



Community and Town Council Engagement Events

Report of Findings

March 2017

Introduction

The Independent Remuneration Panel for Wales (“the Panel”) held a series of engagement events to gather the views of the community and town council sector on its current remuneration framework. The Panel is very grateful to all participants for their contributions.

Three regional events were held:

Location	Date	Number of Councils Represented	Number of Councillors in Attendance	Number of Clerks in attendance
Llandudno	26 th January 2017	19	17	12
Lampeter	2 nd February 2017	15	5	10
Abergavenny	15 th February 2017	22	16	17

The engagement events consisted of a short presentation by the Panel on their determinations concerning remuneration for community and town councillors, followed by a round table discussion session. A total of 56 councils were represented at these events, 7.6% of all community and town councils in Wales, with 39 clerks and 38 councillors attending in total. The Chief Executive of One Voice Wales also attended two of the three events.

The following topics were discussed within the round table session:

1. General overview of the councils’ activities

- What functions and responsibilities does your council have? (E.g. leisure, cemeteries, lighting etc.)
- How does the council function? (E.g. role of the clerk, size, number of committees, meetings etc.)

2. £150 allowance for IT and Consumables

- Do your councillors use this allowance and is the amount adequate?
- What other expenses do councillors incur?

3. Senior Council roles (excluding the Mayor/Chair)

- Which senior council roles are being paid the senior allowance, if any?
- What sort of senior roles exist within your council?

4. Civic Allowance

- Is the Chair / Mayor of your council paid a personal allowance?
- What is the time commitment / workload of a Chair/Mayor?

5. Travel & Subsistence

- Do councillors frequently have a need to claim T&S?
- What kinds of activities do councillors claim T&S for?

6. Costs of Care

- Do any of your councillors claim reimbursement for costs of care responsibilities? Are there any barriers to claiming?

7. Looking ahead

- Are there any changes or challenges ahead which could affect the remuneration requirements of community & town councillors?

This report summarises the findings from events, including the concerns raised by clerks and councillors, and the Panel's response.

Summary of Findings

1. General overview of the councils' activities

The councils which attended these events represented a broad range in both size and functions of community and town councils. Many councils emphasised the wide range of functions for which they are responsible including many valuable community assets and service level agreements. There is a trend across all regions for Principal Councils to ask community and town councils to take on functions that the Principal Councils can no longer fund, such as parks, street lighting and public toilets. The expenditure and precepts of councils also varies widely.

The majority of councils that attended the events were employing a full or part time clerk, with some councils employing more officers to provide administration and also maintenance services. Many clerks expressed a view that their workloads were heavy and that often the demands of the role and increasing functions of councils meant that their workload far exceeded their contracted hours.

Whilst there was not a general feeling that councillors were overworked, it was noted that the role is expanding, with increasing demands and training requirements. Many felt that the perceived 'voluntary' nature of the role meant this was accepted. The majority of councillors and clerks noted that most members of the council were retired and that councillors who also held paid employment were in a minority.

Some councils felt that dual hatting members were an asset to the community council and helped maintain a relationship with the principal council. However, others felt they were a hindrance as they often had to declare interests in matters and that principal council business took priority over community council business for those individuals. Some also raised the issue of double remuneration if dual hat councillors claimed allowances from the community council as well as the principal council, but this does not seem to be common practice.

2. £150 allowance for IT and Consumables

The take up of the basic £150 allowance for community and town councillors remains relatively low. Many of the councillors noted that they perform their duties as a public service and that there is a strong spirit of volunteering among councillors. Many councillors choose not to take any allowances for their time or efforts. Surprisingly, some stated they were not even aware allowances could be made available, should the council agree to it.

Those who are making use of the allowances felt that, generally, £150 was an appropriate maximum amount to cover costs associated with the role. The majority of claims being made were for consumable items such as paper, or stationary, or to cover the costs of telephone calls and internet. Some councils were moving towards paperless working and it was noted that there were costs involved in providing the necessary IT equipment for this way of working. Many councils were still providing paper copies for their members through the clerk, and this was getting paid for out of the clerk's budget.

It was noted by some clerks and councillors that some councillors who would like to take an allowance are deterred from doing so by a long standing culture of not claiming within a council and peer pressure from other councillors, often long-standing members, who felt it was inappropriate to claim.

