

WEST OF ENGLAND COMBINED AUTHORITY COMMITTEE

4 October 2019

REPORT SUMMARY SHEET

REPORT OF THE INDEPENDENT REMUNERATION PANEL

Purpose

To receive and consider the recommendations of the Independent Remuneration Panel.

Summary

1. The full report of the Panel is set out at Appendix 1.

2. The Panel was guided by the following general principles:

* The Panel would make recommendations that recognised, and were consistent with, the allowances schemes of the constituent authorities;

*The Panel would take account of the financial and economic climate but in doing so the Panel would take into consideration the importance of ensuring allowances were fairly set to enable engagement from across all the communities of the constituent authorities.

3. The Panel was particularly asked to:

* Review the Mayor's allowance

* Consider whether others should receive an allowance, in particular:

- the Deputy Mayor
- other Members of WECA
- Scrutiny and the Chair of Scrutiny
- Chair of Audit and Audit committee members
- anyone else they think should be considered

* Consider backdating of any increases

* Consider inflation proofing for the future

4. In determining their recommendations, the Panel recommended there should be a more detailed review commencing soon when they would wish to revisit their recommendations in the light of more evidence including evidence from interviews with the Mayor, Deputy and other members of WECA.

Recommendations

That the committee consider the recommendations of the Independent Remuneration Panel, which are as follows:

Recommendation 1: Mayor's Allowance be increased to £65,000.

Recommendation 2: Deputy Mayor's Allowance set at 20% of the Mayoral allowance, £13,000 to be introduced.

Recommendation 3: No other WECA members should, at this stage, receive allowances on the basis that, at the moment, these roles are part of the expectations placed on them by their constituent authorities.

Recommendation 4: The Panel recommends the Mayor's travel and subsistence continues in line with the current policy of using the South Gloucestershire members travel and subsistence scheme. All other members should continue to be paid by their constituent authorities.

Recommendation 5: The Panel recommends that Carers allowance continues to be paid by constituent authorities but that the issue of a Carers allowance for the Mayor should be considered at the next review.

Recommendation 6: The Panel recommend that the increase in the Mayor's allowance should be backdated to the 1st April 2019 and the new Deputy Mayor's allowance to take effect from the date of appointment to the role in 2019.

Recommendation 7: The Panel recommends that in future allowances should be increased in line with the annual local government pay percentage increase as agreed by the National Joint Committee for Local Government Services.

Recommendation 8: The Panel have conducted this first review at speed. They recommend there should be a more detailed review commencing soon when they would wish to revisit the recommendations set out above in the light of more evidence including evidence from interviews with the Mayor, Deputy and other members of WECA.

Contact officer: Shahzia Daya

Position: Director of Legal Services

Email: Shahzia.Daya@westofengland-ca.gov.uk

**REPORT TO: WEST OF ENGLAND COMBINED AUTHORITY
COMMITTEE**

DATE: 4 OCTOBER 2019

REPORT TITLE:

REPORT OF THE INDEPENDENT REMUNERATION PANEL

DIRECTOR: SHAHZIA DAYA, DIRECTOR OF LEGAL SERVICES

AUTHOR: SHAHZIA DAYA, DIRECTOR OF LEGAL SERVICES

Purpose of Report

- 1 To receive and consider the recommendations of the Independent Remuneration Panel.

Recommendation

That the committee consider the recommendations of the Independent Remuneration Panel, which are as follows:

Recommendation 1: Mayor's Allowance be increased to £65,000.

Recommendation 2: Deputy Mayor's Allowance set at 20% of the Mayoral allowance, £13,000 to be introduced.

Recommendation 3: No other WECA members should, at this stage, receive allowances on the basis that, at the moment, these roles are part of the expectations placed on them by their constituent authorities.

Recommendation 4: The Panel recommends the Mayor's travel and subsistence continues in line with the current policy of using the South Gloucestershire members travel and subsistence scheme. All other members should continue to be paid by their constituent authorities.

