



Llywodraeth Cymru
Welsh Government

RESEARCH

Councillor remuneration and citizen engagement in Wales: evidence review (summary)

The report finds out more about the role of councillors in Wales and their remuneration and how they compare to approaches in other countries.

First published: 14 December 2021

Last updated: 14 December 2021

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Background

The Welsh Government is undertaking a programme of research to find out more about the role of councillors in Wales and their remuneration. This programme of work builds on an evaluation of the first phase of the Welsh Government's Diversity in Democracy programme carried out in 2019 which identified the need for a more targeted and tailored approach to supporting under-represented groups to help them actively participate in local democracy. The evaluation also highlighted a lack of awareness among the general public of the role of the councillor and the important contribution they make on behalf of communities.

This evidence review forms an important element of the research programme and aims to:

- improve understanding of the extent to which the expectations placed on local councillors are realistic and fair in different contexts
- examine the basis upon which levels of councillor remuneration are

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calculated in Wales and internationally and assess whether there is a core workload upon which remuneration is set

- understand how other countries recognise and reflect the “voluntary” aspect of a councillor’s role and how

Additional research will be undertaken alongside this work, including a survey of public perceptions of the role of councillors and a survey of councillors at principal and community and town council levels about their workloads and remuneration.

The evidence review provides a broad overview of councillor remuneration in Wales and a small range of case study countries, including the Republic of Ireland, Australia, and New Zealand. It also provides brief summaries of councillor remuneration in Germany, Sweden, Norway, and Finland as well as in different countries of the Commonwealth, namely, Canada, Barbados, Kenya, and Sri Lanka.

Primary evidence was sourced through the local authorities and/or bodies responsible for determining councillor remuneration in each country and included annual reports, historical overviews, published determinations, and any relevant contextual information such as Local Government Acts and other legislation.

The evidence review was undertaken between February and March 2021. The salaries and allowances detailed in the review therefore reflect information available at the time of writing.

Councillor remuneration in Wales and internationally

The Independent Remuneration Panel for Wales (IRPW) is responsible for determining levels of remuneration of councillors both at principal and community and town council levels.

Under the IRPW’s remuneration framework, principal councillors are entitled to

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the following payments and allowances:

- a basic annual salary of £14,368 before tax from 1 April 2021
- reimbursement of travel and subsistence costs as per standard HM Revenue and Customs (HMRC) and Welsh Government rates
- reimbursement of necessary costs for the care of dependent children and adults
- enrolment in the Local Government Pension Scheme
- the continued payment of their basic salary when taking family absence (maternity, new born, adoption and parental absences)

Community and town councillors are entitled to the following payments and allowances:

- an annual expenses allowance of £150
- reimbursement of travel and subsistence costs as per standard HMRC and Welsh Government rates
- reimbursement of necessary costs for the care of dependent children and adults
- an annual payment of £500 for those community and town councillors with specific responsibilities
- compensation for financial loss (Independent Remuneration Panel for Wales, 2021, pp. 55-59)

Local authorities or relevant remuneration bodies across the world have diverse ways of calculating councillor remuneration.

The salaries of councillors in the Republic of Ireland are aligned to that of senior public servants. The states and territories of Australia often use population among their remuneration criteria, whereas the Remuneration Authority of New Zealand appears to be more holistic in its approach to councillor remuneration, with attempts made to balance issues of fairness with council size. In countries such as Norway, Sweden, and Barbados, the role of councillor is a voluntary position, with individuals entitled to a small allowance.

While the evidence presented in this review cannot be generalised, four important aspects of councillor remuneration emerged from the case studies

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explored, namely: citizen participation, equality and diversity, rurality and population, and comparable salaries and economic benchmarks.

Main findings

The role of councillor in Wales, and in many of the case study countries examined, is understood primarily as a voluntary position that requires substantial time commitment from individuals and frequent contact with citizens.

Community and town councillors in Wales receive a standard annual allowance of £150. Principal councillors are expected to attend to their council duties three days per week, with any extra hours considered as an unpaid public service contribution by the IRPW. This is similar to the case of the Republic of Ireland, where “the ethos of voluntary public service is a long-standing core value of the role of a councillor and publicly accepted part of local elected office” (Moorhead, 2020 p. 6).

It is difficult to determine either a standard councillor workload or the voluntary aspect of councillors’ role across the states and territories of Australia, but their guidance notes that being a councillor will require a substantial time commitment from individuals. The remuneration Authority of New Zealand said in 2018 that “history would suggest that people do not run for election to local government for money.” In Canada, more than one-third (68%) of municipalities felt that it was important that councillors are “adequately remunerated” for their time (Schoebel, 2014, p. 148).

In Norway and Sweden, the role of councillor is understood primarily as a voluntary one. According to a 2008 survey, councillors in Norway have “regular and frequent contact with citizens and representatives of local associations” (Askim and Hansen, 2008, p. 392, 399). As a result, it is reported that councillors in Norway are able to develop locally-responsive solutions to local problems given their robust “knowledge of citizens’ views and preferences” (Askim and Hansen, 2008, p. 399).

Previous research suggests that gauging the views of both councillors and

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members of the public is important for the effective running of local government. With this in mind, the two surveys that will run parallel to this evidence review will help to shed some light on attitudes towards councillors and the work that they do.

Findings from a report by Senedd Cymru's Equality, Local Government and Communities Committee (2019) suggest that compared to traditional paid employment, the basic annual salary of principal councillors in Wales is too low to attract either young people or encourage greater diversity.

