

Pecyn Dogfen Gyhoeddus



Swyddog Cyswllt:
Maureen Potter 01352 702322
maureen.potter@flintshire.gov.uk

At: Bob Aelod o'r Cyngor

14 Tachwedd 2018

Annwyl Gyngorydd

Fe'ch gwahoddir i fynychu cyfarfod Cyngor Sir y Fflint a fydd yn cael ei gynnal am 2.00 pm Dydd Mawrth, 20fed Tachwedd, 2018 yn Siambr y Cyngor, Neuadd y Sir, Yr Wyddgrug CH7 6NA i ystyried yr eitemau canlynol

R H A G L E N

1 YMDDIHEURIADAU AM ABSENOLDEB

Pwrpas: I dderbyn unrhyw ymddiheuriadau.

2 COFNODION (Tudalennau 5 - 16)

Pwrpas: I gadarnhau, fel cofnod cywir gofnodion y cyfarfod ar 23 Hydref 2018.

3 DATGAN CYSYLLTIAD

Pwrpas: I dderbyn unrhyw ddatganiad o gysylltiad a chynghori'r Aelodau yn unol a hynny.

4 CYHOEDDIADAU'R CADEIRYDD

Pwrpas: Derbyn unrhyw gyhoeddiad fel y'i dosbarthwyd.

5 DEISEBAU

Pwrpas: Derbyn unrhyw ddeiseb.

6 CWESTIYNAU GAN Y CYHOEDD

Pwrpas: Derbyn unrhyw gwestiwn gan y cyhoedd.

7 CWESTIYNAU

Pwrpas: Nodi'r atebion i unrhyw gwestiwn a gyflwynwyd yn unol â Rheol Sefydlog 9.4(A) y Cyngor Sir.

8 RHYBUDD O GYNNIG

Pwrpas: Ystyried unrhyw Hysbysiadau o Gynnig a dderbyniwyd.

**9 CYLLIDEB CRONFA'R CYNGOR 2019/20: RHAGOLYGN
DIWEDDARIEDIG A CHYNYGION CYLLIDEB CYFNOD 1 A 2 (Tudalennau
17 - 82)**

Adroddiad Prif Weithredwr, Rheolwr Cyllid Corfforaethol - Arweinydd y Cyngor Aelod o'r Cabinet dros Gyllid

Pwrpas: Rhoi gwybod am sefyllfa ddiweddaraf y gyllideb 2019/20 a chymeradwyo Cam 1 a Cham 2 cynigion y gyllideb.

**10 ADRODDIAD BLYNYDDOL DRAFFT 2019/20 PANEL ANNIBYNNOL
CYMRU AR GYDNABYDDIAETH ARIANNOL (Tudalennau 83 - 170)**

Adroddiad Prif Swyddog (Llywodraethu)

Pwrpas: I alluogi'r Cyngor i ystyried Adroddiad Blynyddol Drafft 2019/20 Panel Annibynnol Cymru ar Gydabyddiaeth Ariannol

11 AILBENODI AELOD ANNIBYNNOL O'R BWYLLGOR SAFONAU.
(Tudalennau 171 - 174)

Adroddiad Prif Swyddog (Llywodraethu)

Pwrpas: Ystyried penodi Aelod Annibynnol i'r Bwyllgor Safonau am ail dymor.

Yn ddiffuant,



Robert Robins
Rheolwr Gwasanaethau Democraidd

HYSBYSIAD GWEDDARLLEDU

Bydd y cyfarfod hwn yn cael ei ffilmio a'l ddarlledu'n fyw ar wefan y Cyngor. Bydd y cyfarfod cyfan yn cael ei ffilmio oni bai fod eitemau cyfrinachol neu wedi'u heithrio dan drafodaeth.

Yn gyffredinol ni fydd y manau eistedd cyhoeddus yn cael eu ffilmio. Fodd bynnag wrth i chi ddod i mewn i'r Siambr, byddwch yn cydsynio i gael eich ffilmio ac i'r defnydd posibl o'r delweddau a'r recordiadau sain hynny ar gyfer gweddarlledu a/neu ddibenion hyfforddi.

Os oes gennych chi unrhyw gwestiynau ynglŷn â hyn, ffoniwch aelod o'r Tîm Gwasanaethau Democrataidd ar 01352 702345.

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 2

FLINTSHIRE COUNTY COUNCIL **23 OCTOBER 2018**

Minutes of the meeting of Flintshire County Council held in the Council Chamber, County Hall, Mold on Tuesday, 23 October 2018

PRESENT: Councillor Paul Cunningham (Chairman)

Councillors: Mike Allport, Bernie Attridge, Janet Axworthy, Glyn Banks, Haydn Bateman, Marion Bateman, Sean Bibby, Chris Bithell, Helen Brown, Derek Butler, Clive Carver, Geoff Collett, Bob Connah, Jean Davies, Rob Davies, Ron Davies, Adele Davies-Cooke, Chris Dolphin, Rosetta Dolphin, Andy Dunbobbin, Mared Eastwood, Carol Ellis, David Evans, Veronica Gay, George Hardcastle, David Healey, Gladys Healey, Patrick Heesom, Cindy Hinds, Andrew Holgate, Dave Hughes, Kevin Hughes, Ray Hughes, Dennis Hutchinson, Paul Johnson, Rita Johnson, Christine Jones, Richard Jones, Colin Legg, Brian Lloyd, Richard Lloyd, Mike Lowe, Dave Mackie, Hilary McGuill, Ted Palmer, Mike Peers, Michelle Perfect, Vicky Perfect, Neville Phillips, Mike Reece, Ian Roberts, Aaron Shotton, Paul Shotton, Ralph Small, Ian Smith, Carolyn Thomas, Martin White, Andy Williams, David Williams, David Wisinger and Arnold Woolley

APOLOGIES:

Councillors: Sian Braun, David Cox, Ian Dunbar, Joe Johnson, Tudor Jones, Billy Mullin, Tony Sharps and Owen Thomas

IN ATTENDANCE:

Chief Executive; Chief Officer (Governance); Chief Officer (Social Services); Chief Officer (Streetscene and Transportation); Chief Officer (Housing and Assets); Senior Manager, Human Resources & Organisational Development; Senior Manager Integrated Services, Lead Adults; Corporate Business and Communications Executive Officer; Democratic Services Manager; Team Leader - Democratic Services; Democratic Services Officers and Councillor Reverend Brian Harvey for prayers

For minute number 51

Theo Joloza - Lead Commissioner, Matt Redmond - Deputy Chief Executive and Tom Jenkins - Review Officer from the Local Democracy and Boundary Commission for Wales

41. PRESENTATIONS

Strategic Housing and Regeneration Programme (SHARP) - Housing and Assets
Finalist in the Municipal Journal Awards 2018, Best Social Housing Initiative category;
and Finalist in the Association for Public Service Excellence (APSE) Service Awards
2018, categories of Best Housing, Regeneration or New Build Initiative and Best
Public/Private Partnership Working Initiative

Council officers Mel Evans, Denise Naylor and Dawn Kent were in attendance with Dan Poole from Wates Residential to recognise the achievements of the Council's ambitious programme in aiming to deliver 500 much-needed social and affordable homes over five years in conjunction with its development partner, Wates Residential.

As Deputy Leader and Cabinet Member for Housing, Councillor Attridge congratulated the team. He welcomed the national recognition of the initiative which had so far delivered 144 high-quality new homes across the County to meet the needs of local communities, regenerate areas and provide employment opportunities.

Flintshire County Council and North Wales Police - Flintshire Early Help Hub
Runner-up in the North Wales Police Problem Oriented Partnership (POP) Awards 2018

Council officers Craig McLeod, Ann Roberts and Jane Turvey were present with Anna Jones of North Wales Police, to celebrate recognition of the multi-agency service in providing valuable early support to families in need.

As Cabinet Member for Social Services, Councillor Christine Jones expressed her pride in the achievements of the team led by Jane Turvey. At the end of March 2018, a total of 684 families had been referred to the Early Help Hub to receive support in dealing with the impact of adverse childhood experiences.

Social Services - Creating a place called home: Delivering what matters
Winner in the Social Care Accolades Awards 2018 - Excellent outcomes for people of all ages by investing in the learning and development of staff - Progress for Providers; and Finalist in the APSE Service Awards 2018 - Best Public/Private Partnership Working Initiative, Celebrating outstanding achievement and innovation with UK Government service delivery

Council officers Dawn Holt, Nicki Kenealy, Matt Thomas and Lee Holman were welcomed, along with Claire Roberts (Haulfryn Care Home), following national recognition of this ambitious programme working in partnership with private sector residential care providers.

In highlighting the outstanding success of the project, Councillor Christine Jones thanked Nicki Kenealy and the Contracts and Commissioning team, along with all partners who had worked together on the scheme to improve the quality of life for older people in Flintshire. She said that the development of an innovative approach to person-centred care in residential care homes was making a real difference.

42. APOLOGIES

Whilst noting apologies for the meeting, it was agreed that deepest sympathies would be sent to Councillor Owen Thomas and his family on behalf of the Council. Also that best wishes be extended to Councillor David Cox on his recovery from illness.

43. MINUTES

The minutes of the meeting held on 12 September 2018 were received.

Councillor Hardcastle asked to be recorded as present at the meeting.

On minute number 36, the tenth paragraph to be amended to reflect that Members would be provided with a copy of the working standards that applied to officers.

Councillor Woolley referred to two typographical errors on minute numbers 36 and 37.

On minute number 38, the Chief Executive agreed to follow up the request by Councillor Peers for more information on the salary of an individual employed by a school. Councillor Attridge confirmed that a report on rent arrears would be submitted to the Community and Enterprise Overview & Scrutiny Committee, as requested by Councillor Peers.

On minute number 39, the Chief Executive would ensure that a response to the request for comparison data would be sought from the Fire Authority and circulated to all Members.

RESOLVED:

That subject to the amendments, the minutes be approved and signed by the Chairman as a correct record.

44. DECLARATIONS OF INTEREST

On Agenda Item 10, Councillors Ted Palmer and Martin White both declared a personal interest on the first Notice of Motion as they were Council tenants.

During discussion on the second Notice of Motion, a number of Members declared a personal interest due to their links with local businesses mentioned in the wording. The Chief Officer (Governance) advised that a declaration was not required unless Members deemed otherwise, as the Notice of Motion did not specifically relate to any particular business and those which had been cited were potential examples of the effects of Brexit.

45. CHAIRMAN'S COMMUNICATIONS

A copy of the Chairman's Communications had been circulated prior to the meeting. In particular, the Chairman thanked Councillor Kevin Hughes for bringing to his attention a World War Two veteran whose work for blind veterans was exemplary.

The Chief Executive took the opportunity to thank the Chairman for recognising the work of the Council's team who organised the first Holiday Hunger scheme during the summer.

Councillor Richard Lloyd thanked the Chairman on behalf of Chloe-Ann Brooks for her recent visit to County Hall in recognition of her award.

46. PETITIONS

On behalf of Councillor Joe Johnson, Councillor Ted Palmer presented a petition on behalf of a resident to request a path along the back road of Pen-y-Maes Road to Boot End, due to safety concerns.

In line with the usual process, the petition would be passed on for the relevant Chief Officer to respond to the main proposer. Officers agreed to develop a process to report back to the Council on the outcomes of petitions submitted each year.

Following discussion on the item, Councillor Carver raised a point of order under section 4.10 of the Constitution, in respect of recent press coverage concerning the Leader of the Council, which he considered to be an urgent item of business.

The Chief Officer (Governance) explained that the matter had not yet been fully resolved and that any discussion at this stage could harm the external investigation which had not yet concluded. He therefore advised that this was not an urgent item of business to which the Chairman agreed.

47. PUBLIC QUESTION TIME

None were received.

48. QUESTIONS

None were received.

49. QUESTIONS FROM MEMBERS ON COMMITTEE MINUTES

None were received.

50. NOTICE OF MOTION

Two Notice of Motion were received:

- (i) Rental Exchange scheme - Councillor Andy Dunbobbin

'I would like the Council to consider the introduction of a service known as the Rental Exchange which is a national scheme being adopted by an increasing number of social landlords as a way of supporting tenants to be able to improve their credit rating.

It has come to my attention that Council tenants who pay rent on time do not have their payments recognised on their credit reference report. I think there is an inequality here because those who have a mortgaged property and make that payment on time, see it reflected on their credit file.

By participating in the service and working with credit reference agencies, the Council would be able to offer tenants the opportunity to build a positive credit history and also be rewarded for paying their rent on time - I believe it also has major benefits

for things like applying for goods and services, including responsible and affordable financial services, online shopping or even helping a tenant who wants to apply for a mortgage as part of a transition into buying their own home.

This is a scheme that would help to support our Council tenants and as a progressive and forward thinking Council, could I ask for this scheme to be considered and implemented?’

As Deputy Leader and Cabinet Member for Housing, Councillor Attridge thanked Councillor Dunbobbin for his Notice of Motion. He said that the mechanism for social housing landlords to sign up to the scheme would help tenants to access affordable credit and offer long-term financial benefits. It would create an incentive for tenants to keep rental payments up-to-date, as well as supporting Council’s strategies. He requested that Cabinet consider a report on the feasibility of implementing the scheme in Flintshire with information on setting-up costs and timescales.

The Motion was seconded by Councillor Gladys Healey.

Councillor Peers proposed a minor change to the wording in the third paragraph of the Motion to replace the word ‘rewarded’ with ‘recognised’ to provide greater clarity. Councillor Dunbobbin indicated that he was satisfied with the amendment. On being put to the vote, the amended Notice of Motion was unanimously supported.

The Chief Executive said that he and the Chief Officer (Housing and Assets) both welcomed the scheme in principle and that a report to Cabinet would be prioritised.

(ii) Brexit Referendum - Councillor Kevin Hughes

‘On June 23rd 2016 the British people voted to leave the European Union through the Brexit Referendum. Of the votes cast 51.89% voted to leave with 48.11% voting to remain. In Flintshire 56.4% voted to leave with 43.6% wishing to remain. The Westminster Government invoked Article 50 on the Treaty of European Union by the Prime Minister signing a letter on March 28th 2017. That letter was delivered to the European Council President Donald Tusk by the British Ambassador to the European Union the following day. Since then negotiations have been ongoing with no sign of a deal that can be agreed in Parliament or one that is acceptable to the British people.

Meanwhile the CEO of Airbus has warned that the company could leave the UK if it exits the European single market and customs union without a transitional deal. This would have a devastating effect on the countless Flintshire workers who are employed by Airbus and the thousands of smaller companies that supply it with goods, equipment and services.

Further, the Executive Vice President of Toyota, Didier Leroy, is on record as saying that uncertainty over Brexit could jeopardise the company’s future investment in the UK which would again have a negative impact on Flintshire workers and the county’s on-going prosperity.

Hazel Wright, the senior policy officer of the Farmers' Union of Wales, is advising Welsh farmers, including those that farm in Flintshire that the Basic Payment Scheme under the EU's Common Agricultural Policy will end after Brexit and in 2021 move to a Welsh Government scheme based on environmental factors.

This would mean Flintshire farmers would be treated differently to their competitors in Northern Ireland, Scotland, England and the rest of Europe and leaves many in fear of their livelihoods and that their farms will no longer be financially viable.

Now we know the true facts and consequences of Brexit and its likely effect on Flintshire's economy, jobs and prosperity coupled with Westminster's inability to negotiate a suitable deal is it not time to give the electorate a second opportunity to have their say on the final Brexit outcome? To not allow the British people a say on the final negotiated deal, now we know the full consequences, would be grossly unfair and an affront to democracy.

This council therefore calls upon the Westminster Government to allow the public to vote on the final Brexit deal that will see the UK leave the European Union. And that vote should have three elements:

- 1) To accept the final deal negotiated by the Government.
- 2) To leave the European Union, its customs union and the single market without a negotiated deal.
- 3) To remain a full member of the European Union, its customs union and the single market.'

In presenting his Notice of Motion, Councillor Hughes said that the aim of his Notice of Motion was not to generate discussion on how individuals voted or to encourage them to change their minds. Instead the Motion took into consideration the current position on whether the deal was what people wanted and the implications for younger generations in Flintshire.

The Motion was seconded by Councillor Bithell who felt that the EU referendum was a complex matter that could not be resolved by a 'yes' or 'no' answer. He referred to issues such as immigration, jobs and tourism which were not known at the time of the EU referendum and highlighted concerns about local industry and the economy.

Councillor Legg spoke in favour of the Motion and highlighted the duty on individuals to exercise their right to vote. Councillor Phillips also spoke in support. His proposed amendment to remove the three options within the Motion was rejected by Councillor Hughes. Councillor Phillips subsequently withdrew his amendment. The Chief Executive said that the framing of the question of any referendum was the responsibility of the Electoral Commission.

Councillor Carver spoke against the Motion as he said that people had been clear in their minds when voting in the first referendum. Councillor Woolley also spoke against the Motion and Councillor Rita Johnson questioned whether the Council's voice would be heard.

Councillor Peers said that the terms of the final deal on Brexit should be subject to consultation before a public vote to accept or reject.

A similar view was shared by Councillor Butler who felt that such major constitutional matters should be determined on a minimum 70% of electorate votes.

Councillor Aaron Shotton said that the Labour group Members were undertaking a free vote on this matter. Whilst acknowledging the principles of the Motion, he felt that making such representations at this crucial stage of negotiations was a risk.

Councillor Paul Johnson, who had taken part in the recent People's Vote march on the Brexit referendum, spoke in support of the Motion.

Councillor Paul Shotton referred to the financial cost of Brexit and Councillor Ian Roberts was in favour of a vote on the actuality of leaving Brexit.

On being put to the vote, the Motion was lost.

The Chief Executive said that whilst the Council had no formal position on Brexit, work was underway on preparing for the risks of transition to be reported to a future meeting of Cabinet and Corporate Resources Overview & Scrutiny Committee. He circulated a hand-out as a background paper.

RESOLVED:

- (a) That the Notice of Motion from Councillor Dunbobbin, as amended by Councillor Peers, be supported. The third paragraph to read: 'By participating in the service and working with credit reference agencies, the Council would be able to offer tenants the opportunity to build a positive credit history and also be recognised for paying their rent on time - I believe it also has major benefits for things like applying for goods and services, including responsible and affordable financial services, online shopping or even helping a tenant who wants to apply for a mortgage as part of a transition into buying their own home.'; and
- (b) That the Notice of Motion from Councillor Hughes on the Brexit referendum be rejected.

Following the item, the Chairman called a brief adjournment.

51. LOCAL DEMOCRACY AND BOUNDARY COMMISSION FOR WALES PRESENTATION

The Chief Executive introduced Theo Joloza (Lead Commissioner), Matt Redmond (Deputy Chief Executive) and Tom Jenkins (Review Officer) from the Local Democracy and Boundary Commission for Wales and invited them to give their presentation on the Flintshire Electoral Review. The presentation covered:

- Who are we?
- Purpose of our presentation
- Legislation

- Scope of the review
- Statutory criteria
- Council size policy - defined - applied
- Electoral ward building blocks
- Single/Multi member
- What we will consider
- Areas of concern
- What will not be considered
- Effective representations
- Where can the Council help?
- Timetable

Changes in Welsh Government (WG) meant that the start of the Boundary Commission's 10 year programme of reviews had been delayed until January 2017. Recommendations made from the current review of electoral arrangements would need to be reported to WG by Spring 2021 to allow sufficient time for the ward changes to be implemented before the 2022 Local Government elections. Members were given copies of the republished Policy and Practice document reflecting the shorter 5 year programme.

The aim of the review was to propose a pattern of electoral wards for the entire council area and not just where there were levels of electoral inequality, although some areas may require no changes. Detailed explanation was given on the different elements for the Commission to consider in creating the new arrangements. Under the Council Size Policy, Flintshire had been placed in the third of four categories of council which had been designed to harmonise the number of population per Member. After the necessary constraints had been applied, it was reported that the review of Flintshire would aim for 63 Members, noting that a slight variance may be considered if supported by evidence. Although the Commission's preference was for single Member wards, consideration would be given to representations for up-to-three member wards. Examples of community ties were shared which could be provided amongst supporting evidence.

Existing community areas and wards had been used as the primary building blocks for each electoral ward. The Commission had been granted powers to make changes to those boundaries as a result of creating electoral wards, however, this would only be considered during the draft consultation stage where specific proposals were supported by local Members and the relevant town/community council.

On the timetable for the review, the Council was encouraged to use local knowledge to submit an appropriate scheme at an early stage, within the rules of the legislation and policies, to help the Commission to identify an appropriate solution to the new arrangements.

The Chief Executive thanked the Commission team for the presentation which would also be delivered to the County Forum that evening. He gave a reminder that a review of community ward boundaries had been completed in 2014 and that there was scope to review again as part of this review. In acknowledging the complexities involved, he spoke about the need to develop the best approach to enable officers and

Members to work together to develop a workable scheme prioritising those areas of the map with the greatest variances from the proposed County average.

Councillor Kevin Hughes raised concerns that the potential loss of seven Members could lead to an unbalanced solution. He was told that the Commission could only work within the parameters of the legislation.

In response to comments from Councillor Bithell about 'man-made' boundaries, it was explained that the review would take in the existing road network and that each ward would be considered on its own merits.

Councillor McGuill asked if the figures for Flintshire took into consideration any future changes arising from the Local Development Plan. It was explained that the legislation primarily required electoral parity on the existing number of electors per Member in the area. Secondary factors such as five year projection figures (to be shared with Members) could form part of the Council's proposals and may be considered within a reasonable tolerance.

In response to remarks by Councillors Palmer and Banks, it was clarified that variances in respect of Members' workload and tourism statistics were not part of the considerations.

Following a query by Councillor Paul Johnson, explanation was given on the calculations which determined that Flintshire was currently over-represented.

More clarity was sought by Councillor Peers on the accuracy of figures and how five year projections would be used. An example was given where an option could be put forward to re-draw a boundary using evidence of future developments. Any areas of significant future growth would be addressed through future reviews as part of the rolling programme.

Councillor Carver suggested the possibility of changing ward boundaries to achieve all single-member wards. It was explained that it was the Council's decision whether to submit evidence in support of this approach. Representations could also be made about the distances travelled by Members to engage with their constituents, as expressed by Councillor Ray Hughes.

The Chairman thanked the representatives for the detailed presentation and responding to Members' questions.

The Chief Executive said that work would commence on developing a process to enable maximum engagement on a scheme.

RESOLVED:

That the presentation be noted.

In line with the Council Procedure Rules, the Chairman moved Standing Orders to extend the meeting beyond 5.00 p.m.

52. PARLIAMENTARY CONSTITUENCIES REVIEW OUTCOME

The Chief Executive presented a report, for information, which set out the final recommendations of the Boundary Commission for Wales on the 2018 Review of Parliamentary Constituencies in Wales.

The recommendation to note the report was moved by Councillor Butler and duly seconded. On being put to the vote, this was carried.

RESOLVED:

That the report be noted.

53. ANNUAL PERFORMANCE REPORT 2017/18

The Chief Executive introduced the report to endorse the 2017/18 Annual Performance Report prior to publication by the deadline. This was a statutory report providing a retrospective overview of performance in achieving the priorities in the 2017/18 Council Plan.

Presentation slides were circulated as a reference paper and covered the following:

- Annual Performance Report
- Council Plan 2017-23
- Format and content
- Performance Overview 2017/18
- Progress Overview
- Highlights
- Areas for Improvement
- Performance Overview - Council Plan
- Summary Overview
- Next Steps

Councillor Attridge said that the information had been shared with Overview & Scrutiny Members. He moved the recommendation in the report, which was seconded by Councillor Butler.

Councillor Peers had a number of queries to raise with the Corporate Business and Communications Executive Officer following the meeting. On progress against risks, it was reported that the 69.6% of risks remaining the same during the period were detailed in the Risk Register (Appendix 2 to the report).

RESOLVED:

That the Annual Performance Report 2017/18 be adopted for publication.

54. ECONOMIC AMBITION BOARD AND THE PROPOSITION DOCUMENT

The Chief Executive presented a report on the development of the Growth Deal bid for North Wales, following adoption of the first stage Governance Agreement in June. At this stage, all regional partners were required to endorse the Proposition Document (setting out programmes and projects to be considered for inclusion in the Growth Deal) to give a mandate to their respective leaders to enter into a Heads of Terms Agreement with the UK and Welsh Governments in the Autumn.

The development of the strategy had involved complex work across the region, with the aim of accessing capital funds from both Governments to benefit business growth and employment. The second Governance Agreement at a later stage would specify risks and financial implications for the collective partnership and for individual partners.

As the Cabinet Member for Economic Development, Councillor Butler paid tribute to the Chief Executive and Leader for their part in achieving regional agreement in a timely manner. He said that the strategy for economic growth would give councils a regional voice to ensure that Welsh Government (WG) delivered on their promises.

The Leader of the Council, Councillor Aaron Shotton said that progress to date was the result of collaborative working to develop a Growth Bid to meet the needs of the region. In calling for the support of Members, he spoke about the expectations of local businesses for a regional Growth Deal.

Councillor Peers referred to discussion at the June meeting indicating that the Proposition Document was to be shared in September and a possible workshop to address a number of outstanding issues. He proposed that the report be deferred to allow time to consider the issues in detail. This was seconded by Councillor Heesom who spoke about the implications of the Growth Bid on the highways infrastructure.

In response, the Chief Executive confirmed that the document had been provided in accordance with the reported timescale of September/October as set out in the minutes of the last meeting. He clarified that no financial or contractual commitments were being made at this stage.

Councillor Richard Jones spoke in support of a deferral due to his concerns about equitable benefits across the County which he felt should have been addressed.

On being put the vote, the proposal to defer the report was lost.

In moving the recommendations in the report, Councillor Aaron Shotton said that the decision was crucial in achieving regional agreement to move to the next stage of negotiations. This was seconded by Councillor Attridge.

On being put to the vote, this was carried.

The Chief Executive agreed to organise an internal workshop, to brief Members in more detail, in due course.

RESOLVED:

- (a) That Council adopts the *Proposition Document* as (1) the basis of a longer-term regional strategy for economic growth and (2) the regional bid for the priority programmes and projects from which the content of a Growth Deal will be drawn at the Heads of Terms Agreement stage with Governments. Adoption does not commit the Council to any financial investment of its own at this stage and is subject to the financial risks and benefits of the final Growth Deal being set out in detail, for full consideration, when the final Deal is presented for approval at a later date; and

- (b) That Council notes that the Leader is authorised by the Executive Board/Cabinet to commit the Council to entering Heads of Terms with Governments alongside the political and professional leaders from the nine other statutory partners represented on the North Wales Economic Ambition Board, and the North Wales Mersey Dee Business Council, with the *Proposition Document* setting out the parameters for the Heads of Terms agreement.

55. MEMBERS OF THE PRESS AND PUBLIC IN ATTENDANCE

There were two members of the press and one member of the public in attendance.

(The meeting started at 2pm and ended at 5.45pm)

.....

Chairman

Eitem ar gyfer y Rhaglen 9



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 November 2018
Report Subject	2019/20 Council Fund Budget: Updated Forecast and Stage 1 and 2 Budget Proposals
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

Cabinet will be considering a report on the *2019/20 Council Fund Budget: Updated Forecast and Stage 1 and 2 Budget Proposals* at a meeting on the morning of 20 November. This report is attached as Appendix A. A presentation will be made to Council which will include a verbal report from the Cabinet meeting.