Recommendation 5: The Panel recommends that Carers allowance continues to be paid by constituent authorities but that the issue of a Carers allowance for the Mayor should be considered at the next review.

Recommendation 6: The Panel recommend that the increase in the Mayor's allowance should be backdated to the 1st April 2019 and the new Deputy Mayor's allowance to take effect from the date of appointment to the role in 2019.

Recommendation 7: The Panel recommends that in future allowances should be increased in line with the annual local government pay percentage increase as agreed by the National Joint Committee for Local Government Services.

Recommendation 8: The Panel have conducted this first review at speed. They recommend there should be a more detailed review commencing soon when they would wish to revisit the recommendations set out above in the light of more evidence including evidence from interviews with the Mayor, Deputy and other members of WECA.

Background / Issues for Consideration

2 The full report of the Independent Remuneration Panel is set out at Appendix 1

2.1 The Panel was guided by the following general principles:

- The Panel would make recommendations that recognised, and were consistent with, the Allowances schemes of the constituent authorities;
- The Panel would take account of the financial and economic climate but in doing so;
- The Panel would take into consideration the importance of ensuring Allowances were fairly set to enable engagement from across all the communities of the constituent authorities.

2.2 The Panel was provided with the following information:

- The statutory framework of the combined authority;
- The previous IRP Report of March 2017 produced by the then South Gloucestershire Panel before WECA started operating on 1st April 2017;
- Job description for the Mayor;
- Terms of Reference for the Audit and Scrutiny Committees;
- A statement from the Mayor re the role of the WECA Deputy Mayor;
- Benchmarking information from other combined authorities and City Mayors.
- Survey results from a survey of current members

2.3 The Panel was particularly asked to:

- Review the Mayor's allowance
- Consider whether others should receive an allowance, in particular:
 - the Deputy Mayor
 - other Members of WECA
 - Scrutiny and the Chair of Scrutiny
 - Chair of Audit and Audit committee members
 - anyone else they think should be considered
- Consider backdating of any increases

- Consider inflation proofing for the future

2.4 In determining their recommendation for the remuneration of the Deputy Mayor role, the Panel took into account the following information relating to the duties of the Deputy Mayor:

- The Deputy Mayor will support the Mayor in ensuring that the governance arrangements for the Combined Authority ensure effective and efficient delivery of the authority's strategies and priorities for the region.
- When requested by the Mayor, the Deputy Mayor will chair any of the four Boards meeting six times a year that provide a forum for Cabinet portfolio holders across the West of England authorities to influence decision making at WECA Committee and Joint Committee meetings.
- The Deputy Mayor will act in the Mayor's absence as Chair of the new capital delivery board promoting regional collaboration and the transport forum where the public can raise issues relating to transport for the region.
- The Deputy Mayor will chair stakeholder groups as requested by the Mayor.
- The Deputy Mayor will meet with overseas visitors to promote international relationships when the Mayor's other duties will not allow him to attend to them.

2.5 In determining their recommendations, the Panel recommended there should be a more detailed review commencing soon when they would wish to revisit the recommendations set out above in the light of more evidence including evidence from interviews with the Mayor, Deputy Mayor and other members of WECA.

Consultation

3 The Panel took account of survey and individual responses as set out in their full report at Appendix 1.

Public Sector Equality Duties

4 The public sector equality duty created under the Equality Act 2010 means that public authorities must have due regard to the need to:

- Eliminate unlawful discrimination, harassment and victimization and other conduct prohibited by the Act.
- Advance equality of opportunity between people who share a protected characteristic and those who do not.
- Foster good relations between people who share a protected characteristic and those who do not.

4.1 The Act explains that having due regard for advancing equality involves:

- Removing or minimising disadvantages suffered by people due to their protected characteristics.
- Taking steps to meet the needs of people from protected groups where these are different from the needs of other people.
- Encouraging people from protected groups to participate in public life or in other activities where their participation is disproportionately low.

- 4.2 The general equality duty therefore requires organisations to consider how they could positively contribute to the advancement of equality and good relations. It requires equality considerations to be reflected in the design of policies and the delivery of services, including policies, and for these issues to be kept under review.
- 4.3 There are no specific implications in relation to this report.

