

<b>CONSTITUTION AND ETHICS COMMITTEE</b>	AGENDA ITEM No. 6
<b>16 MARCH 2020</b>	<b>PUBLIC REPORT</b>

Report of:	Fiona McMillan, Director of Governance	
Cabinet Member(s) responsible:	Cllr David Seaton, Cabinet Member for Finance	
Contact Officer(s):	Amy Brown, Senior Lawyer and Deputy Monitoring Officer Phlippa Turvey, Democratic Services and Constitutional Services Manager	Tel. 452617 Tel. 452460

<b>INDEPENDENT REMUNERATION PANEL</b>
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<b>R E C O M M E N D A T I O N S</b>	
<b>FROM:</b> Corporate Director: Resources	<b>Deadline date:</b>
<p>It is requested that the Constitution and Ethics Committee recommend that Full Council:</p> <ol style="list-style-type: none"> <li>1. Agree the proposed changes to the Terms of Reference of the Independent Review Panel;</li> <li>2. Agree the proposed changes to the Terms of Reference of the Constitution and Ethics Committee; and</li> <li>3. Agree the proposed timetable for recruitment of an Independent Review Panel for the next term.</li> </ol>	

**1. ORIGIN OF REPORT**

1.1 This report is submitted to Constitution and Ethics Committee for consideration at the request of the Monitoring Officer.

**2. PURPOSE AND REASON FOR REPORT**

2.1 In accordance with the Local Government Act 2000 and Local Authorities (Members' Allowances) (England) Regulations 2003, Local Authorities are required to undertake a formal independent review of the level of allowances for their Members at least once every four years.

2.2 The last review of Peterborough City Council's Member's Allowance Scheme took place in 2016. A further review must therefore be completed during the next municipal year and it is therefore timely to consider the parameters and timeframes within which those arrangements should take place. It is also prudent to consider the possibility for joint working in order to avoid duplication and to reduce the financial and administrative burden of recruiting and supporting multiple Independent Remuneration Panels across the county and its districts.

### 3. TIMESCALES

Is this a Major Policy Item/Statutory Plan?	<b>NO</b>	If yes, date for Cabinet meeting	NA
Date for relevant Council meeting	15/06/2020	Date for submission to Government Dept. <i>(Please specify which Government Dept.)</i>	NA

### 4. BACKGROUND AND KEY ISSUES

4.1 The Terms of Reference of the Independent Remuneration Panel (“the IRP”) are comprised within the Members’ Allowance Scheme and have not been reviewed since their original approval. Whilst fundamentally there has been little change to the roles and responsibilities of the IRP, the opportunity has been taken to enhance the existing arrangements so as to add greater transparency and clarity as to arrangements that are routinely made. The track-changed version is at Appendix 1 of the Report with a ‘clean’ version for ease of reference at Appendix 2.

4.2 The proposed Terms of Reference provide for the possibility that Peterborough City Council enter into joint working arrangements with Cambridgeshire County Council and/or any relevant neighbouring Districts in the recruitment and appointment of IRP Members. Each partner authority will need to ensure that it meets its own statutory obligations in terms of the timing of any future review and a period of embedding is anticipated before it will be possible for a fully collective review to take place. Nevertheless, the proposals make provisions for partner authorities to ‘on-board’ Peterborough City Council’s existing arrangements should they wish and with the appropriate constitutional approval of their respective organisations. This initially will benefit partner authorities by reducing the time and cost associated with recruiting a separate Panel and ultimately, if and when the processes are fully aligned, will assist in achieving an appropriate level of consistency across the county. There are however provisions for the IRP to give individual advice to partner authorities recognising that whilst there will be a great deal of similarities they may also be a legitimate need for dissent. Equally where it is not possible to enter into successful joint working arrangements the Terms of Reference provide a clear pathway for Peterborough City Council in its own right thereby building in a high degree of flexibility for the future.

4.3 Noting the statutory position and the date of the last review, a timetable for recruiting the next Independent Review Panel has been drawn up having regard to previous experience and Peterborough City Council’s overall governance arrangements (see Appendix 3). Alongside this is the request that members of the Committee recommend for approval proposed amendments to the Terms of Reference of its Sub-Committee to include a new bullet point under paragraph 2.7.3.3 which reads as follows:

“To remove a member of the Independent Remuneration Panel in accordance with the provisions set out in its Terms of Reference.”

The Terms of Reference of the IRP set out the circumstances in which a panel member can be removed before the expiry of their term of office and propose that the decision in this respect sits with this Committee.

### 5. CONSULTATION

5.1 There are no consultation requirements at this stage in the process however all relevant consultation and publication requirements will be met as part of the independent review.

## **6. ANTICIPATED OUTCOMES OR IMPACT**

- 6.1 Following approval by the Constitution and Ethics Committee on 16 March 2020 and Full Council on 20 May 2020, the Head of Democratic and Constitutional Services will implement the process for recruiting Panel Members who will then undertake the review within the statutorily required timeframes.

## **7. REASON FOR THE RECOMMENDATION**

- 7.1 The recommendations are made in order to ensure the Council's compliance with the statutory requirement to undertake a review of the Members' Allowance Scheme on an at least 4 yearly basis. The recommendations also provide the opportunity to update the Terms of Reference for the Independent Remuneration Panel as well as introducing the possibility of joint working in this respect.

## **8. ALTERNATIVE OPTIONS CONSIDERED**

- 8.1 The Council is statutorily required to undertake a review of the Members' Allowance Scheme at least every 4 years. The last review took place in 2016 and there is therefore no other option than to commence a process enabling the appointment of IRP Members for this purpose. The proposed timetable addresses this requirement within the most efficient timescales achievable. There is no requirement to amend the Terms of Reference or to introduce joint working arrangements and the status quo could therefore be maintained however these proposals are designed with the intention of achieving maximum efficiency and effectiveness.

## **9. IMPLICATIONS**

### **Financial Implications**

- 9.1 None.

### **Legal Implications**

- 9.2 The key legal implications are outlined within the body of this Report.

### **Equalities Implications**

- 9.5 The appointment of IRP Members will be in accordance with the Council's standard recruitment provisions and will therefore ensure that the Council's Equality Act 2010 obligations and commitments are adequately met.

## **10. BACKGROUND DOCUMENTS**

Used to prepare this report, in accordance with the Local Government (Access to Information) Act 1985

- 10.1 None

## **11. APPENDICES**

- 11.1 Appendix 1 – Proposed Amendments to Independent Remuneration Panel terms of reference shown as track changes to the existing provisions.  
Appendix 2 – Proposed Amendments to Independent Remuneration Panel terms of reference shown with track changes accepted.  
Appendix 3 – Proposed timetable for IRP Member recruitment and IRP review.

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