



## Cambridge City Council Civic Affairs

**Date:** Wednesday, 27 January 2021

**Time:** 5.30 pm

**Venue:** via Microsoft Teams

**Contact:** [democratic.services@cambridge.gov.uk](mailto:democratic.services@cambridge.gov.uk), tel:01223 457000

### Agenda

- 1 Apologies
- 2 Declarations of Interest
- 3 Minutes (Pages 3 - 6)
- 4 Public Questions
- 5 Draft Pay Policy Statement 2021/22 (Pages 7 - 20)
- 6 Annual External Audit Letter 2019/20 (Pages 21 - 44)
- 7 Review of the Members' Allowance Scheme (Pages 45 - 52)
- 8 Appointment of Temporary Returning Officer and Electoral Registration Officer (Pages 53 - 56)

**Civic Affairs Members:** Sargeant (Chair), Davey (Vice-Chair), Chadwick, Dalzell, O'Reilly and Thornburrow

**Alternates:** Martinelli and Moore

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## **CIVIC AFFAIRS**

25 November 2020

5.30 - 7.07 pm

**Present:** Councillors Sargeant (Chair), Davey (Vice-Chair), Chadwick, Dalzell, O'Reilly and Thornburrow

### **Officers:**

Interim Chief Executive: Andrew Grant

Head of Finance: Caroline Ryba

Head of Shared Internal Audit Service: Jonathan Tully

Deputy Head of Finance: Jody Etherington

Democratic Services Manager: Gary Clift

Meeting Producer: Liam Martin

### **Others Present:**

Ernst & Young External Auditor: Suresh Patel

Ernst & Young External Auditor: Tony Poynton

Independent Person: Rob Bennett

## **FOR THE INFORMATION OF THE COUNCIL**

### **20/32/Civ Apologies**

An apology for lateness was received from Councillor Thornburrow

### **20/33/Civ Declarations of Interest**

No interests were declared.

### **20/34/Civ Minutes**

The minutes of the meetings held on 28 May, 4 June and 8 July were approved as a correct record and signed by the Chair.

### **20/35/Civ Public Questions**

There were no public questions.

### **20/36/Civ Officer Delegated Decisions**

#### **5a Implementation of Pay Awards**

The decisions were noted.

## **20/37/Civ Annual Governance Statement and Local Code of Corporate Governance**

The Committee received a report presenting the Annual Governance Statement (AGS) for 2019/2020, and the Local Code of Corporate Governance. The report detailed the annual review of effectiveness, provided updates on the progress from the previous year, communicated any new governance issues, and provided an update of the Local Code of Corporate Governance. The committee noted that although the report covered to end of March 2020, there was mention on the impact of coronavirus on page 40.

**Resolved** (5-0) to:

- i. Approve the Annual Governance Statement in advance of the Statement of Accounts. To help complete this, members noted:
  - a. the arrangements for compiling, reporting on and signing the AGS;
  - b. the progress made on issues reported in the previous year;
  - c. the current review of effectiveness
  - d. the issues considered for inclusion in the current AGS;
- ii. Note and endorse the amendments to the updated Local Code of Corporate Governance

## **20/38/Civ Internal Audit Plan: Progress Report**

The Committee received a report from the Head of Internal Audit regarding the work of Internal Audit, completed between April and October 2020.

The Head of Internal Audit said the following in response to Members' questions:

- i. There are checks on how the statutory and discretionary coronavirus grants to business are being allocated and there will be on-going work to check for fraud.
- ii. Thanked members and the Independent Person for noting the work of the team in ensuring the improvements made on gas compliance safety. It was expected that the move from spreadsheets to Orchard Asset System would be mid 2021.
- iii. Expected that the Carbon Management data quality work would commence next month.

**Resolved** (5-0) to:

- i. Note the contents of the report.

**20/39/Civ Ernst and Young Annual Audit Letter**

The Committee received a report from Deputy Head of Finance/Ernst & Young regarding the Annual Audit Letter, which summarised the key issues arising from the 2018/19 audit.

The Committee noted that External Auditors were lobbying the Government that sign-off of local authority accounts for 2020/21 be completed by 30 September 2021.

**Resolved** (unanimously) to:

- i. Note the contents of the Annual Audit Letter.

**20/40/Civ Statement of Accounts 2019/20**

The committee received a report from the Deputy Head of Finance regarding the external audit of the Statement of Accounts which was still underway. However, there had been very good progress made and in a much shorter timescale to that experienced for the 2018/19 accounts. Both officers and the External Auditors emphasised the quality of the paperwork, responsiveness of team members on both sides, despite remote working. Members commented that the fact that the work had been turned around much more quickly this year was to be commended and were suitable assured, the Committee thanked the Finance Team and EY for the work undertaken to get to this point. The recommendations were written in a way if there were any major issues the matters would be brought back to committee.

**Resolved** (6-0) to:

- i. Receive the Audit Results Report presented by EY.
- ii. Approve the Statement of Accounts for the year ended 31 March 2020, subject to any remaining amendments per recommendation iii.
- iii. Delegate authority to the Chair, in consultation with the Opposition Spokes, to approve any amendments to the Statement of Accounts arising from remaining audit procedures, provided that these do not have a material impact on the Council's reserves or result in any changes to the auditor's opinion.
- iv. Authorise the Chair of the meeting to sign the Letter of Representation and Statement of Accounts for the financial year ended 31 March 2020 on behalf of the Council.

**20/41/Civ Freedom Of Information, Data Protection And Transparency: Annual Report 2019/20**

The Committee received a report from the Data Protection Officer & Information Governance Manager which provided an update on information governance activity and performance during 2019/20 (April 2019 – March 2020).

The Strategic Director responded to Members' questions about cyber security and the home working environment (ie. since most staff were now home working). The Committee noted that there was on-going training programmes to reflect the changed working environment for the majority of workers, amongst other measures including updates and guidance on the Council's intranet..

**Resolved (6-0) to:**

- i. Note the contents of the report.

**20/42/Civ Calendar of Meetings 2021/22**

It was noted following the discussion on 20/39/Civ, that the dates for Civic Affairs Committee may need to change when there is greater certainty.

**Resolved (6-0) to:**

- i. Approve the meetings calendar 2021/22.
- ii. Agree to change the date of Strategy and Resources Scrutiny Committee from 12 April to 29 March 2021 as explained in the report.
- iii. Agree to cancel the April 2021 Council meeting for the reasons outlined in the report.

The meeting ended at 7.07 pm

**CHAIR**



## Item

### **Draft Pay Policy Statement 2021/22**

**To:**

Civic Affairs - 27 January 2020

**Report by:**

Deborah Simpson, Head of Human Resources

Tel: 01223 458101 Email: Deborah.Simpson@cambridge.gov.uk

**Wards affected:**

All

## Open

### 1. Introduction

- 1.1 This report sets out a draft pay policy statement as required under the Localism Act. The Localism Act requires the Council to have considered, approved and published a pay policy statement for each financial year. This must be approved by Full Council and be in place by 31<sup>st</sup> March each year.
- 1.2 The pay policy statement covers posts designated 'chief officer'. For Cambridge City Council this includes the chief executive, strategic directors and heads of service. The areas to be covered in the statement are: salary, expenses, bonuses, performance-related pay, severance payments, how election fees are paid and the pay policy on re-engagement of ex-employees. The Localism Act also requires the statement to define the lowest paid employees and the ratio to the highest earning employee.

