

EAST HERTS COUNCIL

COUNCIL – 30 JUNE 2009

REPORT BY THE MONITORING OFFICER

10. APPOINTMENT OF MEMBERS TO THE INDEPENDENT REMUNERATION PANEL

WARD(S) AFFECTED: All

'D' RECOMMENDATION – A) the Independent Remuneration Panel shall consist of... members;

B) appoint Barry Norman and Jon Wilson (the two existing members) to the Independent Remuneration Panel until the end of the 2010/11 Civic Year and

C) Members are invited to make appointments to the panel from the applicants listed in Appendix 1.

1.0 Purpose of Report

1.1 Council is invited to consider appointments to the Independent Remuneration Panel.

2.0 Contribution to the Council's Corporate Priorities/Objectives

2.1 The subject matter of this report contributes to the following Council Priorities:

**Fit for purpose, services fit for you**

*Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.*

3.0 Background

3.1 The Local Authorities (Members' Allowances) (England) Regulations 2001 provide that an independent remuneration panel may be established by the Council or jointly by the Council with other

Councils. East Herts Council previously established an Independent Remuneration Panel comprising four members.

- 3.2 The purpose of the panel is to make recommendations to the Council about allowances paid to Councillors.
- 3.3 The panel is about to commence a review of the Authority's Members' Allowances Scheme.
- 3.4 There are currently two vacancies on the panel. Council is therefore invited to make appointments to the panel.

#### 4.0 Report

- 4.1 An advertisement was placed in local newspapers inviting applications to be submitted to fill the vacant seats on the panel.
- 4.2 The 2001 Regulations require that independent remuneration panels have at least three members. The Council needs to consider the appropriate size for its panel to discharge its functions effectively given the particular local circumstances. The Council should avoid unduly large panels which would be unable to be an effective and publicly accountable source of clear recommendations.
- 4.3 The members of the Independent Remuneration Panel cannot be elected Members of any local authority. Anyone who would be disqualified from being an elected Member of a local authority is also disqualified from being a member of an independent panel. The 2001 Regulations do not specify how a local authority may go about finding members of its remuneration panel. A local authority will need to consider carefully and plan its appointments process having regard to the guidance and the need to ensure that this process commands public confidence throughout all the communities in the local authority's area.
- 4.4 Local authorities may wish to advertise for candidates in local papers or may wish to ask particular stakeholders, e.g. the voluntary sector or the local business community, if they wish to put forward candidates. Councils may consider it best to use a combination of advertising and inviting the putting forward of candidates. In all cases the local authority will need to ensure that its appointment process is open to public scrutiny.

- 4.5 A local authority should give very serious consideration not only to ensuring the independence of its independent remuneration panel but also the public perception of this independence. To maintain the credibility of its panel a local authority will need to consider the extent to which some, if not all, of its panel members are recognisable members of the local community. Political appointments, and appointments which are made through friendship or any other personal association of any Members of the Council, should always be avoided.
- 4.6 Local authorities should consider very carefully the extent of any candidate's connections to a political party and whether these are such as to risk the effective discharge of the panel's functions were the candidate to be appointed. Some of the candidate profiles raise issues of eligibility and these will need to be explored further before final decisions are taken in relation to a local Panel.
- 4.7 In appointing its panel, a local authority should consider candidates' knowledge of local government and the way it works although lack of familiarity with the functions of Councils should not be a bar to appointment.
- 4.8 The local authority will need to consider whether to appoint one member of the independent remuneration panel as chairman, or whether to allow the panel itself to decide which of its members will act as chairman.
- 4.9 The local authority will need to consider the term of office of members of the panel. The panel will be required to make recommendations to the Council whenever the Council decides to, within the limits of the law, either revoke or amend its current scheme. The panel may become more effective as its knowledge and understanding of members' allowances is increased.
- 4.10 Accordingly, local authorities may wish to consider appointing members of the panel for a term of office of several years, perhaps 3-5 years. Local authorities 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.

- 4.11 Local authorities will wish to ensure that the terms and conditions of appointment of members of the independent remuneration panel include provision for circumstances where the local authority may wish to remove a discredited member from the panel.
- 4.12 The Monitoring Officer and Head of Democratic and Legal Support Services interviewed the applicants. Details of the applicants are set out in Appendix 1 (pages 64 - 66).
- 4.13 Applicants should be assessed using the criteria detailed in guidance issued by the Department for Communities and Local Government entitled "Guidance on members' allowances for local authorities in England."
- Members of the panel cannot be members (or co-opted members) of any local authority in respect of which it makes recommendations;
  - Anyone disqualified from being elected as a member of a local authority is also disqualified from being a member of the panel;
  - The membership of the panel should be truly independent and well qualified to discharge its functions and be representative of the diversity of the District's communities;
  - To ensure public credibility in their independence, the extent to which panel members are recognisable members of the local community – avoiding political appointments and appointments made through friendship or any other personal association with Members of the Council;
  - The extent of any applicant's connections to a political party and whether these are such as to risk the effective discharge of the panel's functions, and
  - An applicant's knowledge of local government and the way it works – although lack of familiarity with the Council's functions should not be a bar to appointment.

