



## **AGENDA ITEM: 18**

### **NORTH WALES FIRE AND RESCUE AUTHORITY**

**19<sup>th</sup> March 2012**

#### **INDEPENDENT REMUNERATION PANEL FOR WALES**

**Report by Colin Everett, Clerk to the Authority**

##### **Purpose of Report**

- 1 To inform Members that the Independent Remuneration Panel's Annual Report has been published. The report details changes to payments to Members that will come into effect on the date of the annual meeting on 18<sup>th</sup> June. A summary of the changes is attached at Annex 1 and will take effect as of the date of the annual meeting on 18<sup>th</sup> June 2012.

##### **Background**

- 2 The remit of the Independent Remuneration Panel (IRP) was extended through the Local Government (Wales) Measure 2011. Under the powers provided by the Measure, the IRP has produced a new set of Regulations which come into effect on 1 April 2012. The Regulations apply to payments made to members and co-opted members of local authorities, National Park authorities and Welsh fire and rescue authorities.
- 3 In order to gather more information about the FRAs the IRP invited written submissions from FRAs on their member allowance. Members of the IRP also met with representatives of the FRAs in Wales and thereafter concluded that the FRAs should be included in the IRP national framework in 2012/13.
- 4 Members will recall that the IRP published its draft Annual Report in July 2011, for consultation. The draft report contained the Panel's determinations on the range and level of allowances for members of Local Authorities, National Park Authorities and Fire Authorities.

## Information

5 As agreed at the October 2011 Authority meeting, the Clerk made representations to the IRP about the draft report. The contentious issues were considered to be as follows:

- the limit of 3 Special Responsibility Allowances (SRAs) is too inflexible.
- the proposal that an Executive member of a constituent authority will no longer qualify for an additional allowance or SRA is unreasonable.
- whether Fire and Rescue Authorities choose to award an SRA for their Vice Chair should be a matter for local choice.

6 Following consultation, the IRP has concluded that:

- (i) The role of ordinary members of an FRA warrants alignment to the Basic Salary of a local authority member, and be paid for a time commitment of 16 days per year.
- (ii) The 'size' (by which the Panel means the scope, remit and responsibility) of the role of an FRA Chair warrants alignment to the Senior Salary of a Band 3 functional office holder in a local authority (that is, to that part of the Band 3 Senior salary which is not the Basic Salary of a local authority member).
- (iii) The role of a deputy chair of an FRA where there is distinct and sustained senior responsibility warrants alignment to the Senior Salary of a Band 4 functional office holder in a local authority (that is, to that part of the Band 4 Senior Salary which is not the Basic Salary of a local authority member).
- (iv) The role of a committee chair of an FRA warrants alignment to the Senior Salary of a Band 4 functional office holder in a local authority (that is, that part of the Band 4 Senior Salary which is not the Basic Salary of a local authority member).
- (v) As is the case with local authorities, the Panel considers that FRAs should also '*manage more with less*'. Consequently, the Panel has decided to specify the roles in each FRA for which Senior Salaries may be payable as set out in paragraph 5.5.

7 The Panel has also stipulated that:

- Members must not receive more than one FRA salary.
- An FRA Senior Salary is paid inclusive of the FRA Basic Salary.
- A local authority member in receipt of a Band 1 or Band 2 Senior Salary cannot receive a salary, from any FRA for which s/he has been nominated.

- 8 In addition to the senior salary payable to the chair and deputy chair, there are two "senior salary" options available for a "main committee chair" and "other committee chair".
- 9 The Chair of the North Wales Fire and Rescue Authority is also the Chair of the Executive Panel and can only claim one salary. In order to differentiate between 'main committee' and 'other committee', it is recommended that Members base this on the number of meetings held per year. The Executive Panel meets five times per year and the Audit Committee meets 3 times per year. Therefore the Chair of the Audit Committee will be paid under the category "other committee chair".

### **Travel, Subsistence and Care Allowance**

- 10 Members will recall discussing mileage and care allowances at the June 2011 meeting and voted in favour of keeping the mileage allowance at 40p per mile and pay a care allowance of up to £100 per month.
- 11 The IRP has stipulated that Members can claim a care allowance of up to £403 per month and that FRAs should pay mileage in accordance with the current HMRC rate of 45p per mile.
- 12 Subsistence rates will remain at £28 per day – day allowance for meals, including breakfast where not provided in the overnight charge.

### **Financial Implications**

- 13 In light of the IRP's Regulations, the Authority will need to increase the members' salary budget by approximately £10,500 per annum.

### **Recommendations**

- 14 Members are asked to note that the following will be implemented on 18<sup>th</sup> June 2012:

## **Salaries**

- (i) a Basic Salary rate of £1,350 per annum for a time commitment of 16 days per year will be payable to members other than the chair and deputy chair of the Authority and the chair of the Audit Committee;
- (ii) the chair of the Authority will be paid a Welsh FRA Senior Salary aligned with the Band 3 salary (£10,085);
- (iii) the deputy chair of the Authority will be paid a Senior Salary aligned with the Band 4 salary (£5,095);
- (iv) the chair of the Audit Committee will be paid a Senior Salary of £3,400.