Finance Implications:

- 5 Members allowances are funded through an approved drawdown of the Investment Fund each year as part of the Mayoral budget setting. 2019/20 in-year budget monitoring will be adjusted following the approval of the recommendations within this report. Likewise, budget setting for 2020/21 will incorporate the recommendations as approved.

Advice given by: Malcolm Coe.

Legal Implications:

- 6 The Panel has undertaken its work in line with the Local Government (Members Allowances) Regulations 2003 and Article 8 of the West of England Combined Authority Order 2017

Advice given by: Shahzia Daya, Director of Legal Services

Land/property implications

- 7 None

Human Resources Implications:

- 8 As contained within the report

Advice given by Alex Holly

Appendices:

Appendix 1 – Report of the West of England Combined Authority Independent Remuneration Panel

Background papers:

None

West of England Combined Authority Contact:

Any person seeking background information relating to this item should seek the assistance of the contact officer for the meeting who is Ian Hird / Tim Milgate on 0117 332 1486; or by writing to West of England Combined Authority, 3 Rivergate, Temple Quay, Bristol BS1 6EW; email: democratic.services@westofengland-ca.gov.uk

**REPORT BY THE WEST OF
ENGLAND COMBINED AUTHORITY
INDEPENDENT REMUNERATION
PANEL**

September 2019

SUMMARY OF RECOMMENDATIONS

RECOMMENDATION 1:

Mayor's Allowance be increased to £65,000

RECOMMENDATION 2:

Deputy Mayor's Allowance set at 20% of the Mayoral allowance, £13,000 to be introduced

RECOMMENDATION 3:

No other WECA members should, at this stage, receive allowances on the basis that at the moment these roles are part of the expectations placed on them by their constituent authorities

RECOMMENDATION 4:

The Panel recommends the Mayor's travel and subsistence continues in line with the current policy of using the South Gloucestershire members travel and subsistence scheme. All other members should continue to be paid by their constituent authorities.

RECOMMENDATION 5:

The Panel recommends that Carers allowance continues to be paid by constituent authorities but that the issue of a Carers allowance for the Mayor should be considered at the next review.

RECOMMENDATION 6:

The Panel recommend that the increase in the Mayor's allowance should be backdated to the 1st April 2019 and the new Deputy Mayor's allowance to take effect from the date of appointment to the role in 2019.

RECOMMENDATION 7:

The Panel recommends that in future allowances should be increased in line with the annual local government pay percentage increase as agreed by the National Joint Committee for Local Government Services.

RECOMMENDATION 8:

The Panel have conducted this first review at speed. They recommend there should be a more detailed review commencing soon when they would wish to revisit the recommendations set out above in the light of more evidence including evidence from interviews with the Mayor, Deputy and other members of WECA.

WEST OF ENGLAND COMBINED AUTHORITY (WECA): INDEPENDENT REMUNERATION PANEL

REPORT ON MEMBERS' ALLOWANCES 2019/20

Introduction

1. The Local Government Act 2000 and the Local Government (Members Allowances) Regulations 2003 set the framework for making a Scheme of Allowances. There is a requirement to establish and maintain an Independent Remuneration Panel (IRP) to make recommendations. The West of England Combined Authority Order 2017 established the West of England Combined Authority. Article 8 states:

‘The Combined Authority may only pay an allowance to the Mayor or to a member or substitute member of the Combined Authority if-

 - a) The Combined Authority has considered a report published by an independent remuneration panel established by one or more of the constituent councils under regulation 20 of the Local Authorities (Members’ Allowances) (England) Regulations 2003 which contains recommendations for such an allowance and
 - b) The allowance paid by the Combined Authority does not exceed the amount specified in the recommendation made by the independent remuneration panel’.