- 1.3 This report presents the Council's Pay Policy Statement 2021/22 for consideration by Civic Affairs and Council.

## **2. Recommendations**

### **The Civic Affairs Committee is asked to:**

- 2.1 Consider and recommend to Council the draft Pay Policy Statement 2021/2022 attached as Appendix 1.
- 2.2 Note that a review of senior officer salaries is now scheduled for late 2021.
- 2.3 Note the position in relation to the £95k Exit Cap regulations and potential changes to the Local Government Pension Scheme (LGPS) which may require changes to the Pay Policy and Pensions Discretions Statements in 2021.
- 2.4 To recommend to Council to delegate authority to the Head of Human Resources to update the Pay Policy Statement 2021/22 should a chief executive and/or chief officer and/or NJC pay award be agreed.

## **3. Background**

### **National Pay Awards**

- 3.1 Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives, the Joint Negotiating Committee (JNC) for Chief Officers and the National Joint Council for Local Government Services (NJC) for staff on Bands 1-11.
- 3.2 There has been no agreement to date on national pay awards for chief executives or chief officers (strategic directors and heads of service grade) or employees covered by the NJC (Bands 1-11) with effect from 1 April 2021. The Pay Policy Statement will need to be updated if any nationally agreed pay awards are implemented. It is recommended that the Head of HR be given delegated authority to update the pay policy as necessary.

### **Senior Officer Pay Review**

- 3.3 The Council has an agreement that senior officer pay scales will be reviewed every three years in line with the current market median level pay, this includes chief executive, strategic director and heads of service salaries. The last review was undertaken in 2019 and the outcome was reported in the 2020 Pay Policy Statement.
- 3.4 The outcome of the review was that the current pay levels for the posts of chief executive, strategic director and heads of service would remain unchanged at that time but a further review of the Chief Executive pay level would take place in 2020 following recruitment to the post of Chief Executive.
- 3.5 As the recruitment process for the post of Chief Executive concluded in December 2020 this review will now take place in late 2021. The 2022 scheduled three-year review of senior officer pay will be brought forward into 2021 to coincide with this review.
- 3.6 Pay points within these grades are however still subject to any nationally agreed pay awards with effect from 1 April 2021 and would increase in line with any nationally agreed percentage.

### **Exit Cap Regulations**

- 3.7 Following the introduction in November 2020 of regulations to implement the £95k Exit Cap in local government there is currently an interim position in relation to pension and severance arrangements. The new regulations cap the total exit payment that may be made to a departing local government employee to a sum not exceeding £95,000. This sum includes statutory redundancy payments, discretionary payments and any capitalised pension strain payment (payment to the LGPS for early release of pension before normal retirement date). Pension strain payments may be due to be paid in connection with employees aged 55 or over, if they are part of the Local Government Pension Scheme.
- 3.8 There has also been consultation on proposed changes to the Local Government Pension Scheme (LGPS) and the outcome of the consultation on proposed changes to the LGPS is not known at this time. Provisions within the Exit Cap are now scheduled for Judicial Review in Spring 2021.
- 3.9 In light of the current position in relation to the £95k Exit Cap regulations and potential changes to the Local Government Pension Scheme (LGPS) it may be necessary to amend the Pay Policy and Pensions Discretions Statements in 2021.

- 3.10 Within the Treasury Directions relating to the Exit Cap regulations there are provisions to apply for a discretionary waiver of the exit cap in exceptional circumstances. Any proposal to apply for a waiver of the current £95k Exit Cap provisions will be considered by and reported by the Employment (Senior Officer) Committee to Full Council for decision.

## **4 Implications**

### **a) Financial Implications**

The Council has made budget provision in the Medium-Term Financial Strategy for 2.5% pay inflation in 2021/22.

### **b) Staffing Implications**

This report relates to the pay, terms and conditions of staff.

### **c) Equality and Poverty Implications**

An equality impact assessment has not been undertaken for this report.

Equality information by grade is reported annually to the Equalities Panel and is available on the Council's website.

### **d) Environmental Implications**

The proposal has no climate change impact.

### **e) Procurement Implications**

The Living Wage Policy as it relates to contractors is included in the Pay Policy Statement.

### **f) Community Safety Implications**

This report relates to the pay, terms and conditions of staff and does not impact directly on community safety matters.

## **5 Consultation and communication considerations**

- 5.7 The Chief Executive, Strategic Directors, Head of Legal Practice, Head of Finance, Payroll Manager, Democratic Services Manager, Equality and Anti-Poverty Officer and Strategic Procurement Manager have been consulted on this report and the attached draft Pay Policy Statement.

- 5.2 This pay policy statement once approved by Full Council will be published on the Council's website. The Pay Policy Statement will be updated following any agreed national pay award changes which affect the council's pay scales.

## **6 Background papers**

Background papers used in the preparation of this report:

- Pay Policy Statement 2020/21
- City Council Pay scales

## **7 Appendices**

- Appendix 1- Pay Policy Statement 2021/22

## **8 Inspection of papers**

To inspect the background papers or if you have a query on the report please contact: Deborah Simpson, Head of Human Resources, Tel: 01223 458101, email: [Deborah.Simpson@cambridge.gov.uk](mailto:Deborah.Simpson@cambridge.gov.uk).



## Pay Policy Statement 2021/22

### Scope

This pay policy statement covers the posts of the chief executive, strategic directors and heads of service.

The Council is an accredited Real Living Wage Employer and this statement incorporates the Council's policy on the Real Living Wage. This statement also incorporates the Cambridge Weighting which is paid as a pay supplement to bring the minimum council pay rate to £10.00 per hour.

Following the transfer of staff from Cambridge Live to the Council on 1 April 2019 under TUPE (Transfer of Undertakings (Protection of Employment) Regulations) we have two implementation dates for the Real Living Wage and two sets of employment terms and conditions. This is referred to below in the section on the real Living Wage, Cambridge Weighting and pay ratios.

The Council has a number of apprenticeship opportunities and there is a statement relating to apprenticeships.

### Salary

The salary scales for the chief executive, strategic directors and heads of service, following the nationally agreed pay award with effect from 1 April 2020, are shown below.

Progression through the pay band (a four-point scale) is subject to a range of criteria that are currently assessed via the annual performance review.

Post	Point 1	Point 2	Point 3	Point 4
<b>Chief Executive</b>	£118,470	£123,502	£128,526	£133,588
<b>Strategic Director</b>	£91,388	£94,998	£98,602	£102,212
<b>Head of Service</b>	£70,942	£73,357	£75,737	£78,154

### Review of Salary levels

The Council has an agreement that senior officer pay scales will be reviewed every three years in line with current median level pay. A review of senior officer salaries was undertaken in 2019 and the outcome of the review was that the current pay levels for the posts of Chief Executive, Director and Heads of Service would remain unchanged at that time but a further review of the Chief Executive pay level would take place in 2020 following recruitment to the post of Chief Executive.

As the recruitment process for the post of Chief Executive concluded in December 2020 this review will now take place in late 2021. The 2022 scheduled three-year review of senior officer pay will be brought forward into 2021 to coincide with this review.

Pay points within these grades are however still subject to any nationally agreed pay awards with effect from 1 April 2021 and would increase in line with any nationally agreed percentage.

### **Pay Awards**

Pay awards are nationally determined in accordance with the Joint Negotiating Committee (JNC) for Chief Executives and the Joint Negotiating Committee (JNC) for Chief Officers.