3. Senior Council roles (excluding the Mayor/Chair)

The majority of councils were not paying any senior allowances. However, some clerks felt that some committee chairs, such as planning or finance chairs, would be eligible for such a payment as their workloads were particularly heavy and they often put in many hours more than members who were not committee chairs.

Some clerks and councillors noted that the duties which could lead to a 'senior' role would be passed to the clerk to deal with as a paid employee of the council. Others said that there was simply no appetite for this kind of allowance as these roles were seen by councillors as a 'voluntary contribution' to the work of the council which members were happy to do.

4. Civic Allowance

The role of a mayor/chair varies significantly depending on the council and area served. Those councils which serve larger populations or have a large tourist population at certain times of the year had a far more involved ceremonial role. Some mayors of larger communities attended over 200 civic events a year. Whereas, the main function of chairs/mayors of councils in rural communities with small populations did not go beyond chairing council meetings. For these mayors/chairs ceremonial or civic duties were rare. Those with many civic duties were likely to give a greater time commitment to the council and to incur more costs than those chairing smaller councils.

However, a minority of councils reported paying a personal allowance to the Mayor/Chair for the role they were performing as civic head of the community. The majority of councils had an appropriate budget from which mayoral expenses such as charitable donations, transport costs, costs associated with ceremonial duties and the hosting of civic events among others could be paid for. But, this was not a personal allowance to the individual for performing the role. Very few councils were paying any allowance to the deputy mayor/chair, and it was noted that deputies generally had a very minor role across the sector.

However, many felt it was a privilege to hold that post and there were no reports of chairs/mayors feeling that they were financially disadvantaged.

Generally, those chairs and clerks present at the events felt that the budgets set for mayoral functions were sufficient to meet the costs associated with the role and that chairs were not left out of pocket. Some queried whether it was acceptable for the mayor/chair to claim other allowances such as travel costs on top of a civic allowance. Some councils did pay a small amount (usually around a few hundred pounds) to the chair as a personal allowance to spend as they wished, but it was noted again that the chairs often used that to cover charitable donations or services within the community, not necessarily viewing it as personal remuneration for the duties they performed.

5. Travel and Subsistence

There were mixed views on claiming travel and subsistence (T&S) across the sector. Some councils had approved such payments and councillors were claiming where necessary; others had approved payments but there was a culture of not claiming; and in some councils T&S payments had not been approved at all.

The majority of councillors who claimed such expenses would usually do so for attending conferences or training courses within the sector, particularly those run by One Voice Wales. Councillors could be required to travel long distances to attend such events, and without the provision to claim travel expenses many councillors would not attend.

6. Costs of Care

No councils attending reported paying out any care allowance costs. It was noted this was a recent addition to the remuneration framework for councillors but the aim was to encourage councillors who have a caring responsibilities or a personal assistance

requirement to participate fully in council duties. Some councillors present had no knowledge of the allowance.

Some clerks and councillors expressed concerns over the burden these costs would place on council budgets if approved, and the difficulty in predicting how much might be claimed by members. A small council could not afford to pay £403 per month on a regular basis without serious consequences to its finances, and although it was unlikely that many councillors would be eligible to claim the full amount this should still be taken in to account. Concerns were also expressed over the need to make this information publically available, and also over how to evidence informal care arrangements to satisfy audit requirements.

Some clerks and councillors present noted that they were aware of individuals in the past which had stood down from their councils as they could not afford to pay for care costs to enable them to attend meetings. Others were aware of councillors who had claimed previously but had been victimised for doing so. They felt the ability for councils to reimburse the costs of care incurred to attend approved duties was an important factor in encouraging a diverse candidacy and the retention of members who were carers or in need of personal assistance.

7. Looking ahead

Nearly all councils attending these events spoke of the increased financial pressures that community councils faced. Many had already taken on numerous functions previously carried out by the principal councils. Some of these functions were relatively straightforward, such as financing and maintaining lighting or grounds, others were more complex in nature, such as providing youth services.

The majority of clerks and councillors felt that work loads and responsibilities were increasing. The Well-being of Future Generations (Wales) Act 2015 also placed additional duties on community and town councils where gross income or expenditure was at least £200,000. New or additional training is often required to enable councillors to undertake such responsibilities but many clerks and councillors noted a reluctance of members to undertake training. There was often poor attendance at training courses, or cancellations due to lack of interest.