The budget is being developed in stages:

Stage 1: Corporate Finance

Stage 2: Service Portfolios

Stage 3: National Solutions and Balancing the Overall Budget

The Cabinet Report provides an update on Stage 1 and 2 proposals. Council is set to approve the final balanced budget in February and receives the recommendations of Cabinet in stages for approval.

This report gives the latest budget forecast for 2019/20. Once the known impacts of the Provisional Welsh Local Government Settlement have been taken into full account – and the cost reductions and income generation of the Stage 1 and 2 budget proposals have been accounted for – there is a remaining budget ‘gap’ of £6.7m still to be bridged.

The appendix updates on renewed campaigning activity. Members will be asked to individually and collectively support the campaign for fairer funding for local government and for Flintshire, and to make a formal response to Welsh Government on the Provisional Welsh Local Government Settlement which is out for consultation.

RECOMMENDATIONS

1	That Council approves the Stage 1 and Stage 2 budget proposals.
2	That the Council both supports the proposed campaign and makes a formal response to Welsh Government on the Provisional Welsh Local Government Settlement.

REPORT DETAILS

1.00	STAGE 1 AND 2 OF THE BUDGET FOR 2019/20
1.01	Cabinet will be considering a report on the <i>2019/20 Council Fund Budget: Updated Forecast and Stage 1 and 2 Budget Proposals</i> at a meeting on the morning of 20 November. This report is attached as Appendix A. A presentation will be made to Council which will include a verbal report from the Cabinet meeting.
1.02	The budget is being developed in stages: Stage 1: Corporate Finance Stage 2: Service Portfolios Stage 3: National Solutions and Balancing the Overall Budget
1.03	This report gives the latest budget forecast for 2019/20. Once the known impacts of the Provisional Welsh Local Government Settlement have been taken into full account – and the cost reductions and income generation of the Stage 1 and 2 budget proposals have been accounted for – there is a remaining budget ‘gap’ of £6.7m still to be bridged.
1.04	The Stage 1 budget proposals for corporate finance total £7.937m.
1.05	Stage 2 budget proposals for service portfolios total £0.963m and will contribute £0.630m to the budget once income targets and workforce cost reductions, which have been transferred across for inclusion in the Stage 1 targets, have been deducted.
1.06	The appendix updates on renewed campaigning activity. Members will be asked to individually and collectively support the campaign for fairer funding for local government and for Flintshire, and to make a formal response to Welsh Government on the Provisional Welsh Local Government Settlement which is out for consultation.

2.00 RESOURCE IMPLICATIONS

2.01	As contained within the report to Cabinet of 20 November 2018 attached as Appendix A.
------	---

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As contained within the report to Cabinet of 20 November 2018 attached as Appendix A.

4.00	RISK MANAGEMENT
4.01	As contained within the report to Cabinet of 20 November 2018 attached as Appendix A.

5.00	APPENDICES
5.01	Appendix A - 2019/20 Council Fund Budget: Updated Forecast and Stage 1 and 2 Budget Proposals. Reports from the Overview and Scrutiny Committees are appended to this report.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS AND CONTACT OFFICER DETAILS
6.01	As listed in the appendix. Contact Officer: Colin Everett, Chief Executive Gary Ferguson, Corporate Finance Manager Telephone: 01352 702271 E-mail: gary.ferguson@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	As contained within the report to Cabinet of 20 November 2018 attached as Appendix A.

Mae'r dudalen hon yn wag yn bwrpasol

CABINET

Date of Meeting	Tuesday 20 November 2018
Report Subject	2019/20 Council Fund Budget: Updated Forecast and Stage 1 and 2 Budget Proposals
Cabinet Member	Leader of the Council and Cabinet Member for Finance,
Report Author	Corporate Finance Manager and Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

A report to Cabinet in April this year gave the first detailed overview of the financial forecast for 2019/20. At that stage the projected budget 'gap' between projected income and expenditure stood at £12.2m. This was reduced to £10.6m when taking into account the positive impacts of the change in policy for the Minimum Revenue Provision (MRP) approved by Council in March, and the impact of the stepped annual increase in the charging cap expected for domiciliary care services.

Workshops to brief members on the updated financial forecast and the changing national budget position were held in two phases in July and September. A report to Cabinet in September provided the latest update on the financial forecast for 2019/20. At this stage the projected budget gap stood at £13.7m.

The forecast has been subject to further revision to make allowance for changes in the costs of some known pressures, and to include new pressures that have emerged. The projected budget gap stands at £13.9m before we take account of the impacts of the Provisional Local Government Settlement. Announced on 9 October the Provisional Settlement will have the effect of increasing the overall gap to £15.3m once the reduction in Aggregate External Finance (AEF) for the Council has been applied.

As in recent years the budget for 2019/20 will be considered in stages. This report sets out solutions for the first and second stages. Stage 1 covers budget solutions for corporate finance. Stage 2 covers budget solutions for the service portfolios.

The Corporate and Resources Overview and Scrutiny Committee will have considered the proposals for both Stages 1 and 2 on 15 November, having taken into account the recommendations and feedback from the five portfolio Overview and Scrutiny Committees which met during October and November.

The Welsh Local Government Association, with the full support of its membership, is resolute that the Provisional Settlement is grossly inadequate to meet the evidenced funding needs of local government in Wales. As a low funded council per capita, and a low funded council in the annualised formula-based settlement for 2019/20, Flintshire is particularly exposed to the risks of inadequate funding for local government.

To offset the need for a far higher than normal annual rise in Council Tax the Council is invited to renew its campaign for fairer funding for local government by pressing for the following from Welsh Government:-

- The extra £30m being held for social care in Wales is paid out to councils (worth an estimated £1.3m for Flintshire);
- The extra £15m being held for schools in Wales is paid out to councils (worth an estimated £0.800m for Flintshire and our schools);
- An extra £13m is found so that no council faces an annual reduction in their government grant (worth an estimated £1.9m for Flintshire); and
- The extra £33m 'consequential' funds coming to Wales as a result of the recent Chancellor's budget is paid out to councils as committed by Welsh Government (worth an estimated £1.6m for Flintshire).

RECOMMENDATIONS

1	That Cabinet adopt the Stage 1 – Corporate Finance budget solutions for 2019/20 having taken into account any feedback from the Corporate Resources Overview and Scrutiny Committee.
2	That Cabinet adopt the Stage 2 – Portfolio budget solutions for 2019/20 having taken into account any feedback from the Corporate Resources Overview and Scrutiny Committee, and the feedback and recommendations of the portfolio Overview and Scrutiny Committees.
3	That Cabinet invite Council to formally support the renewed campaign for fairer funding for local government in Wales and for Flintshire.

REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL FORECAST AND STAGE ONE AND TWO BUDGET PROPOSALS
-------------	---

1.01	A report to Cabinet in April this year gave the first detailed overview of the financial forecast for 2019/20. At that stage the projected budget 'gap' between projected income and expenditure stood at £12.2m. This was reduced to £10.6m when taking into account the positive impacts of the change in policy for the Minimum Revenue Provision (MRP) approved by Council in March, and the impact of the stepped annual increase in the charging cap expected for domiciliary care services.																																
1.02	Workshops to brief members on the updated financial forecast and the changing national budget position were held in two phases in July and September. A report to Cabinet in September provided the latest update on the financial forecast for 2019/20. At this stage the projected budget gap stood at £13.7m. The forecast has been subject to further revision to make allowance for changes in the costs of some known pressures, and to include new pressures that have emerged as shown in Table 1																																
1.03	<p>Table 1: Updated Forecast prior to the Provisional Settlement</p> <table border="1" data-bbox="320 786 1382 1839"> <thead> <tr> <th data-bbox="320 786 1118 846">2019/20 Council Fund Budget</th> <th data-bbox="1126 786 1382 846">£M</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 846 1118 907">September Forecast Budget Gap</td> <td data-bbox="1126 846 1382 907">13.657</td> </tr> <tr> <td colspan="2" data-bbox="320 907 1382 967"><i>Adjustments to Pressures:</i></td> </tr> <tr> <td data-bbox="320 967 1118 1028">- Removal of ILF Pressure</td> <td data-bbox="1126 967 1382 1028">(0.321)</td> </tr> <tr> <td data-bbox="320 1028 1118 1088">- Removal of CTRS Pressure</td> <td data-bbox="1126 1028 1382 1088">(0.380)</td> </tr> <tr> <td data-bbox="320 1088 1118 1149">- Reduction of Inflation Pressure</td> <td data-bbox="1126 1088 1382 1149">(0.447)</td> </tr> <tr> <td data-bbox="320 1149 1118 1209">- Increase in Education NJC Pay</td> <td data-bbox="1126 1149 1382 1209">0.152</td> </tr> <tr> <td data-bbox="320 1209 1118 1270">- Additional Contribution MEAG</td> <td data-bbox="1126 1209 1382 1270">(0.016)</td> </tr> <tr> <td colspan="2" data-bbox="320 1270 1382 1330"><i>New Pressures:</i></td> </tr> <tr> <td data-bbox="320 1330 1118 1391">- Teachers Pay 1%</td> <td data-bbox="1126 1330 1382 1391">0.694</td> </tr> <tr> <td data-bbox="320 1391 1118 1451">- Free School Meals</td> <td data-bbox="1126 1391 1382 1451">0.261</td> </tr> <tr> <td data-bbox="320 1451 1118 1512">- CLIA Pressure</td> <td data-bbox="1126 1451 1382 1512">0.226</td> </tr> <tr> <td data-bbox="320 1512 1118 1572">- Independent Review Panel Wales (IRPW)</td> <td data-bbox="1126 1512 1382 1572">0.030</td> </tr> <tr> <td data-bbox="320 1572 1118 1632">- Universal Credit funding transfer to DWP</td> <td data-bbox="1126 1572 1382 1632">0.019</td> </tr> <tr> <td data-bbox="320 1632 1118 1693">- Energy Efficiency pressure</td> <td data-bbox="1126 1632 1382 1693">0.050</td> </tr> <tr> <td data-bbox="320 1693 1118 1839">Revised Forecast Gap</td> <td data-bbox="1126 1693 1382 1839">13.925</td> </tr> </tbody> </table>	2019/20 Council Fund Budget	£M	September Forecast Budget Gap	13.657	<i>Adjustments to Pressures:</i>		- Removal of ILF Pressure	(0.321)	- Removal of CTRS Pressure	(0.380)	- Reduction of Inflation Pressure	(0.447)	- Increase in Education NJC Pay	0.152	- Additional Contribution MEAG	(0.016)	<i>New Pressures:</i>		- Teachers Pay 1%	0.694	- Free School Meals	0.261	- CLIA Pressure	0.226	- Independent Review Panel Wales (IRPW)	0.030	- Universal Credit funding transfer to DWP	0.019	- Energy Efficiency pressure	0.050	Revised Forecast Gap	13.925
2019/20 Council Fund Budget	£M																																
September Forecast Budget Gap	13.657																																
<i>Adjustments to Pressures:</i>																																	
- Removal of ILF Pressure	(0.321)																																
- Removal of CTRS Pressure	(0.380)																																
- Reduction of Inflation Pressure	(0.447)																																
- Increase in Education NJC Pay	0.152																																
- Additional Contribution MEAG	(0.016)																																
<i>New Pressures:</i>																																	
- Teachers Pay 1%	0.694																																
- Free School Meals	0.261																																
- CLIA Pressure	0.226																																
- Independent Review Panel Wales (IRPW)	0.030																																
- Universal Credit funding transfer to DWP	0.019																																
- Energy Efficiency pressure	0.050																																
Revised Forecast Gap	13.925																																
1.04	<p>Provisional Welsh Local Government Settlement</p> <p>The Provisional Local Government Settlement was announced on 9 October. The Settlement is open to consultation and the Council is to be</p>																																

recommended to make a formal response as an outcome of its debate later today. The decisions of Cabinet will inform that debate.

The headline figures for Flintshire are:-

Standard Spending Assessment (SSA)

The provisional SSA for 2019/20 is £267.547m - an increase of 1.2% on the SSA for 2018/19 (£264.333m) unadjusted for baseline changes.

Aggregate External Finance (AEF)

The provisional AEF for 2019/20 is £187.817m which, when compared to the adjusted 2018/19 AEF figure of £189.714m, is a decrease of 1.0% (all Wales average is -0.3%). This is a reduction of £1.897m for Flintshire.

Flintshire is at the foot of the annualised formula based funding table of 22 councils. Councils are protected by a funding ‘floor’, or limit, to prevent any council from receiving a reduction greater than 1%.

In cash terms the reduction in AEF is £1.339m before accounting for the cost pressures for both the national teacher’s pay award and the increased eligibility for free schools meals.

These transfers-in have been included in the updated forecast shown in Table 1. It is important to note that the provision for the national teacher’s pay award only accounts for a 1% uplift whereas the actual pay award is set at 2% on average across the teaching grades. The Council and the local schools will need to share the cost pressure.

The Settlement has the effect of increasing the budget gap to £15.264m as set out in Table 1.

Table 2 – Revised Forecast following the Provisional Settlement

	£m
Revised Forecast Gap (Table 1)	13.925
Provisional Settlement reduction in funding	1.339
Revised Working Gap	15.264

1.05 As in recent years the budget for 2019/20 will be considered in stages. This report sets out solutions for the first and second stages. Stage 1 covers budget solutions for corporate finance. Stage 2 covers budget solutions for the service portfolios. The Corporate and Resources Overview and Scrutiny Committee will have considered the proposals for both Stages 1 and 2 on 15 November having taken into account the recommendations and feedback from the five portfolio Overview and Scrutiny Committees which met during October and November.

1.06	<p>Stage 1 - Corporate Finance Solutions</p> <p>The Stage 1 budget proposals were shared at Member workshops in July and September when in development. Proposals totalling £7.937m were considered by the Corporate Resources Overview and Scrutiny at its meeting on 15 November and feedback will be provided at this meeting. This report is attached as Appendix 1.</p>
1.07	<p>Stage 2 – Service Portfolio Proposals</p> <p>Throughout October and November the respective Overview and Scrutiny Committees considered the Stage 2 proposals in formal meetings. Proposals totalling £0.963m were considered by the Corporate Resources Overview and Scrutiny Committee, alongside the feedback and recommendations from the respective Overview and Scrutiny Committees, on 15 November. The proposals will contribute £0.630m to the budget once income targets and workforce reductions, which have been transferred across for inclusion in stage 1 targets, have been deducted. This report is attached as Appendix 2.</p>
1.08	<p>Remaining Budget Gap</p> <p>Subject to the success of campaigning for an improved Local Government Settlement and having taken into full account the proposals made for Stages 1 and 2 above, the remaining gap for the Council Fund Budget for 2019/20 is in the region of £6.7m.</p>
1.09	<p>The National Position and our Campaigning Stance</p> <p>The UK Chancellor presented his budget statement on 29 October. This included an additional £554m for Wales made up of £486m revenue and £68m capital. The First Minister has stated that local government would be ‘first in the queue’ for any ‘consequential’ funding coming from the Chancellor’s statement.</p> <p>The Welsh Local Government Association, with the full support of its membership, is resolute that the Provisional Settlement is grossly inadequate to meet the evidenced funding needs of local government in Wales. As a low funded council per capita, and a low funded council in the annualised formula-based settlement for 2019/20, Flintshire is particularly exposed to the risks of inadequate funding for local government.</p> <p>To offset the need for a far higher than normal annual rise in Council Tax the Council is invited to renew its campaign for fairer funding for local government by pressing for the following from Welsh Government:-</p> <ul style="list-style-type: none"> - The extra £30m being held for social care in Wales is paid out to councils (worth an estimated £1.3m for Flintshire); - The extra £15m being held for schools in Wales is paid out to councils (worth an estimated £0.800m for Flintshire and our schools); - An extra £13m is found so that no council faces an annual reduction in their government grant (worth an estimated £1.9m for Flintshire); and

	- The extra £33m 'consequential' funds coming to Wales as a result of the recent Chancellor's budget is paid out to councils as committed by Welsh Government (worth an estimated £1.6m for Flintshire).
1.10	<p>Budget Process and Timeline</p> <p>This report deals with Stages 1 and 2 of the annual budget setting. Stage 3 of the process will involve setting a balanced budget with knowledge of the Final Local Government Settlement. The final and balanced budget is due to be set by Council on 19 February 2019. In the meantime, attention should be concentrated on the campaigning activity. A presentation will be made to both Cabinet and Council on the renewed campaign.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As set out in the report.

4.00	RISK MANAGEMENT
4.01	As set out in the report.

5.00	APPENDICES
5.01	<p>Appendix 1 – the report on the Stage 1 budget proposals to Corporate Resources Overview and Scrutiny 15 November</p> <p>Appendix 2 – the report on the Stage 2 budget proposals to Corporate Resources Overview and Scrutiny 15 November.</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS AND CONTACT DETAILS
6.01	<p>Member Workshop Materials for July and 18 September 2018 Method Statements for all Cost Pressures and Efficiencies Risk and Resilience Statements for all Services</p> <p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Specific Grants: AN award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.</p> <p>Financial Year: the period of 12 months commencing on 1 April each year.</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. It includes both the revenue budget and capital programme budget and any authorised amendments to them.</p>



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	15 November 2018
Report Subject	Budget 2019/20 – Stage 1 Proposals – Corporate Finance
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Chief Executive and Corporate Finance Manager
Type of Report	Strategic

EXECUTIVE SUMMARY

The annual budget is developed in three stages. Stage 1 covers corporate finance and the costs of the whole organisation. Stage 2 covers the service portfolios. Stage 3 covers engagement with the Welsh Government on the Local Government Settlement and national financial support and solutions.

This report is one of a series of reports and presents the work on Stage 1 which has been concluded.

RECOMMENDATIONS

1	That the Committee supports the Stage 1 budget proposals for recommendation to Cabinet and Council.
---	---

REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL FORECAST AND STAGE ONE BUDGET PROPOSALS
1.01	A report to Cabinet in April provided the first detailed overview of the financial forecast for 2019/20. At that stage the projected budget gap stood at £12.2m. This was reduced to £10.6m when taking account of the earlier accounting policy change for the Minimum Revenue Provision (MRP) and the impact of the stepped annual increase in the charging cap for domiciliary care services (set by Welsh Government).
1.02	Member briefing workshops were held throughout the summer with updates given on the latest local financial forecast in the context of the developing national budget position. A report to Cabinet on 25 September provided an update on the financial forecast for 2019/20 which showed a projected budget gap of £13.7m.
1.03	The Welsh Local Government Provisional Settlement was announced on 9 October and illustrated a 1% reduction in funding for the Council. The Settlement, unless changed, will have a negative impact on the budget forecast and will widen the funding 'gap'. A full update on the national position will be given in a presentation at the meeting.
1.04	The Council has a staged approach to setting the annual budget – an approach supported and strengthened through the process review undertaken by the Constitution Committee earlier this year. The annual budget is developed in three stages. Stage 1 covers corporate finance and the costs of the whole organisation. Stage 2 covers the service portfolios. Stage 3 covers engagement with the Welsh Government on the Local Government Settlement and national support. This report is one of a series of reports and presents the work on Stage 1 which has been concluded. Each of the proposals is supported by a method statement. The set of method statements is attached to the report. Council will receive the recommendations of Cabinet for Stage 1 of the 2019/20 budget at its November meeting. The comments of this Committee will be reported to Cabinet for it to consider as it makes its recommendations.
	Stage 1 Budget – Corporate Finance
1.05	<p>Local Taxation/Income</p> <p><u>Council Tax Rise at 4.5% (£3.635m) (Net of CTRS Pressure)</u></p> <p>At this stage a minimum Council Tax rise of 4.5% is included for illustrative purposes. Based on current funding projections a higher increase will be required. Council Tax will be set at the final stage of setting the budget and will be a whole Council decision.</p>

	<p><u>New Income Streams (£0.100m)</u></p> <p>The target for increasing income from fees and charges will be raised and is based on work across service portfolios in support of the adopted corporate Income Generation Policy.</p>
1.06	<p>Cost Pressure Management</p> <p><u>Management of workforce and inflation cost pressures (£1.144m)</u></p> <p>A reduction in provision for inflation (£0.144m) based on a risk assessment, and reductions in employer pension contributions (£0.600m) and pension auto-enrolment employer pension contributions (£0.400m) based on workforce size and pension enrolment trends.</p> <p><u>Reduction of workforce costs through a review of terms and conditions (£0.250m)</u></p> <p>A reduction in employer costs based on reviews of eligibility for essential car user allowances and a realignment of casual and essential user mileage budgets, and the introduction of a salary sacrifice scheme to encourage employees to increase their pension contributions through Additional Voluntary Contributions (AVS's).</p>
1.07	<p>Reserves and Balances</p> <p><u>Use of new reserves (£1.900m)</u></p> <p>The Council has used reserves as a temporary way of balancing the budget in recent years. As part of the 2019/20 strategy further use of reserves is being recommended utilising the backdated VAT rebate sum of £1.9m for leisure centre services reported previously.</p>
1.08	<p>Corporate - Organisational</p> <p><u>Final phase of reductions in ADM subsidies (£0.400m)</u></p> <p>The reductions in Council subsidy for the final year of the three-year tapering agreements with Newydd and Aura.</p> <p><u>Reduction in corporate management posts (£0.250m)</u></p> <p>A reduction in the size of the Chief Officer Team and the supporting Executive Office.</p> <p><u>Housing Revenue Account (HRA) - Council Fund recharges (£0.158m)</u></p> <p>A review of recharges for Council services provided to the Housing Revenue Account has been completed with a rebalancing of charges for professional and management services.</p>

	<p><u>School Transport (£0.100m)</u></p> <p>A reduction in the costs of school transport based on reports considered and approved by Overview and Scrutiny and Cabinet.</p> <p>Total Corporate Solutions for Stage 1:-</p> <p>£7.937m (£4.302m excluding any Council Tax rise)</p>
1.09	<p>Budget Process and Timeline</p> <p>The presentation at the meeting will detail the national and local budget processes and timetables.</p>

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	Consultation on the budget is continuous and involved members, the workforce, partners and stakeholders, and trade unions.

4.00	RISK MANAGEMENT
4.01	As set out in the report and the supporting appendices.

5.00	APPENDICES
5.01	Appendix 1 – Method Statements for Corporate Stage 1 Proposals

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS AND CONTACT DETAILS
6.01	<p>Previous reports to Cabinet and Overview and Scrutiny Committees Member Workshop Supporting Papers:13 and 23 July 2018 and 18 September 2018</p> <p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example of population size and demographics and levels of social deprivation.</p> <p>Financial Year: the period of 12 months commencing on 1 April each year.</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

Appendix 1, Modelling : Method Statement – Efficiency Savings


Version Control:	Stage: 1 / 2 / 3	No: 1.4	Date: 05/11/2018
------------------	------------------	---------	------------------

Section A: Impact				
A	Portfolio	Corporate		
B	Service	Revenues		
C	Service Type			
D	Efficiency Title	<i>Council Tax Increase of 4.5% (net of CTRS pressure)</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	N/A
G	Original Budget in Current Year (18/19) relating to this Efficiency	£75.172m	H Efficiency	£3,634,770
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	None
K	Implementation Costs	£0	L Budget Code	None
M	Sources	<input type="checkbox"/> Revenue	N If capital is this included within the current capital programme?	Y / N If no – completed Attach link
O	Impact Assessment Completed?	No		

Tudalen 33

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 34

Section B : Reason								
P	Category for Efficiency:	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other	
	Please Tick			x			Please provide details	
Q	One off or Reoccurring Efficiency	<input type="checkbox"/> Recurring Efficiency		R If reoccurring, state financial impact for the next three years		19/20 £3,634,770	20/21 £3,634,770	21/22 £3,634,770
S	<p>For Categories 1-7 provide / attach evidence to support category of Efficiency</p> <p><i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i></p>	<p>The efficiency is due to an increase in charge for Council tax in 2019/20, using a latest projected Tax Base of 64,317 band D equivalent properties (as at 31/10/2018) and this has been modelled on 4.5% increase in the level of charges.</p> <p>The Tax Base for 2019/20 (see cell C4, i.e. 64,752 band D equivalent properties using a recent snapshot of the actual Tax Base) also assumes an additional 280 Band D equivalent properties as new builds and this is consistent with the volumes of new builds currently taking place across Flintshire.</p> <p>$64,752 + 280 = 65,032 * 98.9\% = 64,317$ band D equivalents (rounded)</p> <p>The financial impact also takes into account the net effect of the increased council tax yield after a projected CTRS budget pressure of £341,120 associated with a 4.5% increase in the level of charges and a 1.5% projected reduction in CTRS expenditure.</p> <p>T:\DATA\My Excel Docs\COUNCIL TAX CHARGES AND BASE\Council Tax Increase - Impact Assessments 19-20.xlsx</p> <div style="text-align: center;">  Tax Base for 2019-20.prt </div>						
Section C : Methodology								
T	<p>Methodology of Calculation</p> <p style="color: red;">State the basis of calculation.</p>	<p>The calculation uses:</p> <ul style="list-style-type: none"> the latest data available on the current level of the Tax Base for 2018-19 (as at 31/10/2018) 						

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 35

	<p>E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation</p> <p>Include assumptions regarding demand. Cross reference to forecasting model if appropriate</p>	<ul style="list-style-type: none"> that the collection rate is reduced from 99.0% to 98.9% in view of WG announcements to end committal as a recovery tool very latest projections of 280 new builds at Band D equivalent are added to the calculations to reflect the growth of domestic properties as a result of new buildings/developments 				
U	Please state any assumptions made in this calculation					
V	Any further resources implications / impact on other service areas	The financial implications take into account the consequential impact that a 4.5% increase in Council Tax will have on the Council Tax Reduction scheme, the associated cost of running the scheme and the additional budget pressure of CTRS of £341,120				
W	<p>Trend Analysis to support future efficiency</p> <p>If included within forecasting model – please attach</p>					
Section D : Financial Analysis						
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>	System Tax Base Reports – as at 31/10/2018			
		<input type="checkbox"/> Actual Figures for the Tax Base but estimated figures for the CTRS consequential of £341,120	Y Confirm source of figures	Completed	AA Confirm when actual figures will be available	2019/20
		AB If estimated give assessment of financial robustness	1 - high	2	3	

Appendix 1, Modelling : Method Statement – Efficiency Savings

Section E : Challenge						
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable
AC	Service Manager	David Barnes	6/6/2018	1.2 (26/9/18) 1.3 (1/11/18)	Revision to take account of latest Tax Base report Revision to take account of : 1) final Tax Base as at 31/10/18 2) revision in assumed collection rate of 98.9% 3) Consequential financial impact of CTRS budget pressure	
AD	Chief Officer					
AE	Finance Challenge	Sara Dulson	28/9/18	1.3 (V4) 5/11/18		
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					
AH	Portfolio Member Informed					

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1 / 2 / 3	No: 1.2	Date: 02/11/18
------------------	------------------	---------	----------------

