

REVIEW OF WLGA MEMBERS' ALLOWANCES

Purpose

1. The purpose of this report is to update Audit Committee of the commencement of an independent review of WLGA Members' Allowances.

Background

2. The WLGA's Audit Committee has considered the WLGA Members' Allowances Scheme during the last municipal term. The Audit Committee previously recommended that an independent review be commissioned to ensure that the Allowances Scheme adequately reflected the responsibilities of WLGA Senior Office Holders.
3. The WLGA Council agreed at the Annual General Meeting that an independent review of Members' Allowances should be undertaken, and the approach and membership was considered at WLGA Executive Board in July 2022 (see Annex A).
4. The independent panel has been appointed (chair: Baroness Wilcox of Newport, Ellen ap Gwynn and Frank Cuthbert) and will shortly begin a series of meetings with leaders and WLGA Senior Office Holders to inform its determinations.
5. It is anticipated that the Panel will conclude its work and make recommendations by the end of November

Recommendations

6. **Members note the contents of the report.**
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ANNEX A

WLGA Executive Board

Item 11

29th July 2022

INDEPENDENT REVIEW OF WLGA MEMBERS' ALLOWANCES

Purpose

- 1 To establish an independent panel to review the WLGA Members' Allowances Scheme.

Background

- 2 WLGA Council has agreed that an independent review of Members' Allowances should be undertaken for the coming term.
- 3 WLGA Members' Allowances were introduced in 2005-06 and there has not been a fundamental review since this date. The WLGA Allowances Scheme received an uplift in 2019 and has only recently been linked to any changes in the Basic Salary for Councillors set by the Independent Remuneration Panel for Wales. The commitments, demands and responsibilities of senior WLGA roles has changed significantly since the Allowances Scheme was introduced.
- 4 The WLGA Members Allowances Scheme and process for review is outlined in the Constitution, which is based on the LGA's approach:

25.1 The Association may provide a scheme for the payment of allowances and expenses to members appointed to agreed Association roles, in recognition of duties carried out on behalf of the Association (Scheme of Allowances). The WLGA Executive Board or Council may establish an Independent Panel to review the Scheme of Allowances and to make recommendations for decision by the Executive Board or Council. An independent review of the Scheme should be carried out at least every 4 years. The membership of the Panel shall comprise of a minimum of 3 and a maximum of 5 members. The Chair of the Panel must be independent of the Association and may not be a serving democratically elected local representative. The remaining Panel members may be serving democratically elected local representatives, but must not hold an Association role whilst a member of the Panel.

Panel Membership and Remit

- 5 As noted above, the panel (of 3-5 members) should be independent of the WLGA but it would be expected that they have a commitment to local democracy and public service and experience or understanding of the role of senior councillors and/or the WLGA.
- 6 The panel's determinations should be informed by evidence, including the experiences and views of WLGA members (which may be gathered through interviews and/or surveys) and consideration of local government and public service comparators in

Wales and UK. The Panel's determinations should also be underpinned by principles around) fairness, acceptability and affordability.

- 7 It is proposed that the panel is paid a daily fee (on a par with the members of the Independent Remuneration Panel for Wales at £282 and £337 for chair). It is anticipated that panel members will be required to commit up to 2 days to undertake the work, with support and any research provided by WLGA officers.
- 8 It is proposed that Baroness Wilcox of Newport, former Leader of WLGA be invited to chair the panel and that 2-4 other members of the panel are appointed through agreement between the Group Leaders and the chair. For information, the LGA's most recent panel was chaired by Lord Richard Best, LGA Vice-President and Former LGA President (the membership is included in Annex A).
- 9 The matters members and the panel may wish to review are:

Members' Remuneration

- Determining levels of remuneration and which roles might be remunerated
- Consistency of principles/processes with council/LGA schemes, for example
 - o whether a cap on number of salaries should be introduced
 - o entitlement to only one WLGA or LGA salary
 - o term of payment e.g. until election or next AGM
 - o adoption of daily peer rate for members providing improvement support (e.g. LGA rate is £328)

Allowances & Support

- opportunity to consider bringing the WLGA in line with council practice and established councillor entitlements, including:
 - o feasibility of WLGA payments being pensionable
 - o Parental Leave
 - o Payments for costs of care for members on WLGA business
 - o Job Share for senior roles
- Travel & Accommodation – currently home authorities pay travel expenses for members attending meetings in their WLGA capacity.

Proposed Timetable

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| • August 2022 | Panel appointed |
| • September/October 2022 | Panel undertakes the review |
| • 28 th October 2022 | Executive Board – Panel report considered |
| • 25 th November 2022 | Council – Panel report ratified |

Recommendations

10 Members are recommended to:

- Agree the establishment of an Independent Panel as per paragraphs 7 and 8; and**
- i. **Comment on the matters and proposed timetable for review in paragraph 9.**

ANNEX A

Members of LGA Independent Remuneration Panel (2018)

- Chair – Lord Richard Best, LGA Vice-President and Former LGA President
- Lord Filkin, Crossbencher and Chair of the Centre for Better Ageing, formerly a government minister and Chief Executive of the Association of Metropolitan Authorities;
- Katrine Sporle, the Property Ombudsman and former Chief Executive of Basingstoke and Deane and Chief Planning Officer at the Planning Inspectorate in Bristol; and
- Ted Cante CBE, former Chief Executive of Nottingham City Council and the Association of Metropolitan Authorities, now Professor at the Institute of Community Cohesion.