

# CONSTITUTION AND ETHICS COMMITTEE



TUESDAY 18<sup>TH</sup> MAY 2021

**12:00PM**

[OR FOLLOING FULL COUNCIL]

Conservation Hall,  
Duxford Imperial War Museum, Duxford  
CB22 4QR

Democratic and Members' Services  
Fiona McMillan  
Monitoring Officer  
Shire Hall  
Castle Hill  
Cambridge  
CB3 0AP

## AGENDA

### CONSTITUTIONAL MATTERS

1. Apologies and Declarations of Interests

*Guidance for Councillors on declaring interests is available at  
<http://tinyurl.com/ccc-decoint>*

### DECISIONS

2. Appointment of an Independent Remuneration Panel

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*For more information about this meeting, including access arrangements please contact:*

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## Appointment of an Independent Remuneration Panel

To: Constitution and Ethics Committee

Date: 18th May 2021

From: Director of Law and Governance and Monitoring Officer

Purpose: To consider the process for the selection and appointment of Independent Remuneration Panel (IRP) members, the Terms of Reference of the Panel, and the proposed rate of remuneration.

Recommendation: The Committee is asked to:

- a) Agree the process for the selection and appointment of Independent Remuneration Panel (IRP) members;
- b) Agree the Terms of Reference of the Independent Review Panel at Appendix A; and
- c) Agree the proposed rate of remuneration for IRP members.

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## 1.0 Background

- 1.1 Local authorities are required to make schemes of allowances for their elected members. The process for making and reviewing these schemes of allowances is strictly regulated in order to ensure that the public can have confidence in the independence, openness and accountability of the process involved. At the heart of this process is the requirement that a local authority must establish an IRP, and before making or amending its scheme of members' allowances, it must have regard to the views of the IRP as set out in a report submitted to the relevant decision making body which, in the case of a County Council, is Full Council.
- 1.2 Statutory guidance stresses the importance of local authorities developing an appointments process that will command public confidence throughout all the communities in the local area.
- 1.3 The Council's Constitution and Ethics Committee has been given the formal role in the process through the following delegation, as set out in the Committee's terms of reference contained within the Council's Constitution  

Authority to select and to appoint persons as members of the County Council's Independent Remuneration Panel.
- 1.4 The current scheme of allowances was last reviewed in July 2017. The 2003 Regulations require councils to review their schemes every four years, with a minimum requirement to review any index link applied to allowances.
- 1.5 One of the key requirements of the process is that the council must, before determining the content of its scheme of allowances, have considered the report of an IRP, established for this purpose. In accordance with the Council's constitution, the current IRP was appointed following an interview process involving five members drawn from the membership of the Constitution and Ethics Committee, including one from each of the political groups.
- 1.6 The current membership of the Council's three person IRP only comprises Mrs Nicky Blanning, as Professor Alan Rodger sadly passed away and Mr Colin Wiles has moved out of the area.
- 1.7 Panellists are currently paid £20 per hour up to a maximum of £150 per day to include time spent in meetings, preparation and reading time. They can also charge mileage and parking costs if necessary.

## 2.0 Legislation

- 2.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 state that an independent remuneration panel shall consist of a least three members.
- 2.2 The 2003 Regulations provide that where an independent remuneration panel was set up, under the Local Authorities (Members' Allowances) Regulations 2001, it shall continue to operate providing recommendations to the relevant authority.
- 2.3 The Regulations suggest that local authorities may wish to consider appointing members of the panel for a term of office of several years, perhaps 3-5 years. They may also wish to consider phasing appointments to ensure that there is always one member of the panel who has some experience. Transitionally, on setting up the independent remuneration panel this would need different periods of office. This could be achieved by differing lengths of appointment. A local authority will also need to consider the relationship between appointment dates and the electoral cycle and the benefits of continuity in the panel's membership.
- 2.4 The Regulations permit the Council to pay the expenses incurred by an IRP. Panel members are not remunerated beyond reimbursement of out of pocket expenses

## 3.0 Selection and Appointment of Panel Members

- 3.1 Peterborough City Council conducted an extensive advertising campaign in June 2020 and appointed its new four-member panel in September 2020 for a four-year term. The Panel includes the appointment of the County Council's panellist Nicky Blanning. The other members of the Peterborough panel are:
- Amanda Orchard
  - Jennifer Horn
  - Gerald Dempsey
- 3.2 It is proposed that the County Council appoint the four members of Peterborough City Council's IRP to be members of Cambridgeshire's IRP. All the members have received training and have recent experience of conducting an IRP review. It is important to note that a panel is likely to become more effective as its knowledge and understanding of members' allowances is increased.
- 3.3 If the Committee decide to advertise for a completely new Panel, it will not be possible to deliver the review to Council within the statutory four-year time scale.