## **Independent Members**

- (v) Independent members of the Standards Committee will be paid a daily fee capped at a maximum of 4 full days per year on the following rate:
  - Standards committee Chair £256 daily fee (£128 for half day)
  - Independent member £198 daily fee (£99 for half day);

## **Travel and Subsistence Allowances**

- (vi) care allowance up to a maximum of £403 per month;
- (vii) mileage rate at 45p per mile in accordance with HMRC rates;
- (viii) subsistence rates remain unchanged.

## Overview of the Independent Remuneration Panel's Recommendations

## 1. Fire Authority Members Allowances

Role	Existing NWFRA Allowance	New IRP Allowance	Variance
Ordinary Member	£1,142.76	£1,350	Increase £207.24
Chair of the Fire Authority	£9,743.64 + £1,142.76 Total £10,886.40	£10,085 (Band 3)	Decrease £801.40
Vice/Deputy Chair of the Fire Authority	£7,488.60 + £1,142.76 Total £8,631.36	£5,095	Decrease £3,536.36
Main Committee Chair (Not applicable to NWFRA)	No specific committee chair allowance payable. Basic members allowance received only of £1,142.76	£5,095	Increase £3,952.24
Other committee chair	No specific committee chair allowance payable. Basic members allowance received only of £1,142.76	£3,400	Increase £2,257.24
<p><b>NB</b></p> <ul style="list-style-type: none"> <li>Members must not receive more than one salary</li> <li>A FRA senior salary is paid inclusive of the FRA Basic salary</li> <li>A local authority member who is also a council executive office holder should not be additionally remunerated for a role as an ordinary or senior member of a FRA. This would mean that Members would no longer receive any salary at all for discharging their public duties at the FRA.</li> <li>Only 3 'senior' salaries are payable, e.g. Chair, Vice Chair and Main Committee Chair; or Chair, Main Committee Chair and other Committee Chair</li> </ul>			

## 2. Standards Committee

Role	Existing NWFRA Allowance	New IRP Allowance	Variance
<b>Chair of Standards Committee</b>	£362.50 per annum	£256 daily fee (£128 for a half day)	Based on an average* of 2 x Standards committee meetings per year, this will be an increase of £149.50
<b>Ordinary/Independent Member of Standards Committee</b>	£190 per annum	£198 daily fee (£99 for a half day)	Based on an average* of 2 x Standards committee meetings per year, this will be an increase of £206.00
<p><b>NB – These payments are capped at a maximum of 4 full days a year for an individual co-opted member</b></p> <p><b>* Average attendance – calculation is based on 2 x half day Standards meetings, and a full day to reflect training/attendance at conferences = an average of 2 full days</b></p>			

## 3. Reimbursement of Care, Travel and Subsistence Expenses

### 3.1 Care Allowances

Role	Existing NWFRA Allowance	New IRP Allowance	Variance
<b>Ordinary Member</b>	£100 per month (maximum)	Max £403 per month	Increase £303
<b>Chair of the Fire Authority</b>	£100 per month (maximum)	Max £403 per month	Increase £303
<b>Vice/Deputy Chair of the Fire Authority</b>	£100 per month (maximum)	Max £403 per month	Increase £303
<b>Ordinary/Independent Member of Standards Committee</b>	£100 per month (maximum)	Max £403 per month	Increase £303

#### 4. Travel Allowance

<b>NWFRA</b>	<b>IRP</b>	<b>Variance</b>
<p><b><u>Car</u></b></p> <p>Mileage Allowance 40p per mile (as agreed at FRA Annual meeting June 2011)</p>	<p><b><u>Car</u></b></p> <p>current HMRC rates:</p> <p>45p per mile – up to 10,000 miles</p> <p>25p per mile – over 10,000 miles</p> <p>5p per passenger mile – passenger supplement</p> <p>24p per mile – private motor cycles</p> <p>20p per mile - bicycles</p>	<p>Increase of 5p per mile - up to 10,000 miles</p> <p>Reduction of 20p per mile over 10,000 miles</p>

#### 5. Subsistence Allowance

<b>NWFRA</b>	<b>IRP</b>	<b>Variance</b>
<p><b><u>Subsistence</u></b></p> <p><u>Day Allowance:</u></p> <p>£28 over a 24 hour period (with time limits)</p> <p><u>Overnight Allowance:</u></p> <p>£150 – London overnight</p> <p>£120 - Cardiff overnight</p> <p>£95 - all other locations</p>	<p><b><u>Subsistence</u></b></p> <p><u>Day Allowance:</u></p> <p>£28 per day</p> <p><u>Overnight Allowance:</u></p> <p>£150 – London overnight</p> <p>£120 - Cardiff overnight</p> <p>£95 - all other locations</p> <p>£25 – overnight stays with family and friends</p>	<p>None, other than specific £25 for overnight stay at family and friends abode</p>

Note – FRAs may continue to charge individual members and co-opted members for subsistence where refreshments are provided by the authority at meetings

Note – where possible overnight accommodation should be reserved and paid for by the FRA itself.