In 2020 one-year national pay awards were agreed for Chief Executive's and Chief Officers (relating to Strategic Directors and Heads of Service), covering the period 1 April 2020 to 31 March 2021. Both awards were for 2.75%. At the time of drafting this pay policy there have been no pay awards with effect from April 2021.

### **Terms and Conditions of Employment**

The terms and conditions of employment for the chief executive, strategic directors and heads of service within the scope of this pay policy statement are determined in accordance with collective agreements, negotiated from time to time, by the JNC for Chief Executives and the JNC for Chief Officers, as set out in the Scheme of Conditions of Service. These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

### **Remuneration on Recruitment**

Recruitment to the posts of chief executive and strategic director is undertaken by a committee of Councillors appointed by Council. In the case of the chief executive, the appointment is made by Full Council, following a recommendation from the Employment (Senior Officer) Committee. Recruitment to posts of strategic director is subject to notification to Executive Councillors before a job offer can be made. The salary on recruitment will be within the current salary range for these posts at that time.

Recruitment to posts of head of service is undertaken by the chief executive or a strategic director. The salary on recruitment will be within the current salary range for these posts at that time.

There are occasions when the salary determined by the grading for a post results in an inability to successfully recruit to or retain staff in particular posts or specific occupational areas due to fluctuations in the labour market supply. These recruitment and retention problems can affect ability to deliver services. In such cases it may be appropriate to pay a market supplement in addition to the salary where there is evidence to justify that market factors are the "material reason" for the post attracting a higher rate of pay than other posts graded similarly. Any additional market supplement will be made in accordance with the Market Pay Policy.

There may be occasions when due to recruitment and retention difficulties within a specific service area or role, it may be more appropriate to use a recruitment and retention package approach than a market supplement. Such an approach offers a fixed lump sum payment for new appointments or to the staff in identified roles at a given date. The

payment is tied to a defined retention period (two years) and must be repaid in full if the person leaves the employment of the Council within the designated period. The aim of this approach is to recruit new staff and retain existing staff where there is evidence of both types of difficulty and a market supplement approach is assessed as less effective.

Rules governing the recruitment of the chief executive, strategic directors and heads of service are set out in the council's constitution in section; Part 4i, Officer Employment Procedure Rules.

## **Bonuses**

There are no bonus arrangements payable to the chief executive, strategic directors or heads of service.

## **Performance Related Pay**

Performance and progression through the pay band is assessed annually in line with the Council's performance review schemes. For the chief executive and strategic directors, performance is assessed by a panel of Councillors, the Chief Officer Performance Review Working Party. For heads of service, performance is assessed by their strategic director.

There is no performance related pay scheme outside of the performance review scheme, which determines the salary point of an officer, within the salary scale set out above.

## **Salaries over £100,000**

The posts of chief executive and strategic director have salary ranges which include pay points of over £100,000.

## **Publication of salary data**

Salary data for the chief executive, strategic directors and heads of service is published on the council's website, in Open Data, Transparency in local government, senior salaries.

This pay policy statement once approved by Full Council will be published on the Councils website.

## **Expenses**

The expenses which may be payable to the chief executive, a strategic director or head of service include:

- car/bicycle/motorcycle allowances at HMRC rates
- re-imburement of travel and subsistence
- one professional subscription per annum
- payments under the eye-sight tests scheme
- relocation assistance in accordance with the Relocation Scheme

## **Severance Payments**

Severance payments are made in accordance with the council's employment policies and are the same for all staff.

Employees with more than two years' service will be entitled to redundancy pay in line with local government guidelines and statutory provisions. Redundant employees may receive the following elements in their final pay:

- Normal pay up to the agreed leaving date
- Where applicable, payment in lieu of outstanding notice
- Severance payment (where entitled).

Under the council's redundancy scheme a weeks pay will be calculated on the basis of actual weekly pay. Cambridge City Council will not apply the statutory weeks pay definition.

Once an employee is in receipt of early payment of pension benefits, if their total pay and pension benefits together (if reemployed by another employer covered by the Local Government Modification order) exceeds their salary as at the leaving date, the difference may be claimed back from pension payments.

An employee will lose their entitlement to redundancy pay if they take up a post with another body covered by the Redundancy Payments (Local Government) (Modification) (Amendment) Orders within 4 weeks of the date of the redundancy and the offer of the new job has been made before the end of the original contract.

Following the introduction in November 2020 of regulations to implement the £95k Exit Cap provisions in local government and consultation on proposed changes to the Local Government Pension Scheme (LGPS), there is currently an interim position in relation to pension and severance arrangements. As the outcome of the consultation on proposed changes to the LGPS is not known at this time and provisions within the Exit Cap are scheduled for Judicial Review in Spring 2021 this Pay Policy Statement does not include at this time further detailed information on severance payments.

Any proposals with a salary or severance package with a total value over £100k will be reported by the Employment (Senior Officer) Committee to Full Council for decision. Any proposal to apply for a waiver of the current £95k Exit Cap provisions will be considered by and reported by the Employment (Senior Officer) Committee to Full Council for decision.

The chief executive, monitoring officer and chief finance officer can only be dismissed by the Full Council. All other directors and heads of service can only be dismissed in accordance with the Councils constitution, Part 4i, Officer Employment Procedure Rules.

## **Pension and Pension Enhancements**

The employees within the scope of this pay policy are entitled to and receive pension contributions under the Local Government Pension Scheme (LGPS). This is a contributory scheme and they currently contribute between 9.9% and 11.4% of their pensionable pay to the scheme.

The employer contribution rate is currently 17.4% i.e. the council contributes 17.4% of pensionable pay to the pension of a member of staff within the pension scheme. The rate of 17.4% is the same for all staff. The rate is reviewed every 3 years following a valuation of the fund by the appointed actuaries. Review has been undertaken in 2019, with the outcome effective for 2020/21.

The Council's discretions on enhancement of pension are set out in the Pensions Discretion Statement 2019. This policy was approved by the Civic Affairs Committee on the 30 January 2019. The policy is reviewed every 3 years and/or in line with changes to the Local Government Pension Scheme (LGPS) as advised by the Local Government Pensions Committee (LGPC) and the Administering Authority (Cambridgeshire County Council). As there have been recent consultations on proposed changes to the LGPS the pension discretions will be reviewed in 2021 following any implemented changes to the LGPS.

### **Pay Ratios, Real Living Wage, Cambridge Weighting and Apprenticeships**

Set out below are the Council's pay arrangements with regard to the Real Living Wage, the Cambridge Weighting, apprenticeships, and the highest paid council staff.

The table below shows a number of pay ratios.

The Council does not have a policy on maintaining or reaching a specific pay ratio between the lowest and highest paid staff.

- **Apprentices**

The Council has engaged a number of apprentices in apprenticeship roles where these roles provide development opportunities and do not replace existing posts. They are outside of the Real Living Wage and Cambridge Weighting policies and where we pay apprentices in line with the National Living Wage/Minimum Wage Rates in their first year of apprenticeship.

The current lowest rate for apprenticeships is £8.20 and this pay rate has been used in the ratios.

The Council also offer apprenticeships to current employees who are paid in accordance with their existing pay arrangements during the apprenticeship.

