

EAST HERTS COUNCIL

COUNCIL – 12 MAY 2010

16. REPORT BY THE DIRECTOR OF INTERNAL SERVICES

INDEPENDENT REMUNERATION PANEL

WARD(S) AFFECTED: ALL

Purpose/Summary of Report

- To constitute the Council's Independent Remuneration Panel (IRP)

<p><u>RECOMMENDATIONS:</u> that (A) in relation to the constitution of the Independent Remuneration Panel and Terms of Reference (Council to determine – see options in report)</p>
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1.0 Background

- 1.1 Council, at its meeting held on 30 September 2009, agreed to increase the size of the Authority's Independent Remuneration Panel (IRP) from three to five members . The Council made 3 appointments to the panel (bringing it up to 5 members).
- 1.2 At its meeting on 24 February 2010, Council was advised formally of the resignation of one member of the panel and the Council requested the Director of Internal Services to report to a future meeting on a proposal to appoint an individual under a process that still resulted in the membership of the Panel being truly independent and well qualified to discharge its functions.
- 1.3 Prior to the preparation of the report requested by Council the four remaining Members submitted their resignations from the Panel on 9 March 2010.
- 1.4 Given there are no remaining members of the panel, Council is invited to consider the following options to address the vacancies on its IRP.

2.0 Report

2.1 Members are reminded that candidates for an IRP 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.

2.2 Council will need to be satisfied that its selection process can be seen to be open and not discourage future applications.

2.3 At its meeting on 24th February Council rejected the options of either, filling the single vacancy by means of public invitation for individuals to put themselves forward for selection or appointing from previous unsuccessful candidates. Council required that ‘another process’ be considered. Given the change in circumstances with the resignations on 9th March this report whilst

putting forward another process asks Council to consider whether either of the previously rejected options might be reviewed.

2.4 Option 1 - Council is invited to authorise the Monitoring Officer, in consultation with the Director of Internal Services, to identify suitable candidates from the 5 “constituencies” detailed in paragraph 2.5 below. The intention being to better ensure a spread of relevant experience having regard to the guidance as set out in paragraph 2.1 above.

2.5 The 5 suggested “constituencies” are:

- (A) former East Herts District Councillors;
- (B) the East Herts business community;
- (C) other public sector bodies with a presence in East Herts (e.g. the local Primary Care Trust);
- (D) Existing or former members of other local authorities IRP’s (within or outside Hertfordshire), and
- (E) members of East Herts town/parish councils (excluding anyone who is also a Member of a Principal Authority).

If this option is taken up the Director of Internal Services would seek to contact individuals and representative groups to put forward nominations. If more than one nomination is received final selection to be by the Council.

2.6 Option 2 – to appoint one of the previously unsuccessful applicants to become a member of the IRP. Council is invited to note that these applicants subsequently formed a “shadow panel”. Although the Panel has completed its review, Council will still need to consider whether or not they may either have or may be perceived to have a conflict of interest and/or a predetermined view. One of the applicants has previously suggested that the option to appoint one of them to the Panel should be pursued and expressed a view that the successful candidate would not have any conflict/predetermined view.

2.7 Option 3 – to undertake a further public recruitment exercise for the entire Panel. Alternatively, this option might be a variation on Option 1 with public recruitment being additional to (increasing the size of the Panel by one or more) or preferred to one or more of

the “constituencies” identified above. A potential draft questionnaire for candidates is attached as **Essential Reference Paper ‘B’** should selection of one or more members be preferred by this method.

2.8 In considering these options potential benefits and dis-benefits include

Option 1 This potentially will ensure a wider range of experience than other options. However, there is no guarantee that sufficient nominations will be made. This could be a lengthy process with a first meeting in the latter half of 2010.

Option 2 Candidates are known to be willing to be appointed and the process would be relatively short.

Option 3 No guarantee that sufficient individuals will come forward having a profile of experience and understanding of the roles of Council members.

2.9 Members views are also sought on whether or not there should be a requirement that Panel Members are resident in the District of East Hertfordshire.

2.10 To facilitate meetings of the Panel and to better inform prospective candidates the Council is asked to consider establishing a small member group to agree terms of reference for the 2010 review. The terms of reference for the review could draw on the last Panel’s recommendations that consideration be given to payment of a mileage allowance in respect of site visits for planning applications and of an SRA to the Chairman of the Health Engagement Panel.

3.0 Implications/Consultations

3.1 Information on any corporate issues and consultation associated with this report can be found within **Essential Reference Paper ‘A’**.

Background Papers

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

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ESSENTIAL REFERENCE PAPER 'A'

Contribution to the Council's Corporate Priorities/ Objectives <i>(delete as appropriate):</i>	Fit for purpose, services fit for you <i>Deliver customer focused services by maintaining and developing a well managed and publicly accountable organisation.</i>
Consultation:	
Legal:	The appointment of Panel members accords with the provisions of relevant legislation.
Financial:	There are no financial implications apart from the administration costs of the Committee. Panel Member allowances at £250 each per year will be met from within existing budgets.
Human Resource:	There are no Human Resource implications.
Risk Management:	The Council needs to give serious consideration to ensuring not only the independence of the panel but also the public perception of this independence. The increase to 5 in the number of Panel members better ensured that the Panel remained quorate.

ESSENTIAL REFERENCE PAPER B

Application for membership of the East Herts Independent Remuneration Panel

The Council wishes to ensure that its Independent Remuneration Panel is independent, reasonably knowledgeable about local government and representative of a range of backgrounds and experiences and that Panel members come with an open mind.

Applicants are therefore asked to respond briefly in writing to the questions set out below. It is not expected that responses to all questions should be more than 3 pages long.

Responses will be copied to all of the Council's elected members who will make the decision on appointment.

If for any reason you do not wish to provide a response to a question please give a brief commentary of the reason for this.

Please note that if you are disqualified from being elected as a member of a local authority you cannot be appointed to an Independent Remuneration Panel. In submitting an application you will be representing that you are not so disqualified and the Council may make reasonable enquires to confirm you are not disqualified.

Q1 Please set out your understanding of the role of a council's elected members and how the cabinet system of governance operates in a local council. Outline how this understanding has been gained.

Q2 Please state your current and past membership of or affiliation to any political party, campaigning organisation or group relevant to the public sector.

Q3 Please outline any affinity you have to East Herts as a place in which to live, work or visit.

Q4 Please provide details of any work or other experience which you feel will be of particular help to you as a member of the panel.

Q5 Please provide details of any family, business or social relationship in the last 5 years with any member of East Herts Council.

Q6 The Council wishes to ensure the Panel is widely representative of the community and therefore has attached to this document a form used to monitor applications for employment with the Council in accordance with the Council's equalities policy. Normally, this information is used in confidence by the Council's HR section and is not shared with those making appointments. Please state whether in this instance any information you supply may be shared with elected members.

Q7 Please make any other comments which you wish members to have regard to when making the appointments.

The Council does not intend to publish any information you provide. However, the Council may be required to supply a redacted copy of the statements you make in response to Freedom of Information requests.