

Report to:	COUNCIL
Relevant Officer:	Mark Towers, Director of Governance and Regulatory Services
Relevant Cabinet Member	Councillor Simon Blackburn, Leader of the Council
Date of Meeting	25 November 2015

INDEPENDENT REMUNERATION PANEL AND INDEPENDENT PERSONS APPOINTMENTS

1.0 Purpose of the report:

1.1 At the meeting of the Council in July 2015, it was agreed that the Director of Governance and Regulatory Services be authorised to advertise for two additional members of the Independent Remuneration Panel to fill vacancies and to liaise with the two Group Leaders in undertaking this recruitment and then to make recommendations to Council. The criteria for appointment being the same as previously applied. The report also considers the appointment of Independent Persons under the Localism Act 2011.

2.0 Recommendation(s):

2.1 To agree to appoint Mr H Evans and Mrs H Hockenhull as additional Independent Remuneration Panel members.

2.2 To agree to extend the term of office for Mr A Mozley, Mr B Horrocks and Mr R Ellwood as statutory independent persons pursuant to Section 28 (7) of the Localism Act 2011 until 1 June 2016 or a lesser period (agreed by Council), subject to the successful conclusion of the recruitment process. Any new appointees and re-appointments will be subject to Council approval.

2.3 To agree that the Council's Members Allowances Scheme be amended to bring effect to the decision of Council on 8 July 2015 as set out in paragraphs 5.8 and 5.9.

3.0 Reasons for recommendation(s):

3.1 To fill vacancies on the Independent Remuneration Panel and to ask Council to consider the appointment process for the statutory independent persons under the Localism Act 2011.

3.2a Is the recommendation contrary to a plan or strategy adopted or approved by the Council? No

3.2b Is the recommendation in accordance with the Council's approved budget? Yes

3.3 Other alternative options to be considered:

To not make any appointments.

4.0 Council Priority:

4.1 The recommendations in this report meet all the Council's priorities.

5.0 Background Information

5.1 The Independent Remuneration Panel was formed by the Council in 2001 and has a duty to provide the Council with recommendations on its scheme of members' allowances and amounts to be paid. One of the Independent Remuneration Panel members Mrs Parker has decided to stand down from the Panel and as approval had already been given for two vacancies, expressions of interest were sought and information circulated through various groups. The advert set out the criteria of the type of person sought and in particular stated that the applicant should have no formal political party affiliation, not be an employee of, or an elected member of Blackpool Council and not be currently a close friend/ relative of an elected member of Blackpool Council.

5.2 Following advertising of the positions, interviews were held in November 2015. Following the interviews, consultation was also undertaken with the Leader of the Council and the Leader of the Conservative Group. This has resulted in two individuals being recommended to be appointed as additional Independent Remuneration Panel members, these being Mr Hugh Evans, a current Panel member of Preston City Council's Independent Remuneration Panel and a senior officer of the North and Western Lancashire Chamber of Commerce and Mrs Helen Hockenhill, a current Panel member of Fylde Borough Council's Independent Remuneration Panel. Helen also has 25 years previous public sector experience (including local government) latterly as a senior officer.

5.3 The Localism Act 2011 abolished the former standards regime including the requirement to have co-opted independent members. However, in the interests of enabling independent scrutiny of the process by which complaints against elected members are dealt with, the Act includes a requirement that all Local Authorities must appoint at least one Independent Person.

5.4 In addition, the Monitoring Officer must consult with the Independent Person prior to referring a matter for formal investigation. The Monitoring Officer can also use them in an advisory manner in other standards matters. The Act also states that an

Independent Person should be available to be consulted by a member who is the subject of an allegation that they have breached the Members' Code of Conduct. As the Independent Person advising a member subject to an allegation cannot be one and the same as to whom the Monitoring Officer has utilised, this leads to the conclusion that there should be at least two Independent Persons.

- 5.5 Following the introduction of the legislation in 2012, Fylde and Blackpool Councils agreed to share Independent Persons across both Councils and agreed to appoint three independent persons for a three-year period, finishing on 31 January 2016. The arrangement with Fylde Borough Council has been very successful over the last three years and the scrutiny, advice and support of the three Independent Persons has been equally positive.
- 5.6 Although there is no legislative requirement to re-advertise the positions, it is considered good practice to refresh the panel after a period of time and the Council is therefore requested to authorise the placement of an advert to recruit Independent Persons. As the recruitment process is unlikely to have been concluded by 31 January 2016, the Council is further asked to agree that the current Independent Persons continue in their role until 1 June 2016 or a lesser period, subject to the successful conclusion of the recruitment process. Any new appointees will be subject to Council approval in due course.
- 5.7 It is anticipated that the current cost-sharing arrangements will continue with Fylde Borough Council and it is recommended to extend the term of office for the Council's Independent Persons Mr Mozley, Mr Ellwood and Mr Horrocks until 1 June 2016 or until an earlier time should Council conclude the appointment process sooner.
- 5.8 On 8 July 2015 the Independent Remuneration Panel recommended to Council that non-Executive Chairman across all five wholly owned companies be paid (£2,500 per annum) and the same payment be made for other non-Executive Directors (£1,000 per annum). This was agreed in principle by Council (and subsequently all the Companies) and it also agreed with the Panel's recommendation that these payments be uplifted in line with the National Joint Council for Local Government Pay award. The payments across four of the companies would be for the company to make to the non-Executive Directors.
- 5.9 However, regarding Councillor appointed non-executive directors for Blackpool Transport Services Limited, it would be for the Council to pay the relevant equivalent amount. This is because the Transport Act 1985 precludes the company paying Councillors direct for acting as a Director. It is recommended that to bring parity with the other four companies these payments be agreed as an additional member allowance applicable to those that hold the positions. This is a similar principle to those Councillors who serve on the Combined Fire Authority, who also receive an additional payment.

Does the information submitted include any exempt information? No

List of Appendices: None

None.

6.0 Legal considerations:

6.1 The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the requirements for appointment to the Independent Remuneration Panel. Section 28 (7) of the Localism Act 2011 states the requirement to appoint at least one Independent Person for standards matters.

7.0 Human Resources considerations:

7.1 There are no Human Resource considerations

8.0 Equalities considerations:

8.1 There are no equalities considerations to this report.

9.0 Financial considerations:

9.1 There are no financial considerations, other than the Panel members can claim reasonable expenses for attending meetings, which may be held. The statutory Independent Persons appointed under the Localism Act 2011 have an honorarium of £500 per year.

10.0 Risk management considerations:

10.1 There are no risk management considerations other than not having sufficient members to serve on the Panel.

11.0 Ethical considerations:

11.1 There are no ethical considerations

12.0 Internal/ External Consultation undertaken:

12.1 Consultation has taken place with the Leader of the Council and the Leader of the Conservative Group regarding the Independent Persons on standards issues and the Independent Remuneration Panel appointments. Council has previously agreed the principle of paying non-executive directors on 8 July 2015.

13.0 Background papers:

None