- **Lowest paid staff**

The lowest paid staff within the Council's pay structure are on Band 1. We have chosen staff employed on Band 1 as our definition of the 'lowest paid' for the purposes of this policy. The current lowest pay point is £18,198.

Cambridge City Council is an accredited Real Living Wage employer and also pays a Cambridge Weighting supplement. This means that the minimum pay level for staff is £10.00 per hour, equivalent to £19,294.

The terms and conditions of employment for Band 1 staff are in accordance with collective agreements, negotiated from time to time, by the National Joint Council for

Local Government Services, as set out in the Scheme of Conditions of Service (commonly known as the Green Book). These are supplemented by local collective agreements reached with trade unions recognised by the Council and by the rules of the Council.

Pay policies which apply to Band 1 employees include:

- car/bicycle/motorcycle mileage at HMRC rates
- re-imbusement for travel and subsistence
- overtime/enhanced rates
- standby and callout arrangements
- one professional subscription per annum
- payments under the eye-sight tests scheme
- Travel scheme (where applicable)

- **Median average of employees**

The current median average salary is £29,577.

- **Real Living Wage**

The Council has adopted a Real Living Wage policy for staff, agency workers and contractors engaged through the Council's Procurement processes.

There are currently two implementation dates for the Real Living Wage; November (for staff engaged on city council terms and conditions of employment) and April (for staff engaged on Cambridge Live terms and conditions of employment).

With effect from November 2020 the Real Living Wage has increased from £9.30 per hour to £9.50 per hour.

The Council will pay the Real Living Wage rate for staff engaged on city council pay rates by way of a supplement to pay rates.

The Council will pay the minimum of the relevant Real Living Wage rate to agency workers after 4 weeks of their engagement with the City Council.

The Council will require contractors engaged through the Council's procurement processes to pay at least the Real Living Wage to all their staff who work on the Council's premises (or land maintained by the Council) for two or more hours on any day of the week for eight or more consecutive weeks. The only contracts that will be excluded from the requirement to pay the Real Living Wage are:

- contracts where it would be unlawful to require the payment of the Real Living Wage
- contracts where, following evaluation, it is considered inappropriate to impose the requirement.

- **Cambridge Weighting**

The Council implemented a Cambridge Weighting with effect from 1 April 2018, paid to employees on city council terms and conditions of employment and related agency workers earning less than £10 per hour. From April 2020 this rate has also applied to employees on Cambridge Live terms and conditions of employment and related agency

workers. The weighting is paid in addition to salary, the Real Living Wage supplement, to bring the hourly rate to an equivalent of £10 per hour (£19,294). For agency workers the weighting applies in addition to current hourly rates and the Real Living Wage arrangements. The weighting is variable, depending upon the current hourly rate and the Real Living Wage supplement payable at that time.

- **Chief Executive**

The highest paid officer of the council is the chief executive. The highest pay point on this scale is £133,588. Since 1 October 2020, the post of chief executive has been undertaken by an interim chief executive. A permanent appointment will commence in April 2021, therefore only highest pay point has been used in these ratios in this Pay Policy Statement.

- **Pay Ratios**

	<b>Annual Salary</b>	<b>Ratio to Chief Executive salary/Highest pay point</b>	<b>Explanation</b>
Apprentice rate of £8.20	£15,819	1:8.44	Chief Executive pay scale highest pay point and lowest apprenticeship rate
Real Living Wage Rate of £9.50	£18,327	1:7.29	Chief Executive pay scale highest pay point and real Living Wage rate of £9.50
Lowest council pay scale point (£9.43)	£18,198	1:7.34	Chief Executive pay scale highest pay point and lowest council pay scale point
Real Living Wage Rate of £9.30	£17,943	1:7.45	Chief Executive pay scale highest pay point and real Living Wage rate of £9.30
Cambridge Weighting – minimum £10.00	£19,294	1:6.92	Chief Executive pay scale highest pay point and £10 hour Cambridge Weighting
Median Average salary	£29,577	1:4.52	Chief Executive pay scale highest pay point and current median salary
Chief Executive Highest pay point	£133,588	-	Chief Executive's highest pay point

### **Election Fees**

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The role of Chief Executive is expected to be the council's Returning Officer.

The fees for Parliamentary, Police & Crime Commissioner, Euro Elections and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally and current fees were agreed by the Civic Affairs Committee in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

Other officers, including senior officers within the scope of this policy, may receive additional payment for specific election duties.

### **Tax Avoidance and IR35**

The Council takes tax avoidance seriously and will seek to appoint individuals to vacant positions using the recruitment procedures on the basis of contracts of employment and apply direct tax and National Insurance deductions from pay through the operation of PAYE.

Where consultants are recruited the Council will seek to avoid contractual arrangements which could be perceived as being primarily designed to reduce significantly the rate of tax paid by that person, such as paying the individual through a company effectively, controlled by him or her.

These principles will be embedded in contract clauses and guidance for managers when employing consultants.

In addition workers employed directly by the Council will be assessed to establish whether they fall within scope of the IR35 legislation using the HMRC employment status tool. Workers that fall within scope will have Income Tax and National Insurance contributions deducted and paid over to HMRC.

The Council will continue to advise employment agencies for each role, whether the role has been assessed to be within scope of IR35, or not.

### **Re-engagement of ex City Council staff within the scope of this policy**

All permanent or fixed term posts are advertised in accordance with the council's recruitment policies and appointment is made on merit.

Interim management appointments are made in accordance with the council's procurement policies and the provisions for contract for services.

The council will not engage an ex city council member of staff within the scope of this policy outside of these arrangements.

**January 2021**





Item

## **ANNUAL AUDIT LETTER 2019/20**

**To:**

Civic Affairs Committee 27/01/2021

**Report by:**

Jody Etherington, Deputy Head of Finance

Tel: 01223 - 458130 Email: [jody.etherington@cambridge.gov.uk](mailto:jody.etherington@cambridge.gov.uk)

**Wards affected:**

None directly affected

### **1. Introduction / Executive Summary**

- 1.1 The attached Annual Audit Letter from EY (Appendix 1) summarises the key issues arising from the external audit of the 2019/20 Statement of Accounts.

### **2. Recommendations**

- 2.1 That the contents of the Annual Audit Letter 2019/20 are noted.

### **3. Background**

- 3.1 The Committee received EY's draft 2019/20 Audit Results Report at its meeting on 25 November 2020. At the time of issuing this report, there were a number of areas of outstanding audit work to complete before the Statement of Accounts could be signed off. Authority was therefore delegated to the Chair, in consultation with the Opposition Spokes, to approve any further amendments to the Statement of Accounts (provided that these did not have a material impact on the Council's reserves or result in any changes to the auditor's opinion).

- 3.2 Audit work was completed shortly after the meeting, and the Statement of Accounts 2019/20 was authorised for issue by the Head of Finance and Chair of the Civic Affairs Committee on 18 December 2020. The audit opinion, which was unqualified, was issued on the same date.
- 3.3 EY have now issued their Annual Audit Letter, which is attached at Appendix 1. This summarises the key findings and conclusions arising from the audit.
- 3.4 The Local Audit and Accountability Act 2014 requires a committee of the Council to consider the letter. For this Council that committee is Civic Affairs.
- 3.5 The Annual Audit Letter also sets out EY's proposed fee for the 2019/20 audit (see page 18). It should be noted that this fee remains subject to agreement with the Head of Finance and Public Sector Audit Appointments Ltd (PSAA), who oversee the fee regime for local authority audits.