Prior to the 2019 local elections in the Republic of Ireland, a sum of €500,000 was made available to specific initiatives in order to increase the participation of women in local government (Moorhead, 2020, p. 86). In Australia, the state of Victoria is the most successful in respect to gender diversity; it has 272 women councillors, representing 44% of all councillors. Additionally, local authorities in the Northern Territory, Queensland, and South Australia have created special provisions for councils serving Aboriginal and Torres Strait Islander communities.

Research undertaken by Murray-Wragg ([New Zealand introduces bill to improve Māori representation in local government, 2021](#)) showed that that women made up 42% of all local government elected members in New Zealand in 2019. The proposed Local Electoral (Māori Wards and Māori Constituencies) Amendment Bill currently being considered by the central New Zealand government will make it easier for councils to establish Māori wards and constituencies in time for the 2022 local government elections. In Canada, as of 2014, women represented 16% of mayors and 27% of councillors, though there is wide variation across its provinces.

In the Welsh context, Charles and Jones (2013) suggest that there is further work to be done regarding the intersections of gender and class; not only has there been resentment among councillors in relation to decentralised selection processes, but also of “middle-class candidates [running] in traditionally very working-class areas” (p. 190).

Considerable variation exists in the geography, scale, and scope of town and community councils across Wales; however, current arrangements for determining levels of councillor remuneration do not consider the population or

rurality of local authorities.

Important lessons can be learned from the Republic of Ireland, where, following local government reforms in 2014, council boundaries have shifted; this is said to make it easier for councillors to attend to their duties. In the event that councillors must travel further afield or serve bigger crossover municipal areas, they are eligible for an additional annual payment of €1,000 on top of their RP.

Councillor remuneration in Australia varies depending on the state or territory. This is not surprising when the land area of Australia is taken into account; while the population of Australia was estimated at 25.5 million residents in 2020 (less than the United Kingdom), its land area comprises of approximately 7.692 million square kilometres ([Australian Bureau of Statistics, 2021](#); [Australian Government, 2021](#)).

If the remuneration of councillors in Wales was based on the population size of a given local authority, councillors in Cardiff would receive the highest allowances, and those in Merthyr Tydfil the smallest. However, this does not take into account the population of specific wards served by individual councillors. One Voice Wales (2017) reports that, on average, there is one community and town councillor for every 250 residents and one principal councillor for every 2,320 residents across Wales.

In their analysis of time investment and councillor roles in England and Wales, Thrasher et al. (2015) attempt to extend understandings of the relationship “between place and the realities of councillor workloads and interactions with constituents” (p. 731). The authors use ward-level data, including relative social deprivation and electoral competitiveness, to show that councillors who represent deprived areas spend up to six hours more attending to council duties than colleagues who represent more affluent areas (pp. 713, 721 to 722). Given that only 89 Welsh wards were included in this study, future research could shed further light on the complex relationship between councillor workloads, place, and remuneration in the Welsh context.

Councillor remuneration rates in Wales set by the IRPW have not kept pace with average Welsh earnings due to existing financial constraints on the public sector and the resulting impact of this on local authority expenditure.

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Councillor remuneration rates in Wales were initially calculated using the Wales Median Salary, but this approach was abandoned by the IRPW when it perceived the yearly increases in the Median Salary as unsustainable and out of line with its ethos of affordability and accountability.

All councillors in the Republic of Ireland are entitled to an annual Representative Payment (RP) which represents one quarter of a senator's salary and this amount increases incrementally by 2% per annum to ensure it remains competitive. Similarly, the state of Tasmania in Australia uses indexation and economic benchmarks such as CPI and WPI to determine appropriate levels of councillor remuneration, while the state of Queensland assesses increases and decreases in CPI, WPI, and the Queensland Weekly Payroll Jobs and Wages in order to determine levels of remuneration. As a result, levels of councillor remuneration in these contexts will rise incrementally with each financial year and remain competitive.

In the case of Canada, research has shown that some municipalities have attempted to operationalise accountability as a mechanism through the introduction of performance criteria for councillors or by outlining "specific statements of duties" (Schoebel, 2014, p. 145). However, as Schoebel (2014) observes there appears to be no evidence to suggest that these measures are successful (p. 145). Some Canadian municipalities use the CPI or weekly average earnings of a given area to determine councillor remuneration. Schoebel (2014) reports that by using census income data to determine a percentage calculation based on the time councillors work, some Canadian municipalities can ensure "a fair representation of local wages and of the time spent by councillors" (p. 151).

Conclusions

This evidence review has demonstrated that a diverse range of remuneration criteria are used in the case study countries explored.

These often depend on a number of context-specific factors, including population, council size, or the relevant economic benchmarks such as the CPI

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or average weekly earnings of a given area.

Within a Welsh context, the IRPW's desire to balance issues of affordability, public perceptions, and fairness to elected representatives has meant that their determinations have not kept pace with average Welsh earnings (IRPW, 2021).

This is often in contrast to countries like the Republic of Ireland, Australia, and Canada where attempts are made to keep councillors' salaries competitive, and those like New Zealand who take a more holistic approach.

Some valuable lessons can be learned from the case studies presented here in relation to councillor remuneration and how local authorities around the world respond to local concerns.

This review provides a brief insight into how local authorities can successfully implement legal provision designed to encourage individuals from disadvantaged and underrepresented groups to put themselves forward for election to local government.

Future research could explore this important and timely topic in greater depth and across a great number of international case studies.

Contact details

Author: Katherine Williams, Cardiff University, on ESRC internship to the Welsh Government

Views expressed in this report are those of the researcher and not necessarily those of the Welsh Government.

For further information please contact:

Nerys Owens

Email: research.publicservices@gov.wales

Media: 0300 025 8099

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Social research number: 80/2021

Digital ISBN: 978-1-80391-290-5



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