Section A: Impact				
A	Portfolio	People and Resources		
B	Service	Corporate		
C	Service Type	Corporate Finance		
D	Efficiency Title	<i>Corporate Cost Pressure Reductions</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	Various
G	Original Budget in Current Year (18/19) relating to this Efficiency	£0.559m – Auto enrolment £0.331m – Non Pay Inflation £0.822m – Pension contributions		H Efficiency £1.144m
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	Not applicable – reduction of budgeted costs
K	Implementation Costs	£0	L Budget Code	N/A
M	Sources	<input type="checkbox"/> Revenue <input type="checkbox"/> Capital	N If capital is this included within the current capital programme?	Y / N If no – completed <i>Attach link</i>
O	Impact Assessment Completed?	Y/N N		

Tudalen 37

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 38

Section B : Reason									
P	Category for Efficiency:	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details		
	Please Tick					x			
Q	One off or Reoccurring Efficiency	<input type="checkbox"/> Recurring Efficiency		R If reoccurring, state financial impact for the next three years		19/20 £1.144m	20/21 £1.144m	21/22 £1.144m	
S	<p>For Categories 1-7 provide / attach evidence to support category of Efficiency</p> <p><i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i></p>	The corporate cost pressures are held within the Central and Corporate Finance budget. These include pressures for Auto enrolment, Non Pay inflation and contributions to the pension fund.							
Section C : Methodology									
T	<p>Methodology of Calculation</p> <p style="color: red;">State the basis of calculation.</p> <p style="color: red;">E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation</p> <p style="color: red;">Include assumptions regarding demand. Cross reference to forecasting model if appropriate</p>	<p>Inflation – Unused inflation in 17/18 of £0.144m</p> <p>Auto – enrolment – Reduction in pressure on budget of £0.559m due to impact being less than originally forecast. Still subject to monthly changes as assessment of eligibility depends on hours worked in an initial month. Initial projections highlighted a potential underspend of £0.200m which formed part of the original efficiency put forward. A half year review of this pressure indicates that based on current information and if no further pressures emerge from new joiners to the pension scheme, a further £0.200m is available to release as an efficiency making the overall efficiency £0.400m.</p> <p>Pension deficit recovery – initial indications are that there is a potential efficiency. More work is needed to fully understand the full year effect of Aura and Newydd transferring out and this will be assessed further into the year, however initial indications suggest £0.200m is a reasonable figure to include at this stage. A detailed review has been undertaken on this area to analyse the reasons for the positive position. The main reasons are due to surplus budget from previous Actuarial Valuations which is not required due to changes in operating models and staffing, retrieval of budget from areas where staff have opted out, and more significantly, over recovery of the deficit which is due to the higher level of pay award (2+%) than taken into account at the last Actuarial Review. This has provided the Council with a positive variance on this account and the £0.200m originally identified can be increased by an additional £0.400m making the overall efficiency £0.600m.</p>							

Appendix 1, Modelling : Method Statement – Efficiency Savings

U	Please state any assumptions made in this calculation	As above				
V	Any further resources implications / impact on other service areas	No				
W	Trend Analysis to support future efficiency If included within forecasting model – please attach					
Section D : Financial Analysis						
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>	Y Confirm source of figures	As stated above and highlighted as part of monitoring of the Central and Corporate finance code		
		<input type="checkbox"/> Estimated Figures	Z If estimated ensure you assumptions are completed	Yes	AA Confirm when actual figures will be available	Not until the end of 18/19 however the estimate can be refined Sept 18
		AB If estimated give assessment of financial robustness	1	2	3	
Section E : Challenge						
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable
AC	Service Manager	Gary Ferguson	2/11/18	1.2		
AD	Chief Officer					
AE	Finance Challenge	Sara Dulson	2/11/18	1.2		
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					

Appendix 1, Modelling : Method Statement – Efficiency Savings

AH	Portfolio Member Informed					
----	---------------------------	--	--	--	--	--

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1 / 2 / 3	No: 1.1	Date: 31/5/18
-------------------------	-------------------------	----------------	----------------------

Section A: Impact				
A	Portfolio	Corporate		
B	Service	Various		
C	Service Type			
D	Efficiency Title	<i>Workforce Cost reduction</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	Various
G	Original Budget in Current Year (18/19) relating to this Efficiency	£833k for Mileage £732k for ECU allowance		H Efficiency £0.250m
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	ECU is part of annual review and mileage budget is surplus requirement. Publication of salary sacrifice can be done in house via infonet.
K	Implementation Costs	£0	L Budget Code	N/A
M	Sources	<input type="checkbox"/> Revenue	N If capital is this included within the current capital programme?	Y / N If no – completed Attach link
O	Impact Assessment Completed?	Y/N N		

Tudalen 41

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 42

Section B : Reason										
P	Category for Efficiency: <div style="text-align: right;">Please Tick</div>	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details			
					x					
Q	One off or Reoccurring Efficiency <input type="checkbox"/> Recurring Efficiency	R If reoccurring, state financial impact for the next three years			19/20 £0.250m	20/21 £0.250m	21/22 £0.250m			
S	For Categories 1-7 provide / attach evidence to support category of Efficiency <i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i>	The efficiency relates to a reduction in workforce cost budgets as a result of the annual review of eligibility for the Essential Car allowance scheme, reduction in mileage claimed and the promotion of salary sacrifice scheme for AVC contributions to the pension scheme.								
Section C : Methodology										
T	Methodology of Calculation State the basis of calculation. E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation Include assumptions regarding demand. Cross reference to forecasting model if appropriate	Essential Car User allowance figure – 51 employees identified at last review (Nov 17) as being ineligible for ECU allowance with savings in region of £51k. Review is annual so a further review will be undertaken in 2018. Mileage usage – based on 18/19 budget and 17/18 actual a saving of up to £80k could be achieved. Some realignment of budget between casual and essential would be required. Introduction of a salary sacrifice scheme for employees paying in AVC's which would give tax relief to the employee and generate a saving on employers NI. Papers attached give further details: ..\\..\\..\\FCC_Filesahre_05\\CTAC\\SHARED\\Budget\\1920\\workforce options 19.20 v2.docx ..\\..\\..\\FCC_Filesahre_05\\CTAC\\SHARED\\Budget\\1920\\Method Statements\\Essential Mileage.xlsx ..\\..\\..\\FCC_Filesahre_05\\CTAC\\SHARED\\Budget\\1920\\Method Statements\\Casual Mileage.xlsx								

Appendix 1, Modelling : Method Statement – Efficiency Savings

U	Please state any assumptions made in this calculation	The paper on workforce options has a range up to £240k however there will be further review of ECU allowance in the year.				
V	Any further resources implications / impact on other service areas	None				
W	Trend Analysis to support future efficiency If included within forecasting model – please attach					
Section D : Financial Analysis						
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>	Y Confirm source of figures	Mileage figures as per ledger ECU figures as per HR Salary sacrifice figures as per HR		
		<input type="checkbox"/> Estimated Figures	Z If estimated ensure you assumptions are completed		AA Confirm when actual figures will be available	19/20 financial year
		AB If estimated give assessment of financial robustness	1	2 - estimated but mileage should be robust	3	
Section E : Challenge						
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable
AC	Service Manager	Gary Ferguson	30/9/18			
AD	Chief Officer					
AE	Finance Challenge	Sara Dulson	30/9/18			
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					

Tudalen 43

Appendix 1, Modelling : Method Statement – Efficiency Savings

AH	Portfolio Member Informed					
----	---------------------------	--	--	--	--	--

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1 / 2 / 3	No: 1.1	Date: 20/08/18
-------------------------	-------------------------	----------------	-----------------------

Section A: Impact				
A	Portfolio	Corporate		
B	Service	Corporate Finance		
C	Service Type	Central and Corporate		
D	Efficiency Title	<i>Use of Reserves 19.20</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	N/A
G	Original Budget in Current Year (18/19) relating to this Efficiency	£N/A		H Efficiency £1,900,000
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	Use of reserves only
K	Implementation Costs	£	L Budget Code	N/A
M	Sources	<input type="checkbox"/> Revenue <input type="checkbox"/> Capital	N If capital is this included within the current capital programme?	Y / N If no – completed Attach link
O	Impact Assessment Completed?	Y/N N		

Tudalen 45

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 46

Section B : Reason									
P	Category for Efficiency:	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other		
	Please Tick						Please provide details		
							Use of reserves		
Q	One off or Reoccurring Efficiency	<input type="checkbox"/> One off Efficiency <input type="checkbox"/> Recurring Efficiency		R	If reoccurring, state financial impact for the next three years		19/20 £1,900,000	20/21 £0	21/22 £0
S	<p>For Categories 1-7 provide / attach evidence to support category of Efficiency</p> <p><i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i></p>	<p>For the past few years the Council has used reserves as a temporary way of balancing the budget and meeting the gap between income from government grant and Council tax. As part of the 2019/20 strategy further use of reserves is being considered with the use of additional one off windfall income from a VAT rebate as detailed in Section C, which will increase the amount of useable reserves, being used.</p>							
Section C : Methodology									
T	<p>Methodology of Calculation</p> <p style="color: red;">State the basis of calculation.</p> <p style="color: red;">E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation</p> <p style="color: red;">Include assumptions regarding demand. Cross reference to forecasting model if appropriate</p>	<p style="text-align: center;">Briefing note</p> <p style="text-align: center;">VAT and Leisure Services.</p> <p>Background</p> <p>Local Authorities have in the past charged VAT on sporting activities such as the use of swimming pools and gymnasia. As a result of a case brought by the London Borough of Ealing, the European Court of Justice ruled in July 2017 that in fact such activities when supplied by Local Authorities should be exempt from VAT. HMRC accepted the ruling and as a result Local Authorities are able to recover VAT incorrectly charged on the activities.</p> <p>Price Waterhouse Coopers (PWC) acted on behalf of Ealing, and Flintshire County Council engaged with them during the process. Information on the amount of VAT involved was collected and sent to PWC, showing how much VAT could be reclaimed by Flintshire from July 2012 (the earliest date which VAT can be reclaimed from in</p>							

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 47

		<p>this case) and August 2017, the point at which the leisure service began to be delivered by AURA. This was in two tranches, the first being up to March 2015 and the second to August 2017.</p> <p>In total the amount of VAT reclaimed is £1,947,798.</p>				
U	Please state any assumptions made in this calculation	See above				
V	Any further resources implications / impact on other service areas	None				
W	<p>Trend Analysis to support future efficiency</p> <p style="color: red;">If included within forecasting model – please attach</p>	N/A – one off				
Section D : Financial Analysis						
X	Actual or Estimated Figures used to Calculate Efficiency	Delete where applicable		Figures as per briefing note confirmed by PWC and HMRC.		
		<input checked="" type="checkbox"/> Actual Figures	Y Confirm source of figures			
		<input type="checkbox"/> Estimated Figures	Z If estimated ensure you assumptions are completed		AA Confirm when actual figures will be available	
	AB If estimated give assessment of financial robustness	1		2	3	
Section E : Challenge						
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable
AC	Service Manager	Gary Ferguson	20/8/18			

Appendix 1, Modelling : Method Statement – Efficiency Savings

AD	Chief Officer					
AE	Finance Challenge	Sara Dulson	20/8/18			
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					
AH	Portfolio Member Informed					

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1	No: 1.1	06/06/18
------------------	----------	---------	----------

Section A: Impact				
A	Portfolio	Organisational Change 1		
B	Service	Organisational Change		
C	Service Type	Leisure - AURA		
D	Efficiency Title	9% Reduction in FCC subsidy		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	
G	Original Budget in Current Year (18/19) relating to this Efficiency	£3,773,704	H Efficiency	£337,400
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	
K	Implementation Costs	N/A	L Budget Code	
M	Sources	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital	N If capital is this included within the current capital programme?	Y / N If no – completed <i>Attach link</i>
O	Impact Assessment Completed?	N		
Section B : Reason				

Tudalen 49

Appendix 1, Modelling : Method Statement – Efficiency Savings

P	Category for Efficiency: <div style="text-align: right;">Please Tick</div>	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details	
					X			
Q	One off or Reoccurring Efficiency <input type="checkbox"/> One off Efficiency <input checked="" type="checkbox"/> Recurring Efficiency	R If reoccurring, state financial impact for the next three years			19/20 £337,400	20/21 £337,400	21/22 £337,400	
S	For Categories 1-7 provide / attach evidence to support category of Efficiency <i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i>							
Section C : Methodology								
T	Methodology of Calculation State the basis of calculation. E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation Include assumptions regarding demand. Cross reference to forecasting model if appropriate	Breakdown not for inclusion in the legals Funding Agreement Pension Deficit Buckley NNDR budget to transfer Museum Warden Repairs and Maintenance Accounting technician Proposed Efficiencies in AURA Business Plan 1% Inflationary increase SLA including inflation MTFs efficiency	Full Year 2017/18 £ 4,533,828 £ (495,223) £ 8,391 £ 20,666 £ 40,746 £ 43,949 £ - £ 4,152,357 £ 4,152,357	Sept - Mar '2017/18 £ 2,644,733 £ (288,880) £ 4,895 £ 12,055 £ 23,769 £ 25,637 £ - £ 2,422,208 £ - £ (378,653)	Full Year 2018/19 £ 4,152,357 £ - £ - £ - £ - £ - £ - £ (416,016) £ 3,736,341 £ 37,363	Full Year 2019/20 £ 3,773,704 £ - £ - £ - £ - £ - £ (371,361) £ 3,402,343 £ 34,023 £ 3,436,367 £ (337,338)		

Appendix 1, Modelling : Method Statement – Efficiency Savings

U	Please state any assumptions made in this calculation	10% Efficiency agreed on transfer					
V	Any further resources implications / impact on other service areas						
W	Trend Analysis to support future efficiency If included within forecasting model – please attach						
Section D : Financial Analysis							
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>		Aura Business Plan			
		<input checked="" type="checkbox"/> Actual Figures <input type="checkbox"/> Estimated Figures	Y	Confirm source of figures			
		AB	If estimated give assessment of financial robustness	Z	If estimated ensure you assumptions are completed	AA	Confirm when actual figures will be available
			1	2	3		
Section E : Challenge							
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable	
AC	Service Manager						
AD	Chief Officer	Neal Cockerton	8/11/18				
AE	Finance Challenge	Emma Jamieson	8/11/18				
AF	Chief Officers Team						

Tudalen 51

Appendix 1, Modelling : Method Statement – Efficiency Savings

AG	Submit within Integrated Impact Assessment within CAMMS				
AH	Portfolio Member Informed				

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1	No: 1.1	06/06/18
------------------	----------	---------	----------

Section A: Impact				
A	Portfolio	Organisational Change 2		
B	Service	Organisational Change		
C	Service Type	Newydd Catering & Cleaning		
D	Efficiency Title	10% Reduction in FCC subsidy		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	UFJ1515731
G	Original Budget in Current Year (18/19) relating to this Efficiency	£742,937	H Efficiency	£61,400
I	Implementation Costs associated with this efficiency	If yes – completed below	J If no – provide a reason:	
K	Implementation Costs	N/A	L Budget Code	
M	Sources	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital	N If capital is this included within the current capital programme?	Y / N If no – completed <i>Attach link</i>
O	Impact Assessment Completed?	N		
Section B : Reason				

Tudalen 53

Appendix 1, Modelling : Method Statement – Efficiency Savings

P	Category for Efficiency:	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details	
	Please Tick				X			
Q	One off or Reoccurring Efficiency	<input type="checkbox"/> One off Efficiency <input checked="" type="checkbox"/> Recurring Efficiency		R If reoccurring, state financial impact for the next three years		19/20 £61,400	20/21 £55,192	21/22 £50,169
S	For Categories 1-7 provide / attach evidence to support category of Efficiency <i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i>	SLA			2019/20 Budget	2020/21 Budget	2021/22 Budget	
		MFTP			668,320	551,918	501,693	
		Inc. staffing budget for 17/18 uplift						
		add. pension cost 18.1%			(55,035)			
		Agreed efficiency Target 10% less inflation			(61,400)	(55,192)	(45,654)	
		SLA			551,918	501,693	456,039	
Section C : Methodology								
T	Methodology of Calculation State the basis of calculation. E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation Include assumptions regarding demand. Cross reference to forecasting model if appropriate							

Tudalen 54

Appendix 1, Modelling : Method Statement – Efficiency Savings

U	Please state any assumptions made in this calculation	10% reduction in the FCC subsidy as agreed on transfer					
V	Any further resources implications / impact on other service areas						
W	Trend Analysis to support future efficiency If included within forecasting model – please attach						
Section D : Financial Analysis							
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>		Aura Business Plan			
		<input checked="" type="checkbox"/> Actual Figures <input type="checkbox"/> Estimated Figures	Y	Confirm source of figures			
			Z	If estimated ensure you assumptions are completed		AA	Confirm when actual figures will be available
	AB	If estimated give assessment of financial robustness	1	2	3		
Section E : Challenge							
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable	
AC	Service Manager						
AD	Chief Officer	Neal Cockerton	8/11/18				

Appendix 1, Modelling : Method Statement – Efficiency Savings

AE	Finance Challenge	Zoe Roberts	8/11/18			
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					
AH	Portfolio Member Informed					

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1 / 2 / 3	No: 1.1	Date: 03/10/2018
-------------------------	-------------------------	----------------	-------------------------

Section A: Impact				
A	Portfolio	Chief Executives		
B	Service	Corporate Finance		
C	Service Type			
D	Efficiency Title	<i>HRA Support Services Recharge</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	GCG1157998
G	Original Budget in Current Year (18/19) relating to this Efficiency	£1,408,043	H Efficiency	£158,000
I	Implementation Costs associated with this efficiency	If yes – completed below No	J If no – provide a reason:	This efficiency relates to revised recharges to the HRA and will not incur any implementation costs.
K	Implementation Costs	£n/a	L Budget Code	n/a
M	Sources	<input checked="" type="checkbox"/> Revenue <input type="checkbox"/> Capital	N If capital is this included within the current capital programme?	Y / N If no – completed Attach link
O	Impact Assessment Completed?	No		

Tudalen 57

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 58

Section B : Reason									
P	Category for Efficiency:	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details		
	Please Tick						✓ Revised allocation of Support Service costs to the HRA		
Q	One off or Reoccurring Efficiency	<input type="checkbox"/> One off Efficiency <input checked="" type="checkbox"/> Recurring Efficiency		R If reoccurring, state financial impact for the next three years		19/20 £158,000	20/21 £158,000	21/22 £158,000	
S	<p>For Categories 1-7 provide / attach evidence to support category of Efficiency</p> <p><i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i></p>	<p>A review has been undertaken on the HRA support service recharges following the consultation by Alan Gay. A further full detailed review will be undertaken in Mar 2019 as part of the year end support recharge work and the comparative data provided by Housemark of eligible cost recharges between the HRA and Council fund for all local stock owned Councils. Initial findings are detailed below.</p> <ul style="list-style-type: none"> Increase in Chief Officer time apportionment Increase in Personal Assistant time apportionment Multi-functional device (printer) recharges Postage recharges Call Centre Manager time apportionment Garden maintenance Fleet recharges Apportionment of professional support charges <p>L:\FCC Fileshare Multipath\Housing & Assets Finance\HRA\Support Services\Housing Revenue Account Paper - Support Recharges.docx</p>							
Section C : Methodology									
T	<p>Methodology of Calculation</p> <p style="color: red;">State the basis of calculation.</p> <p style="color: red;">E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation</p>	<p>The calculation is based on 2019/20 salary costs and estimates for usage based on revised apportionments and up to date unit data.</p>							

Appendix 1, Modelling : Method Statement – Efficiency Savings

	Include assumptions regarding demand. Cross reference to forecasting model if appropriate						
U	Please state any assumptions made in this calculation	The assumption has been made that no double counting has taken place (e.g. nothing has been included in the Contact Centre efficiencies or Chief Executive efficiencies). This is still to be verified.					
V	Any further resources implications / impact on other service areas						
W	Trend Analysis to support future efficiency If included within forecasting model – please attach						
Section D : Financial Analysis							
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>		Confirmed			
		<input type="checkbox"/> Actual Figures	Y Confirm source of figures			AA Confirm when actual figures will be available	These will continue to be firmed up following review. No identified risk to current efficiency
		<input checked="" type="checkbox"/> Estimated Figures	Z If estimated ensure you assumptions are completed				
AB If estimated give assessment of financial robustness	1	2	3				
Section E : Challenge							
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable	
AC	Service Manager						
AD	Chief Officer	Neal Cockerton	28/9/18				

Appendix 1, Modelling : Method Statement – Efficiency Savings

AE	Finance Challenge	Rachael Corbelli	29/9/18			
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					
AH	Portfolio Member Informed					

Appendix 1, Modelling : Method Statement – Efficiency Savings

Version Control:	Stage: 1 / 2 / 3	No: 1.1	Date: 23/08/18
-------------------------	-------------------------	----------------	-----------------------

Section A: Impact				
A	Portfolio	STREETSCENE & TRANSPORTATION		
B	Service	Transportation		
C	Service Type	Internal		
D	Efficiency Title	<i>Transport Historical Anomalies & Impact of Concessionary Fare Increase</i>		
E	Efficiency to occur in Financial Year	2019/20	F Budget Code	
G	Original Budget in Current Year (18/19) relating to this Efficiency	£0	H Efficiency	£0.100m
I	Implementation Costs associated with this efficiency		J no	Resources are already in place
K	Implementation Costs	£	L Budget Code	TLA
M	Sources	x Revenue	N If capital is this included within the current capital programme?	Y / N If no – completed Attach link
O	Impact Assessment Completed?	<u>Impact of Concessionary Fare Increase & Historical Anomalies – Service 9/X9</u> <u>Current Annual Costs</u>		

Tudalen 61

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 62

Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
9/X9	98	91 (21 qualify)	£112,100.00	£231,357.00	£343,457.00	£25,218.00 (average)	£22,474.00 (average)	£295,765.00

Cabinet approval:

- Implementation from 1st October 2018 to withdraw the public transport service
- Implementation from 1st January 2019 to withdraw registered school bus at peak times
- Provide dedicated school buses for eligible pupils (will require notice to existing operator, Traffic Commissioner and re-procurement)
- Sell concessionary spare seats (on application) on the school buses to non-eligible pupils who were

Actual Costs April 2018-December 2018

Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
9/X9	98	91 (21 qualify)	£74,733.33	£115,678.51	£190,411.84	£16,812.00	£11,237.04	£162,362.80

Actual Costs January 2019-March 2019

2 x 53 seat coaches @ £40,000 per bus per annum / 3 months = £20,000.00

Local transport arrangements for Service 9/X9 withdrawal x 3 months = £6,250.00

Estimated take-up of concessionary spare seats @ 75% (53 pupils) x 1 term of £100.00 per pupil = £5,300.00 income

Total costs 2018/2019 = £183,312.80

Savings = £112,452.20

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 63

Full year impact 2019-2020 (based on actuals)

2 x 53 seat coaches @ £40,000 per bus per annum = £80,000.00

Local transport arrangements for Service 9/X9 withdrawal = £25,000.00

Estimated take-up of concessionary spare seats @ 75% (53 pupils) x 3 terms of £100.00 per pupil = £15,900 income

Residual costs = £89,100.00

Overall savings year on year = £94,212.80

Impact of Concessionary Fare Increase & Historical Anomalies – Service S12 (Wepre – Connah’s Quay High School)

Current Annual Costs

Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
S12	78	75 (non-qualifying)	£31,350.00	£0.00	£31,350.00	£0.00 (Operator retains)	£0.00	£31,350.00

Cabinet approval:

- Undertake consultation on future provision of service with pupils and school to understand the demand and consider the following options:
 - Option 1)** Withdraw the service completely from 1st April 2019
 - Option 2)** Raise fares to cover full operating costs

Estimated costs April 2018-March 2019

Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
-------	------------------	-------------------------	-------------------------------	-----------------------------------	------------------	------------------------	----------------------------------	--------------------

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 64

		S12	78	75 (non-qualifying)	£31,350.00	£0.00	£31,350.00	£0.00 (Operator retains)	£0.00	£31,350.00
<p>Option 1 - Withdraw the service completely from 1st April 2019 Saving = £31,350.00</p> <p>Option 2 - Raise fares to cover full operating costs Current fares: £1.00 per day per pupil</p> <p style="margin-left: 20px;">a) Fare increase to £2.20 per day assuming that all 75 pupils continue to travel</p> <p style="margin-left: 40px;">- 75% of pupils continue to travel = fare revenue £23,408 (shortfall of £7,942)</p> <p style="margin-left: 40px;">- 50% of pupils continue to travel = fare revenue £15,844 (shortfall of £15,506)</p> <p style="margin-left: 20px;">b) If only 75% of pupils continue to travel, fare increase would need to be to £3.00 per day</p> <p style="margin-left: 20px;">c) If only 50% of pupils continue to travel fare increase would need to double to £4.40 per day</p> <p><u>Impact of Concessionary Fare Increase & Historical Anomalies – Service SP1/SP2 (now re-numbered to 5/5A)</u></p>										
Current Annual Costs										
		Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
		5/5A	98	85 (15 qualify)	£104,500.00	£96,464.00	£200,964.00	£0.00 (operator retains)	£0.00	£200,964.00
<p>Cabinet approval:</p> <ul style="list-style-type: none"> Public transport service will remain, as it operates on the core bus network Provide dedicated school buses for eligible pupils (will require notice to existing operator, Traffic Commissioner and re-procurement). Implementation from 1st January 2019 										

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 65

- Sell concessionary spare seats (on application) on the school buses to non-eligible pupils who were enrolled at either Mold Alun, Ysgol Maes Garmon, Buckley Elfed High School up to and including Sept 2017.
- Phase out service over 5 year period
- Undertake consultation from 1st September 2018 to inform pupils / parents of intended withdrawal of the service.
- Undertake consultation with Buckley Elfed and Mold Alun High School - September 2018 (minimum 2 months' notice)

Actual Costs April 2018-December 2018

Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
5/5A	98	85 (15 qualify)	£69,666.67	£64,309.33	£133,976.00	£0.00	£0.00	£133,976.00

Actual Costs January 2019-March 2019

2 x 53 seat coaches @ £40,000 per bus per annum / 3 months = £20,000.00

Estimated take-up of concessionary spare seats @ 75% (53 pupils) x 1 term of £100.00 per pupil = £5,300.00 income

Total costs 2018/2019 = £148,676.00

Savings = £52,288.00

Full year impact 2019-2020 (based on actuals)

Public transport service £96,464.00 per annum

2 x 53 seat coaches @ £40,000 per bus per annum = £80,000.00

Estimated take-up of concessionary spare seats @ 75% (53 pupils) x 3 terms of £100.00 per pupil = £15,900 income

Residual costs = £158,564.00

Increase from 18/19 to 19/20 = £9,888.00

Impact of Concessionary Fare Increase & Historical Anomalies – Service Z125 (Pentre Halkyn Windmill to Mold Campus)