## **4. Implications**

### **a) Financial Implications**

See paragraph 3.5.

### **b) Staffing Implications**

None

### **c) Equality and Poverty Implications**

None

### **d) Environmental Implications**

None

### **e) Procurement Implications**

None

## **f) Community Safety Implications**

None

## **5. Consultation and communication considerations**

The Annual Audit Letter will be published on the Council's website.

## **6. Background papers**

No background papers were used in the preparation of this report.

## **7. Appendices**

Appendix 1 – EY Annual Audit Letter 2019/20

## **8. Inspection of papers**

To inspect the background papers or if you have a query on the report please contact Jody Etherington, Deputy Head of Finance, tel: 01223 - 458130, email: [jody.etherington@cambridge.gov.uk](mailto:jody.etherington@cambridge.gov.uk).

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# Cambridge City Council

Annual Audit Letter for the year  
ended 31 March 2020

January 2020

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Public Sector Audit Appointments Ltd (PSAA) have issued a 'Statement of responsibilities of auditors and audited bodies'. It is available from the Chief Executive of each audited body and via the PSAA website ([www.psa.co.uk](http://www.psa.co.uk)).

This Statement of responsibilities serves as the formal terms of engagement between appointed auditors and audited bodies. It summarises where the different responsibilities of auditors and audited bodies begin and end, and what is to be expected of the audited body in certain areas.

The 'Terms of Appointment (updated April 2018)' issued by PSAA sets out additional requirements that auditors must comply with, over and above those set out in the National Audit Office Code of Audit Practice (the Code) and statute, and covers matters of practice and procedure which are of a recurring nature.

This Annual Audit Letter is prepared in the context of the Statement of responsibilities. It is addressed to the Members of the audited body, and is prepared for their sole use. We, as appointed auditor, take no responsibility to any third party.

Our Complaints Procedure - If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with your usual partner or director contact. If you prefer an alternative route, please contact Hywel Ball, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.



Section 1

# Executive Summary

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# Executive Summary

We are required to issue an annual audit letter to Cambridge City Council (the Council) following completion of our audit procedures for the year ended 31 March 2020. Below are the results and conclusions on the significant areas of the audit process.

Area of Work	Conclusion
<b>Opinion on the Council's:</b>	
▶ Financial statements	On 18 December 2020 we issued an unqualified opinion. The financial statements give a true and fair view of the financial position of the Council as at 31 March 2020 and of its expenditure and income for the year then ended. We included within the audit opinion a paragraph to emphasise the Council's disclosure of the material uncertainty impacting the valuation of its property assets.
▶ Consistency of other information published with the financial statements	Other information published with the financial statements was consistent with the Annual Accounts.
▶ Concluding on the Council's arrangements for securing economy, efficiency and effectiveness	We concluded that you have put in place proper arrangements to secure value for money in your use of resources

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Area of Work	Conclusion
<b>Reports by exception:</b>	
▶ Consistency of Governance Statement	The Council's annual governance statement was consistent with our understanding of the Council.
▶ Public interest report	We had no matters to report in the public interest.
▶ Written recommendations to the Council, which should be copied to the Secretary of State	We had no matters to report.
▶ Other actions taken in relation to our responsibilities under the Local Audit and Accountability Act 2014	We had no matters to report.

Area of Work	Conclusion
<b>Reporting to the National Audit Office (NAO) on our review of the Council's Whole of Government Accounts return (WGA).</b>	The Council was below the testing threshold and we therefore had no matters to report.

# Executive Summary (cont'd)

As a result of the above we have also:

Area of Work	Conclusion
Issued a report to those charged with governance of the Council communicating significant findings resulting from our audit.	We issued an Audit Results Report to the 25 November 2020 Civic Affairs Committee. We updated this with a Final Audit Results Report which we shared with the Chair of the Civic Affairs Committee on 17 December 2020.
Issued a certificate that we have completed the audit in accordance with the requirements of the Local Audit and Accountability Act 2014 and the National Audit Office's 2015 Code of Audit Practice.	We issued the certificate of completion of the audit on 18 December 2020.

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ees

In our Audit Results Report we indicated that we had carried out additional work as a result of the impact of Covid-19 that necessitated an additional audit fee. We have quantified the proposed final fee in Section 8 of this letter. The proposed fee remains subject to agreement with the Head of Finance and approval by PSAA.

We would like to take this opportunity to thank the Council staff for their assistance during the course of our work and in particular given the challenging priorities they faced as a result of their work in responding to the Covid-19 pandemic and their collaborative approach which enabled us to complete the 2019/20 audit by working remotely.



Suresh Patel

Associate Partner

For and on behalf of Ernst & Young LLP

Section 2

# Purpose and Responsibilities



# Purpose

## The Purpose of this Letter

The purpose of this annual audit letter is to communicate to Members and external stakeholders, including members of the public, the key issues arising from our work, which we consider should be brought to the attention of the Council. We have already reported the detailed findings from our audit work in our two 2019/20 Audit Results Reports to the Civic Affairs Committee, representing those charged with governance. We do not repeat those detailed findings in this letter. The matters reported here are the most significant for the Council.

## Responsibilities of the Appointed Auditor

Our 2019/20 audit work has been undertaken in accordance with the Outline Audit Plan that we issued on 24 June 2020 and is conducted in accordance with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK), and other guidance issued by the National Audit Office.

As auditors we are responsible for:

Expressing an opinion:

- ▶ On the 2019/20 financial statements of the Council; and
- ▶ On the consistency of other information published with the financial statements.
- ▶ Forming a conclusion on the arrangements the Council has to secure economy, efficiency and effectiveness in its use of resources.
- ▶ Reporting by exception:
  - ▶ If the annual governance statement (AGS) is misleading or not consistent with our understanding of the Council;
  - ▶ Any significant matters that are in the public interest;
  - ▶ Any written recommendations to the Council, which should be copied to the Secretary of State; and
  - ▶ If we have discharged our duties and responsibilities as established by the Local Audit and Accountability Act 2014 and Code of Audit Practice.

Alongside our work on the financial statements, we also review and report to the National Audit Office (NAO) on your Whole of Government Accounts return. The extent of our review and the nature of our report are specified by the NAO.

## Responsibilities of the Council

The Council is responsible for preparing and publishing its statement of accounts accompanied by an AGS. In the AGS, the Council reports publicly each year on how far it complies with its own code of governance, including how it has monitored and evaluated the effectiveness of its governance arrangements in year, and any changes planned in the coming period.

The Council is also responsible for putting in place proper arrangements to secure economy, efficiency and effectiveness in its use of resources.

Section 3

# Financial Statement Audit

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# Financial Statement Audit

## Key Issues

The Council's Statement of Accounts is an important tool for the Council to show how it has used public money and how it can demonstrate its financial management and financial health.

We audited the Council Statement of Accounts in line with the National Audit Office's 2015 Code of Audit Practice, International Standards on Auditing (UK), and other guidance issued by the National Audit Office and issued an unqualified audit report on 18 December 2020.

Our detailed findings were reported to the 25 November 2020 Civic Affairs Committee. A final Audit Results Report was shared with the Chair of the Civic Affairs Committee on 17 December 2020. The key issues identified as part of our audit were as follows.

