

# LOCAL GOVERNMENT AND ELECTIONS (WALES) ACT 2021

---

## EXPLANATORY NOTES

### COMMENTARY ON SECTIONS

#### **Part 3 of Schedule 11: Transition committees of merging councils and restructuring councils**

#### ***Chapter 4: Remuneration arrangements for new principal councils***

#### ***Section 145 - Pay policy statements***

653. **Section 145** requires a shadow council to prepare and approve a pay policy statement (as provided for in sections 38 and 39 of the Localism Act 2011) for the periods set out in subsection (3).
654. The purpose is to ensure the shadow council has in place a public statement which articulates the shadow council's policies on a range of issues relating to the pay of its future workforce, particularly its chief officers and its lowest paid employees.
655. To assist the shadow council, subsection (1) requires a transition committee to publish recommendations for the pay policy statement to be prepared by the shadow council, no later than six weeks before the day the shadow council is elected or established. Shadow councils are prohibited from appointing a chief officer until the pay policy statement for the period mentioned in subsection (3) has been prepared and approved.
656. The term "chief officer" has the same meaning as in section 43(2) of the Localism Act 2011 and covers the following officers of a principal council:
- (a) its chief executive (appointed under section 54 of this Act; but until that section comes into force, it will include a principal council's head of paid service);
  - (b) a monitoring officer (designated under section 5(1) of the 1989 Act);
  - (c) a statutory chief officer mentioned in section 2(6) of the 1989 Act, i.e.:
    - the director of children's services;
    - the director of public health;
    - the chief education officer;
    - the director of social services;
    - an officer responsible for the administration of the authority's financial affairs;
  - (d) a non-statutory chief officer mentioned in section 2(7) of the 1989 Act, i.e.:
    - a person for whom the chief executive is directly responsible;

*These notes refer to the Local Government and Elections (Wales)  
Act 2021 (c.1) which received Royal Assent on 20 January 2021*

- a person who, as respects all or most of their duties, is required to report directly or is directly accountable to the chief executive;
  - any person who, as respects all or most of their duties, is required to report directly or is directly accountable to the local authority themselves or any committee or sub-committee of the authority;
- (e) a deputy chief officer mentioned in section 2(8) of the 1989 Act, i.e. a person who, as respects all or most of their duties, is required to report directly or is directly accountable to one or more of the statutory or non-statutory chief officers. This does not include a person whose duties are solely secretarial or clerical or otherwise in the nature of support services.
657. Subsection (6) applies section 143A of the 2011 Measure to shadow councils. Accordingly, the Independent Remuneration Panel for Wales may make recommendations to a shadow council about any policy in the shadow council's pay policy statement and any proposed change to the salary of the shadow council's chief executive.
658. A shadow council must have regard to any recommendation from the Panel when performing its functions under section 38 and 39 of the Localism Act 2011. If the shadow council proposes to make a change to the salary of its chief executive which is not commensurate with a change to the salaries of the council's other staff, the shadow council must consult the Panel about the change, and have regard to any recommendation received from the Panel.