2. WECA is made up of three of the councils in the region – Bath & North East Somerset, Bristol and South Gloucestershire. The West of England Combined Authority (WECA) agreed to the appointment of an IRP that would bring together members of the Independent Panels in the constituent authorities. As a result of the need for a tight timescale for the first meeting of the WECA Panel it was not possible for all members to be involved in this review but the hope and expectation is that future review will involve all the members of the other Panel.

3. The WECA Panel members for this review were:
 - William Alexander
 - Steve Birch
 - John Maslen (Chair)
 - Wendy Stephenson

4. The first three Panel members are also members of the South Gloucestershire Panel and Wendy Stephenson is the chair of the Bristol Panel. Bath and North East Somerset does not currently have an operational Panel.

5. The Panel met on 12th September.

6. The Panel was provided with the following information:

- The statutory framework of the combined authority;
 - The previous IRP Report of March 2017 produced by the then South Gloucestershire Panel before WECA started operating on 1st April 2017;
 - Job description for the Mayor;
 - Terms of Reference for the Audit and Scrutiny Committees;
 - A statement from the Mayor re the role of the WECA Deputy Mayor;
 - Benchmarking information from other combined authorities and City Mayors.
 - Survey results from a survey of current members
7. In advance of the Panel meeting a survey was circulated to the Mayor and members of WECA. 11 members completed the Survey, which was done on a tight timetable. The Panel was grateful to the members who completed the survey as this informed their findings. Within the timescale it was not possible to interview the Mayor or other Members but the Panel expressed the view that they would certainly wish to do so in future reviews.
8. Currently only the directly elected Mayor is in receipt of an allowance. This was set in 2017 before WECA started operating and has not been uplifted to take account of inflation or any other factors.
9. The Panel was particularly asked to:
- Review the Mayor's allowance
 - Consider whether others should receive an allowance, in particular:
 - the Deputy Mayor
 - other Members of WECA
 - Scrutiny and the Chair of Scrutiny
 - Chair of Audit and Audit committee members
 - anyone else they think should be considered
 - Consider backdating of any increases
 - Consider inflation proofing for the future
10. The Panel was grateful to the WECA officers for the support they provided: Shahzia Daya, WECA Director Legal Services and Alex Holly, Head of HR and Organisational Development. They were also grateful to two officers from South Gloucestershire: Neil Young, Principal Democratic Services Officer who supported the meeting and Gill Sinclair, Deputy Head of Legal Governance and Democratic Services who attended the Panel as an observer. The Panel received independent support from Bryony Houlden, Chief Executive of South West Councils.

General Principles of Review

11. The Panel were guided by some general principles:
- The Panel would make recommendations that recognised, and were consistent with, the Allowances schemes of the constituent authorities;

- The Panel would take account of the financial and economic climate but in doing so;
- The Panel would take into consideration the importance of ensuring Allowances were fairly set to enable engagement from across all the communities of the constituent authorities.

SCHEME OF ALLOWANCES

The Mayor

12. Currently only the directly elected Mayor receives an allowance. This allowance is £62K which was set on advice from the then South Gloucestershire Panel in March 2017. This was before WECA was in operation with the Mayor who was elected in May 2017.
13. The Panel has considered evidence from benchmarking and the results of the survey along with other information provided as set out above. They noted that the Mayor reported working in excess of 65 hours a week, a view supported by evidence on frequency of meetings and from the officers. The Panel noted that the Mayor cannot hold other paid employment.
14. The Panel was particularly interested in benchmarking from other Combined Authorities. They also noted that Bristol Council had just agreed to adopt a mayoral allowance equivalent to a MPs salary of £79,468 after the next mayoral elections.
15. Since the Mayor was elected there has been no inflationary increase or any increase to reflect other factors and the Panel noted during the same time period staff had received a 2% annual increase in each of the two years. Taking this particularly into account the Panel concluded that the Mayor's allowance should be increased.
16. **The Panel recommend an allowance of £65,000 for the Mayor.**