4.14 It is proposed that the panel will elect its Chairman at its next meeting. It is, however, recommended that the term of office of the new appointments and the existing panel members expires at the end of the 2010/11 Civic Year.

#### 5.0 Consultation

5.1 The vacant seats on the panel were advertised in the issues of the Bishop's Stortford Observer and Hertfordshire Mercury published on 5 and 6 March 2009 respectively.

#### 6.0 Legal Implications

6.1 The appointment of panel members accords with the provisions of relevant legislation.

#### 7.0 Financial Implications

7.1 There are no financial implications apart from the administration costs of the Committee.

#### 8.0 Human Resource Implications

8.1 There are no Human Resource implications.

#### 9.0 Risk Management Implications

9.1 The Council needs to give serious consideration to ensuring not only the independence of the panel but also the public perception of this independence.

#### Background Papers

Department for Communities and Local Government: Guidance on members' allowances for local authorities in England

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## Applicants

### Mrs J E Anderson

Mrs Anderson is a group HR director and a member of the board of a global company. She has been the head of projects for another company and worked for a local authority. Mrs Anderson has experience of developing and operating remuneration policies in the private and the public sectors. She has been chair of governors of a local school and served as director of a local charity. She is involved with the Liberal Democratic Party and is active within the community.

Mrs Anderson understands the role of Members, election processes and the operation of Council committees.

### Mr M Buck

Mr Buck is a retired solicitor and chartered arbitrator. He has been employed as a solicitor in local government and as a clerk to an education appeals committee. He has been chairman of a social security appeal tribunal and a valuation tribunal. He is a Local Conciliation Officer for the Solicitors' Regulation Authority, a member of the Solicitors' Assistance Scheme and a Lay Member of the NHS's Research Ethics Committee in Hertfordshire.

Mr Buck has knowledge of local government over many years. He has been involved with planning appeals and has provided technical advice on draft legislation.

### Councillor D G Gibbs

Councillor Gibbs is a Councillor and Chairman of Hunsdon Parish Council. This role has given him considerable knowledge of local government. This experience includes planning matters and planning policy. He worked as an engineer.

### Mr T A Busby

Mr Busby is retired. He is a Fellow of the Chartered Association of Certified Accountants who acted as Company Secretary, Financial Comptroller and Financial Director to national and international organisations at divisional and corporate level. He was responsible for active in setting up remuneration packages at all levels.

He has chaired various residents associations, treasurer to parent-teacher associations, and the founding treasurer of the Hertford Civic Society. He stood for election to the Council as an independent in 2007. He is not and never has been a member of a political party, although he has canvassed for friends standing as Conservatives or Labour candidates. He was involved with the "Bengeo Rat Run" problem.

### Mr E Marshall

Before retiring, Mr Marshall was a national computer manager for a large public company. He was a District and Town Councillor for over twenty years and a past Town Mayor. He was a founder member of the Bishops Stortford Citizens Advice Bureau and involved with Kickstart Trusts. He has been a school governor and member of the Community Health Trust and the Patient and Public Involvement Forum. He has no political affiliations.

### Mr N B Pigott

Mr Pigott ran a business for thirty years. He has lived in Bishops Stortford for 56 years. He has taken an interest in local government and regularly attends Community Voice meetings. He has an interest in planning matters.

### Mr B Smalley

Mr Smalley has a background in the Royal Navy. He was a member of the Institute of Personnel Management who has had a varied career in personnel with various roles such as Personnel and Training Manager. He has also provided training on a range personnel ad management matters. He was a Conservative District Councillor for 15 years and served on various committees. He was Leader of the Council for one year. He later stood as an independent and joined other parties. He has been a school governor.

## Mr C Taylor-Young

Mr Taylor-Young has recently retired. He has a degree in engineering but he has been working as an investment manager. He founded his own investment management company which employed 38 people at the time he sold the business. He has also been a director of a public investment trust and a private IT company. He has been a Parish Councillor for 14 years. He has been vice-chairman. He has a wide knowledge of business affairs employment and remuneration. He is a member of the Conservative Party.