

**NORTH YORKSHIRE COUNTY COUNCIL**  
**INFORMAL MEETING OF EXECUTIVE MEMBERS**

13 July 2021

**Proposed amendments to the Terms of Reference of the Council's Independent Remuneration Panel**

**Report of the Assistant Chief Executive (Legal and Democratic Services)**

**1.0 PURPOSE OF REPORT**

- 1.1 That members of the Executive consider the outlined changes to the Terms of Reference for the Independent Remuneration Panel for proposal to the Chief Executive Officer to consider for recommendation, under his emergency decision making powers, to the meeting of the County Council on 21 July 2021.

**2.0 BACKGROUND**

- 2.1 Under his delegated decision making powers in the Officers' Delegation Scheme in the Council's Constitution, the Chief Executive Officer has power, in cases of emergency, to take any decision which could be taken by the Council, the Executive or a committee.
- 2.2 Following on from the expiry of the Local Authorities and Police and Crime Panels (Coronavirus) (Flexibility of Local Authority and Police and Crime Panel Meetings) (England and Wales) Regulations 2020, which allowed for committee meetings to be held remotely, the County Council resolved at its meeting on 5 May 2021 that, for the present time, in light of the continuing Covid-19 pandemic circumstances, remote live-broadcast committee meetings should continue as informal meetings of the Committee Members, with any formal decisions required being taken by the Chief Executive Officer under his emergency decision making powers and after consultation with Officers and Members as appropriate and after taking into account any views of the relevant Committee Members. This approach will be reviewed by full Council at its July meeting.
- 2.3 An Independent Remuneration Panel (IRP) for North Yorkshire County Council was established in 2001 under the Local Authorities (Members' Allowances) (England) Regulations 2001, with the remit to consider issues relating to Members' remuneration and expenses. The Panel was subsequently reconstituted in 2002/03 in order to comply with the Local Authorities (Members' Allowances) (England) Regulations 2003.
- 2.4 The IRP reviews Members' remuneration and expenses on an annual basis, typically submitting a report to the County Council at its February meeting. The work of the IRP each year tends to start in late September and is complete in early January. The data and information considered by the IRP includes: the remuneration packages agreed by comparator councils; local economic indicators such as unemployment rates, average wage levels, benefits claims and inflation rates; the views of local people; and the role of Councillors and whether this has changed or is likely to change.

2.5 At present, the IRP has four members and appointments to these positions are made through an open recruitment process. A member of a committee or sub-committee of the Council cannot be a member of the IRP.

### 3.0 **REVIEW OF TERMS OF REFERENCE**

3.1 The current Terms of Reference for the IRP are as below:

- To consider issues relating to Members remuneration and expenses
- To carry out a full review of Special Responsibility Allowances for implementation every four years beginning from 2019/20
- To consider representations relating to the remuneration and expenses of independent and community members on relevant bodies and also Councillors serving on other bodies/organisations
- To make recommendations and provide advice to the County Council.

3.2 The IRP has four positions and appointments to these are made through an open recruitment process involving the Group Leaders, the Chief Executive Officer and the Monitoring Officer. They each are appointed for a four year term and can then be reappointed for a further four year term. A recruitment process is usually undertaken every two years to ensure that there is an overlap between appointees.

3.3 In February 2021, the IRP reviewed their Terms of Reference and concluded that it was timely to reconsider how the IRP worked. The suggested additions/amendments relate to the recruitment, induction and performance of new members of the panel and the duration of the term of office, as follows:

- The membership to be held at 3 members only for a trial period of 24 months (the period of 2 annual report cycles)
- A 12 month trial period to be introduced for all new appointees to the IRP, with a mechanism in place that enables the removal of any newly appointed member whose performance is not assessed as being satisfactory within that 12 month period
- Increase the term of IRP members from four to six years with the possibility of a further appointment for six years
- The Chair of the IRP or another member of the IRP to be a member of the interview panel during any recruitment to the IRP.

3.4 The rationale for the proposed changes was primarily that, with the bulk of the work of the IRP taking place between late September and early January each year, there is limited time available to induct new members and bring them up to speed with the work of the panel. Also, that the compressed time frame means that IRP members often face the prospect of seeking re-appointment or exceeding their maximum appointment period at a point in time where they have built up a detailed knowledge and understanding of the work of the Council and its councillors. The extended terms of office would allow for greater retention of skills and experience.

### 4.0 **FINANCIAL IMPLICATIONS**

4.1 There are very limited financial implications, as the proposed reduction in the membership of the IRP upon a trial basis from four to 3 members would make some minor savings in allowances paid.

## 5.0 **LEGAL IMPLICATIONS**

5.1 The legal implications are set out in the body of this report. The proposed changes to the Terms of Reference are in line with The Local Authorities (Members' Allowances) (England) Regulations 2003.

## 6.0 **CLIMATE CHANGE IMPLICATIONS**

6.1 There are no significant climate change implications arising from this report.

## 7.0 **CONSULTATION**

7.1 Relevant Officers and Group Leaders have been consulted.

## 8.0 **REASONS FOR RECOMMENDATIONS**

8.1 The IRP has conducted a review of its current Terms of Reference and working practices and concluded that changes are needed to enable the members to work effectively together. The IRP is by definition an independent body and so where they wish to change the way in which they work it is usual for it to be supported, providing that The Local Authorities (Members' Allowances) (England) Regulations 2003 are complied with.

## 9.0 **RECOMMENDATIONS**

9.1 That, subject to any comments Members may have, the outlined amendments to the Terms of Reference for the Independent Remuneration Panel be proposed to the Chief Executive Officer for recommendation, under his emergency decision making powers, to the meeting of the County Council on 21 July 2021.

BARRY KHAN

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### **Background Documents:**

The Local Authorities (Members' Allowances) (England) Regulations 2003

<https://www.legislation.gov.uk/ukxi/2003/1021/contents/made>

2 July 2021