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 66

Current Annual Costs								
Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
Z125	74	70 (20 qualify)	£43,975.00	£0.00	£43,975.00	£0.00 (operator retains)	£0.00	£43,975.00
<p>Cabinet approval:</p> <ul style="list-style-type: none"> Provide dedicated school buses for eligible pupils (will require notice to existing operator, Traffic Commissioner and re-procurement). Implementation from 1st January 2019 Sell concessionary spare seats (on application) on the school bus to non-eligible pupils who were enrolled up to and including Sept 2017. Phase out service over 5 year period Undertake consultation from 1st September 2018 to inform pupils / parents of intended withdrawal of the service. Undertake consultation with Mold Alun High school - September 2018 (minimum 2 months' notice) 								
Actual Costs April 2018-December 2018								
Route	Vehicle Capacity	Estimated No. of Pupils	School Transport (Gross cost)	FCC public transport (Gross cost)	Gross Cost Total	Estimated Fare Revenue	Concessionary Fare Reimbursement	Estimated Net Cost
Z125	74	70 (20 qualify)	£29,316.67	£0.00	£29,316.67	£0.00	£0.00	£29,316.67
<p>Actual Costs January 2019-March 2019 1 x 74 seat double-decker @ £44,000 per bus per annum / 3 months = £11,000.00 Estimated take-up of concessionary spare seats @ 75% (38 pupils) x 1 term of £100.00 per pupil = £3,800.00 income</p>								
Total costs 2018/2019 = £36,516.67								

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 67

		<p>Savings = £7,458.33</p> <p>Full year impact 2019-2020 (based on actuals) 1 x 74 seat double-decker @ £44,000 per bus per annum = £44,000.00 Estimated take-up of concessionary spare seats @ 75% (38 pupils) x 3 terms of £100.00 per pupil = £11,400 income Residual costs = £32,600.00 Estimated savings year on year = £3,916.67</p>								
Section B : Reason										
P	<p>Category for Efficiency:</p> <p style="text-align: right;">Please Tick</p>	1. Policy Reform	2. Service Reform	3. Income Generation	4. Efficiency Review	5. Pressure Reduction	6. Other Please provide details			
				x						
Q	<p>One off or Reoccurring Efficiency</p>	<input type="checkbox"/> One off Efficiency <input checked="" type="checkbox"/> Recurring Efficiency		R If reoccurring, state financial impact for the next three years		19/20 £0.100m	20/21 £0m	21/22 £0m		
S	<p>For Categories 1-7 provide / attach evidence to support category of Efficiency</p> <p><i>NB – Attach forecasting model if relevant or any other evidence to support the reason for Efficiency</i></p>	Re assessment of current provision leading to a reduction in a number of Public / Schools transport routes that are deemed to be outside 'normal service provision'.								
Section C : Methodology										
T	<p>Methodology of Calculation</p> <p style="color: red;">State the basis of calculation.</p>	<p>Impact of concessionary fare increase & historical anomalies</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 33%; text-align: center;">Route</td> <td style="width: 33%; text-align: center;">18/19 revised costs</td> <td style="width: 33%; text-align: center;">19/20 full year costs</td> </tr> </table>						Route	18/19 revised costs	19/20 full year costs
Route	18/19 revised costs	19/20 full year costs								

Appendix 1, Modelling : Method Statement – Efficiency Savings

Tudalen 68

<p>E.g. pay – does it include current on costs / pays scale / period it applies to. If over 1 financial include estimate of pay increase (approx. 2%) and inflation</p> <p>Include assumptions regarding demand. Cross reference to forecasting model if appropriate</p>	9/X9	£183,312.80	£89,100.00
	S12	£31,350.00	£31,350.00*
	5/5A	£148,676.00	£158,564.00
	Z125	£36,516.67	£32,600.00
	Breakfast Club **	£34,865.00	£34,865.00
	Non-application of Policy	£10,000.00	£10,000.00
	FUSE Drama Group	£1,800.00	£0.00
	TOTAL	£446,520.47	£356,479.00
	<p>NB. Above figures take account of concessionary fare take-up of 75%</p> <p>* Figure assumes worst case scenario and zero cost recovery</p> <p>** Breakfast Club transport provision savings would not be achieved until 2020/2021 and 2022/2023 when the existing pupils are due to leave school</p> <p>Efficiency = £90,041.47</p> <p><u>Impact of concessionary fare increase on existing concessions</u></p> <p>Previous estimated income £165.00 per annum x 20 pupils = £3,300.00</p> <p>Estimated income £300.00 per annum x 20 pupils = £6,000.00</p> <p>Efficiency = £2,700.00</p> <p>Overall efficiency = <u>£92,741.47</u></p>		
U	Please state any assumptions made in this calculation		

Appendix 1, Modelling : Method Statement – Efficiency Savings

V	Any further resources implications / impact on other service areas					
W	Trend Analysis to support future efficiency If included within forecasting model – please attach					
Section D : Financial Analysis						
X	Actual or Estimated Figures used to Calculate Efficiency	<i>Delete where applicable</i>				
		<input type="checkbox"/> Actual Figures	Y Confirm source of figures			
		<input checked="" type="checkbox"/> Estimated Figures		Z If estimated ensure you assumptions are completed		AA Confirm when actual figures will be available
	AB If estimated give assessment of financial robustness	1				
Section E : Challenge						
		Name	Date	Version Reviewed	Comments	Further Action Required if Applicable
AC	Service Manager	K Wilby	24/09/18	1.1		
AD	Chief Officer	S Jones	24/09/18	1.1		
AE	Finance Challenge	D Ledsham	24/09/18	1.1		
AF	Chief Officers Team					
AG	Submit within Integrated Impact Assessment within CAMMS					
AH	Portfolio Member Informed					



CORPORATE RESOURCES OVERVIEW AND SCRUTINY COMMITTEE

Date of Meeting	15 November 2018
Report Subject	Budget 2019/20 – Stage 2 Proposals – All Portfolios
Cabinet Member	Leader of the Council and Cabinet Member for Finance
Report Author	Corporate Finance Manager, Chief Executive
Type of Report	Strategic

EXECUTIVE SUMMARY

The annual budget is developed in three stages. Stage 1 covers corporate finance and the costs of the whole organisation. Stage 2 covers the service portfolios. Stage 3 covers engagement with the Welsh Government on the Local Government Settlement and national financial support and solutions.

This report summarises the outcomes of the Stage 2 work with the Overview and Scrutiny Committees. Each of the five Committees have reviewed in formal meetings the cost pressures and investments, and efficiencies proposed for their respective portfolio for 2019/20. These meetings, held throughout October and November, followed the earlier portfolio specific member workshops.

In summary the Committees have recommended adoption of the suite of cost pressures and investments, and efficiencies without exception.

RECOMMENDATIONS

1	That the Committee receives and supports the recommendations of the five Overview and Scrutiny Committees.
---	--

REPORT DETAILS

1.00	EXPLAINING THE FINANCIAL FORECAST AND STAGE TWO BUDGET PROPOSALS
1.01	Each of the five Overview and Scrutiny Committees have reviewed in formal meetings the cost pressures and investments, and efficiencies proposed for their respective portfolio for 2019/20. These meetings, held throughout October and November, followed the earlier portfolio specific member workshops. In summary the Committees have recommended adoption of the suite of cost pressures and investments, and efficiencies without exception. These cost pressures and investment, and proposed efficiencies, are set out in the appendix by Committee.
1.02	The portfolio specific member workshops held in October gave members an opportunity to explore portfolio budgets in more detail in readiness for the staged decision-making for the annual budget. The risks and resilience levels within services were also explored. Portfolio specific resilience statements were presented for operational service areas. These statements illustrated that there is very limited scope for any further cost efficiencies beyond those presented.
	Outcomes From Overview and Scrutiny Committees (OSCs)
1.03	<p><u>Community & Enterprise OSC – 30th October</u></p> <p>The Committee did not have any specific questions or new suggestions and recognised that there was limited scope for further efficiencies. The Committee was hopeful that further funding would be forthcoming from Welsh Government.</p> <p>Recommendation: That the Committee support the portfolio efficiency options, as shown in the report.</p>
1.04	<p><u>Social & Health OSC – 31st October</u></p> <p>Specific questions were raised around Out of County placements and the financial pressure this was exerting on the Council; the financial contribution made for placements by the Health Board and whether this needed to be increased; whether collaboration with neighbouring authorities could reduce this pressure. The Committee did not have any new suggestions and recognised that there was limited scope for further efficiencies</p> <p>There was then a lengthy debate about the National UK Government budget and any expected funding ‘consequential’ for Welsh Government. Members were keen to ensure increased communication with the public around the financial pressures being faced by the Council and welcomed the work to provide Members with a media pack to assist in this. There was a suggestion of a workshop for all Members on effective communication.</p>

	<p>Recommendations:</p> <p>(a) That the Committee support the portfolio efficiency options, as shown in the report; and</p> <p>(b) That the Committee congratulate the work and performance of the Social Services Portfolio teams in the current financial circumstances.</p>
1.05	<p><u>Education & Youth OSC – 1st November</u></p> <p>Similar to the Social & Health Care OSC meeting, a number of questions were raised around Out of County Placements and the financial pressure this was having on the Council. Similar questions around the ability to collaborate with neighbouring authorities to reduce this pressure were asked. A suggestion was made on whether Welsh Government could be asked to put a financial ‘cap’ on providers of Out of County placements and it was agreed to pursue this regionally and nationally.</p> <p>A number of concerns were raised around the pressures on head teachers, teachers and all school staff by the financial pressures, and a similar discussion to that had by the Social & Health OSC meeting around increased communication with the public and national lobbying was facilitated.</p> <p>The Committee did not have any new suggestions and recognised that there was limited scope for further efficiencies</p> <p>Recommendations:</p> <p>(a) That the Committee support the portfolio efficiency options, as shown in the report; and</p> <p>(b) That Members agree to seek to raise public awareness about the implications of the current financial challenges for services</p>
1.06	<p><u>Environment OSC – 16th October</u></p> <p>A number of questions were raised at the meeting and points raised for clarification including the reduction in income from the sale of waste recyclates, future plans around the frequency of waste collection, and the collection of side waste.</p> <p>Further information was requested on the content of the Access and Natural Environment budgets. The Chief Officer confirmed that the budget covered twenty full time posts and that a report would be provided to a future meeting with further detail of the mandatory services provided.</p> <p>A request for a report on the advantages and disadvantages of moving to three or four-weekly waste collection service with information on the experiences of authorities who had such changes was requested.</p> <p>The Committee did not have any new suggestions and recognised that there was limited scope for further efficiencies.</p>

	<p>Recommendations:</p> <p>(a) That the Committee endorsed the portfolio pressures and investments; and (b) That the Committee endorsed the portfolio efficiency options.</p>																																																
1.07	<p><u>Organisational Change OSC – 2nd November</u></p> <p>Communication with the public was discussed further following discussions at the other Committees. Members felt it was important to begin a consultation exercise to raise public awareness as soon as possible - emphasising that in reality the proposed 1% cut in Government grant did not take account of pay and price inflation.</p> <p>Members welcomed the innovative ways officers have worked to achieve saving/efficiencies. They emphasised that the Council have managed to keep libraries and leisure centres open as a result of alternative delivery models. The Committee did not have any new suggestions and recognised that there was limited scope for further efficiencies.</p> <p>Recommendation:</p> <p>That having examined the portfolio efficiencies the Committee agree to endorse them.</p>																																																
1.08	<p><u>Corporate Resources OSC – 15th November</u></p> <p>Refer to the separate report on the agenda for this meeting.</p>																																																
1.09	<p>Summary of Business Plan Efficiency Proposals for 2019/20 by Committee</p> <table border="1" data-bbox="320 1301 1209 2029"> <thead> <tr> <th data-bbox="320 1301 959 1384">Portfolio</th> <th data-bbox="959 1301 1038 1384"></th> <th data-bbox="1038 1301 1209 1384">19/20 £m</th> </tr> </thead> <tbody> <tr> <td data-bbox="320 1384 959 1429"></td> <td data-bbox="959 1384 1038 1429"></td> <td data-bbox="1038 1384 1209 1429"></td> </tr> <tr> <td data-bbox="320 1429 959 1462">Corporate</td> <td data-bbox="959 1429 1038 1462"></td> <td data-bbox="1038 1429 1209 1462">0.360</td> </tr> <tr> <td data-bbox="320 1462 959 1496">Social Services</td> <td data-bbox="959 1462 1038 1496"></td> <td data-bbox="1038 1462 1209 1496">0.315</td> </tr> <tr> <td data-bbox="320 1496 959 1529">Education & Youth</td> <td data-bbox="959 1496 1038 1529"></td> <td data-bbox="1038 1496 1209 1529">0.076</td> </tr> <tr> <td data-bbox="320 1529 959 1563">S&T</td> <td data-bbox="959 1529 1038 1563"></td> <td data-bbox="1038 1529 1209 1563">0.065</td> </tr> <tr> <td data-bbox="320 1563 959 1597">P&E</td> <td data-bbox="959 1563 1038 1597"></td> <td data-bbox="1038 1563 1209 1597">0.111</td> </tr> <tr> <td data-bbox="320 1597 959 1630">Housing & Assets</td> <td data-bbox="959 1597 1038 1630"></td> <td data-bbox="1038 1597 1209 1630">0.035</td> </tr> <tr> <td data-bbox="320 1630 959 1697">Total</td> <td data-bbox="959 1630 1038 1697"></td> <td data-bbox="1038 1630 1209 1697">0.963</td> </tr> <tr> <td data-bbox="320 1697 959 1731"></td> <td data-bbox="959 1697 1038 1731"></td> <td data-bbox="1038 1697 1209 1731"></td> </tr> <tr> <td data-bbox="320 1731 959 1765">Budget Strategy</td> <td data-bbox="959 1731 1038 1765"></td> <td data-bbox="1038 1731 1209 1765"></td> </tr> <tr> <td data-bbox="320 1765 959 1798">Less:</td> <td data-bbox="959 1765 1038 1798"></td> <td data-bbox="1038 1765 1209 1798"></td> </tr> <tr> <td data-bbox="320 1798 959 1832">Income</td> <td data-bbox="959 1798 1038 1832"></td> <td data-bbox="1038 1798 1209 1832">0.143</td> </tr> <tr> <td data-bbox="320 1832 959 1865">Targeted Post Reductions</td> <td data-bbox="959 1832 1038 1865"></td> <td data-bbox="1038 1832 1209 1865">0.190</td> </tr> <tr> <td data-bbox="320 1865 959 1899"></td> <td data-bbox="959 1865 1038 1899"></td> <td data-bbox="1038 1865 1209 1899"></td> </tr> <tr> <td data-bbox="320 1899 959 1966">Balance of Operational Efficiencies</td> <td data-bbox="959 1899 1038 1966"></td> <td data-bbox="1038 1899 1209 1966">0.630</td> </tr> </tbody> </table>	Portfolio		19/20 £m				Corporate		0.360	Social Services		0.315	Education & Youth		0.076	S&T		0.065	P&E		0.111	Housing & Assets		0.035	Total		0.963				Budget Strategy			Less:			Income		0.143	Targeted Post Reductions		0.190				Balance of Operational Efficiencies		0.630
Portfolio		19/20 £m																																															
Corporate		0.360																																															
Social Services		0.315																																															
Education & Youth		0.076																																															
S&T		0.065																																															
P&E		0.111																																															
Housing & Assets		0.035																																															
Total		0.963																																															
Budget Strategy																																																	
Less:																																																	
Income		0.143																																															
Targeted Post Reductions		0.190																																															
Balance of Operational Efficiencies		0.630																																															

	If approved the above would contribute an additional total of £0.630m to the projected budget gap. Income and workforce/targeted post reductions cost efficiencies are accounted for elsewhere in the budget strategy which explains their removal from this working total.
--	---

2.00	RESOURCE IMPLICATIONS
2.01	As set out in the report.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	As set out in the report.

4.00	RISK MANAGEMENT
4.01	As set out in the report.

5.00	APPENDICES
5.01	<p>Summary of Pressures and Efficiencies:</p> <p>Appendix 1 - Community and Enterprise OSC Appendix 2 - Social and Health OSC Appendix 3 - Education and Youth OSC Appendix 4 - Environment OSC Appendix 5 - Organisational OSC Appendix 6 - Corporate Resources OSC</p>

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS AND CONTACT OFFICER DETAILS
6.01	<p>Member Workshop Background Paper: 13 and 23 July and 18 September 2018 Method Statements by Portfolio Risk and Resilience Statements by Portfolio</p> <p>Contact Officer: Gary Ferguson, Corporate Finance Manager Telephone: (01352) 702271 E-mail: gary.ferguson@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>Specific Grants: An award of funding from a grant provider (e.g. Welsh Government) which must be used for a pre-defined purpose.</p> <p>Annual Settlement: the amount of its funds the Welsh Government will allocate annually to local government as a whole, as part of its total budget and to individual councils one by one. The amount of Revenue Support Grant each council will receive is based on a complex distribution formula for awarding Aggregate External Finance (AEF). The formula is underpinned by assessments of local need based, for example, of population size and demographics and levels of social deprivation.</p> <p>Financial Year: the period of 12 months commencing on 1 April</p> <p>Revenue: a term used to describe the day to day costs of running Council services and income deriving from those services. It also includes charges for the repayment of debt, including interest, and may include direct financing of capital expenditure.</p> <p>Budget: a statement expressing the Council's policies and service levels in financial terms for a particular financial year. In its broadest sense it includes both the revenue budget and capital programme and any authorised amendments to them.</p>

Community & Enterprise Overview and Scrutiny Committee 30th October 2018**Portfolio Pressures and Investments****Housing & Assets**

Council Tax Reduction Scheme (Modelled based on a 4.5% increase in Council Tax)	£0.380m
SHARP Framework (Unachievable prior year efficiency)	£0.020m

Governance

Council Tax Discount Scheme for Care Leavers (Discretionary discount scheme approved by Cabinet in July 2018)	£0.027m
Contact Centre (Unachievable prior year efficiency)*	£0.100m

*Also reported to CROSC

Portfolio Business Planning Efficiencies**Housing & Assets**

Bond base budget reduction	£0.005m
Temporary Accommodation	£0.030m
Total -	£0.035m

Planning, Environment & the Economy

Communities for Work base budget	£0.020m
Market Fees increase	£0.003m
Total -	£0.023m

Social & Health Overview and Scrutiny Committee 31st October 2018**Portfolio Pressures and Investments**

Social Care Commissioning	£1.600m
Out of County placements (currently under review) *	£1.655m
Transition to Adulthood	£0.640m
Residential Care - new placements	£1.009m
Total -	£4.904m

*includes the Educational element of Out of County placements

Portfolio Efficiency (arising from Welsh Government policy)

Charging cap increase - non-residential care	£0.264m
--	---------

Portfolio Business Planning Efficiencies

Older People - Day Centres	£0.020m
Telecare - reduced equipment spend	£0.010m
Workforce Development - income generation	£0.005m
Supported Living - reduction in voids	£0.025m
Communications - mobile hardware	£0.005m
Childcare offer IT system (one-off)	£0.010m
Vacancy management savings	£0.050m
Strategic use of grant funding	£0.170m
Regional Commissioning	£0.020m
Total -	£0.315m

Education & Youth Overview and Scrutiny Committee 1st November 2018

Portfolio Pressures and Investments

Minority Ethnic Achievement Grant	£0.048m
Out of County placements *	£1.655m
Additional Learning Needs (ALN) reforms	£0.142m
Schools NJC Pay Award	£1.402m
Total -	£3.247m

* This is a joint pressure with Social Services for children with additional learning needs in out of county placements.

Portfolio Business Planning Efficiencies

Integrated Youth Provision – Spend reduction	£0.014m
School Planning & Provision – Reduction in portfolio Insurance budget	£0.005m
School Improvement Systems – £38k removal of WJEC SLA as negotiated by Welsh Government & ADEW. £20k reduction in early entitlement budget based on falling birth rate and consequent reduction in pupil numbers.	£0.058m
Total -	£0.077m

Environment Overview and Scrutiny Committee 16th October 2018

Portfolio Pressures and Investments

Streetscene & Transportation

North Wales Residual Waste Treatment Project* £0.425m (one-off)
(No WG Grant during commissioning period)

Waste Recycling Income reductions £0.180m
(Reducing value of material collected due to the loss of international markets)

Planning, Environment & the Economy

Local Development Plan (LDP) £0.172m
* an application to re-profile grant funding is pending with Welsh
Government which may mitigate this pressure

Portfolio Business Planning Efficiencies

Streetscene & Transportation

Review of security arrangements in Alltami Depot £0.005m
Income from external works (Fleet Workshop) £0.010m
Garden Waste Charges (increased take up) £0.050m
Total – Streetscene & Transportation £0.065m

Stage 1 Efficiency Proposal

School Transport Anomalies £0.100m

Planning, Environment & the Economy

Greenfield Valley £0.018m
Service Review within Community & Business £0.035m
Increased Planning Fee income £0.025m
Minerals & Waste Shared Service £0.005m
Supplies & Services spending review £0.005m
Total – Planning, Environment & the Economy £0.088m

Organisational Change Overview and Scrutiny Committee 2nd November 2018**Portfolio Pressures and Investments**

There are no Pressures or Investments currently identified within this area.

Organisational Change Efficiencies (Part of Stage 1 Corporate Proposals)

AURA	£0.338m
Newydd	£0.061m
Total Efficiency	<u>£0.399m</u>

CROSC Overview and Scrutiny Committee 15th November 2018**Portfolio Pressures and Investments**

Microsoft Licencing Costs	£0.150m
Unachievable Contact Centre Efficiency*	£0.100m
Independent Review Panel for Wales	£0.030m
Transfer of Funding for Universal Credit	£0.019m
Total -	£0.299m

*Also reported in C&E OSC

Portfolio Business Planning Efficiencies**Chief Executive's**

Executive Office Workforce Costs	£0.190m
Executive Office Management Recharge	£0.015m
Workforce Reduction Business & Comms	£0.015m
Digital Delivery of Council Newsletter	£0.029m
Graphics Income	£0.005m

Governance

Democratic Services Changes efficiency	£0.009m
Renegotiation of IT Contracts	£0.097m
Total -	£0.360m

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 10



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 th November 2018
Report Subject	Independent Remuneration Panel for Wales (IRPW) Draft Annual Report for 2019/20
Report Author	Chief Officer (Governance)

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. The IRPW is required to send the draft Annual Report to County Councils which this year it did on the 2nd October, requesting comments to be made by no later than the 27th November 2018.

The IRPW is required to take into account the representations which it receives on the draft before issuing its final version of the report in February. For 2019/20 the following changes are proposed:

Basic salary – “to avoid further erosion in relation to average earning the Panel has decided to increase the basic salary to £13,868 (an increase of 1.97%). This is a £268 increase in the basic salary for Councillors from £13,600.

Senior salaries – the IRPW have said that ‘The salaries of leaders and members of the executive have not been increased for several years (except for the increase in the basic element). We consider that the holders of these posts have significant functional responsibility and compared to the remuneration of many other public sector roles are not well paid.’ They have proposed an increase of £800 for each (inclusive of the £268 increase in the basic salary).

RECOMMENDATIONS

1	That Council considers and comments on the Determinations made by the Independent Remuneration Panel for Wales in their draft Annual Report for 2019/20.
2	That the Chief Officer (Governance) 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 2019/20
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) should be the rates of payment to Members and co-optees of Local Authorities in Wales for the following year.
1.02	For 2019/20, the IRPW has made 45 Determinations, 20 of which are directly relevant to Flintshire County Council and 9 which relate to Town & Community Councils (the other Determinations relate to Fire & Rescue and National Park Authorities). The Panel's Determinations for 2019/20 are located in Annex 1 on page 57 of the attached IRPW report.
1.03	There is a slight change proposed for the basic salary of 1.97% which equates to £268 on each basic salary which will increase from £13,600 to £13,868 (Determination 1) To set this determination in context, the IRPW have produced analyses of basic members' salaries and alternative comparators between 2010 and 2018 and made the point that bench council members salaries have remained relatively static over 9 years. Over the same period, they have pointed out, assembly members' salaries have increased by 24% and members of parliament by 17.7%.
1.04	An increase of £800 is proposed for leaders and cabinet members which is inclusive of the £268 increase being paid to all Councillors (Determination 2). There is no specific increase (other than the basic increase paid to all members) for committee chairs and the leader of the largest opposition group
1.05	The payment rates for salaries to civic heads and deputies (which are paid to the Chair and Vice Chair of Council) were previously on a variable scale. However, the IRPW has found councils to be strongly opposed to making decisions on levels of civic salary. Therefore, the 'choice' element has been removed. A civic head must now receive a civic salary of £22,568 (the same as that proposed for committee chairs and a £500 increase on the current payment, level plus the £268 increase). The deputy civic head must receive a Band 5 salary of £17,568, which is an increase of £1,000). However, a council may decide not to apply any civic salary to either of these two posts (Determination 3)
1.06	Determinations 4 and 5 relate to the remuneration of presiding and deputy presiding officers. In Flintshire, the role of the civic head and deputy encompass those roles and so the determinations are not relevant here.
1.07	Determinations 6 and 7 relate to the provision of adequate telephone, email and internet facilities giving electronic access to appropriate information without cost to the individual member. Members will be aware that we provide I pads for most Members (a small number preferred not to use an iPad) and computers in the group rooms. The Constitution & Democratic Services Committee on 30 th January 2018 considered a report on the provision of mobile phones for members and decided against universal provision in favour of the very limited provision.

1.08	Determination 8 is a reiteration of the provision for specific or additional senior salaries which are outside the current remuneration framework. In Flintshire, we pay a senior salary to the chair of the Clwyd pensions Committee, but that additional cost is borne by the Clwyd Pension Fund rather than the Members' Allowances budget.
1.09	The entitlement for all eligible elected Members of principal councils to join the Local Government Pension Scheme (LGPS) is affirmed.(Determination 9).
1.10	Determinations 10- 15 deal with entitlements to Family Absence and cover substitution arrangements for senior salary holders.
1.11	Determinations 30 – 35 relate to co-opted members with voting rights. There is no increase in the fees payable, but the need to allow reasonable time for pre-meeting preparation, traveling and attending non-formal meetings are emphasised. The co-optees have previously been made aware of this.
1.12	Determination 36 reiterates that all authorities must provide for the reimbursement of necessary costs for the care of dependent children or adults provided by informal or formal carers) and for personal assistance needs up to a maximum of £403 per month.

2.00	RESOURCE IMPLICATIONS
2.01	The budget provision required for payment for Members' Salaries in 2019/20 will need to be increased by £268 per Councillor, resulting in an increase of £18, 760. In addition, there are proposed increases for cabinet members of £800 each (inclusive of the basic increase) which means a further £4,256. The proposed simplification of civic salaries means an increase of £500 for the Chair of Council and of £1,000 for the vice-chair. The resultant budget pressure including on costs is £29,549.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	This report is in response to external consultation. Group Leaders and their deputies have been made aware of the draft IRPW report in advance by email on 2 nd October 2018.

