitting on Principal Council Standards Committees	£26.25	£105	£210

## Payments to coopted (lay) members of Corporate Joint Committees:

## **Determination 6**

- 9.21 Coopted lay members of a Corporate Joint Committee (CJC) will be paid on the same basis as coopted (lay) members with voting rights of other bodies within the local government family.
- 9.22 The amounts are set out below:

Table 7: Payments made to coopted (lay) members of Corporate Joint Committees

Role	Hourly rate payment	Up to 4 hours payment rate	4 hours and over payment rate
Lay chairs of committees	£33.50	£134	£268
Ordinary lay members with voting rights	£29.75	£119	£238

9.23 This determination is valid from 31 July 2024.

## **Community and Town Councils**

9.24 The Panel continues to mandate payments for the extra costs of working from home and payments for office consumables. There is no change to the Determination made last year.

## **Mandatory Payments:**

## **Determination 7**

## Payment for extra costs of working from home

9.25 All councils must pay their members £156 a year (equivalent to £3 a week) towards the extra household expenses (including heating, lighting, power, and broadband) of working from home.

## Set payment for consumables

- 9.26 Councils must either pay their members £52 a year for the cost of office consumables required to carry out their role, or alternatively councils must enable members to claim full reimbursement for the cost of their office consumables.
- 9.27 It is a matter for each council to make and record a policy decision in respect of when and how the payments are made and whether they are paid monthly, yearly, or otherwise. The policy should also state whether and how to recover any payments made to a member who leaves or changes their role during the financial year.

## Attendance Allowance

- 9.28 Each council can decide to introduce an attendance allowance for members. The amount of each payment must not exceed £30. A member in receipt of financial loss compensation will not be entitled to claim attendance allowance for the same event.
- 9.29 As the payment for attendance is optional, the council, at its first Annual Meeting, should formally decide whether or not to make these payments.
- 9.30 If the council decides in favour of attendance allowances, it must produce a Scheme for formal adoption, make provision for it to be publicly available and inform the Independent Remuneration Panel.
- 9.31 The mandatory maximum for each qualifying event is £30. There is no stipulated minimum.
- 9.32 Payments for attendance must be in respect of official business or approved duty which are identified in the council's Standing Orders or alternatively by specific resolution. The scheme should specify for which events payments will

be made.

9.33 All members of the council will be entitled to the payment for attendance at the events specified in the scheme, but an individual member may decline to receive payment by informing (in writing) the proper officer.

## **Compensation for Financial Loss:**

- 9.34 Compensation for financial loss is an optional payment.
- 9.35 The Panel has determined that this payment should be aligned to the daily rate of ASHE and will be £126.74 for a full day and £63.37 for a half day.

**Table 8: Payments to Community and Town Councils** 

Type of Payment	Group	Requirement
Extra costs payment	1 (Electorate over 14,000)	Mandatory for all
		members
Senior role	1 (Electorate over 14,000)	Mandatory £500 for 1
		member; optional for up
		to 7
Mayor or chair	1 (Electorate over 14,000)	Optional: up to a
		maximum of £1,500
Deputy mayor or deputy	1 (Electorate over 14,000)	Optional: up to a
chair		maximum of £500
Attendance allowance	1 (Electorate over 14,000)	Optional
Financial loss	1 (Electorate over 14,000)	Optional
Travel and subsistence	1 (Electorate over 14,000)	Optional
Costs of care or personal	1 (Electorate over 14,000)	Mandatory
assistance		
Extra costs payment	2 (Electorate over 10,000	Mandatory for all
	to 13,999)	members
Senior role	2 (Electorate over 10,000	Mandatory for 1 member;
	to 13,999)	optional up to 5
Mayor or chair	2 (Electorate over 10,000	Optional: up to a
	to 13,999)	maximum of £1,500
Deputy mayor or deputy	2 (Electorate over 10,000	Optional: up to a
chair	to 13,999)	maximum of £500
Attendance allowance	2 (Electorate over 10,000	Optional
	to 13,999)	
Financial loss	2 (Electorate over 10,000	Optional
	to 13,999)	
Travel and subsistence	2 (Electorate over 10,000	Optional
	to 13,999)	