Significant risks	Conclusion
Misstatements due to fraud or error	We did not identify any matters to report to the Civic Affairs Committee.
Incorrect capitalisation of revenue expenditure	We reported that items below the Council's de-minimis threshold for capitalisation were effectively being treated as capital, though the amounts were not material.
Valuation of Investment Property and other assets valued using market valuation	<p>We identified two judgemental differences which represented our estimate that the value of investment properties could be overstated by £341,000 net. The differences were not individually material and management determined not to adjust the accounts.</p> <p>We noted the draft accounts did not disclose material valuation uncertainty reported by the Authority's valuers in their valuation reports. This was updated in the final accounts and we emphasised this disclosure in our audit opinion due to the scale of assets impacted.</p>

## Other audit risks

**Council dwelling and other property valuations** - we had no additional findings to report to the Civic Affairs Committee.

**Pension liability valuation** - The Council re-engaged its actuary to update pension asset values and the estimated impacts of two rulings on pension liabilities. The pension liability decreased by £484,000 as a result of this amendment. The Council chose not to amend the pension liability for the impact of the Goodwin ruling. We estimated the Goodwin ruling would increase the Council's liability by approximately £206,000.

**Presentation and disclosure of accounts** - The working papers prepared by the Council were of a high quality and officers responded in a timely manner to follow up queries. This represents rapid and substantial progress from the prior year.

**Group boundary assessment** - we had no matters to report to the Civic Affairs Committee.

**Going concern** - the Council has assessed the impact of Covid-19 on its income, expenditure, cash and reserves position into 2020/21 and 2021/22 and made appropriate disclosure in the statements.

# Financial Statement Audit (cont'd)

## Our application of materiality

When establishing our overall audit strategy, we determined a magnitude of uncorrected misstatements that we judged would be material for the financial statements as a whole.

Item	Thresholds applied
Planning materiality	We determined planning materiality to be 2% of Gross Expenditure on provision of services and performance materiality at 50% of planning materiality.
Reporting threshold	We agreed with the Civic Affairs Committee that we would report to the Committee all audit differences in excess of 5%.

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Materiality	
Planning	£2.84 million
Performance	£1.42 million
Reporting	£142,000

Section 4

# Value for Money



# Value for Money

We are required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness in its use of resources. This is known as our value for money conclusion.

Proper arrangements are defined by statutory guidance issued by the National Audit Office. They comprise your arrangements to:

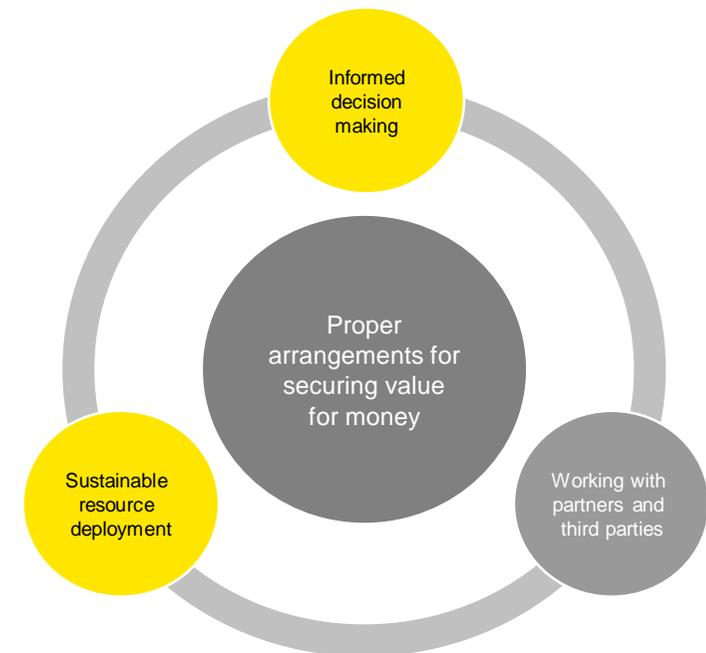
- ▶ Take informed decisions;
- ▶ Deploy resources in a sustainable manner; and
- ▶ Work with partners and other third parties.

On 16 April 2020 the National Audit Office published an update to auditor guidance in relation to the 2019/20 Value for Money assessment in the light of Covid-19. This clarified that in undertaking the 2019/20 Value for Money assessment auditors should consider LG bodies' response to Covid-19 only as far as it relates to the 2019-20 financial year.

Only where clear evidence comes to the auditor's attention of a significant failure in arrangements as a result of Covid-19 during the financial year, would it be appropriate to recognise a significant risk in relation to the 2019-20 VFM arrangements conclusion. We identified no such evidence for the Council and therefore identified no significant VFM risk associated to Covid-19.

We performed the procedures outlined in our audit plan and did not identify any significant weaknesses in the Council's arrangements to ensure it took properly informed decisions and deployed resources to achieve planned and sustainable outcomes for taxpayers and local people.

We had no matters to report about the Council's arrangements to secure economy, efficiency and effectiveness in its use of resources.





Section 5

# Other Reporting Issues

# Other Reporting Issues

## **Whole of Government Accounts**

Alongside our work on the financial statements, we also review and report to the National Audit Office on the Council's Whole of Government Accounts return. The extent of our review, and the nature of our report, is specified by the National Audit Office. The Authority was below the threshold for requiring audit procedures on its WGA submission this year. We had no matters to report.

## **Annual Governance Statement**

We are required to consider the completeness of disclosures in the Council's annual governance statement, identify any inconsistencies with the other information of which we are aware from our work, and consider whether it is misleading. We had no matters to report.

## **Report in the Public Interest**

We have a duty under the Local Audit and Accountability Act 2014 to consider whether, in the public interest, to report on any matter that comes to our attention in the course of the audit in order for it to be considered by the Council or brought to the attention of the public. We did not identify any issues which required us to issue a report in the public interest.

## **Written Recommendations**

We have a duty under the Local Audit and Accountability Act 2014 to designate any audit recommendation as one that requires the Council to consider it at a public meeting and to decide what action to take in response. We did not identify any issues which required us to issue a written recommendation.

## **Objections Received**

We did not receive any objections to the 2019/20 financial statements from members of the public.

## **Other Powers and Duties**

We identified no issues during our audit that required us to use our additional powers under the Local Audit and Accountability Act 2014.

## **Independence**

We communicated our assessment of independence in our Audit Results Reports to the Civic Affairs Committee on 17 November 2020 and 17 December 2020. In our professional judgement the firm is independent and the objectivity of the audit engagement partner and audit staff has not been compromised within the meaning regulatory and professional requirements.

## **Control Themes and Observations**

As part of our work, we obtained an understanding of internal control sufficient to plan our audit and determine the nature, timing and extent of testing performed. Although our audit was not designed to express an opinion on the effectiveness of internal control, we are required to communicate to you significant deficiencies in internal control identified during our audit. We adopted a fully substantive audit approach and therefore did not test the operation of controls.

Section 6

# Focused on your future



# Focused on your future

The NAO has a new Code of Audit Practice for 2020/21. The impact on the Council is summarised in the table below.

## Council responsibilities for value for money

The Council is required to maintain an effective system of internal control that supports the achievement of its policies, aims and objectives while safeguarding and securing value for money from the public funds and other resources at its disposal.

As part of the material published with the financial statements, the Council is required to bring together commentary on the governance framework and how this has operated during the period in a governance statement. In preparing the governance statement, the Council tailors the content to reflect its own individual circumstances, consistent with the requirements of the relevant accounting and reporting framework and having regard to any guidance issued in support of that framework. This includes providing a commentary on arrangements for securing value for money from the use of resources.