The Deputy Mayor

17. The Deputy Mayor is appointed from the constituent authorities. Currently no allowance is paid to the Deputy Mayor.
18. The Panel has considered evidence from the Mayor who submitted a statement about his expectations of the Deputy role and the results of the survey. 90% of the survey respondents supported the introduction of an allowance for the Deputy Mayor. The questionnaire asked for views on the relative amount of time and responsibility expected of the Deputy in comparison to the Mayor. From all the evidence the Panel concluded that the Deputy was likely to be spending about one day a week, or 20% of the amount of time and responsibility spent by the Mayor on WECA business and this was beyond what could reasonably be expected of the amount of time and level of responsibility Leaders and members of constituent authorities should spend on general WECA business.
19. **The Panel recommend an allowance be set at 20% of the Mayoral allowance at £13,000 for the Deputy Mayor.**

WECA Combined Authority Committee Members

20. The Combined Authority is chaired by the Mayor and is made up of the Leaders and Mayor from the three constituent authorities. The Chair of the West of England Local Enterprise Partnership (LEP) also attends committee meetings. Currently no allowances are paid.
21. The Panel has considered evidence from benchmarking and the results of the survey along with other information provided as set out above and concluded that there is insufficient evidence at this stage to warrant the introduction of allowances. The Panel's view was that there was an expectation within the constituent authorities that members should undertake this role at WECA as part of their local authority responsibilities.

Scrutiny and the Chair of Scrutiny

22. The WECA Overview & Scrutiny Committee is made up of 11 members. Currently no allowances are paid.
23. The Panel has considered evidence from benchmarking and the results of the survey along with other information provided as set out above and concluded that there is insufficient evidence at this stage to warrant the introduction of allowances.
24. The Panel did consider that there might be a case in future for the Chair of Scrutiny to have an allowance and would wish to explore this with more detailed evidence at their next review.

Chair of Audit and Audit committee members

25. The WECA Audit Committee is made up of 12 members from the constituent authorities plus one independent member. Currently no allowances are paid.
26. The Panel has considered evidence from benchmarking and the results of the survey along with other information provided as set out above and concluded that there is insufficient evidence at this stage to warrant the introduction of allowances.
27. The Panel did consider that there might be a case in future for the Chair of Audit to have an allowance and would wish to explore this with more detailed evidence at their next review.
28. The Panel would also wish to explore the possibility of an allowance for the Independent member of the Committee.

Travel and Subsistence

29. Currently only the directly elected Mayor is able to claim travel and subsistence. Other Members have their travel and subsistence paid by their constituent authorities.
30. **The Panel recommends the Mayors travel and subsistence continues in line with the current policy of using the South Gloucestershire members travel and subsistence scheme. All other members should continue to be paid by their constituent authorities.**

Carers' Allowances and Parental Leave

31. Carers Allowances are paid by constituent authorities. There is currently no provision for carers' allowance for the Mayor. The Panel were of the view that it was very important in the future to encourage candidates for election to the role of Mayor from all parts of the community and they therefore believe that a Carers allowance should be introduced. They would wish to look at this issue at their next review and well in advance of the mayoral election in 2021.
32. The Panel believes there are currently no provisions in constituent authorities on parental leave, this is an issue the Panel may want to consider at future reviews.

Backdating

33. In relation to the increased allowance for the Mayor and the new allowance for the Deputy Mayor the Panel recommend that these should be backdated to the 1st April 2019, or in the case of the Deputy, the date of appointment.

Indexing of Allowances

34. The Panel noted that there has been no process for agreeing increases in allowances outside the meeting of the Panel. The Panel has taken account of recent pay award for Officers in making its recommendation on the Mayoral allowance. The Panel sees merit in the scheme providing for the allowances to be increased and **recommend that allowances should be increased in line with the annual local government pay percentage increase as agreed by the National Joint Committee for Local Government Services.**

Future reviews

35. The Panel recognised the need for this review to be carried out to a very tight timetable. This has not however allowed the depth of discussion or examination of evidence, including through interviews that they would have liked.
36. **The Panel recommends that it is important to have a more detailed review commencing soon when they would wish to revisit the recommendations set out above in the light of more evidence including evidence from interviews with the Mayor, Deputy and other members of WECA.**

September 2019