Type of Payment	Group	Requirement
Costs of care or personal	2 (Electorate over 10,000	Mandatory
assistance	to 13,999)	
Extra costs payment	3 (Electorate over 5,000	Mandatory for all
	to 9,999)	members
Senior role	3 (Electorate over 5,000	Optional up to 3 members
	to 9,999)	
Mayor or chair	3 (Electorate over 5,000	Optional - Up to a
	to 9,999)	maximum of £1,500
Deputy mayor or deputy	3 (Electorate over 5,000	Optional - Up to a
chair	to 9,999)	maximum of £500
Attendance allowance	3 (Electorate over 5,000	Optional
	to 9,999)	
Financial loss	3 (Electorate over 5,000	Optional
	to 9,999)	
Travel and subsistence	3 (Electorate over 5,000	Optional
O a to a formation and	to 9,999)	NA late.
Costs of care or personal	3 (Electorate over 5,000	Mandatory
assistance	to 9,999)	Mandatanifarall
Extra Costs Payment	4 (Electorate over 1,000	Mandatory for all
Conjor Dolo	to 4,999)	members Ontional up to 2 members
Senior Role	4 (Electorate over 1,000 to 4,999)	Optional up to 3 members
Mayor or Chair	4 (Electorate over 1,000	Optional - Up to a
I wayor or Chair	to 4,999)	maximum of £1,500
Deputy Mayor or Deputy	4 (Electorate over 1,000	Optional - Up to a
Chair	to 4,999)	maximum of £500
Attendance Allowance	4 (Electorate over 1,000	Optional
/ tteridarioe / tilowarioe	to 4,999)	
Financial Loss	4 (Electorate over 1,000	Optional
l maneial 2000	to 4,999)	
Travel and Subsistence	4 (Electorate over 1,000	Optional
	to 4,999)	
Costs of Care or Personal	4 (Electorate over 1,000	Mandatory
Assistance	to 4,999)	,
Extra Costs Payment	5 (Electorate less than	Mandatory for all
	1,000)	members
Senior Role	5 (Electorate less than	Optional up to 3 members
	1,000)	
Mayor or Chair	5 (Electorate less than	Optional - Up to a
	1,000)	maximum of £1,500
Deputy Mayor or Deputy	5 (Electorate less than	Optional - Up to a
Chair	1,000)	maximum of £500
Attendance Allowance	5 (Electorate less than	Optional
	1,000)	
Financial Loss	5 (Electorate less than	Optional
	1,000)	
Travel and Subsistence	5 (Electorate less than	Optional
	1,000)	

Type of Payment	Group	Requirement
Cost of Care or Personal	5 (Electorate less than	Mandatory
Assistance	1,000)	-

9.36 There have been no changes made to payments for undertaking senior roles; allowances for Travel and subsistence; Care and Personal Assistance or Attendance allowance. All current Determinations are published on our <a href="website">website</a>.

## 10. Summary of Determinations 2025 to 2026

## **Determination 1**

10.1 The basic level of salary for elected members of principal councils is set at £19.771.

## **Determination 2**

10.2 The salary of a leader of the largest (Group A) council will be £74,141. All other payments have been decided in reference to this. All payments are set out in Table 1.

## **Determination 3**

- 10.3 The salary of a chair of a Joint Overview and Scrutiny Committee will be £9.886.
- 10.4 The salary of vice-chair will be £4,943.

#### **Determination 4**

- 10.5 The basic pay of members of National Park Authorities and Fire and Rescue Authorities has been increased. All payments are set out in Tables 4 and 5.
- 10.6 All current Determinations, including restrictions on receiving double allowances, will be published on our website. Other than the above increases, there are no changes proposed this year.

## **Determination 5**

10.7 For coopted member payments, there is no change in the level of payments. These are set out in Table 6.

- 10.8 Coopted lay members of a Corporate Joint Committee (CJC) will be paid on the same basis as coopted (lay) members with voting rights of other bodies within the local government family, as set out in Table 7.
- 10.9 Each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting coopted members are given as much support as is necessary to enable them to fulfil their duties effectively. Such support should be without cost to the individual member.

## **Determination 7**

- 10.10 Members of Community and Town Councils will be paid £156 a year (equivalent to £3 a week) towards the extra household expenses (including heating, lighting, power, and broadband) of working from home. And Councils must either pay their members £52 a year for the cost of office consumables required to carry out their role, or alternatively councils must enable members to claim full reimbursement for the cost of their office consumables.
- 10.11 Members of Community and Town Councils are appointed office holders. Whilst not employees, their remuneration is still subject to PAYE rules. Section 316A ITEPA 2003 states no liability to income tax arises in respect of a payment an employer makes to an employee in respect of reasonable additional household expenses which the employee incurs in carrying out duties of the employment at home under homeworking arrangements. This arrangement will apply to the £156 payment made under this Determination.

- 10.12 Compensation for financial loss is an optional payment.
- 10.13 The Panel has determined that this payment should be aligned to the daily rate of ASHE 2022 to 2023 and will be £126.74 for a full day and £63.37 for a half day.

## 11.Contact details

11.1 To request a printed version of the Annual Report please email us or write to:

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Telephone: 03000 616095 Email: <u>irpmailbox@gov.wales</u>

11.2 This Annual Report and other information about the Panel and its work are available on our <u>website</u>.