4.00	RISK MANAGEMENT
4.01	No risk management issues have been identified during the preparation of this report.

5.00	APPENDICES
5.01	Appendix 1 - Covering letter from the IRPW. Appendix 2 - IRPW draft report for 2019/20.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	<p>The main background document to this report is the draft IRPW report which is attached as an appendix.</p> <p>Contact Officer: Robert Robins, Democratic Services Manager Telephone: 01352 702320 E-mail: Robert.robins@flintshire.gov.uk</p>

7.00	GLOSSARY OF TERMS
7.01	<p>IRPW – Independent Remuneration Panel for Wales is the independent body established by the Welsh Government to determine the level of Local Authority payments to Members.</p> <p>Determinations - the decisions which the IRPW makes</p> <p>Basic Salary – the salary or allowance which the IRPW determines should be paid to each Member of the Council which for 2017/18 is £13,400. For 2018/19, £13,600 is proposed.</p> <p>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).</p> <p>Civic Salaries - these are the payments made to the Chair and Vice Chair of Council</p>



To:

Leaders and Chief Executives of County and County Borough Councils
Chairs and Chief Executives of National Park Authorities
Chairs and Clerks of Fire and Rescue Authorities
Chair and Chief Executive of One Voice Wales
Leader and Chief Executive of Welsh Local Government Association
Head of Democratic/Members Services of County and County
Borough Councils, National Park Authorities and Fire and Rescue Authorities
Community & Town Councils

2 October 2018

Dear Colleague

Independent Remuneration for Wales – Annual Report 2019/20

The Panel's draft Annual Report for 2019/20 is attached. We would appreciate and welcome comments during the consultation period which ends on 27 November 2018.

Last year the Panel visited all 22 principal councils and met over 400 elected members and many chief officers. We have taken account of many of the issues that were raised during the visits and published a report on our findings. The report is available on the Panel's website.

The draft Report contains proposed changes to our remuneration framework including a small increase in the basic salary and some significant changes in respect of community & town councils.

We will consider all of the responses to this draft prior to producing the final Report for publication in February 2019.

Yours sincerely

John Bader

Chair

Mae'r dudalen hon yn wag yn bwrpasol



Independent Remuneration Panel for Wales

Annual Report

DRAFT

February 2019

Mae'r ddogfen yma hefyd ar gael yn Gymraeg.
This document is also available in Welsh.

Tudalen 89

ANNUAL REPORT 2019

FOREWORD

Last year the Panel visited each of the 22 principal councils and met with many members and officers. We produced and published a report setting out our findings from the visit. The report is available on the Panel's website.

In this draft Annual Report we have reflected some of the issues that arose during our visits. We have previously indicated that payments to councillors have not kept pace with the original comparator the Panel used to establish an appropriate level of remuneration because of pressures on public expenditure. The effect of this can be seen in the table and graph that we have included in this report.

We are proposing another modest increase in the basic salary of elected members of principal councils which will at least prevent further erosion. For the first time in several years we are also proposing a small increase in the remuneration of leaders and executive members.

The Panel is also proposing further changes in respect of payments to members of community and town councils.

As ever, we will appreciate receiving responses to this draft Report by the deadline contained in the covering letter.

John Bader
Chair

Panel Membership

John Bader – Chair
Gregory Owens - Vice Chair
Stephen Mulholland

Julie May
Saz Willey
Roger Symonds

Detailed information about the members can be found on the website:

<http://gov.wales/irpwsb/home/?lang=en>

Contents

Introduction	3
1. The Panel's Framework: Principles of Members' Remuneration	6
2. Annual Report Summary Page	8
3. Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries	9
4. Joint Overview and Scrutiny Committees (JOSC)	22
5. Pension Provision for Elected Members of Principal Councils	23
6. Entitlement to Family Absence	24
7. Payments to Members of National Park Authorities	25
8. Payments to Members of Welsh Fire and Rescue Authorities	29
9. Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire & Rescue Authorities	33
10. Reimbursement of Costs of Care	35
11. Sickness Absence for Senior Salary Holders	36
12. Reimbursement of Travel and Subsistence Costs when on Official Business	38
13. Payments to Members of Community and Town Councils	40
14. Compliance with Panel Requirements	49
15. Salaries of Heads of Paid Service of Principal Councils and Fire and Rescue Authorities and Chief Officers of Principal Councils	50
Annex 1: The Panel's Determinations for 2019/20	57
Annex 2: Independent Remuneration Panel for Wales (IRPW) Regulations:	62
Annex 3: Schedule of member remuneration	77
Annex 4: Publication of Remuneration – the Panel's Requirements	79

Introduction



This is the eleventh Annual Report of the Independent Remuneration Panel for Wales (the Panel), and the eighth published under the requirements of the Local Government (Wales) Measure 2011(as amended).

1. As with all the Panel's Annual Reports the determinations on member remuneration are underpinned by the principles set out in Section 1.
2. The Panel has consistently expressed its view that maintaining the democratic values of local governance cannot be cost-free. Members of local authorities (including co-opted and appointed members) are there to represent the interests of local people, undertake the governance of local communities, and secure appropriate value-for-money public services for local tax-payers through effective scrutiny for which they are accountable to their community. These are significant and important tasks for members of the relevant authorities within the Panel's remit. Payments to members are made available to encourage a diversity of willing and able people to undertake local governance through their elected, appointed or co-opted roles.
3. In determining the level of payments to members of local councils, the Panel seeks to meet the principle of '*acceptability*' by ensuring that these are not '*so great as to require a significant diversion of resources from key council priorities*'. But Section 142(8) of the Measure is more explicit on '*affordability*' when it states that "*when setting an amount¹ ...the Panel must take into account what it considers will be the likely financial impact of doing so on relevant authorities*". Meeting the requirement of the Measure in regard to affordability has been a challenge for the Panel, not least because of public interest in the payments made to members. The Panel acknowledges that the issue of affordability – in relation both to relevant authorities' service budgets and to the electorate's disposable incomes – is likely to impact on the public perception of any increases to members' payments.
4. However, payments to members for their time, worth and responsibility must be, and must be seen to be, fair to those undertaking the role. In 2009 the Panel aligned members' payments to the median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE). The basic salary at that time was set at three-fifths of the All Wales Median Salary and senior salaries were set at multiples of this annual median salary. In setting these salaries the Panel recognised that there was an unpaid public service contribution.
5. During our visits to all principal councils last year many members expressed the view that, compared with a traditional paid employment the basic salary is too low to attract younger people and to encourage greater diversity. They also pointed out the significant differences between remuneration and support

available to elected members in other levels of government in Wales. They proposed that the level of the basic salary should therefore be raised significantly in recognition of the importance of the role of an elected member of a principal council.

6. The financial constraints on the public sector and particularly local authorities has meant that the link with average Welsh earnings has not been maintained. The Panel considers that this has undervalued the worth of elected members. To avoid further erosion in relation to average earnings the Panel has decided to increase the basic annual salary to £13,868 (an increase of 1.97%).
7. The salaries of leaders and members of the executive have not been increased for several years (except for the increase in the basic element). We consider that holders of these posts have significant functional responsibility and compared to remuneration of many other public sector roles are not well paid. We have therefore proposed a modest increase of £800 (inclusive of the £268 increase in the basic salary).
8. From the discussions during our visits to the principal councils it is clear that very few members are utilising the provision in the Framework to reimburse the costs of care. It appears that some members are still reluctant to claim all that they are entitled to support them in their role, because of concerns about the adverse publicity this can attract (see Annex 4 for the publication options). We urge Democratic Services Committees to take steps to encourage and facilitate greater use of this element of our Framework so that members concerned are not financially disadvantaged.
9. The Panel has continued to contribute wherever possible to enhancing diversity in local government in Wales through its determinations. To take this a step further the Panel has produced a leaflet for prospective candidates on the remuneration of members of councils. We are pleased that several councils have added this leaflet to their website.
10. We have continued to engage with community and town councils and met with several representative groups earlier in the year. We also convened 4 sessions with council clerks to provide an opportunity for clarification about administrative matters. As a result we propose further amendments to our Framework in respect of community and town councils. The proposed determinations for community and town councils are in Section 13.
11. The Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting Section 143A. This requires that any principal council or fire and rescue authority that intends to change the salary of its Head of Paid Service must consult the Panel unless the change is in keeping with changes applied to other officers. Section 143A also enables the Panel to take a view on anything in the Pay Policy Statement of an authority that relates to the salary of the Head of Paid Service (normally the Chief Executive or Chief Fire Officer). The Local Government (Wales) Act 2015 extended this responsibility, on a temporary basis to Chief Officers of principal authorities. The Panel's approach to its use of these powers is set out in Section 15 of this Report and accords with the guidance issued to the Panel by the Welsh

Government.

12. Since assuming the additional responsibility in respect of changes to the salaries of chief officers of principal councils the Panel has dealt with several submissions each year. The Panel's decisions in the past year are at Section 15.

¹ <http://www.legislation.gov.uk/mwa/2011/4/contents/enacted>

1. The Panel's Framework: Principles of Members' Remuneration

Upholding trust and confidence

- 1.1 Citizens rightly expect that all those who choose to serve in local authorities uphold the public trust by embracing the values and ethics implicit in such public service. These principles underpin the contribution that the work of the Panel and its Framework make towards upholding public trust and confidence.

Simplicity

- 1.2 The Framework is clear and understandable. This is essential for the Panel to be able to communicate its determinations effectively to all those who are affected by, or who have an interest in its work.

Remuneration

- 1.3 The Framework provides for payment to members of local authorities who carry a responsibility for serving their communities. The level of payment should not act as a barrier to taking up or continuing in post. There should be no requirement that resources necessary to enable the discharge of duties are funded from the payment. The Framework provides additional payments for those who are given greater levels of responsibility.

Diversity

- 1.4 Democracy is strengthened when the membership of local authorities adequately reflects the demographic and cultural make-up of the communities such authorities serve. The Panel will always take in to account the contribution its Framework can make in encouraging the participation of those who are significantly under-represented at local authority level.

Accountability

- 1.5 Taxpayers and citizens have the right to receive value for money from public funds committed to the remuneration of those who are elected, appointed or co-opted to serve in the public interest. The Panel expects all principal councils to make information readily and appropriately available about the activities and remuneration of their members.

Fairness

- 1.6 The Framework will be capable of being applied consistently to members of all local authorities within the Panel's remit as a means of ensuring that levels of remuneration are fair, affordable and generally acceptable.

Quality

- 1.7 The Panel recognises that the complex mix of governance, scrutiny and regulatory duties incumbent upon members requires them to engage with a process of continuous quality improvement. The Panel expects members to undertake such training and personal development opportunities as are required to properly discharge the duties for which they are remunerated.

Transparency

- 1.8 Transparency of members' remuneration is in the public interest. Some members receive additional levels of remuneration by virtue of being elected or appointed to more than one public body. The Framework serves to ensure that knowledge of all members' remuneration is made easily available to the public.

Remuneration of Officers

- 1.9 The Panel applies these principles of fairness, accountability and transparency in all its determinations in relation to remuneration of members of all the authorities that fall within its remit. The same principles also apply when the Panel is required to make recommendations in relation to the remuneration of the paid officers of these authorities.

2. Annual Report Summary Page

Type of Payment	Type of Authority			
	Principal Councils	National Park Authorities	Fire and Rescue Authorities	Community and Town Councils
Basic Salary	page 12	page 26	page 30	N/A ²
Senior Roles	page 15	page 26	page 30	page 42
Committee Chairs	page 15	page 26	page 30	N/A
Opposition Groups	page 15	N/A	N/A	N/A
Civic Heads and Deputies	page 16	N/A	N/A	page 44
Presiding Members	page 17	N/A	N/A	N/A
Mileage	page 38	page 38	page 38	page 43
Other Travel Costs	page 38	page 38	page 38	page 43
Subsistence Costs	page 39	page 39	page 39	page 43
Costs of Care	page 35	page 35	page 35	page 44
Family Absence	page 24	N/A	N/A	N/A
Sickness Absence	page 36	page 36	page 36	N/A
Joint Overview and Scrutiny Committees	page 22	N/A	N/A	N/A
Pension	page 23	N/A	N/A	N/A
Co-optees	page 33	page 33	page 33	N/A
Specific or Additional Allowances	page 20	page 27	page 31	N/A
Payments to Community and Town Councillors	N/A	N/A	N/A	page 40
Compensation for Financial Loss	N/A	N/A	N/A	page 43
Statement of Payments	page 79	page 79	page 79	page 79
Schedule of Remuneration	Page 77	Page 77	Page 77	N/A
Salaries of Chief Executives and Chief Officers	Page 50	N/A	Page 50	N/A

² Not Applicable

3. Payments to Elected Members of Principal Councils: Basic, Senior and Civic Salaries

Basic salary for elected members of principal councils

3.1 The Panel in 2009 aligned the basic salary to the median gross earnings of all full-time employees resident in Wales as reported in the Annual Survey of Hourly Earnings (ASHE). Given the pressures on public expenditure it has not been possible for this alignment to be maintained. If this alignment had continued the basic salary would currently be significantly higher than the current prescribed amount (close to £16,000 pa). This is calculated on an assumption that the basic activity required of an elected member (i.e. without the additional work required for a senior salary) is equivalent to three days' work.

3.1.1 The tables below represent IRPW determinations on changes in pay of backbench members in Wales, together with 4 measures of possible alternative rates of increases, over the subsequent 8 years. Table 1 gives the percentage increases. Table 2 gives the actual figures. Retail Price Index (RPI) and Consumer Price Index (CPI) have been adopted by government and many organisations as appropriate inflationary measures. The National Joint Council (NJC) scale (a measure of public sector pay) takes spinal point 27 as an appropriate comparator figure to the members' basic rate. The All Wales Median Salary is published by the National Statistical Office. The 2010 starting figure in all cases is £13,868.

3.1.2 To set this in the context of other Welsh elected members, over this same period assembly members' salaries have increased by 24% (£53,852 to £66,874 - now indexed to Average Salaries in Wales ASHE) and MPs' salaries have increased by 17.7% (£65,738 to £77,379).

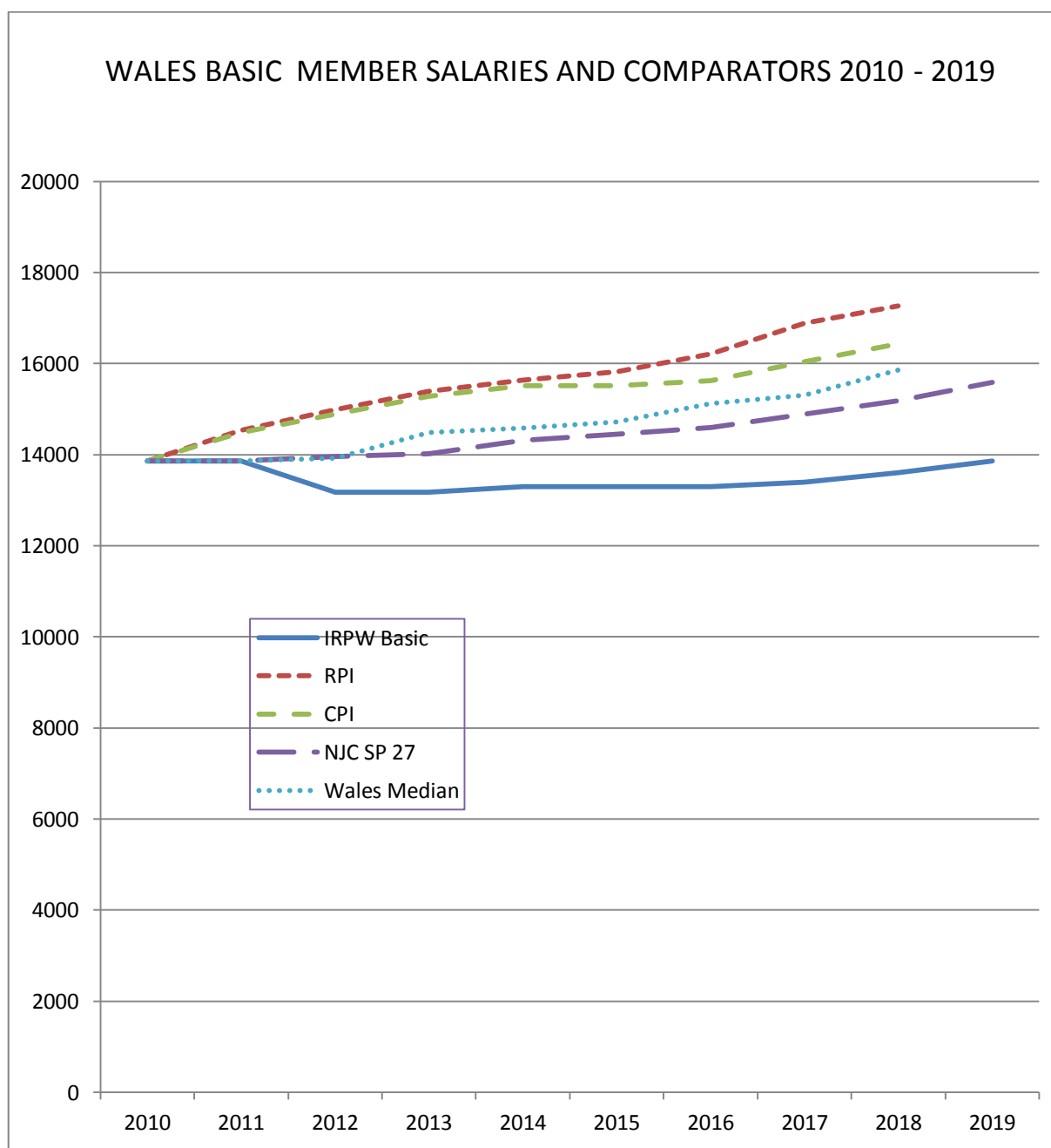
3.1.3 Thus, backbench members' salaries have remained relatively static over the last 9 years and, in real terms, have fallen significantly behind by any reasonable measure.

Table 1: Basic Members' salaries and alternative comparators 2010-18 by percentage

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
IRPW Basic	3.8	0	-5.0	0	0.95	0	0	0.75	1.5	1.97
RPI	4.8	4.8	3.1	2.7	1.6	1.2	2.5	4.1	2.3	
CPI	3.3	4.5	2.8	2.6	1.5	0	0.7	2.7	2.4	
NJC SP 27	0	0	0.7	0.43	2.05	1.0	1.0	2.0	2.0	2.6
Wales Median	2.5	0	0.44	4.0	0.64	1.0	2.7	1.2	3.6	

Table 2: Basic Members' salaries and alternative comparators 2010-18 by actual

Year	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
IRPW Basic	13868	13868	13175	13175	13300	13300	13300	13400	13600	13868
RPI	13868	14533	14984	15388	15635	15822	16218	16883	17271	
CPI	13868	14492	14897	15285	15514	15514	15623	16044	16429	
NJC SP 27	13868	13868	13965	14025	14312	14455	14600	14892	15190	15585
Wales Median	13868	13868	13929	14486	14579	14725	15122	15303	15855	



- 3.2 The Panel remains aware that the core activities required of an elected member of a principal council vary. Duties undertaken should enable all members to discharge their core non-executive responsibilities in the governance of their council and in representing those living in their ward. As an elected role, such posts are not readily treated in the same manner as employment with precisely quantified hours. The work that arises in representing ward residents is particularly varied because it is influenced by the very diverse socio-economic conditions, demographics, levels of urbanisation and different ratios of residents to councillors. These circumstances can vary significantly within individual authorities as well as in comparisons of local authorities throughout Wales. Elected positions carry an expectation of a level of personal commitment to community that goes beyond defined remunerated hours. Elected members commonly report time spent that is well in excess of the notional three days (extra time worked and previously defined by the Panel as a 'public service discount').
- 3.3 In 2017 Panel members visited all Welsh principal councils to meet with elected members to inform and update their understanding of elected and co-opted member activities. During 2018 the Panel will continue its regular liaison with councillors and officers. Panel members will meet with the Chairs of Democratic Services Committees and their officers and meet with Council Leaders and other elected member representatives under the auspices of the WLGA. The Panel has also, through varied correspondence with councils and individual council members and others maintained its ongoing dialogue. The position generally expressed by councillors and officers remains, particularly in the context of austerity, that the basic workload discharged by all elected members is substantial and significantly exceeds 3 days per week.
- 3.4 When making financial determinations for this Annual Report, the Panel has considered the progression of a variety of benchmark figures for the period from 2010 to 2017. As well as the ASHE median gross earnings figures for Wales the Panel also considered the RPI, the CPI, NJC Pay Scales and Living Wage figures. As shown in Table 1 above, the gap between the level of basic remuneration for elected members of principal councils and relevant indicators of rises in income and costs of living indicators has continued to grow. In 2017 the Panel began action to narrow the gap and limit the rate of erosion. Any adjustments have been in keeping with the Panel's principle that its determinations should be affordable and acceptable. Although public sector funding continues to be constrained, the information set out in Table 1 and Table 2 supports the Panel's consideration that a further increase in the basic salary is justified. It has determined there shall be an increase of £268 a year which equates to 1.97%. This restores the level of the basic salary to the amount paid in 2011. The proposed increase applies to the basic salary for members of principal councils in recognition of the basic duties expected of all elected members.

Senior salaries for elected members of principal councils

- 3.5 The limit on the number of senior salaries payable ('the cap') will remain in place. In 2019/20 the maximum number of senior salaries payable within each council will not be altered and will be as set out in Table 3. This reflects the increase to the cap for the Isle of Anglesey Council as set out in the Panel's supplementary report issued in 2017.

Determination 1: Basic salary in 2019/20 for elected members of principal councils shall be £13,868.

Table 3: Maximum numbers of council membership eligible for payment of a senior salary

Council	Number of councillors	Number of senior salaries
Group A (populations over 200,000)		
Cardiff	75	19
Rhondda Cynon Taf	75	19
Swansea	72	19
Group B (populations of 100,000 to 200,000)		
Bridgend	54	18
Caerphilly	73	18
Carmarthenshire	74	18
Conwy	59	18
Flintshire	70	18
Gwynedd	75	18
Neath Port Talbot	64	18
Newport	50	18
Pembrokeshire	60	18
Powys	73	18
Vale of Glamorgan	47	18
Wrexham	52	18
Group C (populations of up to 100,000)		
Blaenau Gwent	42	17
Ceredigion	42	17
Denbighshire	47	17
Isle of Anglesey	30	16
Merthyr Tydfil	33	16
Monmouthshire	43	17
Torfaen	44	17

Payments to members of the Executive, Chairs of committees and the Leader of the Opposition

3.6 The Panel has not increased the senior salaries paid to these post holders for six years. They have only received any increase in the basic salary applicable to all members.

The Executive

- 3.6.1 In 2009 the Panel concluded that Executive members should be considered as working the equivalent of full time (up to 40 hours per week) but not necessarily nine to five. Continued discussions with members and officers have reinforced this conclusion. In fact many executive members indicated that their workload has increased and concerns were also expressed by many members that the

differential in salary between a chair of a committee and a member of an executive did not recognise the difference in responsibility or workload.

- 3.6.2 In recognition of this the Panel has determined that there should be an increase to the Band 1 and Band 2 senior salaries payable to the Leader, the Deputy Leader and Executive Members.
- 3.6.3 The amount of the increase is £800. This is inclusive of the £268 increase to the basic salary that all members will receive as set out in Determination 2.

Chairs of Committees

- 3.6.4 There is a significant difference in the responsibilities and functions of chairing different committees. Councils are reminded that they do not have to pay chairs of committees. It is a matter for each council to decide which, if any, chairs of committees are remunerated. This allows councils to take account of differing levels of responsibility.
- 3.6.5 Where chairs of committees are paid, the remuneration is: £22,568.

The Senior Salary Bands

Determination 2: The Panel has determined that senior salary levels in 2019/20 for members of principal councils shall be as set out in Table 4.

Table 4: Basic salary and senior salaries payable to members of principal councils

Basic salary (payable to all elected members) £13,868			
	Group A (Cardiff, Rhondda Cynon Taf, Swansea)	Group B (Bridgend, Caerphilly, Carmarthenshire, Conwy, Flintshire, Gwynedd, Newport, Neath Port Talbot, Pembrokeshire, Powys, Vale of Glamorgan, Wrexham)	Group C (Blaenau Gwent, Ceredigion, Denbighshire, Merthyr Tydfil, Monmouthshire, Torfaen, Isle of Anglesey)
Senior salaries (inclusive of basic salary)			
Band 1 Leader	£54,100	£49,100	£44,100
Deputy leader	£38,100	£34,600	£31,100
Band 2 Executive members	£33,100	£30,100	£27,100
Band 3 Committee chairs (if remunerated):		£22,568	
Band 4 Leader of largest opposition group ³		£22,568	
Band 5 Leader of other political groups		£17,568	

Table 4 notes:

- a. The Panel considers that the leadership and executive roles (Band 1 and 2 salaries respectively) carry the greatest individual accountability and that 'size of population' remains a major factor in influencing levels of responsibility and

the use of the three population groups (A, B and C) has therefore been retained. For information: Group A Population 200,000 and above; Group B Population 100,001 to 199,999; Group C Population up to 100,000.

- b. It is proposed to increase Band 1 and Band 2 senior salaries for Leader, Deputy Leader and Executive Members by £800, inclusive of the £268 increase on the basic salary that all members will receive.
- c. Committee chairs will be paid at Band 3. It is a matter for each council to decide which, if any, chairs of committees are remunerated. This allows councils to take account of differing levels of responsibility.
- d. The stipulation that an opposition group leader or any other group leader must represent at least 10% of the council membership before qualifying for a senior salary remains unchanged.
- e. The Panel has determined that a council must make a senior salary available to the leader of the largest opposition group.
- f. The Panel has determined that, if remunerated, a Band 5 senior salary must be paid to leaders of other political groups.

See IRPW Regulations, Annex 2, Part 1(2) for a definition of “*largest opposition group*” and “*other political group*”.

³ Leader of largest opposition group. See IRPW Regulations, Annex 2, Part 1(2) for a definition of “*largest opposition group*” and “*other political group*”.

Payments to Civic Heads and Deputies (Civic Salaries)

- 3.7 The Panel notes that most councils have currently set salaries for civic heads and deputies to accord with their population groups, rather than to reflect the specific responsibilities attached to the roles. Councils have strongly expressed to the Panel that elected members do not wish to make any choices that require Councils themselves to choose and match the level of activity or duties of a specific member to a given range of salary levels for a role. All such choices are now removed. In the case of civic salaries, if paid, the payment for Band 3 is set at £22,568 for a civic head and at the Band 5 salary of £17,568 for a deputy civic head (Determination 3).
- 3.8 A council may decide not to apply any civic salary to the posts of civic head and/or deputy civic head.
- 3.9 The posts of civic head and deputy civic head are not included in the cap (with the exception of Isle of Anglesey and Merthyr Tydfil Councils).

Determination 3: The Panel has determined that (where paid) a civic head must be paid a Band 3 salary of £22,568 and (where paid) a deputy civic head must be paid a Band 5 salary of £17,568.

- 3.10 Civic heads are senior posts within councils which are distinct from political or executive leadership. In addition to chairing major meetings the civic head is the authority's 'first citizen' and 'ambassador' representing the council to a wide variety of institutions and organisations. The Panel's requirement that members should not have to pay for the cost of the support (see determination 7) that is needed to carry out their duties applies also in respect of deputy civic heads.
- 3.11 In many instances civic heads receive secretarial support and are provided with transport for official duties and can access a separate hospitality budget which is managed and controlled by council officers.
- 3.12 The Panel recognises the wide range of provision made for civic heads in respect of transport, secretarial support, charitable giving and clothing. Funding decisions in relation to levels of such additional support are not matters of personal remuneration, but of the funding required to carry out the tasks and duties. These matters remain entirely a matter for individual councils. Councils remain free to invest in support at whatever levels they deem appropriate for the levels of civic leadership they have in place.
- 3.13 The Local Government (Democracy) (Wales) Act 2013 allows councils to appoint a presiding member whose role is to chair meetings of the whole council. Where appointed, there would be a consequential reduction in the responsibilities of the respective civic head.