Councillors and clerks also reported concerns over a lack of candidates standing for the elections to community and town councils in May 2017 and the number of uncontested seats. It is possible that remuneration is a factor in this and that some individuals are deterred from standing for financial reasons. People in employment

may be deterred from standing as it is seen to be difficult to balance work and family commitments with those of the council. Historically, community and town councils have been considered to be the domain of older, retired individuals who can afford to give their time for free. However, an increased or improved remuneration framework could improve the diversity of community and town councils in the future.

8. Other matters

The removal of the Attendance Allowance in the 2017/18 report was not welcomed by some councillors. Concerns were also expressed over the requirement for Financial Loss to be evidenced by a councillor. It was noted that it was difficult for councillors who were self employed to provide evidence for any financial loss incurred.

The Panel's Response

The Panel's remit is clearly defined in legislation and so, whilst the Panel takes a keen interest in the activities of the sector more widely, it is only able to act upon issues directly related to remuneration. There were many areas of concern raised by both clerks and councillors upon which the Panel themselves are unable to act, such as Welsh Government's legislative requirements, relationships with principal councils and funding issues. Where appropriate the Panel will feedback such comments to Welsh Government.

The Panel will use the information gathered at these events to inform its Annual Report 2018/19, and as a basis for further research.

Whilst all of its determinations are permissive in nature, the remuneration framework is in place to support members to perform their duties effectively. The Panel was disappointed and deeply concerned to hear at these events that a culture of not claiming allowances prevails in some councils and, even more concerning were reports that individuals had been actively discouraged from claiming. The Panel believes that no councillor should be financially disadvantaged as a result of their service. The Panel has particular concerns over this in relation to the reimbursement of costs of care and of not claiming for travel expenses - no member should be financially disadvantaged by attending approved duties such as conferences and training.

These events have highlighted the need to encourage diversity and support for members where it is needed and that councils should agree to make these allowances available to all councillors whenever requested.

The Panel is aware that the mayoral 'budget' was often being confused with the provision to pay a personal allowance to the chair/mayor in recognition of the role they performed and will do further work on clarifying the distinction.

The Panel has noted the concerns around removing the Attendance Allowance and will consider this further.

The Panel will consider the possibility of banding remuneration for community and town councils in the future. Councillors may be more willing to take up allowances if they are placed in a relevant band for their size or level of activity. It is possible that this banding could be on the basis of precept, budget, expenditure and/or population, and the Panel will take time to consider which other factors should be taken in to account and whether this approach would be appropriate at any point in the future. As future workloads look to increase with more functions being passed

down from the principal councils and there is a move towards regional working this allowance for senior roles could be more commonly used

The Panel will also give consideration as to whether its determinations regarding community and town councils should be made compulsory rather than permissive. The Panel received mixed views on this at its engagement events with some clerks and councillors feeling this would lead to greater equality among members, encourage diversity and tackle the historic culture of not claiming allowances. Others felt that this would put undue pressure on council precepts with increased allowances being paid, and would go against the strongly held view of being a community councillor as a 'voluntary' public service. The Panel is of the view that councillors are not volunteers but elected representatives of a statutory body. The Panel will take all of these issues in to account before making any decision on the permissive nature of determinations.

The Panel will also do some further work on the non-compliance regarding the Panel's reporting requirements. As stated in the Panel's Annual Report, all councils should publish a statement of the allowances paid to members in the previous financial year. The Panel has published and circulated a pro forma for this purpose, and will continue to do this on an annual basis. Some councillors called for the Panel to require details of the number of hours worked by a councillor to be reported in order to publically justify the allowances claimed. This would place an extra administrative burden on already stretched clerical resources, and so whilst the Panel would not discourage this on a voluntary basis, it is not minded to make this a compulsory requirement.

A number of clerks and councillors expressed concerns over the timing of the publication of the Panel's final Annual Report. Community and Town Councils set their precepts in January, so any changes to remuneration after that time are very difficult to implement as budgets have already been allocated for the coming year. At present, the Panel's publication deadlines are set in legislation and the Panel's annual rolling work programme is set accordingly. The Panel will consider if there are any ways in which the timelines could be more closely aligned.

The Panel will continue to have dialogues with One Voice Wales, the North and Mid Wales Association of Local Councils and the Society of Local Council Clerks as it considers its remuneration framework for community and town councils. The Panel's draft Annual Report 2018/19 will be published in October 2018 and the Panel would encourage all councils to consider the determinations within the report and respond to the consultation. The Panel would encourage clerks to provide all new councillors

who take up posts following the election in May 2017 with information about what allowances are available to them.