

THE PROCESS ADOPTED TO APPOINT CHAIRMAN AND MEMBERS OF THE INDEPENDENT REMUNERATION PANEL IN JULY 2011

To: County Council

Date: 7th December 2011

From: The Monitoring Officer

Purpose: To inform Council of the findings of a review of the process used in the recent appointment of an Independent Remuneration Panel and to explain the consequences of this and the process to be adopted going forward.

Recommendation: It is recommended that Full Council notes the content of this report.

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1 Executive Summary

- 1.1 This report has been prepared by the Monitoring Officer in accordance with their duty under Section 5 of the Local Government and Housing Act 1989, which requires them to prepare a report to the authority where they are of the opinion that there has been a contravention, by the authority or any of its officers, of any enactment or rule of law.
- 1.2 On this occasion the contravention arose because of a failure to observe the Council's Constitutional requirements in relation to the appointment of an Independent Remuneration Panel, (IRP), for the purposes of conducting a review of the scheme of allowances for elected members of the Council.
- 1.3 As a consequence of the procedural flaw in the appointment of the IRP, its subsequent report does not constitute a report of an IRP as defined by the relevant regulations and which an authority is required to have considered before making a new scheme of allowances. As such, the decision of the County Council, at its meeting on the 18th October, to adopt a new scheme of allowances was procedurally flawed and ineffective due to this omission.
- 1.4 At a meeting on the 1st November the Standards Committee reviewed the process adopted to appoint the IRP with a view to assessing whether it was prepared to ratify the appointments made to the IRP. Having reviewed the circumstances, the Standards Committee concluded that it was not prepared to ratify the panel appointments and that a new process of review should be commenced.
- 1.5 A new review has been commenced and it is intended that the process of appointing the IRP members and of conducting the review itself, will be more open and accountable. As a consequence, it is envisaged that the earliest date the IRP will be in a position to report is the Spring 2012.

2 Background

- 2.1 Local authorities are required to make schemes of allowances for their elected members. The process for making and reviewing these schemes of allowances is strictly regulated in order to ensure that the public can have confidence in the independence, openness and accountability of the process involved. At the heart of this process is the requirement that a local authority must establish an Independent Remuneration Panel, and before making or amending its scheme of members' allowances, it must have regard to the views of the Independent Remuneration Panel as set out in a report submitted to the relevant decision making body which, in the case of a County Council, is Full Council.
- 2.2 Statutory guidance stresses the importance of local authorities developing an appointments process that will command public confidence throughout all the communities in the local area.
- 2.3 A detailed account of the relevant facts surrounding the establishment of the IRP

in July and August 2011 is set out in the report of the Monitoring Officer considered by the Standards Committee at its special meeting on the 1st November 2011, which is available on the Council's website or by request.

2.4 Although it is clear that the process adopted for the appointment of panel members on this occasion was flawed, the panel members themselves were entirely unaware of this procedural error and volunteered their time to undertake this task and with the assistance of Declan Hall, did so assiduously.

Source Documents	Location
Report of the Monitoring Officer to the Standards Committee meeting on 1st November 2011	Room 114 Shire Hall Cambridge