Payments to Presiding Members

- 3.14 Councils are reminded that if a presiding member is appointed they do not have to be remunerated. If they are remunerated the post will count towards the cap and be paid at a Band 3 senior salary of £22,568.

Determination 4: The Panel has determined that, where appointed and if remunerated, a presiding member must be paid a Band 3 senior salary of £22,568.

Determination 5: The Panel has determined that the post of deputy presiding member will not be remunerated.

Key factors underpinning the Panel's determinations:

- 3.15 The basic salary, paid to all elected members, is remuneration for the responsibility of community representation and participation in the scrutiny, regulatory and related functions of local governance for the time equivalent of three days a week. Any time commitment beyond three days is an unpaid public service contribution.
- 3.16 The prescribed salary and expenses must be paid in full to each member unless an individual has independently and voluntarily opted in writing to the authority's proper officer to forego all or any element of the payment. It is fundamental that there is transparency in this process so any possible suggestion that members are put under pressure to forego some of the salaries is avoided.

The following must be applied:

- a) An elected member must not be remunerated for more than one senior post within his or her authority
- b) An elected member must not be paid a senior salary and a civic salary
- c) All senior and civic salaries are paid inclusive of basic salary
- d) If a council chooses to have more than one remunerated deputy leader, the difference between the senior salary for the deputy leader and other executive members should be divided by the number of deputy leaders and added to the senior salary for other executive members in order to calculate the senior salary payable to each deputy leader
- e) Members in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA or FRA to which they have been appointed
- f) Members in receipt of a Band 1 or Band 2 salary cannot receive any payment from a Community or Town Council of which they are a member other than travel and subsistence expenses and reimbursement of costs of care

Supporting the work of local authority elected members

- 3.17 Following the local elections in 2017 Panel members undertook visits to all principal authorities in Wales. These visits provided valuable opportunities for members and officers to discuss the variations that occur and to share and understand the benefits gained by properly supporting the ability of members to discharge their basic duties effectively.
- 3.18 The Panel expects the support provided should take account of the specific needs of individual members. The functions of Democratic Services Committees include a requirement to review the level of support provided to members to carry out their duties and the Panel would expect these committees to carry this out and bring forward proposals to the full council as

to what is considered to be reasonable. Any proposals should be made with due regard to Determinations 6 and 7 below. For example, the Panel does not consider it appropriate that elected members should be required to pay for any telephone usage to enable them to discharge their council duties as a ward member, committee member or cabinet member.

- 3.19 The Panel considers it is necessary for each elected member to have ready use of e-mail services, and electronic access to appropriate information via an internet connection. The Panel does not consider it appropriate that elected members should be required to pay for internet related services to enable them to discharge their council duties as a ward member, committee member or cabinet member. This comprises the necessary provision for a member to be in proper contact with council services and to maintain contact with those they represent. Many councils in Wales are committed to 'paperless working' and without electronic access members would be significantly limited in their ability to discharge their duties. It is not appropriate for facilities required by members to be available only within council offices within office hours.
- 3.20 The responsibility of each council through its Democratic Services Committee to provide support should be based on an assessment of the needs of its members. When members' additional needs or matters of disability apply, or there are specific training requirements indicated, each authority will need to assess any particular requirements of individual members.
- 3.21 For co-opted members the support requirements are set out in section 9 and determination 35.

Determination 6: The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its elected members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone, email and internet facilities giving electronic access to appropriate information.

Determination 7: The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and or efficiency of members.

Specific or additional senior salaries

- 3.22 The Panel has allowed for greater flexibility through the provision for authorities to apply for specific or additional senior salaries that do not fall within the current remuneration Framework, or which could not be accommodated within the maximum number of senior salaries relating to the authority. If the proposed addition is approved and results in the council exceeding its cap, this will be included in the approval (with exception of Merthyr Tydfil and the Isle of Anglesey Councils – see footnote 4). Some councils have raised the possibility of operating some senior salary posts on a “job share” arrangement. The Panel is supportive of this principle and the process is set out in Paragraph 3.24.

Determination 8: The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.

- 3.23 Guidance to local authorities on the application process was issued in April 2014 and incorporated the following principles:
- a. The total number of senior salaries cannot exceed fifty percent⁴ of the membership.
 - b. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
 - c. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
 - d. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

⁴Local Government (Wales) Measure 2011 Section 142 (5) The proportion fixed by the Panel in accordance with subsection (4) may not exceed fifty percent unless the consent of the Welsh Ministers has been obtained.

3.24 **Job Sharing Arrangements**

For members of an executive: Each “sharer” will be paid an appropriate proportion of the salary of the Population Group.

The statutory maximum for cabinets cannot be exceeded so each job sharer will count toward the maximum.

Under the Measure, 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.

The Panel must be informed of the details of any job share arrangements.

The Panel’s determinations on Travel and Subsistence, Reimbursement of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

4. Joint Overview and Scrutiny Committees (JOSC)

- 4.1 As no council has made use of the arrangements notwithstanding that Regulations are still in force, the Panel has decided to delete the payment from the Framework. If, in future, a JOSC is formed by specific councils they can apply to remunerate using the arrangements of paragraphs 3.22 and 3.23.

5. Pension Provision for Elected Members of Principal Councils

- 5.1 The Local Government (Wales) Measure 2011 provides a power to the Panel to make determinations on pension entitlement for elected members of principal councils.

Determination 9: The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.

6. Entitlement to Family Absence

This section applies to elected members of principal authorities.

- 6.1 The Regulations relating to Family Absence for elected members of principal councils were approved by the National Assembly for Wales in November 2013⁶ and cover maternity, new born, adoption and parental absences from official business.
- 6.2 The Panel considered the implications for the remuneration of such members who are given absence under the terms of the Welsh Government Regulations and the Panel's determinations are set out below.

Determination 10: An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.

Determination 11: When a senior salary holder is eligible for family absence, they will continue to receive the salary for the duration of the absence.

Determination 12: It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.

Determination 13: If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.

Determination 14: When a Council agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.

Determination 15: The Council's schedule of remuneration must be amended to reflect the implication of the family absence.

⁶ http://www.legislation.gov.uk/wsi/2013/2901/pdfs/wsi_20132901_mi.pdf

7. Payments to Members of National Park Authorities (NPAs)

Structure of National Park Authorities

- 7.1 The 3 National Parks in Wales - Brecon Beacons, Pembrokeshire Coast and Snowdonia were formed to protect spectacular landscapes and provide recreation opportunities for the public. The Environment Act 1995 led to the creation of the 3 corresponding NPAs. In managing the National Park, the Authority has 3 main purposes:
- to protect the natural beauty of the Park;
 - to help visitors enjoy and understand it;
 - and to foster the wellbeing of local people.
- 7.2 National Park Authorities have a committee of 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.
- 7.3 The structure of the Members' Committee at each of the 3 national parks is set out in Table 5.

Table 5: Membership of Welsh National Park Authorities

National Park Authority	Total Membership	Principal Council Members	Welsh Government appointed Members
Brecon Beacons	24	16: Blaenau Gwent County Borough Council – 1 Carmarthenshire County Council – 2 Merthyr Tydfil County Borough Council – 1 Monmouthshire County Council – 2 Powys County Council – 8 Rhondda Cynon Taf County Borough Council - 1 Torfaen County Borough Council – 1	8
Pembrokeshire Coast	18	12: Pembrokeshire County Council – 12	6
Snowdonia	18	12: Conwy County Borough Council – 3 Gwynedd Council – 9	6

- 7.4 In addition, Standards Committees of NPAs have Independent Co-opted members whose remuneration is included in the Framework as set out in Section 9.

7.5 In considering remuneration of members of NPAs, the Panel has based its determinations on the following key points:

- 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

7.6 The Panel has previously determined that the role of ordinary members of an NPA should be aligned to the basic salary of a member of a principal council, and that the time commitment required is a notional 42 days per year. This remains the basis of the Panel's determinations.

7.7 The Panel has determined there should be an increase of £268 (which equates to 1.97%).

7.8 The Panel note salaries to members of NPAs and principal councils have become misaligned. This is due to cumulative rounding of increases in previous years, the Panel wishes to correct this. Therefore, the salary for ordinary members of NPAs will increase to £3,735.

7.9 The Panel has also previously determined that the remuneration of an NPA Chair should be aligned to that part of a Band 3 Level 1 senior salary received by a committee chair of a principal council. This salary will increase to £12,435.

7.10 The Panel has provided local flexibility so that an NPA can decide at which of two levels the roles of deputy chair and up to 2 other committee chairs can be remunerated. An NPA may choose to pay its deputy chair and/or committee chairs a salary of either £7,435 or £6,135, commensurate with the significant and sustained duties to be discharged in a particular role.

Additional Senior Salaries

- 7.11 Feedback was received during the Panel's visits to NPAs that its determination that up to two NPA Committee Chairs could receive a senior salary could be restrictive in the NPAs discharging their governance requirements.
- 7.12 The Panel allows principal councils greater flexibility to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework. The Panel extends this provision to NPAs as reflected in the following principles:
- a. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
 - b. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
 - c. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.
- 7.13 The Panel has made the following determinations:

Determination 16: The basic salary for NPA ordinary members shall be £3,735.

Determination 17: The senior salary of the Chair of an NPA shall be £12,435.

Determination 18: An NPA senior salary can be paid to a Deputy Chair and up to two committee Chairs where there is significant and sustained responsibility. This can be paid at either of the following levels to be decided by the authority to reflect the appropriate responsibility £7,435 or £6,135.

Determination 19: The Panel has determined to include a provision for NPAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.

Determination 20: Members must not receive more than one NPA senior salary.

Determination 21: An NPA senior salary is paid inclusive of the NPA basic salary and must reflect significant and sustained responsibility.

Determination 22: Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA to which they have been appointed.

The Panel's determinations on Travel and Subsistence, Reimbursements of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

Note: Family absence does not apply to Welsh Government appointed members and local authority nominees are covered by their principal council so NPAs are not required to make any arrangements in this respect.

8. Payments to Members of Welsh Fire and Rescue Authorities (FRAs)

Structure of Fire and Rescue Authorities

- 8.1 The 3 Fire and Rescue Services in Wales: Mid and West Wales, North Wales and South Wales and FRAs were formed as part of Local Government re-organisation in 1996.
- 8.2 FRAs comprise elected members who are nominated by the Principal Councils within the Fire and Rescue Service area.
- 8.3 The structure of the each of the 3 FRAs is set out in Table 6.

Table 6: Membership of Fire and Rescue Authorities

Name of Fire and Rescue Authority	Number of Local Authority Members
Mid and West Wales	25: Carmarthenshire County Council – 5 Ceredigion County Council – 2 Neath Port Talbot County Borough Council – 4 Pembrokeshire County Council – 3 Powys County Council – 4 Swansea City and County Council – 7
North Wales	28: Conwy County Borough Council – 5 Denbighshire County Council – 4 Flintshire County Council – 6 Gwynedd Council – 5 Isle of Anglesey County Council – 3 Wrexham County Borough Council – 5
South Wales	24: Bridgend County Borough Council – 2 Blaenau Gwent County Borough Council – 1 Caerphilly County Borough Council – 3 Cardiff City Council – 5 Merthyr Tydfil County Borough Council – 1 Monmouthshire County Council – 2 Newport City Council - 2 Rhondda Cynon Taf County Borough Council - 4 Torfaen County Borough Council – 2 Vale of Glamorgan Council -2

- 8.4 In addition, Standards Committees of FRAs have independent co-opted members whose remuneration is included in the Framework as set out in Section 9.

8.5 In considering remuneration of members of FRAs, the Panel has based its determinations on the following key points:

- The Chair has a leadership and influencing role in the authority, and a high level of accountability especially when controversial issues relating to the emergency service arise. In addition to fire authority meetings, all FRAs have committees that include in different combinations: audit, performance management, scrutiny, human resources, resource management as well as task and finish groups and disciplinary panels. As well as attending formal meetings of the authority and committees, members are encouraged to take on a community engagement role, including visiting fire stations.
- There is a strong training ethos in FRAs. Members are expected to participate in training and development. Induction programmes are available as well as specialist training for appeals and disciplinary hearings.
- Training sessions often follow on from authority meetings to make the training accessible.

Basic and Senior Salaries

The Panel has previously determined the remuneration of ordinary members of an FRA should be aligned to the basic salary of a member of a principal council and the time commitment required is a notional 20 days per year. This remains the basis of the Panel's determinations. The Panel has determined there should be an increase of £268 (which equates to 1.97%).

8.6 The Panel note salary to members of FRAs and principal councils have become misaligned. This is due to cumulative rounding of increases in previous years, the Panel wishes to correct this. The salary for ordinary members of FRAs will increase to £1,780.

8.7 The Panel determined that the remuneration of an FRA Chair should be aligned to that part of a Band 3 Level 1 senior salary received by a committee chair of a principal council. This salary will increase to £10,480.

8.8 The Panel determined that the remuneration of an FRA Deputy Chair where there is significant and sustained senior responsibility will be aligned with the Band 5 senior salary. This salary will increase to £5,480.

8.9 The Panel has determined that up to two FRA committee chairs where there is significant and sustained responsibility can be remunerated.

Additional Senior Salaries

- 8.10 The Panel allows principal councils greater flexibility to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework. The Panel extends this provision to FRAs as reflected in the following principles:
- a. Applications will have to be approved by the authority as a whole (this cannot be delegated) prior to submission to the Panel.
 - b. There must be clear evidence that the post/posts have additional responsibility demonstrated by a description of the role, function and duration.
 - c. Each application will have to indicate the timing for a formal review of the role to be considered by the authority as a whole.

Local Pension Boards

8.11 The Panel has considered requests from FRAs to allow them to pay salaries to Chairs of local pension boards established under the Firefighters' Pension Scheme (Wales) Regulations 2015. Those Regulations already give FRAs the power to decide how local pension boards are to work and to pay the Chair and members if they wish. Therefore it is not appropriate for the Panel to make a determination empowering FRAs to pay salaries to local pension board Chairs. The senior salaries in Determination 25 or 26 cannot be used exclusively for this role.

8.12 The Panel has made the following determinations:

Determination 23: The basic salary for FRA ordinary members shall be £1,780.

Determination 24: The senior salary of the Chair of an FRA shall be £10,480.

Determination 25: An FRA senior salary can be paid to the Deputy Chair and up to two Chairs of committees where there is significant and sustained responsibility. This shall be paid at £5,480.

Determination 26: The Panel has determined to include a provision for FRAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.

Determination 27: Members must not receive more than one FRA senior salary.

Determination 28: An FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility.

Determination 29: Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.

The Panel's determinations on Travel and Subsistence, Reimbursement of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

9. Payments to Co-opted Members of Principal Councils, National Park Authorities and Fire & Rescue Authorities ⁷

- 9.1 The Panel has determined that a daily/half daily fee is appropriate remuneration for the important role undertaken by co-opted members of authorities with voting rights (this includes the co-opted member from a Town or Community council). The level of payments is equivalent to the current daily rates for chairs and members of the Welsh Government's Band 2 sponsored bodies. The Panel notes there has been no uplift in these payment levels across such bodies since 2010.
- 9.2 Principal councils, NPAs and FRAs can decide on the maximum number of days in any one year for which co-opted members may be paid. Recognising the important role that co-opted members have, payment must be made for preparation time, committee and other types of meetings as well as other activities, including training, as set out in Determination 31.
- 9.3 The determinations are set out below and principal councils, NPAs and FRAs must tell co-opted members the name of the appropriate officer who will provide them with the information required for their claims; and make the appropriate officer aware of the range of payments that should be made.

Determination 30: Principal councils, NPAs and FRAs must pay the following fees to co-opted members who have voting rights (Table 7).

Table 7: Fees for co-opted members (with voting rights)

Chairs of standards, 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)
Community and town councillors sitting on principal council standards committees	£198 (4 hours and over) £99 (up to 4 hours)

Determination 31: Reasonable time for pre meeting preparation is to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.

Determination 32: Travelling time to and from the place of the meeting is to be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).

Determination 33: The appropriate officer within the authority can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.

Determination 34: Fees must be paid for meetings and other activities including other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.

Support for co-opted members

- 9.4 The Panel's visits to principal councils in 2017 identified some good practice in how the important role of co-opted members was reflected in the communication and support they receive. In the best cases, they received the same range of support as elected members, enabling them to undertake their role fully. However, concerns were raised in several councils where the Panel's Determinations were not being fully implemented and there was limited support available for co-opted members.

Determination 35: The Panel has determined that each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting co-opted 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.

The Panel's determinations on Travel and Subsistence, Reimbursement of Costs of Care and Family Absence are now set out in separate sections of this Annual Report.

⁷ This section does not apply to co-opted members to community and town councils.

10. Reimbursement of Costs of Care

- 10.1 This section applies to members of principal councils, National Park Authorities, Fire and Rescue Authorities and to co-opted members of these authorities. The same provision for Community and Town Councils is given in section 13.
- 10.2 The purpose of this section is to enable people who have personal support needs and or caring responsibilities to carry out their duties effectively as a member of an authority. The Panel believes that additional costs of care required to carry out approved duties should not deter people from becoming and remaining a member of an authority or limit their ability to carry out the role.
- 10.3 The Panel recognises the issues relating to the publication of this legitimate expense. This is reflected in the options for publication as set out in Annex 4. To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the reimbursement of costs of care.

Determination 36: 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 must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.

11. Sickness Absence for Senior Salary Holders

- 11.1 The Family Absence Regulations (approved by the National Assembly in 2014) are very specific relating to entitlement and only available for elected members of principal councils. Absence for reasons of ill-health is not included.
- 11.2 Instances have been raised with the Panel of senior salary holders on long term sickness and the perceived unfairness in comparison with the arrangements for family absence. In consequence, councils are faced with the dilemma of:
- Operating without the individual member but still paying them the senior salary.
 - Replacing the member who therefore loses the senior salary (but retains the basic salary).
- 11.3 The Panel's Framework provides specific arrangements for long term sickness as set out below:
- a) Long term sickness is defined as certified absences in excess of 4 weeks.
 - b) The maximum length of sickness absence within these proposals is 26 weeks or until the individual's term of office ends, whichever is sooner (but if reappointed any remaining balance of the 26 weeks will be included).
 - c) Within these parameters a senior salary holder on long term sickness can, if the authority decides continue to receive remuneration for the post held.
 - d) It is a decision of the authority whether to make a substitute appointment but the substitute will be eligible to be paid the senior salary appropriate to the post.
 - e) If the paid substitution results in the authority exceeding the maximum number of senior salaries payable for that authority as set out in the Annual Report, an addition will be allowed for the duration of the substitution. (However this would not apply to Merthyr Tydfil or the Isle of Anglesey councils if it would result in more than 50% of the membership receiving a senior salary. It would also not apply in respect of a council executive member if it would result in the cabinet exceeding 10 posts - the statutory maximum).
 - f) When an authority agrees a paid substitution the Panel must be informed within 14 days of the decision of the details including the specific post and the estimated length of the substitution. The authority's Schedule of Remuneration must be amended accordingly.
 - g) It does not apply to elected members of principal councils who are not senior post holders as they continue to receive basic salary for at least

six months irrespective of attendance and any extension beyond this timescale is a matter for the authority.

- 11.4 This arrangement applies to members of principal councils, National Park Authorities and Fire and Rescue Authorities who are senior salary holders, including Welsh Government appointed members, but does not apply to co-opted members.

Note:

The Family Absence Regulations apply to elected members in cases of maternity, new born, adoption and parental absences from official business. They do not apply to Welsh Government appointed members of National Park Authorities.

12. Reimbursement of Travel and Subsistence Costs when on Official Business

- 12.1 This section applies to members of principal authorities, National Park Authorities, Fire and Rescue Authorities and to co-opted members of these authorities. (Similar provision for Community and Town Councils is contained in section 13 as there is a different approach to such members, principally that the provision is permissive.)
- 12.2 Members may claim reimbursement for travel and subsistence (meals and accommodation) costs where these have arisen as a result of undertaking official duties. Expenses reimbursed to members by their local authority are exempt from Income Tax and employee NICs.
- 12.3 The Panel is aware 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. As an alternative, travel arrangements could be made directly by the authority in such circumstances.
- 12.4 The Panel has determined 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 the current HM Revenue and Customs (HMRC) rates which are:

Reimbursement of mileage costs

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 mile	Per passenger carried on authority business
24p per mile	Motor cycles
20p per mile	Bicycles

- 12.5 Where a member who is on official business is driven by a third party (not a member or officer of that authority), the member can claim mileage at the prescribed rates plus any parking or toll fees provided the authority is satisfied that the member has incurred these costs.

Reimbursement of other travel costs

- 12.6 All other claims for travel must only be reimbursed on production of receipts showing the actual cost and will be 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.

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

- 12.7 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.
- 12.8 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.
- 12.9 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.
- 12.10 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.

Car Parking for Members

Several councils have specific arrangements for their members in respect of car parking. The Panel considers that it is a matter for individual councils to determine arrangements including payments to and from members providing that it is a decision made formally by the council.

13. Payments to Members of Community and Town Councils

- 13.1 The Panel recognises a wide variation in geography, scope and scale across the 735 community and town councils in Wales, from small community councils with relatively minimal expenditure and few meetings to large town councils with significant assets and responsibilities.
- 13.2 Since producing its last report, the Panel has so far met with 154 Councillors and Clerks representing 175 community and town councils in 7 meetings it held across Wales. The Panel also gave evidence to the Welsh Government's review of Community and Town Councils. The discussions re-confirmed the widely held view that the roles individual councils undertake varied significantly and that in accordance with this wide variation, the responsibilities and accountabilities of councillors must also vary. Councillors managing income or expenditure of £1m and those delivering significant services, including some that might have been delegated from principal councils, are operating in a much more complex environment than a council with an annual budget of less than £30,000.
- 13.3 In its last Annual Report the Panel formed 3 groups of community and town councils to reflect these differences based on the level of income *or* expenditure, whichever is the highest, in the previous financial year. These remain unchanged as set out in Table 8.

Table 8: Community and Town Council Groupings

Community and Town Council Group	Income or Expenditure in 2018-19 of:
A	£200,000 and above
B	£30,000 - £199,999
C	Below £30,000

- 13.4 The discussions held with community and town councils during 2018 raised a number of queries in respect of which the following paragraphs provide further clarification.
- 13.5 In order to act and carry out duties as a member of a community or town council all persons are required to make a formal declaration of acceptance of office. Following this declaration, members of community or town councils are then holders of elected office and occupy a role that is part of the Welsh local government structure. It is important to note that a person who follows this path is in a different position to those in other forms of activity, for example such as volunteering or charitable work, typically governed by the Charity Commission for England and Wales.
- 13.6 Under the Local Government (Wales) Measure 2011, community and town councils are relevant authorities for the purpose of remuneration.

- 13.7 Consequently, individuals who have accepted office as a member of a community or town council are entitled to receive payments as determined by the Independent Remuneration Panel for Wales. It is the duty of the proper officer of a council (usually the Council Clerk) to make arrangements for correct payments to be made to all individuals entitled to receive them.
- 13.8 Members should receive monies to which they are properly entitled as a matter of course. There must be no requirement for individuals to 'opt in' to receive payments.
- 13.9 An individual may decline to receive part, or all, of the payments if they so wish. This must be done in writing and is an individual matter. A community or town council member wishing to decline payments must themselves write to their proper officer to do so to thereby prevent payments being made to themselves alone.
- 13.10 The Panel wants any member who has personal costs, support needs or caring responsibilities to be able to fulfil their role. To reflect this, the Panel is mandating payment of a contribution to costs and expenses for members of all community and town councils as set out in Determination 37. The Panel is also mandating reimbursement of cost of care for all members of community and town councils as set out in Determination 43.
- 13.11 In each community and town council the proper officer should ensure there is ready access to proper reimbursements of costs of care to enable those eligible for reimbursement to participate in the democratic process. It is inappropriate for councils or councillors to create a climate, or otherwise pressurise others, in order to prevent persons accessing any monies to which they are entitled that may support them to participate in local democracy.
- 13.12 Members in receipt of a Band 1 or Band 2 senior salary from a principal council cannot receive any payment from any community or town council, other than travel and subsistence expenses and reimbursement of costs of care. However, this does not preclude them from holding a senior role.
- 13.13 Table 9 sets out the actions that community and town councils must take annually in respect of each determination that follows.

Payments towards costs and expenses

- 13.14 The Panel is mandating a payment of £150 as a contribution to costs and expenses for members of all community and town councils. Previously this was not mandated for all groups, but feedback expressed disappointment in this and the Panel felt that any member who wanted to receive this payment should be entitled to do so.

- 13.15 For the avoidance of doubt this determination now includes councils in Group C as well as Groups A and B. Receipts are not required for these payments.

Determination 37: All community and town councils must make available a payment to each of their members of £150 per year as a contribution to costs and expenses.

Senior roles

- 13.16 The Panel recognises that specific member roles especially within the larger community and town councils, for example a committee chair, will involve greater responsibility. It is also likely that larger councils will have a greater number of committees, reflecting its level of activity. The Panel has therefore determined that councils in Group A must make available a payment for a minimum of one senior role and a maximum of five senior roles. Councils in Groups B and C can pay up to five responsibility payments for specified roles. A Councillor can only have one payment of £500 regardless of how many senior roles they hold within their Council.

Determination 38: Community and town councils in Group A must make available an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.

Determination 39: Community and town councils in Groups B or C can make an annual payment of £500 each to up to 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.

Where a person is a member of more than one town or community council, they are eligible to receive the £150 and, if appropriate, £500 from each council of which they are a member.

Reimbursement of travel costs and subsistence costs

- 13.17 The Panel recognises there can be significant travel and subsistence costs associated with the work of community and town council members, especially where the council area is geographically large and/or when engaging in duties outside this area. Each council has an option to pay travel and subsistence costs and where it does the following determinations apply.

Determination 40: Community and town councils can make payments to each of their members in respect of travel costs for attending approved duties.⁸ Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below:

- 45p per mile up to 10,000 miles in the year.
- 25p per mile over 10,000 miles.
- 5p per mile per passenger carried on authority business.
- 24p per mile for private motor cycles.
- 20p per mile for bicycles.

Determination 41: If a community or town council resolves that a particular duty requires an overnight stay, it can authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:

- £28 per 24-hour period allowance for meals, including breakfast where not provided.
- £200 – London overnight.
- £95 – elsewhere overnight.
- £30 – staying with friends and/or family overnight.

Compensation for financial loss

13.18 The Panel has retained the facility which councils may pay as compensation to their members where they suffer financial loss when attending approved duties. This figure had not been adjusted for a number of years and therefore the Panel has updated it in line with the most recent *Office for National Statistics Annual Survey of Hours and Earnings - median salary for full time employees in Wales and Average Actual Weekly Hours of Work for full-time workers (seasonally adjusted)*. Members must be able to demonstrate that the financial loss has actually been incurred. Each council has an option to pay compensation for financial loss and where it does the following determination applies.

⁸ Where a member who is on official business is driven by a third party (not a member or officer of that authority), the member can claim mileage at the prescribed rates plus any parking or toll fees provided the authority is satisfied that the member has incurred these costs.