## Auditor responsibilities under the new Code

Under the 2020 Code we are still required to consider whether the Council has put in place 'proper arrangements' to secure economy, efficiency and effectiveness on its use of resources. However, there is no longer overall evaluation criterion which we need to conclude on. Instead the 2020 Code requires the auditor to design their work to provide them with sufficient assurance to enable them to report to the Council a commentary against specified reporting criteria (see below) on the arrangements the Council has in place to secure value for money through economic, efficient and effective use of its resources for the relevant period.

The specified reporting criteria are:

- Financial sustainability - How the Council plans and manages its resources to ensure it can continue to deliver its services.
- Governance - How the Council ensures that it makes informed decisions and properly manages its risks.
- Improving economy, efficiency and effectiveness - How the Council uses information about its costs and performance to improve the way it manages and delivers its services.

## Reporting on VFM

In addition to the commentary on arrangements, where we are not satisfied that the Council has made proper arrangements for securing economy, efficiency and effectiveness in its use of resources the 2020 Code has the same requirement as the 2015 Code in that we should refer to this by exception in the audit report on the financial statements.

However, a new requirement under the 2020 Code is for us to include the commentary on arrangements in a new Auditor's Annual Report. The 2020 Code states that the commentary should be clear, readily understandable and highlight any issues we wish to draw to the Council's attention or the wider public. This should include details of any recommendations arising from the audit and follow-up of recommendations issued previously, along with our view as to whether they have been implemented satisfactorily.

Section 8

# Audit Fees

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# Audit Fees

## Fees

Following communications to the Civic Affairs Committee on the changes and challenges impacting the audit profession, in June 2020 we communicated to the Head of Finance our view of the inadequacy of the current scale fee to enable us to deliver a quality audit in accordance with the NAO Code. In our view the scale fee should be increased by £40,020 for the Council and we provided details supporting our rationale. At the same time we opened dialogue with PSAA on our view of scale fees nationally and shared with them proposed revisions for all our local government audited bodies. We include our proposed increase to the scale fee in the tables below. We remain in dialogue with PSAA over the scale fees. We include our proposed revision to the scale fee in the table below.

In addition, in the Audit Results Report we indicated that we had carried out additional work as a result of the impact of Covid-19 that necessitated an additional audit fee. We have now quantified the proposed fee. We will shortly discuss the proposed additional fees with the Head of Finance after providing supporting details. We will then seek approval from PSAA.

	Final fee 2019/20 (£)	Planned fee 2019/20 (£)	Final Fee 2018/19 (£)
Scale Fee - Code work	40,024	40,024	40,024
Additional work:			
• Impact of 50% performance materiality	12,961	8,000-15,000	-
• Capital transactions	-	-	10,500
• Group Accounts	8,607	7,500-10,500	10,500
• Going concern disclosure	3,409	TBC	3,331
• Asset valuations impacted by Covid-19	9,738	5,000-10,000	-
• EY Consultations on auditor report	2,061	TBC	-
• Additional audit overruns	6,400	-	64,892
<b>Total current scale and additional fees</b>	<b>83,200</b>	<b>TBC</b>	<b>129,247</b>
Proposed increase to the scale fee	40,020		
• Housing Benefit Agreed Upon Procedures	TBC	12,568	20,750
<b>Total other non-audit services</b>	<b>TBC</b>	<b>12,568</b>	<b>20,750</b>
<b>Total fees</b>	<b>TBC</b>	<b>TBC</b>	<b>149,997</b>

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Item

## **Member allowances-review by the Independent Remuneration Panel**

**To:**

Civic Affairs Committee 27/01/2021

**Report by:**

Gary Clift, Democratic Services Manager

Tel: 01223 - 457011 Email: gary.clift@cambridge.gov.uk

**Wards affected:**

All

### **1. Introduction**

The Independent Remuneration Panel has reviewed the Allowance Scheme. Regulations require a review after four years if a Scheme uses an Index for annual increases. The Index applying to the current scheme, the National Living Wage, has been in place since May 2016.

### **2. Recommendations**

Committee is asked to:

- (i) Consider the Panel's report and recommend a scheme for 2020-21 and 2021-22 to the Council.
- (ii) Note a further review will take place in autumn 2021 for implementation in May 2022.

### **3. Background**

The recommendations of the Panel are for the current and next Municipal Year. If changes are to be made by the Committee to the Panel's recommendation, these would apply from May 2020.

## **4. Implications**

### **(a) Financial Implications**

Since 2017, annual increases linked to the National Living Wage and small changes to Special Responsibility Allowances have been covered by underspends in department budgets. Any more significant uplift (as was the case in 2016) would require a budget bid.

### **(b) Staffing Implications**

### **(c) Equality and Poverty Implications**

### **(d) Environmental Implications**

### **(e) Procurement Implications**

### **(f) Community Safety Implications**

Nothing specific for the above.

If you have a query on the report please contact Gary Clift, Democratic Services Manager, tel: 01223 - 457011, email: [gary.clift@cambridge.gov.uk](mailto:gary.clift@cambridge.gov.uk).

Cambridge City Council  
Members' Allowances-review by the Independent Remuneration Panel  
December 2020

Background

1.1 The payment of Member Allowances is regulated by the Local Authorities (Members' Allowances) (England) Regulations 2003 and overseen by an Independent Remuneration Panel (the Panel). Allowances are split into two categories, basic allowance which is available to every member of the Council and special responsibility allowance which apply to specified positions identified in the Regulations and any additional positions of special responsibility that may be identified by the Panel.

1.2 The current Members' Allowances Scheme was introduced in July 2016 for the 2016/17 Municipal Year and is linked to the Government's National Living Wage (allowances up to that point had remained static since 2008). The Regulations require Panels to review an allowances scheme if it is linked to an index when that index has been applied for four years. Although the Panel reported in July 2017 and October 2018 on special responsibility allowances, when a check on how the scheme was working was done, it is the link to the index from 2016 which necessitates the review now.

1.3 The Panel noted that since it last met in 2018, arrangements for shared council services with both South Cambridgeshire DC and Huntingdonshire DC continue and have now been in place for the last four years.

1.4 Partnership working with the Cambridgeshire and Peterborough Combined Authority has also been in place for nearly its first four years, with the election of the Mayor scheduled for May 2021. In addition the arrangements with the Greater Cambridge Partnership continues. Previous expressions by the Panel for greater consistency of special responsibility allowances for roles on these partnership bodies have not materialised as these allowances continue to be agreed by each authority, which other than South Cambridgeshire DC, is not in sync and has taken into account local circumstances and preferences.

