



Council – 26 February 2018

Independent Remuneration Panel – Appointment of Members

Purpose of report

This report recommends the appointment of two persons and an extension to the term of office for one person to the Independent Remuneration Panel for Members' Allowances in East Northamptonshire.

1.0 Background

- 1.1 In accordance with Regulations under the Local Government Act 2000, the Council must establish an Independent Remuneration Panel (IRP) to review councillors' allowances before considering any changes. The overall scheme has not been the subject of a full and independent review since 2014. Of the 5 members of the panel appointed in 2014, who were appointed for a term of 5 years, only 1 has expressed a interest in continuing to serve.
- 1.2 Given that a full review is likely to be required in the near future of all current allowances payable to councillors, as required by the regulations, a recruitment process has taken place to appoint new members to the IRP for East Northamptonshire. The IRP will undertake a full review in due course.
- 1.3 The IRP will also be appointed as the relevant Parish Remuneration Panel and will be responsible for making recommendations to town and parish councils within the district as to the types and levels of allowances payable to local councillors should this be requested.
- 1.4 The Local Authorities (Members' Allowances) (England) Regulations 2003 requires that the Independent Remuneration Panel is made up of at least three people.

2.0 The Panel

- 2.1 A recruitment process for the IRP was completed in January 2018, with the Monitoring Officer and Democratic Services Manager seeking to re-establish a Panel, taking into account statutory guidance from HMRC¹. As such, the recruitment process focussed on:-

- i) candidates' knowledge of local government and the way it works;
- ii) candidates' knowledge and understanding of members' allowances;
- iii) specific knowledge of the committee system of local governance;
- iv) previous experience of serving on an Independent Remuneration Panel;
- v) representation from the local community.

The recruitment process involved approaching existing and former members of the Independent Remuneration Panel and to other active Independent Remuneration Panel members from a neighbouring council which had recently carried out a review (with their permission).

- 2.2 All respondents were invited for an informal telephone discussion and each were asked a number of questions which covered their knowledge and experience, their

¹ 'Local Government Councillors and civic dignitaries in England: ODPM guidance: Part One: members' allowances'

understanding of the role of a councillor and how this was changing.

2.3 After consideration, the following candidates are recommended to be invited to join the Independent Remuneration Panel by this Council:

- Professor Steve Leach, Emeritus Professor of Local Government at De Montfort University. Steve remains academically active and has chaired a number of Independent Remuneration Panels, most recently including Walsall, Chesterfield, Rushcliffe and Wellingborough;
- Mr Edward Owen, resident within East Northamptonshire. Edward is an existing member of East Northamptonshire's Independent Remuneration Panel;
- Gerard Dempsey, JP, formerly a CEO/Managing Director, with background in financial management and extensive global retail experience and knowledge. Ged is a lay member of the Lord Chancellor's Advisory Committee and member of both Fenland and Wellingborough Independent Remuneration Panels.

All three are not members of or actively support any political party and are not disqualified from being a member of the council under section 80 of the Local Government Act 1972. They bring a variety of experience from working with business, charities and public bodies which will be of benefit. It is recommended that the appointments be made for a period of four years to provide a level of continuity until 30 April 2022.

2.4 More detailed information in respect of the three individuals has been shared with the political group leaders, who have been consulted prior to recommending these appointments to the Council.

2.5 In order to allow for an increase in membership of the Panel beyond the statutory minimum it is recommended that authority be delegated to the Democratic Services Manager to co-opt in the event of the current panel falling below the statutory minimum during the five year term of office. Any co-option would have to demonstrate a number of the attributes detailed in 2.1 above via an expression of interest.

3.0 Activities of the Panel

3.1 Whilst the IRP has the discretion to determine how it discharges functions and responsibilities, training and information is planned to be provided to the panel members following confirmation of their appointment, in order that they can discharge their function.

3.2 Following any request for the Panel to undertake a review, it will meet and then submit its report and recommendations for consideration to the relevant Council.

4.0 Equality and Diversity Implications

4.1 There are no equality and diversity implications directly arising from this report.

5.0 Legal Implications

5.1 The Local Authorities (Members' Allowances)(England) Regulations 2003 require the Council to appoint an IRP and set out the qualifications for membership, which has been undertaken as part of the recruitment process.

6.0 Risk Management

6.1 Failure to appoint an IRP will delay the expected need to review Members' Allowances and may result in a report and recommendations not being ready for consideration by the council prior to the end of its term of office in May 2019, should the need arise. This report recommends the appointment of three persons to the IRP to ensure that a review can commence immediately following a request being made and makes provision for delegation to appoint an additional member should the need arise during a review.

7.0 Financial Implications

7.1 It is recommended that the Council allocates a maximum of £5,000 to be used in any given year that the Panel reviews the members' allowances scheme in order to support its work. The cost of this has been included on the **proposed 2018/19 budget** and thereafter on a bi-annual basis to cover any allowances payable, as provided for in the 2003 Regulations, research costs and travel expenses.

8.0 Constitutional Implications

8.1 There are no constitutional implications associated with this report.

9.0 Corporate Outcomes

9.1 The appointment of members of the IRP will ensure that the council continues to demonstrate openness and transparency in decision making and this directly contributes to the priority of Strong Community Leadership.

10.0 Recommendation

10.1 The Council is recommended to resolve:

- 1) That the appointment of Mr Stephen Leach and Mr Gerard Dempsey to the East Northamptonshire Independent Remuneration Panel until May 2022 be confirmed;
- 2) That an extension of the current term of office for Mr Edward Owen to the East Northamptonshire Independent Remuneration Panel until May 2022 be confirmed;
- 3) That, in the event of an appropriate expression of interest being received, authority be delegated to the Democratic Services Manager to co-opt further members to the Independent Remuneration Panel in the event that the number of members falls below the statutory minimum.
- 4) That a budget of £5,000 per annum be approved to the Independent Remuneration Panel in order to support its statutory function in 2018-19.

Legal	Power: Local Government Act 2000		
	Other considerations: The Local Authorities (Members' Allowances) (England) Regulations 2003		
Background Papers:	N/A		
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