Determination 42: Community and town councils can pay financial loss compensation to each of their members, where such loss has actually occurred, for attending approved duties as follows:

- Up to £54.00 for each period not exceeding 4 hours
- Up to £108.00 for each period exceeding 4 hours but not exceeding 24 hours

Reimbursement of the costs of care

13.19 The purpose of this is to enable people who have personal support needs and or caring responsibilities to carry out their duties effectively as a member of an authority. The Panel believes that the additional costs of care required to carry out approved duties should not deter people from becoming and remaining a member of an authority or limit their ability to carry out the role.

13.20 The Panel recognises the issues relating to the publication of this legitimate expense. This is reflected in the options for publication as set out in Annex 4. To support current members and to encourage diversity the Panel urges authorities to promote and encourage greater take-up of the reimbursement of costs of care.

Determination 43: All community and town councils 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 must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.

Civic Head / Deputy Civic Head

13.21 Civic heads are senior posts within community and town councils. In addition to chairing major meetings the civic head is the 'ambassador' representing the council to a variety of institutions and organisations. The Panel requires that members should not have to pay for the cost of the support that is needed to carry out these duties. This requirement also applies in respect of deputy civic heads.

13.22 For the avoidance of doubt, support in respect of, for example, transport (physical transport or mileage costs), secretarial support, charitable giving (purchasing tickets, making donations or buying raffle tickets) and clothing are not matters of personal remuneration for the individual holding the senior post.

13.23 These support costs relate to the tasks and duties of the roles and individual councils will make funding decisions in relation to such support, as they deem

appropriate for the levels of civic leadership they have in place.

- 13.24 Recognising that some mayors and chairs of community and town councils and their deputies are very active during their year of office, the Panel has determined that community and town councils can make a payment to the individuals holding these roles.
- 13.25 This payment is to be used or retained at the individual's discretion and does not relate to the support costs set out about above.
- 13.26 The Panel has determined that the maximum amount that can be paid to a chair/mayor of a community or town council is £1,500. The maximum amount that can be paid to a deputy mayor/chair is £500.

Determination 44: Community and town councils can provide a Civic Head payment to the mayor/chair of the council up to a maximum of £1,500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.

Determination 45: Community and town councils can provide a Deputy Civic Head payment to the deputy mayor/deputy chair of the council up to a maximum of £500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.

Making Payments to members

- 13.27 Table 9 sets out each of the above Determinations and if a decision is required by the council in respect of each one.
- 13.28 In respect of the mandated payments where no decision is required by a council, members should receive monies to which they are properly entitled as a matter of course.
- 13.29 Where a decision is required by the council, this should be done at the first meeting following receipt of the Annual Report.
- 13.30 A council can adopt any, or all, of the non-mandated determinations but if it does make such a decision, it must apply to all its members.
- 13.31 When payments take effect from is set out in paragraphs 13.33 to 13.36 below.
- 13.32 On receipt of the draft Annual Report the previous autumn, councils should consider the determinations for the next financial year and use this to inform budget plans.

Table 9

Determination Number	Is a decision required by council?
37 - All community and town councils must make available a payment to each of their members of £150 per year for costs incurred in respect of telephone usage, information technology, consumables etc.	No - the payment of £150 is mandated for every member unless they advise the appropriate officer that they do not want to take it in writing
38 – Community and town councils in Group A must make available an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses	Yes – a council must decide how many payments of £500 it will make – to between 1 and 5 members unless they advise the appropriate officer in writing that they do not want to take it
39 – Community and town councils in Groups B or C can make an annual payment of £500 each to up to 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses	Yes – the payment of £500 is optional for up to 5 members
40 – Community and town councils can make payments to each of their	Yes – the payment of travel costs is optional

members in respect of travel costs for attending approved duties	
41 – If a community or town council resolves that a particular duty requires an overnight stay, it can authorise reimbursement of subsistence expenses to its members	Yes – the payment of overnight subsistence expenses is optional
42 – Community and town councils can pay financial loss compensation to each of their members, where such loss has actually occurred, for attending approved duties	Yes – the payment of financial loss allowance is optional
43 – All community and town councils 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	No - the payment is mandated for every member if they are eligible to claim, and wish to do so
44 – Community and town councils can provide a Civic Head payment to the mayor/chair of the council up to a maximum of £1,500	Yes – the payment to a Civic Head is optional
45 – Community and town councils can provide a Deputy Civic Head payment to the deputy mayor/deputy chair of the council up to a maximum amount of £500	Yes – the payment to a Deputy Civic Head is optional

13.33 All members should be paid the £150 as set out in Determination 37 from the start of the municipal year (unless they are elected later in the municipal year).

13.34 Other amounts payable to members in recognition of specific responsibilities or as a civic head or deputy civic head as set out in Determinations 38,39, 44 and 45 are payable from the date when the member takes up the role during the municipal year.

13.35 When the payment is actually made to the member, how many payments the total amount payable is broken down into, and whether and how to recover any payments made to a member who leaves their role during the municipal year, is a matter for each council to decide.

13.36 Payments in respect of Determinations 40, 41, 42 and 43 are payable when the activity they relate to has taken place.

- 13.37 Members in receipt of a Band 1 or Band 2 senior salary from a principal council (that is Leader, Deputy Leader or Executive Member) cannot receive any payment from any community or town council, other than travel and subsistence expenses and reimbursement of costs of care. However, this does not preclude them from holding a senior role.
- 13.38 As stated in paragraph 13.9, any individual member may make a personal decision to elect to forgo part or all of the entitlement to any of these payments by giving notice in writing to the proper officer of the council.

Publicity requirements

- 13.39 There is a requirement on community and town councils to publish details of all payments made to individual members in an annual Statement of Payments for each financial year. This information must be published on council noticeboards and/or websites (with easy access) and provided to the Panel by email or by post no later than 30 September following the end of the previous financial year. The Panel draws attention to the requirements stipulated at Annex 4. The Panel is concerned that a significant number of councils are in breach of this requirement.

14. Compliance with Panel Requirements

The Panel's remit under the Measure

- 14.1 Section 153 of the Measure empowers the Panel to require a relevant authority⁹ to comply with the requirements imposed on it by an Annual Report of the Panel and further enables the Panel to monitor the compliance of relevant authorities with the Panel's determinations.
- 14.2 A relevant authority must implement the Panel's determinations in this report from the date of its annual meeting or a date specified within the Annual Report.

Monitoring compliance

- 14.3 The Panel will monitor the compliance with the determinations in this Annual Report by relevant authorities against the following requirements:
- (i) A relevant authority must maintain an annual **Schedule of Member Remuneration** (IRPW Regulations 4 and 5). Guidance at Annex 3 sets out the content which must be included in the Schedule.
 - (ii) A relevant authority must make arrangements for the Schedule's publication within the authority area (IRPW Regulation 46) and send the Schedule to the Panel as soon as practicable and not later than 31 July in the year to which it applies. Annex 4 provides further details of the publicity requirements.
 - (iii) Any amendments to the Schedule made during the year must be conveyed to the Panel as soon as possible after the amendment is made.

Note: The above requirements do not apply to Community and town councils at this time. The following applies to all authorities including Community and town councils.

- (iv) A relevant authority must make arrangements for publication within the authority area of the total sum paid by it in the previous financial year to each member and co-opted member in respect of salary (basic, senior and civic), allowances, fees and reimbursements in a Statement of Payments (in accordance with Annex 4 that sets out the content that must be included in the Publicity Requirements). This must be published as soon as practicable and no later than 30 September following the end of the previous financial year- and must be submitted to the Panel no later than that date.

⁹ Interpretation of "Relevant Authority" provided in the Independent Remuneration Panel for Wales (IRPW) Regulations, Part 1, 'Interpretation'.

15. Salaries of Heads of Paid Service of Principal Councils and Fire and Rescue Authorities and Chief Officers of Principal Councils

- 15.1 Section 63 of the Local Government (Democracy) (Wales) Act 2013 amended the Local Government (Wales) Measure 2011 by inserting section 143A. This enables the Panel to take a view on anything in the Pay Policy Statements of these authorities that relates to the salary of the head of paid service (normally the chief executive or chief fire officer). Section 39 of the Local Government (Wales) Act 2015 further amended the Measure extending this function to include Chief Officers of Principal Councils.
- 15.2 The Welsh Government issued amended guidance to the Panel which can be found at <http://gov.wales/docs/dsllg/publications/localgov/160212-irp-guide-salaries-en-v2.pdf>. This sets the basis on which the Panel will carry out the function contained in the legislation.
- 15.3 In essence the functions of the Panel and the requirements on authorities established by the legislation and the subsequent guidance are:
- a) If a principal council intends to change the salary of the head of paid service or chief officer, or if a fire and rescue authority intends to change the salary of its head of paid service it must consult the Panel unless the change is in keeping with changes applied to other officers of that authority (whether the change is an increase or decrease). 'Salary' includes payments under a contract for services as well as payments of salary under an employment contract.
 - b) The authority must have regard to the recommendation(s) of the Panel when reaching its decision.
 - c) The Panel may seek any information that it considers necessary to reach a conclusion and produce a recommendation. The authority is obliged to provide the information sought by the Panel.
 - d) The Panel may publish any recommendation that it makes. It is the intention that, in the interests of transparency, it will normally do so.
 - e) The Panel's recommendation(s) could indicate:
 - approval of the authority's proposal
 - express concerns about the proposal
 - recommend variations to the proposal
- as long as these comply with any guidance issued by the Welsh Government.
- 15.4 The Panel also has a general power to review the Pay Policy Statements of authorities so far as they relate to the heads of paid service (and chief officers

until 2020).

- 15.5 It is important to note the Panel will not decide the amount an individual head of paid service will receive.
- 15.6 The Panel is very aware that this additional function is significantly different from its statutory responsibilities in relation to members' remuneration. However, it will ensure that it undertakes this role with clarity and openness, taking into account all the relevant factors in respect of specific individual cases. Authorities are encouraged to consult the Panel at an early stage in their decision making on such matters. This will enable the Panel to respond in a timely manner.

Pay Policy Statements

- 15.7 Paragraph 3.7 of the guidance to the Panel from the Welsh Government states that "The legislation does not restrict the Panel to a reactive role". It allows the Panel to use its power to make recommendations relating to provisions within local authorities Pay Policy Statements. The Panel has considered this in the context of its resources and has decided that these limit the time that could be applied to this open power. So it will examine changes from year to year of the salaries of Chief Executives and Chief Officers to ensure that these comply with the requirements of the legislation.



19 February 2018

Mr Darren Mepham
Chief Executive
Bridgend County Borough Council

Dear Mr Mepham

Proposed Senior Management Structure

I agreed with Kelly Watson that I would confirm my observations on your proposals that I discussed with her by telephone on Wednesday 14th February.

Your proposed restructure has been approved by Council and the next stage is to seek approval to consult and move to a job evaluation exercise. This is entirely a matter for the Council and is not within the Panel's remit as determined by the legislation and Welsh Government guidance.

However, following the job evaluation it is the intention to "slot" members of staff into posts within the new structure. If this results in a change in salary (increase or decrease) for any individual this would be a matter for our consideration. I asked Kelly Watson the intention in respect of the post of Deputy Chief Executive and was advised that this role would be added to the responsibilities of one of the corporate directors. I consider that this would be a matter for the Panel.

I hope that this explanation is helpful.

Yours sincerely

John Bader
Chair



Ceri Davies
Head of Human Resources
Pembrokeshire County Council

26 April 2018

Dear Mr Davies

Proposal to change the remuneration of a chief officer

Your letter and accompanying documentation dated 27 February was considered by the Independent Remuneration Panel for Wales at the meeting on 22 March. All members of the Panel were present and therefore the meeting was quorate.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

Having examined the submission from your authority it is the decision of the Panel to approve the proposal as submitted.

Yours sincerely

John Bader
Chair



Rhian Hayden
Head of Financial Services
Blaenau Gwent County Borough Council
rhian.hayden@blaenau-gwent.gov.uk
Eich Cyf: RH/KE/IRPW
En Cyf: IRPW Case 21

27 March 2018

Dear Ms Hayden

Application for Additional Specific Senior Salaries

Your submission sent on the 9 and 15 March for two additional senior salaries was considered by the Panel in its meeting on the 22 March.

Having examined the submission from your authority the Panel consider that the nomination of two councillors to Silent Valley Waste Service Ltd (SVWS) as directors and the payment of those directors by the company falls outside the Panel's remit.

This is because SVWS is a separate legal entity and the duty of the directors is directly owed to the company which is an outside body distinct from Blaenau Gwent county borough council. Payment to directors is not within the Panel's remuneration Framework.

SVWS can therefore decide to pay its directors as it chooses.

Yours sincerely

Sinéad O'Toole
Secretariat



Deb Yeates
Rheolwr Tîm, Gweithredu AD
Team Leader, HR Operations
debra.yeates@swansea.gov.uk

17 July 2018

Dear Ms Yeates

Chief Legal Officer – increase of salary

Your email of the 1st June with the enclosed *Report to the Independent Remuneration Panel* and the additional information provided afterwards was considered by the Independent Remuneration Panel for Wales at its meeting on 13 and 14 June and the 11 July . All the Panel were present in the June meeting and five out of the six were present in the July meeting and therefore the meeting was quorate.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposals
- b) Express concerns about the proposals
- c) Recommend a variation to the proposals

Having examined the submission from your authority, it is the decision of the Panel to approve the proposal to increase the salary of the Chief Legal Officer from a range of £67,633 - £83,240 to a salary range of £83,240 - £93,645

Yours sincerely

John Bader
Chair



Ceri Davies
Head of Human Resources
Pembrokeshire County Council

CC: JoanneP-Davies@pembrokeshire.gov.uk

7 September 2018

Dear Ceri,

Proposal to change the remuneration of a chief officer – Head of ITC

Your letter and accompanying documentation dated 26th July was considered by the Independent Remuneration Panel for Wales at the meeting on 22nd August. All members of the Panel were present and therefore the meeting was quorate.

In respect of the function of the Panel related to the salaries of chief officers the remit and guidance from the Welsh Government allows the Panel to:

- a) Approve the proposal
- b) Express concerns about the proposal
- c) Recommend a variation to the proposal

The proposal is that the new Head of ITC is recruited on a band 6 salary (£59,376-£63,310) in contrast to the previous salary which was on band 3 (£75,573-£83,133).

Having examined the submission from your authority it is the decision of the Panel to approve the proposal as submitted.

Yours sincerely

John Bader
Chair

Annex 1: The Panel's Determinations for 2019/20

Principal Councils	
1.	Basic salary in 2019/20 for elected members of principal councils shall be £13,868.
2.	The Panel has determined that senior salary levels in 2019/20 for members of principal councils shall be as set out in Table 4.
3.	The Panel has determined that (where paid) a civic head must be paid a Band 3 salary of £22,568 and (where paid) a deputy civic head must be paid a Band 5 salary of £17,568.
4.	The Panel has determined that, where appointed and if remunerated, a presiding member must be paid a Band 3 senior salary of £22,568.
5.	The Panel has determined that the post of deputy presiding member will not be remunerated.
6.	The Panel has determined that each authority, through its Democratic Services Committee, must ensure that all its elected members are given as much support as is necessary to enable them to fulfil their duties effectively. All elected members should be provided with adequate telephone, email and internet facilities giving electronic access to appropriate information.
7.	The Panel has determined that such support should be without cost to the individual member. Deductions must not be made from members' salaries by the respective authority as a contribution towards the cost of support which the authority has decided necessary for the effectiveness and or efficiency of members.
Specific or Additional Senior Salaries	
8.	The Panel has determined to include a provision for specific or additional senior salaries that do not fall within the current Remuneration Framework.
Local Government Pension Scheme	
9.	The entitlement to join the Local Government Pension Scheme (LGPS) shall apply to all eligible elected members of principal councils.
Family Absence	
10.	An elected member is entitled to retain a basic salary when taking family absence under the regulations irrespective of the attendance record immediately preceding the commencement of the family absence.
11.	When a senior salary holder is eligible for family absence, they will continue to receive the salary for the duration of the absence.

12.	It is a matter for the authority to decide whether or not to make a substitute appointment. The elected member substituting for a senior salary holder taking family absence will be eligible to be paid a senior salary, if the authority so decides.
13.	If the paid substitution results in the authority exceeding the maximum number of senior salaries which relates to it, as set out in the Panel's Annual Report, an addition to the maximum will be allowed for the duration of the substitution. However, this will not apply to the Isle of Anglesey or Merthyr Tydfil Councils if it would result in the number of senior salaries exceeding fifty percent of the Council membership. Specific approval of Welsh Ministers is required in such circumstances.
14.	When a Council agrees a paid substitution for family absence, the Panel must be informed, within 14 days of the date of the decision, of the details including the particular post and the duration of the substitution.
15.	The Council's schedule of remuneration must be amended to reflect the implication of the family absence.
National Park Authorities	
16.	The basic salary for NPA ordinary members shall be £3,735.
17.	The senior salary of the chair of an NPA shall be £12,435.
18.	An NPA senior salary can be paid to a Deputy Chair and up to two committee chairs where there is significant and sustained responsibility. This can be paid at either of the following levels to be decided by the authority to reflect the appropriate responsibility: £7,435 or £6,135.
19.	The Panel has determined to include a provision for NPAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
20.	Members must not receive more than one NPA senior salary.
21.	An NPA senior salary is paid inclusive of the NPA basic salary and must reflect significant and sustained responsibility.
22.	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any NPA to which they have been appointed.
Fire and Rescue Authorities	
23.	The basic salary for FRA ordinary members shall be £1,780.
24.	The senior salary of the chair of an FRA shall be £10,480.
25.	An FRA senior salary can be paid to the deputy chair and up to two chairs of committees where there is significant and sustained responsibility. This shall be paid at £5,480.

26.	The Panel has determined to include a provision for FRAs to apply for specific or additional senior salaries that do not fall within the current Remuneration Framework.
27.	Members must not receive more than one FRA senior salary.
28.	An FRA senior salary is paid inclusive of the FRA basic salary and must reflect significant and sustained responsibility.
29.	Members of a principal council in receipt of a Band 1 or Band 2 senior salary cannot receive a salary from any FRA to which they have been nominated.
Co-opted Members	
30.	Principal councils, NPAs and FRAs must pay the fees to co-opted members (who have voting rights) as set out in Table 7.
31.	Reasonable time for pre meeting preparation is to be included in claims made by co-opted members the extent of which can be determined by the appropriate officer in advance of the meeting.
32.	Travelling time to and from the place of the meeting is to be included in the claims for payments made by co-opted members (up to the maximum of the daily rate).
33.	The appropriate officer within the authority can determine in advance whether a meeting is programmed for a full day and the fee will be paid on the basis of this determination even if the meeting finishes before four hours has elapsed.
34.	Fees must be paid for meetings and other activities including other committees and working groups (including task and finish groups), pre-meetings with officers, training and attendance at conferences or any other formal meeting to which co-opted members are requested to attend.
35.	The Panel has determined that each authority, through its Democratic Services Committee or other appropriate committee, must ensure that all voting co-opted 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.
Reimbursement of Costs of Care	
36.	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 must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.

Community and Town Councils	
37.	All Community and Town councils must make available a payment to each of their members of £150 per year as a contribution to costs and expenses.
38.	Community and Town councils in Group A must make available an annual payment of £500 each to a minimum of 1 and a maximum of 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
39.	Community and Town councils in Groups B or C can make an annual payment of £500 each to up to 5 members in recognition of specific responsibilities. This is in addition to the £150 payment for costs and expenses.
40.	<p>Community and Town councils can make payments to each of their members in respect of travel costs for attending approved duties. ¹⁰ Such payments must be the actual costs of travel by public transport or the HMRC mileage allowances as below:</p> <ul style="list-style-type: none"> • 45p per mile up to 10,000 miles in the year. • 25p per mile over 10,000 miles. • 5p per mile per passenger carried on authority business. • 24p per mile for private motor cycles. • 20p per mile for bicycles.
41.	<p>If a Community or Town council resolves that a particular duty requires an overnight stay, it can authorise reimbursement of subsistence expenses to its members at the maximum rates set out below on the basis of receipted claims:</p> <ul style="list-style-type: none"> • £28 per 24-hour period allowance for meals, including breakfast where not provided. • £200 – London overnight. • £95 – elsewhere overnight. • £30 – staying with friends and/or family overnight.
42.	<p>Community and Town councils can pay financial loss compensation to each of their members, where such loss has actually occurred, for attending approved duties as follows:</p> <ul style="list-style-type: none"> • Up to £54.00 for each period not exceeding 4 hours. • Up to £108.00 for each period exceeding 4 hours but not exceeding 24 hours.

43.	All Community and Town councils 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 must be for the additional costs incurred by members in order for them to carry out their approved duties. Reimbursement shall only be made on production of receipts from the carer.
44.	Community and Town councils can provide a Civic Head payment to the mayor/chair of the council up to a maximum of £1,500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.
45.	Community and Town councils can provide a Deputy Civic Head payment to the deputy mayor/deputy chair of the council up to a maximum of £500. This is in addition to the £150 payment for costs and expenses and the £500 senior salary if these are claimed.

¹⁰ Where a member who is on official business is driven by a third party (not a member or officer of that authority), the member can claim mileage at the prescribed rates plus any parking or toll fees provided the authority is satisfied that the member has incurred these costs.

Annex 2: Independent Remuneration Panel for Wales (IRPW) Regulations:

- a) for the remuneration of members and co-opted members of relevant authorities**
- b) for functions relating to the salaries of Heads of Paid Service of Principal Councils and Fire and Rescue Authorities**
- c) Chief officers of Principal Councils**

Introduction

Part 8 (sections 141 to 160) and schedules 2 and 3 of the Local Government (Wales) Measure 2011 (*the Measure*) set out the arrangements for the payments and pensions for members of relevant authorities and the functions and responsibilities of the Independent Remuneration Panel for Wales (the Panel).

Sections 62 to 67 of the Local Government (Democracy) (Wales) Act 2013 amends sections 142, 143, 144, 147, 148 and 151 of the Measure and confers additional powers on the Panel.

The powers contained in part 8 and schedules 2 and 3 of the Measure (as amended) have replaced the following Statutory Instruments:

- The Local Authorities (Allowances for Members of County and County Borough Councils and National Park Authorities) (Wales) Regulations 2002 (No. 1895 (W.196)).
- The Local Authorities (Allowances for Members of Fire Authorities) (Wales) Regulations 2004 (No. 2555 (W.227)).
- The Local Authorities (Allowances for Members) (Wales) Regulations 2007 (No.1086 (W.115)).

The Measure also has replaced the sections of the Local Government Act 1972, the Local Government and Housing Act 1989 and the Local Government Act 2000 relating to payments to councillors in Wales.

Allowances for members of community and town councils are set out in Part 5 of these Regulations. The Local Authorities (Allowances for Members of Community Councils) (Wales) Regulations 2003 (No. 895(W.115)) were revoked from 1st April 2013.

Part 1

General

1. a. The short title of these Regulations is: "IRPW Regulations".

- b. The IRPW Regulations came into force on 1 April 2012. The implementation date for each of the relevant authorities is set out in the Annual Report or Supplementary Report of the Panel.
- c. Authorities are required to produce a schedule of payments to members and co-opted members no later than the 31st July each year, for submission to the Panel and publication (see paragraph 46).

Interpretation

2. In the IRPW Regulations:

- “The 1972 Act” means the Local Government Act 1972.
- “The 2000 Act” means the Local Government Act 2000.
- “The 2013 Act” means the Local Government (Democracy) (Wales) Act 2013.
- “Allowance” means the actual or maximum amount which may be reimbursed to members and co-opted members of a relevant authority for expenses necessarily incurred when carrying out the official business of the relevant authority.
- “Annual report” means a report produced by the Panel in accordance with section 145 of the Measure.
- “Approved duty” in relation to community and town councils has the meaning as set out in Part 5 of these Regulations.
- “Attendance Allowance” in relation to community or town councils has the meaning set out in Part 5 of these Regulations.
- “Authority” means a relevant authority in Wales as defined in Section 144(2) of the Measure, and includes a local authority (county or county borough council), a national park authority and a Welsh fire and rescue authority, a community or town council.
- “Basic Salary” has the same meaning as set out in paragraph 6 of these Regulations, and may be qualified as “LA Basic Salary” to refer to the basic salary of a member of a principal council; “NPA Basic Salary” to refer to the basic salary of a member of a national park authority; and “FRA Basic Salary” to refer to the basic salary of a member of a Welsh fire and rescue authority.
- “Chief Officer” of a principal authority has the meaning as defined in the Localism Act 2011.
- “Civic Head” is the person elected by the council to carry out the functions of the chair of that council and is designated as mayor or chair.
- “Committee” includes a sub-committee.
- “Community or town council” means in relation to Part 8 of the Measure, a community council as defined in section 33 of the Local Government Act 1972 or a town council in accord with section 245B of the same Act.

- “Consultation draft” means the draft of an Annual or Supplementary report under Section 146 (7) or 147(8) of the Measure, representations on which must be taken into account by the Panel.
- “Constituent authority” – for national park authorities this is a local authority falling within the area of a national park authority; for Welsh fire and rescue authorities it is a local authority falling within the area of a fire and rescue authority.
- “Controlling group” means a political group in a local authority where any of its members form part of the executive.
- “Co-opted Member” has the meaning contained in section 144 (5) of the Measure, that is those with the right to vote on matters within the purview of the committee on which they serve.
- “Co-opted Member fee” has the same meaning as set out in paragraph 19 of these Regulations.
- “Costs of Care” has the same meaning as set out in paragraph 21 of these Regulations.
- “Democratic Services Committee” means the local authority committee established under section 11 of the Measure.
- “Deputy Civic Head” is a person elected by the council to deputise for the mayor or chair of that council.
- “Executive” means the executive of an authority in a form as specified in sections 11(2) to (5) of the 2000 Act, as amended by section 34 of the Measure.
- “Executive arrangements” has the meaning given by section 10(1) of the 2000 Act.
- “Family absence” as defined in Section 142 (2) (b) of the Measure has the meaning given to it by Part 2 of the Measure, and contained in the Regulations relating thereto.
- “Financial Loss Allowance in relation to community or town councils has the meaning as set out in Part 5 of the Regulations.
- “Fire and rescue authority” means an authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies.
- “Head of paid service” means as designated under section 4(1) of the Local Government and Housing Act 1989.
- Joint Overview and Scrutiny Committee means a committee or sub committee set up by two or more principal councils under the Local Authority (Joint Overview and Scrutiny Committees) (Wales) Regulations 2013.
- “Largest opposition group” means a political group other than a controlling group which has a greater number of members than any other political group in the authority.