## Comparison to most relevant near neighbour districts and family group councils

Council	2020/21 Basic allowance	Combined Authority (Board Member)	Greater Cambridge Partnership (Board Member)	Index used
Cambridge	5210	5210* (current recipient takes 50%)	2605	National Living Wage
South Cambs*	5010	5010	2505	Staff pay
Huntingdonshire**	4636	Leader's one SRA of 16,000 incorporates this role	n/a	Inflation
Oxford	5142			Staff pay
Lincoln	4905			Can't establish from web information
Exeter	6100			Resident to Cllr ratio
Crawley	6440			Chief Officer pay
Welwyn Hatfield	5152			Staff pay
Cheltenham	5698			Staff pay

\*Cambridge and SCDC have a shared services agreement in Waste Collection and recycling, Internal Audit, Planning Services, Building Control, Legal, ICT and CCTV

\*\*Cambridge and Huntingdonshire have a shared services agreement in Legal, ICT, Building Control and CCTV

### **Conclusion and recommendation**

2.1 This review has been purposefully light touch and interim, acknowledging that although required by the Regulations, the timing is not ideal. The coronavirus pandemic made 2020 an untypical year to say the least and Members are rightly focusing on the unprecedented situation. In addition, any impact of the delayed all-out city council elections due now in May 2021

are also of interest to the Panel as will be any impact of new ways of working during and coming out of the pandemic. The Panel also notes that after ten years the Council's Chief Executive left in September and an interim Chief Executive is currently in place until the post is permanently filled.

2.2 We do believe that the methodology used since 2016 is still relevant. Aligning with the National Living Wage ensures increases are understood and logical and reflects what the Government see as a responsible annual increase.

2.3 That said however, taking into account the announcement in the Spending Review by the Chancellor in November that the majority of public sector pay would be frozen in 2021/22, the Panel recommends that the Allowances Scheme remain at 2020/21 rates for 2021/22.

2.4 It is our intention to do a full review of the scheme in autumn 2021 when it is hoped that the current uncertainties are made clearer.

Jane Phillips, Rob Bennett, Graham Jagger  
December 2020

## Terms of Reference for the Panel

To recommend a scheme or schemes to the Council which

- i. recognises that councillors undertake council work for the sake of public service and not private gain
- ii. recognises in both basic and special responsibility allowances the varying demands placed upon councillors, dependent upon their roles and responsibilities
- iii. fairly and equitably compensates 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
- iv. is economic, efficient to administer and effective
- v. is easy to understand and explain
- vi. recognises the level of out of pocket expenses councillors incur
- vii. has flexibility to reflect changes of responsibilities of councillors during the course of the year
- viii. ensures that a benchmarking exercise is undertaken with other comparable Councils.
- ix. ensures that equality and diversity implications are considered so that a diverse range of Councillors can be attracted.

## Members of the Panel are:

### Jane Phillips

Jane has worked as a teacher and a business psychologist. She has also been a school governor for over thirty years, working with five different schools in Hertfordshire and Cambridgeshire. During this time, she has been the Chair of Governors and the Chair of Personnel and has drawn up policies on governor expenses and a code of conduct for the governing body. From 1992-1995 she was the Chair of Hertfordshire Governors' Association and from 2000-2003 she was the Chair of the National Association of School Governors. She is now the Chair of Birdwood Area Residents' Association in Cambridge. In her spare time she has completed an MA in Crime Writing and is writing the third book in a crime trilogy. She lives in Cambridge.

### Graham Jagger

Graham is a Cambridge graduate and professional HR manager and consultant with wide public and private sector experience. During the last 20 years he has worked in the NHS at Trust, regional and national levels including as Director of Corporate Development at Papworth Hospital NHS

Foundation Trust and as Agenda for Change Director for Papworth, Addenbrookes and the East of England. He was appointed to the independent NHS Pay Review Body by the Secretary of State for Health in 2009, responsible for reviewing and making recommendations to government on changes to the pay and conditions of NHS staff. From 2012 he was Lead Governor, Papworth Hospital NHSFT and Director of Healthwatch Cambridgeshire and Peterborough. Currently he chairs the East of England Advisory Committee on Consultant Clinical Excellence Awards and is a Member of the NHS Reconfiguration Panel which advises the Secretary of State on contested service change proposals. He has six years' experience of reviewing a members' allowance scheme as member and then chair of the Independent Remuneration Panel at South Cambridgeshire District Council. He lives in Cambridge.

Rob Bennett

Rob is the independent person for Cambridge City Council dealing with complaints against councillors. He worked as a partner with PricewaterhouseCoopers (PwC) until 2010 and led the public sector audit business in the South and East of England. He is a non-executive director and audit and risk committee chair for Flagship Housing Group, the largest housing association in the East of England with over 30,000 properties. He is a non-executive member of Norfolk & Waveney Clinical Commissioning Group's Governing Body and chair the audit committee and the conflicts of interest committee. Rob is the independent chair of the audit committee for the Norfolk Police and Crime Commissioner, the independent hospital manager for Norfolk & Suffolk NHS Foundation Trust dealing with the detention of patients under Mental Health legislation. He is also the chair for a local charity which manages a country park on the outskirts of Norwich and a volunteer at the Norwich Foodbank.

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Item

## Appointment of Returning Officer and Electoral Registration Officer

**To:**

Civic Affairs Committee 27/01/2021

**Report by:**

Gary Clift, Democratic Services Manager

Tel: 01223 - 457011 Email: gary.clift@cambridge.gov.uk

**Wards affected:**

All

### 1. Introduction

Council agreed on 17 December 2020 to appoint Robert Pollock as Chief Executive. Members are recommended to have in place temporary arrangements for the statutory positions of Returning Officer and Electoral Registration Officer whilst the necessary transition between the interim Chief Executive and new Chief Executive takes place.

### 2. Recommendations

Committee is recommended to appoint Andrew Grant as Returning Officer and Electoral Registration Officer for the period 19 April 2021 to 14 May 2021, after which Robert Pollock will assume both roles as set out in Article 11 of the Council's Constitution.

### 3. Background

3.1 Article 11 of the Council's Constitution sets out the functions and areas of responsibility for the Chief Executive. One of these is acting as the

Council's Electoral Registration Officer and Returning Officer for Elections. The Civic Affairs Committee has within its terms of reference the authority to appoint to both positions.

- 3.2 Robert Pollock will start as Chief Executive on 19 April 2021. The interim Chief Executive, Andrew Grant is the Returning Officer and will continue to be during the preparations of the scheduled four polls due on 6 May. Officers consider it necessary and appropriate to continue the arrangement for Andrew Grant to remain as Returning Officer after the new Chief Executive starts and that this arrangement is in place until the completion of the scheduled 6 May polls.

#### **4. Implications**

**(a) Financial Implications-** the remuneration for undertaking the duties of Returning Officer are separate and are explained annually in the Pay Policy Statement (also on this agenda) and repeated here for ease of reference:

The Returning Officer is the person who has the overall responsibility for the conduct of elections. The Returning Officer is an officer of the Council who is appointed under the Representation of the People Act 1983. Although appointed by the Council the role of the Returning Officer is one of a personal nature and distinct and separate from their duties as an employee of the Council. Elections fees are paid for these additional duties and they are paid separately to salary.

The fees for Parliamentary, Police & Crime Commissioner, European Parliamentary Elections (as was) and national referenda are set by the Government. The fees for County Council elections are set by the County Council. The fees for the Combined Authority Mayoral election are set by the Combined Authority. The fees for Parliamentary and European Elections are pensionable.

Fees for district elections are set locally and current fees were last set in April 2010 as £373 per contested ward and £55 per uncontested ward. Fees for district elections are pensionable.

**(b) Staffing Implications**

**(c) Equality and Poverty Implications**

**(d) Environmental Implications**

**(e) Procurement Implications**

## **(f) Community Safety Implications**

Nothing specific for the above.

If you have a query on the report please contact Gary Clift, Democratic Services Manager, tel: 01223 - 457011, email: [gary.clift@cambridge.gov.uk](mailto:gary.clift@cambridge.gov.uk).

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