

POLICY AND STRATEGY, DOCUMENT

Independent Remuneration Panel for Wales: review of remuneration for lay members of corporate joint committees

We are seeking your views on whether lay members of corporate joint committees (CJCs) should be paid the same way as co-opted members of other relevant authorities.

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Introduction

The Independent Remuneration Panel for Wales ("the Panel") is responsible for determining the remuneration framework for payments to elected and appointed members of principal councils, national park authorities, fire and rescue authorities and CJCs in Wales. These relevant authorities form part of the local government family.

Democracy is strengthened when the membership of relevant authorities adequately reflects the demographic and cultural make-up of the communities they serve. The Panel's determinations are therefore rooted in the principle of fair remuneration as this is a key element in encouraging and enabling people to participate in local democracy.

Purpose of consultation

This consultation seeks views about the remuneration of independent ("lay") members of CJCs to inform the Panel's determinations on this matter. Specifically, whether lay members should be paid in the same way as co-opted members of other relevant authorities.

Background to the role of CJCs

CJCs were set up following **The Local Government and Elections (Wales) Act 2021** ("2021 Act)" which provides a framework for regional collaboration through a more coherent, consistent, and democratically controlled mechanism called Corporate Joint Committees. Section 142 of the Local Government (Measure) Wales 2011 sets out the functions of the Panel in relation to payments to members of a 'relevant authority'. What constitutes a 'relevant authority' is set out in section 144 of the Measure.

Regulation 4(1)(c)(i) of the Corporate Joint Committees (General) (No. 2) (Wales) Regulations 2021/1349 added CJCs into the description of 'relevant authority' in section 144(2) of the Local Government (Wales) Measure 2011, bringing them into the remit of the Panel from 3 December 2021.

A CJC is a separate corporate body which can employ staff, hold assets and budgets, and undertake functions. There are currently 4 CJCs in Wales:

- North Wales Corporate Joint Committee (principal councils for Gwynedd, Denbighshire, Ynys Môn, Wrexham, Conwy, Flintshire and Eryri national park authority)
- Mid Wales Corporate Joint Committee (principal councils for Powys, Ceredigion, and Bannau Brycheiniog national park authority)
- South East Wales Corporate Joint Committee (principal councils for Cardiff, Vale of Glamorgan, Monmouthshire, Rhondda Cynon Taff, Newport, Merthyr Tydfil, Caerphilly, Torfaen, Blaenau Gwent, and Bridgend)
- South West Wales Corporate Joint Committee (principal councils for Carmarthenshire, Pembrokeshire, Neath Port Talbot, Swansea, and Pembrokeshire Coast national park authority)

CJCs have significant duties to prepare a Strategic Development Plan and a Regional Transport Plan. The CJCs are also able to exercise an economic wellbeing power, that is the power to do anything that will enhance or promote the economic well-being of its area. This seeks to align economic development, transport and land use planning approaches to enable regions to develop successful regional economies and encourage local growth.

How a CJC delivers its functions and operates is largely the decision of its

members. This flexibility enables CJCs to differ between geographical areas to meet the specific needs and ambitions of their region.

Membership and structure

The 2021 Act requires the leaders of each constituent principal council to be the members of their respective CJCs. The leaders, in undertaking their CJC roles, make decisions on behalf of the councils they are elected to represent.

National parks authorities are members of their regional CJC(s) for the purpose of preparing the Strategic Development Plan.

CJCs are also expected to engage and involve organisations or bodies within their region in their work by, for example, the co-option of representatives of universities and local health boards. Who is co-opted and on what terms (including whether co-opted members have voting rights) is for CJC's to decide.

CJCs are able to establish sub-committees to support their work, administration and governance. **Statutory guidance on CJCs** sets out an expectation that CJCs will set up sub-committees for each of the key functional areas they exercise but does not stipulate how. For example, a CJC might decide that sub committees are led by a member or portfolio holder from within the constituent councils' executive and attended by portfolio members from the other councils in the region. They may also appoint lay members with voting rights.

CJC's are required to have a Governance and Audit Committee with **one third of the membership being independent lay members**.

Although a lay member's legal status is different to that of a co-opted member of other relevant authorities, they each have voting rights and share similar roles and responsibilities. They are independent and are not a member or

representative of a council or a co-opted body.

Current remuneration

The Panel considered the remuneration arrangements for CJCs in its **annual report 2022 to 2023**. CJCs were in their early stages with their only members the leaders of the 'home' authorities. The Panel concluded an additional salary would not be paid in respect of their CJC role but agreed remuneration would be reviewed as CJCs developed.

The Panel did, however, make a determination about payment of contribution to costs of care and travel and subsistence to all members of CJCs and this was included in that annual report.

What has changed?

In November 2023, **Audit Wales published a report on CJCs**. CJCs are now more established. Governance and Audit, and other sub-committees, have been set up and lay members appointed.

Consistency of approach across the local government family

The current fees for members co-opted to principal councils, fire and rescue authorities and national park authorities are set out in the **Panel's determinations for 2024**. In contrast, the Panel has yet set a fee for lay members of CJCs.

The Panel recognises lay members of CJCs make a valuable contribution to local democracy in Wales. It believe they should be fairly remunerated.

The Panel considers it important that payments and allowances to elected and appointed members of all relevant authorities within the local government family are fair and consistent.

It is the Panel's view that the current situation is anomalous. It is therefore seeking your views about aligning the approach taken to remunerating lay members of CJCs with the remuneration of co-opted members across the relevant authorities within the local government family.

Next steps

This consultation is for a period of 4 weeks from the date of issue of this paper. The Panel will consider all responses and publish its final determination on this matter within 4 weeks of the end of this short consultation.

Submit your comments by 17:00 pm on 27 July 2024, using the online form.

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