- “Local authority” means a county or county borough council.
- “Member” means in respect of a local authority or a community or town council a person who has been elected to serve as a councillor for that authority; for a national park authority means a member appointed by a constituent authority and also a person appointed by Welsh Ministers; for Welsh fire and rescue authorities means a member appointed by a constituent authority.
- “National Park Authority” means a national park authority established under section 63 of the Environment Act 1995.
- “Official business” has the meaning contained in Section 142 (10) of the Measure in relation to the payment of allowances for care, travel and subsistence as reimbursement of expenses necessarily incurred by members and co-opted members of a relevant authority (excluding community and town councils) when:
 - a. Attending a meeting of the authority or any committee of the authority or any body to which the authority makes appointments or nominations or of any committee of such a body.
 - b. Attending a meeting of any association of authorities of which the authority is a member.
 - c. Attending a meeting the holding of which is authorised by the authority or by a committee of the authority or by a joint committee of the authority and one or more other authorities.
 - d. Attending any training or development event approved by the authority or its executive.
 - e. A duty undertaken for the purpose of or in connection with the discharge of the functions of an executive within the meaning of Part 2 of the 2000 Act, as amended.
 - f. A duty undertaken in pursuance of a standing order which requires a member or members to be present when tender documents are opened.
 - g. A duty undertaken in connection with the discharge of any function of the authority to inspect or authorise the inspection of premises.
 - h. A duty undertaken by members of principal councils in connection with constituency or ward responsibilities which arise from the discharge of local authority functions.
 - i. Any other duty approved by the authority, or any duty of class so approved, undertaken for the purpose of, or in connection with, the discharge of the functions of the authority or any of its committees.
- “Other political group” means a political group other than a controlling group or the largest opposition group (if any) which comprises not less than ten per cent of the members of that authority.

- “Overview and Scrutiny Committee” means a committee of the authority which has the powers set out in sections 21(2) and (3) of the 2000 Act, as amended by Part 6 of the Measure.
- “Panel” means the Independent Remuneration Panel for Wales as set out in section 141(1) and schedule 2 of the Measure.
- “Pay policy statement” means a statement produced by a relevant authority under section 38 of the Localism Act 2011.
- “Presiding Member” means a member of a principal council who has been designated by that council to carry out functions in relation to the chairing of its meetings and proceedings.
- “Principal council” means a county or county borough council.
- “Proper officer” has the same meaning as in section 270(3) of the 1972 Act.
- “Public body” means a body as defined in section 67(b) of the 2013 Act.
- “Qualifying provision” means a provision that makes a variation to a previous decision of the Panel. (Section 65 (c) of the 2013 Act).
- “Qualifying relevant authority” is an authority within the meaning of section 63 of the 2013 Act, required to produce a pay policy statement.
- “Relevant authority” is set out in Section 144(2) of the Measure (as amended) and in section 64 of the 2013 Act and, for the purposes of these Regulations, includes a local authority/principal council, a community or town council, a national park authority and a Welsh fire and rescue authority.
- “Relevant matters” are as defined in Section 142(2) of the Measure.
- “Schedule” means a list setting out the authority’s decisions in respect of payments to be made during the year (as relating to that authority) to all members and co-opted members of that authority.
- “Senior Salary” has the same meaning as set out in paragraph 11 of these Regulations and may be qualified as “Local Authority/Principal council Senior Salary” to refer to the senior salary of a member of a principal council; “National Park Senior Salary” to refer to the senior salary of a member of a national park authority; or “Fire and Rescue authority Senior Salary” to refer to the senior salary of a member of a Fire and Rescue authority.
- “Sickness absence” means the arrangements as set out in the Annual Report.
- “Supplementary report” has the meaning contained in section 146(4 to 8) of the Measure.
- “Travelling and subsistence allowance” has the same meaning as set out in paragraph 25 of these Regulations.
- “Year” has the following meanings:

“financial year” – the period of twelve months ending 31 March;

“calendar year” – the period of twelve months ending 31 December;

“municipal year” – the year commencing on the date of the annual meeting of the local authority and ending the day before the annual meeting of the following year; for national park authorities and Welsh fire and rescue authorities it is the period of up to twelve months following the annual meeting of the authority.

Part 2: Schedule of member/co-opted member remuneration

Commencement of term of office

3. The term of office of:

- A member of a local authority or community or town council begins 4 days following the election subject to making the declaration of acceptance of that office under section 83(1) of the 1972 Act.
- A councillor member of a national park authority begins on the date on which that member is appointed as such by a constituent authority and the term of office of a Welsh Government appointed member begins on the date of that appointment. The term of office of the chair and deputy chair of the national park authority begins on the date of election by that authority to that office.
- A councillor member of a Welsh fire and rescue authority begins on the date on which that member is appointed as such by a constituent authority and the term of office of the chair and deputy chair of the fire and rescue authority begins on the date of election by that authority to that office.
- A co-opted member of a relevant authority begins on the date of appointment by the relevant authority.

Schedule of member remuneration (the Schedule) (does not apply to community or town councils – see Part 5)

4. An authority must produce annually, a schedule of payments it intends to make to its members and co-opted members. The amount of those payments must accord with the Panel’s determinations made for that year in its Annual or Supplementary Reports. The Schedule must be produced no later than four weeks following the annual meeting of the authority.

Amendment to the Schedule

5. An authority may amend the Schedule at any time during the year (as relating to the authority) provided that such amendments accord with the Panel’s determinations for that year.

Basic salary

6. An authority must provide for the payment of a basic salary, as determined by the Panel in its Annual or Supplementary Reports, to each of its members. The amount of the salary must be the same for each member. For principal councils only, this salary remains payable during a period of family absence.
7. A member may not receive more than one basic salary from a relevant authority, but a member of one relevant authority may receive a further basic salary by being appointed as a member of another relevant authority (except in the case as indicated in paragraph 16).
8. The amount of the basic salary will be set in accordance with Section 142(3) of the Measure and will be one of the following:
 - The amount the authority must pay to a member of the authority.
 - The maximum amount that the authority may pay to a member of the authority.
9. Where the term of office of a member begins or ends other than at the beginning or end of the year (as relating to the authority), the entitlement of that member is to such proportion of the basic salary as the number of days during which the member's term of office subsists during that year bears to the number of days in that year.
10. Where a member is suspended or partially suspended from being a member of an authority (Part 3 of the 2000 Act refers) the part of the basic salary payable to that member in respect of the responsibilities or duties from which that member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

Senior salary

11. Subject to paragraphs 12 to 18 an authority can make payments of a senior salary to members that it has given specific responsibilities. Such payments must accord with the Panel's determination for the year (as relating to the authority) that the payments are made and must be set out in the Schedule of that authority. For principal councils only, a senior salary will remain payable during the family absence of the office holder.
12. The Panel will prescribe in its Annual or Supplementary Reports the following:
 - The categories of members eligible for the payment of a senior salary which may not be the same for all authorities or categories of authorities.
 - The discretion available to authorities in relation to the payment of senior salaries which may not be the same for all authorities or categories of authorities.
13. The amount of the senior salaries payable will be in accordance with section 142(3) of the Measure and specify:

- The amount that a relevant authority must pay to a member of the authority.
 - The maximum amount that a relevant authority may pay to a member of the authority.
14. The Senior Salary will comprise an amalgam of the basic salary and an additional amount for the relevant specific responsibility determined by the Panel in its Annual or Supplementary Reports. This may not be the same for all authorities or categories of authorities.
 15. The Panel in its Annual or Supplementary Reports will determine either the maximum proportion of its membership or the total number of members that an authority can pay as senior salaries. The percentage may not exceed fifty percent without the express approval of Welsh Ministers (Section 142(5) of the Measure). For principal councils only, the maximum proportion or number may be exceeded to include payment of a senior salary to an additional member who is appointed to provide temporary cover for the family absence of a senior salary office holder (subject to the 50% limit).
 - 15(a). For principal councils, Fire and Rescue Authorities and National Park Authorities the maximum proportion or number may be exceeded to include the payment of a senior salary to an additional member who is appointed to provide temporary cover for the sickness absence of a senior salary holder as determined in the Annual Report or a Supplementary Report.
 - 15(b). Payments to chairs of Joint Overview and Scrutiny Committees or Sub Committees are additional to the maximum proportion of its membership that an authority can pay as senior salaries subject to the overall maximum of fifty percent as contained in Section 142(5) of the Measure. The Panel will determine the amounts of such payments in an Annual or Supplementary Report.
 16. An authority must not pay more than one senior salary to any member. A principal council member in receipt of a senior salary as leader or executive member of a local authority (determined as full-time by the Panel) may not receive a second salary as a member appointed to serve on a national park authority or a Welsh fire and rescue authority.
 - 16(a). Paragraph 16 does not apply to payments made to a chair of a Joint Overview and Scrutiny Committee or Sub Committee who is in receipt of a senior salary for a role that is not classified as full time equivalent. It continues to apply to leaders or members of the executive.
 17. Where a member does not have, throughout the year specific responsibilities that allow entitlement to a senior salary, that member's payment is to be such proportion of the salary as the number of days during which that member has such special responsibility bears to the number of days in that year.
 18. Where a member is suspended or partially suspended from being a member of the authority (Part 3 of the 2000 Act refers) the authority must not make

payments of the member's senior salary for the duration of the suspension (Section 155(1) of the Measure). If the partial suspension relates only to the specific responsibility element of the payment, the member may retain the basic salary.

Co-opted member payment

19. A relevant authority must provide for the payment of a fee to a co-opted member as determined by the Panel in its Annual or Supplementary Reports. In relation to this regulation 'co-opted member' means a member as determined in Section 144(5) of the Measure and set out in paragraph 2 of these Regulations.
20. Where a co-opted member is suspended or partially suspended from an authority (Part 3 of the 2000 Act refers) the authority must not make payment of a co-opted member fee for the duration of the suspension (Section 155(1) of the Measure).

Allowances

Costs of Care

21. Authorities must provide for the payment to members and co-opted members of an authority the reimbursement in respect of such expenses of arranging the care of children or dependants or for the individual member as are necessarily incurred in carrying out official business as a member or co-opted member of that authority. Payments under this paragraph must not be made:
 - In respect of any child over the age of fifteen years or dependant unless the member/co-opted member satisfies the authority that the child or dependant required supervision which has caused the member to incur expenses that were necessary in respect of the care of that child or dependant in the carrying out of the duties of a member or co-opted member.
 - To more than one member/co-opted member of the authority in relation to the care of the same child or dependant.
 - Of more than one reimbursement for care to a member or co-opted member of the authority who is unable to demonstrate to the satisfaction of the authority that the member/co-opted member has to make separate arrangements for the care of different children or dependants.
22. The maximum amount of the cost of care payable by an authority is to be determined by the Panel in its Annual or Supplementary Reports.
23. Where a member/co-opted member is suspended or partially suspended from being a member or co-opted member of the authority (Part 3 of the 2000 Act refers) the part of the reimbursement of the cost of care payable to that member/co-opted member in receipt of the responsibilities or duties from

which that member/co-opted member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

24. An authority's Schedule must stipulate the maximum amount of the reimbursement of costs of care payable each month and its arrangements for making claims, taking full account of the Panel's determinations in this respect.

Travel and subsistence allowances

25. Subject to paragraphs 26 and 27 below a member or co-opted member is entitled to receive payments from the authority by way of travelling and subsistence allowances at rates determined by the Panel in its Annual or Supplementary Reports. Such allowances are in respect of expenditure incurred by a member or co-opted member in the performance of the official business of the authority.

(Paragraphs 26 & 27 apply only to principal councils)

26. Payment of a subsistence allowance to a local authority member for the performance of official business within the boundaries of a county or county borough where s/he is a member should only be made when the authority is satisfied that it can be justified on economic grounds. This does not apply in respect of co-opted members of a local authority who live outside that authority.
27. A local authority may make provision, subject to any limitations it thinks fit, for members to claim mileage expenses for official business in connection with constituency or ward responsibilities where they arise out of the discharge of the functions of the county or county borough.
28. Where a member or co-opted member is suspended or partially suspended from being a member or co-opted member of the authority (Part 3 of the 2000 Act refers), travelling and subsistence allowances payable to that member/co-opted member in respect of the responsibilities or duties from which that member is suspended or partially suspended must be withheld by the authority (Section 155(1) of the Measure).

Part 3: Further provisions

Pensions

29. Under Section 143 of the Measure, the Panel may make determinations in respect of pension arrangements for local authority members in its Annual or Supplementary Reports. Such determinations may:
 - Describe the description of members for whom a local authority will be required to pay a pension.

- Describe the relevant matters in respect of which a local authority will be required to pay a pension.
- Make different decisions for different principal councils.

Allowances to support the function of a local authority member

30. A local authority must provide for the requirements of a member to undertake their role and responsibilities more effectively. The way in which this support should be provided is determined by the Panel in its Annual or Supplementary Reports.

Payment of expenses for official and courtesy visits

31. The arrangements contained in Section 176 of the Local Government Act 1972 will continue to apply but no payment may be made to a person under that arrangement when a payment has been made to that person pursuant to any payment made under these Regulations.

Arrangements in relation to family absence

32. Part 2 of the Measure sets out the rights of local authority members in relation to family absence. The Panel will set out its determinations and the administrative arrangements in relation to the payment of salaries and allowances by principal councils in this respect in its Annual or Supplementary Reports.

Sickness Absence

- 32(a) Arrangements in respect of the long term sickness absence of senior salary holders of principal authorities, Fire and Rescue Authorities and National Park Authorities will be as set out in the Panel's Annual Report or Supplementary Report.

Part 4: Salaries, allowances or fees

Repayment of salaries, allowances or fees

33. An authority must require that such part of a salary, allowance or fee be repaid where payment has already been made in respect of any period during which the member or co-opted member concerned:
- is suspended or partially suspended from that member's/co-opted member's duties or responsibilities in accordance with Part 3 of the 2000 Act or Regulations made under that Act.
 - ceases to be a member or co-opted member of the authority.

- or in any way is not entitled to receive a salary, allowance or fee in respect of that period.

Forgoing salaries, allowances or fees

34. Under Section 154 of the Measure, 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 salary, allowance or fee under the determination of the Panel for that particular year (as relating to the authority).

Part 5: Specific provisions relating to community and town councils (“the council”)

Interpretation

35. For the purposes of this Part the term member means both an elected member and a co-opted member.

Allowances

36. Allowances:
- a) The Annual Report or a Supplementary Report determines the arrangements and amount of an annual payment to members in respect of costs incurred in carrying out the role of a member and if appropriate take account of the variation in size or financial circumstances of different councils.
 - b) The council can if it so decides make payments to members in respect of costs of travel for attending approved duties within or outside the area of the council. The amounts claimable will be set out in the Annual or Supplementary Report of the Panel.
 - c) The council can if it so decides reimburse subsistence expenses to its members when attending approved duties within or outside the area of the council. The arrangements for reimbursement will be set out in the Annual or Supplementary Report of the Panel.
 - d) The council can if it so decides pay compensation for Financial Loss to its members where such loss has occurred for attending approved duties within or outside the area of the council. The Allowances will be set out in the Annual or Supplementary Report of the Panel.
 - e) The council can if it so decides pay an allowance to the chair or mayor and deputy chair or mayor of the council for the purposes of undertaking the role of that office. The allowance will be set out in the Annual or Supplementary Report of the Panel.
 - f) The Annual Report or a Supplementary Report determines the arrangements to pay a responsibility allowance to members of a council and if appropriate take account of the variation in size or financial circumstances of different councils.

- g) The council must reimburse the costs of care to a member if claimed, as determined in the Annual Report of the Panel.
37. A member may elect to forgo any part of an entitlement to an allowance under these Regulations by giving notice in writing to the proper officer of the council.
38. A member making a claim for compensation for Financial Loss must sign a statement that the member has not made and will not make any other claim in respect of the matter to which the claim relates.
39. “Approved Duty” under this Part means
- i. Attendance at a meeting of the council or of any committee or sub-committee of the council or of any other body to which the council makes appointments or nominations or of any committee or sub-committee of such a body.
 - ii. Attendance at any other meeting the holding of which is authorised by the council or a committee or sub-committee of the council, or a joint committee of the council and one or more councils, or a sub-committee of such a joint committee provided that at least two members of the council have been invited and where the council is divided into political groupings at least two such groups have been invited.
 - iii. Attendance at a meeting of any association of councils of which the council is a member.
 - iv. Attendance at any training or development event approved by the council.
 - v. Any other duty approved by the council or duty of a class approved by the council for the discharge of its functions or any of its committees or sub-committees.

Part 6: Miscellaneous

Arrangements for payments

40. The Schedule of an authority must set out the arrangements for the payment of salaries, allowances and fees to all members and co-opted members of that authority. Such payments may be made at such times and at such intervals as determined by the authority.

Claims

41. An authority must specify a time limit from the date on which an entitlement to travelling or subsistence allowance arises during which a claim for those allowances must be made by the person to whom they are payable. However, this does not prevent an authority from making a payment where the allowance is not claimed within the period specified.

42. Any claim for payment of travelling or subsistence allowance in accordance with these Regulations (excluding claims for travel by private motor vehicle) shall be accompanied by appropriate receipts proving actual expenses.

Avoidance of duplication

43. A claim for a payment of travelling allowance or subsistence allowance must include, or be accompanied by, a statement signed by the member or co-opted member that the member/co-opted member has not made and will not make any other claim in respect of the matter to which the claim relates.

Records of salaries, allowances and fees

44. An authority must keep a record of the payments made in accordance with these Regulations. Such record must:
- Specify the name of the recipient and the amount and nature of each payment.
 - Be available, at all reasonable times, for inspection (without charge) by any local government elector (within the meaning of section 270(1) of the 1972 Act) for the area of the authority.
 - Allow a person who is entitled to inspect the record to make a copy of any part of it upon payment of such reasonable fee as the authority may require.

Publicity requirements

(The required content of publicity requirements is contained in an annex to the Annual Report)

45. An authority must, as soon as practicable after determining its Schedule of Remuneration for the year under these Regulations and any Report of the Panel and not later than 31 July of the year to which the Schedule refers, make arrangements for the Schedule's publication within the authority's area. **(This section does not apply to community and town councils).**
46. As soon as practicable and no later than 30 September following the end of the financial year an authority must make arrangements for the publication within the authority's area, the total sum paid by it to each member/co-opted member in respect of basic salary, senior salary, co-opted member fee, reimbursement of costs of care, travel and subsistence allowances. **(This section applies to all relevant authorities).**
47. In the same timescale and in the same manner, a local authority must make arrangements for the publication of any further remuneration received by a member nominated or appointed to another relevant authority. **(This section applies only to principal councils).**

Publicising the reports of the Panel

48. Under Section 146(7) (a) and (b) of the Measure, the Panel will send a consultation draft of its Annual Report or Supplementary Report to all relevant authorities for circulation to authority members and co-opted members, so that representations can be made by members/co-opted members to the Panel, normally in a period of eight weeks.
49. The Panel will determine in its Annual or Supplementary Reports the arrangements publicising its Reports in accordance with Section 151 and 152 of the Measure.

Monitoring compliance with the Panel's determinations

50. Section 153 of the Measure determines that relevant authorities must comply with the requirements imposed by the Panel in its Annual Reports. It also empowers the Panel to monitor the payments made by relevant authorities and for it to require the provision of information that it specifies. The requirements under this section will be set out in the Annual Report of the Panel.

Annex 3: Schedule of member remuneration

1. Principal councils, national park authorities (NPAs) and Welsh fire and rescue authorities (FRAs) (but not community and town councils) must maintain an annual Schedule of Member Remuneration (the 'Schedule') which is in accord with the Panel's determinations on member salary and co-opted member payments and which must contain the following information:

In respect of a principal council:

- a. Named members who are to receive only the basic salary and the amount to be paid.
- b. Named members who are to receive a Band 1 and Band 2 senior salary, the office and portfolio held and the amount to be paid.
- c. Named members who are to receive a Band 3, Band 4 and Band 5 senior salary, the office and portfolio held and the amount to be paid.
- d. Named members who are to receive a civic salary and the amount to be paid.
- e. Named members who are to receive the co-opted member fee and whether chair or ordinary member and the amount to be paid.
- f. Named members who are to receive a senior salary as a chair of a Joint Overview and Scrutiny Committee or Sub Committee and the amount to be paid.
- g. Named members in receipt of a specific or additional senior salary approved by the Panel and the amount to be paid.

In respect of National Park and Fire and Rescue Authorities:

- a. Named members who are to receive a basic salary and the amount to be paid.
 - b. Named member who is to receive a senior salary as a chair of the authority and the amount to be paid.
 - c. Named members who are to receive a senior salary as deputy chair of a committee and the amount to be paid.
 - d. Named members who are to receive the co-opted member fee and whether a chair or ordinary member and the amounts to be paid.
2. Amendments made to the Schedule during the municipal year must be communicated to the Panel as soon as it is practicable.
 3. Principal councils must confirm in their annual Schedule that the maximum limit of senior salaries set for the council has not been exceeded.

4. Principal councils, NPAs and FRAs must include a statement of allowable expenses and the duties for which they may be claimed for care, travel and subsistence in their annual Schedule which is in accord with the Panel's determinations.
5. The Schedule must set out the arrangements for the payment of salaries, allowances and fees to all members and co-opted members of the relevant authority (IRPW Regulation 35); arrangements for making claims for care, travel and subsistence expenses (IRPW Regulations 24 and 36-37); arrangements for the avoidance of duplication (IRPW Regulation 38) and arrangements for re-payment of salaries, allowances and fees (IRPW Regulation 33). This schedule must also include the duties for which members and co-opted members are able to claim travel, subsistence and reimbursement of care costs.
6. Principal councils must declare in the Schedule whether:
 - A statement of the basic responsibility of a councillor is in place.
 - Role descriptors of senior salary office holders are in place.
 - Records are kept of councillor attendance.
7. Principal councils, NPAs and FRAs must make arrangements for the publication of the Schedule of Member Remuneration as soon as practicable after its determination and no later than 31 July of the year to which it applies. The Schedule should be published in a manner that provides ready access for members of the public.
8. The **Schedule** must also be sent to the Panel Secretariat to be received by 31 July.

Annex 4: Publication of Remuneration – the Panel’s Requirements

In accordance with Section 151 of the Measure the Panel requires that:

1. Relevant authorities must publish a Statement of Payments made to its members for each financial year. This information must be published in a form and location that is easily accessible to members of the public no later than 30 September following the end of the previous financial year and in the same timescale also provided to the Panel. The following information must be provided:
 - a. The amount of basic salary, senior salary, civic salary and co-opted member fee paid to each named member/co-opted member of the relevant authority, including where the member had chosen to forego all or part of the salary, or fee for the municipal year in question. Where a senior salary has been paid, the title of the senior office held is to be provided.
 - b. The payments made by community and town councils to named members as:
 - Payments in respect of telephone usage, information technology, consumables etc.
 - Responsibility payments
 - Allowances made to a mayor/chair and deputy mayor/deputy chair
 - Compensation for Financial Loss
 - Costs incurred in respect of travel and subsistence
 - Reimbursement of the costs of care (see paragraph f below)
 - c. All travel and subsistence expenses, reimbursement of the costs of care (see paragraph f below) and other payments received by each named member and co-opted member of the relevant authority, with each category identified separately.
 - d. The amount of any further payments received by any named member nominated to, or appointed by, another relevant authority or other public body as defined by Section 67 of the Local Government (Democracy) (Wales) Act 2013, namely:
 - a local health board
 - a police and crime panel
 - a relevant authority
 - a body designated as a public body in an order made by the Welsh Ministers.
 - e. Names of members who did not receive basic or senior salary because they were suspended for all or part of the annual period to which the Schedule applies.

f. In respect of the publication of the reimbursement of the costs of care, the Panel has decided to provide relevant authorities with two options.

- 1) The details of the amounts reimbursed to named members; or
- 2) The total amount reimbursed by the authority during the year but not attributed to any named member.

It is a matter for each authority to decide which of these options for publication it considers appropriate.

It is also the responsibility of each authority to establish its own position on how to respond to any Freedom of Information requests it receives with regards to reimbursement of costs of care.

2. Nil returns are required to be published and provided to the Panel by 30 September.

**Independent Remuneration Panel for Wales
Room N.03
First Floor
Crown Buildings
Cathays Park
Cardiff
CF10 3NQ**

Telephone: 0300 0253038

E-mail irpmailbox@gov.wales

The Report and other information about the Panel and its work are available on our website at:

www.remunerationpanelwales.org.uk

Mae'r dudalen hon yn wag yn bwrpasol

Eitem ar gyfer y Rhaglen 11



FLINTSHIRE COUNTY COUNCIL

Date of Meeting	Tuesday, 20 November 2018
Report Subject	Reappointment of a Standards Committee Independent Member
Cabinet Member	Cabinet Member for Corporate Management
Report Author	Chief Officer (Governance)

EXECUTIVE SUMMARY

The Council must appoint people who are not Councillors to, amongst others, the Standards Committee. This is so that the committee is seen to be more independent. There are 5 such positions on the Standards Committee.

The term of office for one of those co-opted members runs out in December. The incumbent is eligible to be reappointed for a further term. Thereafter, the person must stand down as a co-optee cannot serve more than two terms of office under the relevant legislation. In addition, the legislation relating to Standards Committees currently specifies that the second term of office can be a maximum of four years.

The co-optee has worked hard in his role and has made a beneficial contribution to the governance of the Council. He is willing to serve a further term if re-appointed.

RECOMMENDATIONS

1	That Council reappoints Ken Molyneux to the Standards Committee for four years.
---	---

REPORT DETAILS

1.00	Explaining the requirement to appoint co-optees
1.01	Under the Standards Committee (Wales) Regulations 2001 (as amended) the Committee must include a majority of co-optees (termed “independent members” within the legislation). Those co-optees must be recruited via advertisement at first but then can be reappointed for a second term without re-advertising the position.
1.02	The Council appointed a number of co-optees in 2013 following advert. They were appointed for varying terms so that their positions did not all fall vacant at the same time (resulting in a complete loss of their combined experience). The next term of office to expire will be Ken Molyneux, whose term comes to an end in December 2018.
1.03	Mr Molyneux plays an active part in the work of the committee, is well regarded by the other committee members and is willing to serve again.
1.06	If the Council does not reappoint Mr Molyneux, then it will need to advertise that position in the local press. The Council would also need to create an appointment panel and I would suggest that it should consist of the Chair of Council, the Chair of the Committee (himself a co-optee) plus one or two elected members. In addition, any panel to appoint a co-optee to the Standards Committee, must include a lay person who has themselves been recruited via advert.

2.00	RESOURCE IMPLICATIONS
2.01	If the Council does not reappoint the incumbent then it will need to advertise the vacancies in the local press. The adverts for a similar vacancy last year cost £3600 (though this cost was shared with the Fire Authority).
2.02	The role descriptions and adverts used last time are still available. They would need a updating but it would be possible to place an advert relatively quickly.

3.00	CONSULTATIONS REQUIRED / CARRIED OUT
3.01	None.

4.00	RISK MANAGEMENT
4.01	The interview process includes a number of restrictions on candidates to ensure that only people who are truly independent of the Council may be appointed, and careful interviewing is used to ensure that candidates of the right calibre are selected.
4.02	Adverts would be placed bilingually in order to attract applications from Welsh speakers, and would be sent to local community groups representing people with disabilities to ensure that no potential candidate is accidentally excluded by the medium through which the vacancies are advertised.

5.00	APPENDICES
5.01	None.

6.00	LIST OF ACCESSIBLE BACKGROUND DOCUMENTS
6.01	Not relevant Contact Officer: Gareth Owens, Chief Officer Governance Telephone: 01352 702344 E-mail: Gareth.legal@flintshire.gov.uk

7.00	GLOSSARY OF TERMS
7.01	Co-optee – the council consists of a chairman and 69 members who are all elected. By contrast, legislation sometimes provides for a person to be appointed to a committee without being elected through a process called co-option.

Mae'r dudalen hon yn wag yn bwrpasol