## 4.0 Terms of Reference

4.1 The County Council, unlike some other authorities, does not have the Terms of Reference of its IRP included within its Members' Allowances Scheme. It is therefore proposed that the Terms of Reference attached at Appendix A should be agreed by the Committee to provide the basis for the IRP to carry out its review.

## 5.0 Rate of Remuneration for IRP Members

5.1 The Committee reviewed the rate of remuneration for IRP members in detail in January 2017. As part of the process it included making enquiries of other local councils to see what they paid to their IRP members. This information demonstrated that very different rates were paid, from nothing to several hundred pounds a year. The basis on which IRP members were paid also varied and included an annual retainer and a fee per meeting.

5.2 Following contact with local District and City Councils, the following rates are currently paid:

- Cambridge City Council - £200 per year
- East Cambridgeshire District Council – fixed fee of £550 taxable
- Fenland District Council – fixed fee of £500
- Huntingdonshire District Council – fixed fee of £200 plus travel expenses.
- Peterborough City Council – travel expenses only
- South Cambridgeshire District Council – £300 per year

5.3 It is therefore proposed that the rate of remuneration for Cambridgeshire County Council IRP members should remain unchanged, at £20 per hour for each member, with a maximum of £150 per day with the addition of travel and parking expenses if appropriate.

## 6.0 Support to the Independent Remuneration Panel

6.1 The authority has to pay for the support provided to its panel. It is proposed to invite Mark Palmer from South East Employers, to provide this support. Mark has experience in this area and provided support to the Peterborough City Council review in 2020. The review will last at least two days in June and the cost will be the same as for Peterborough City Council - £3,750.

## 7.0 Source documents

7.1 [The Local Authorities \(Members' Allowances\) \(England\) Regulations 2003](#)

7.2 [Constitution and Ethics Committee - Terms of Reference](#)

## Independent Remuneration Panel - Terms of Reference

### Role and Responsibilities

1. The Independent Remuneration Panel (“IRP”) shall, on a 4 yearly basis or, if otherwise requested, propose recommendations as to any required amendments to the Members’ Allowance Scheme in relation to the following matters:-
  - the amount of basic allowance payable;
  - the roles and responsibilities for which special responsibility allowances should be paid and if so, the duties to which they should apply and the amount;
  - whether travelling and subsistence allowances should be paid and if so, the duties to which they should apply and the amount;
  - whether childcare and dependent carers’ allowances should be paid and if so, the duties to which they should apply and the amount;
  - Whether a basic allowance should be paid to co-opted members and if so, the amount;
  - whether, in the event that the scheme is amended at any time so as to affect an allowance payable for the year in which the amendment is made, payment of allowances may be backdated as permitted in law; and
  - whether any roles should receive pensionable allowances, where permitted in law.
  
2. In making its recommendations at paragraph 1 above, the IRP shall undertake a full review of the Members’ Allowance Scheme as well as obtaining the views of officers and members of the Council to which it relates and having regard to the following general principles:-
  - that councillors undertake their council work for the sake of public service and not private gain;
  - the varying demands placed upon councillors, dependent upon their roles and responsibilities;
  - the need to fairly and equitably compensate councillors, so far as the panel thinks appropriate, for the time and effort they can reasonably be expected to devote to their work as a councillor;
  - the need for the scheme to be economic, efficient to administer and effective;
  - the requirement for their report and recommended changes to the scheme of allowances to be easy to understand and adequately justifiable to the electorate; and
  - that recommendations should conform with existing legislation and anticipate likely future legislation so far as possible.
  
3. The IRP shall be required in reporting its recommendations to include guidance on what is to be encompassed by each relevant allowance so as to ensure that the Members’ Allowance Scheme is consistently applied.