

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

DATE: 16 JUNE 2023

REPORT TITLE: ANNUAL BUSINESS REPORT

DIRECTOR: DIRECTOR OF LAW AND GOVERNANCE

AUTHOR: DIRECTOR OF LAW AND GOVERNANCE

Purpose of Report

- 1 To consider the annual business report.

Recommendations

- 2 Members of the West of England Combined Authority Committee are asked to:
 1. Note the committee's membership, as shown on the agenda sheet
 2. Note the names of the two deputies/substitute members, as shown on the agenda sheet
 3. Note the committee's terms of reference as set out in the constitution [ConstitutionAmendedApr2023.pdf \(modern.gov.co.uk\)](#)
 4. Confirm the arrangements as per paragraph 4 for
 - a. the West of England Combined Authority Overview & Scrutiny Committee;
 - b. Authority Audit Committee
 - c. Employment & Appointments Committee to be established with a membership the same as the West of England Combined Authority Committee
 - d. The establishment of four advisory boards, who meet in two groups, Business and Skills Board and Planning & Housing and Transport Board. The membership for each of the Boards being the relevant Cabinet Member for Business, Skills, Planning & Housing and Transport from each of the Unitary Authorities and North Somerset Council (as required).
 5. Agree a second independent member be appointed to the Authority's Audit Committee
 6. To confirm that the Chairs of the Local Enterprise Partnership Board, the Overview & Scrutiny Committee and the Audit Committee will be afforded the opportunity to address each meeting of the Committee
 7. Agree the schedule of meetings at Appendix 1
 8. Approve the Pay Policy Statement as set out in Appendix 2.

Voting arrangements

Decision requires majority agreement of Committee Members in attendance, or their substitutes (one vote representing each Authority) and including the West of England Combined Authority Metro Mayor

Background / Issues for Consideration

3 West of England Combined Authority Committee membership

- 3.1 The committee's membership consists of the elected West of England Combined Authority Metro Mayor, and a nominated representative of each of the three constituent unitary authorities
- 3.2 Members of the Committee are also required to nominate two named substitutes each who would be authorised to attend the meetings in their absence.

4 Appointment of West of England Combined Authority committees and other bodies

- 4.1 In accordance with the West of England Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017, the Combined Authority operates two statutory committees:
 - Overview and Scrutiny Committee
 - Audit Committee

The terms of reference are set out in the constitution [ConstitutionAmendedApr2023.pdf \(modern.gov.co.uk\)](#).

- 4.2 The Authority has an Employment & Appointments Committee to consider staffing matters with a membership of the same members of the West of England Combined Authority Committee. This will need to be re-established.
- 4.3 The Authority currently has four advisory boards, who meet as a Business and Skills Board and a Planning & Housing and Transport Board. The membership for each of the Boards is the relevant Cabinet Member for Business, Skills, Planning & Housing and Transport from each of the Unitary Authorities and North Somerset Council. It is recommended this arrangement is confirmed.
- 4.4 There is a requirement to appoint the appropriate number of members of each of the constituent councils to an overview and scrutiny committee / audit committee 'so that the members of the committee taken as a whole reflect so far as reasonably practicable the balance of political parties for the

time being prevailing among members of the constituent councils when taken together’.

4.5 The number of seats each constituent Council is allocated is based on population. The populations of each are based on the latest figures from the Office for National Statistics (ONS) for the mid-year estimates released in December 2022¹:

471,117 – BCC [49.4% of total]

290,736 – SGC [30.5% of total]

192,423 – B&NES [20.2% of total]

There are changes needed for the seat allocations following the elections. There is no proposals to change the 11 seat Committee size as follows.

4.6 Bristol City Council – 6 seats, South Gloucestershire Council 3 seats, Bath & Northeast Somerset Council – 2 seats

The total number of seats by party in the region following the elections was as follows:

Council	Cons	Lab	LD	Green	Other	Vacant	Total
BCC	14	24	5	25	2		70
SGC	23	17	20	0	1		61
B&NES	3	5	41	3	5	2	59
Total	40	46	66	28	8	2	190

4.7 When applied to a politically balanced 11 seat Committee, the seats are allocated as follows:

Seat Number	Council		Nomination
1	Bristol	1 st nomination	Green Party
2	SGC	1 st nomination	Conservative
3	B&NES	1 st nomination	Liberal Democrats
4	Bristol	2 nd nomination	Labour
5	SGC	2 nd nomination	Liberal Democrats
6	B&NES	2 nd nomination	Liberal Democrats
7	Bristol	3 rd nomination	Conservative
8	SGC	3 rd nomination	Labour
9	Bristol	4 th nomination	Liberal Democrat
10	Bristol	5 th nomination	Green Party
11	Bristol	6 th nomination	Labour

For 11 seats the allocations would be LD 4, Lab 3, Con 2, GRN 2

¹

<https://www.ons.gov.uk/peoplepopulationandcommunity/populationandmigration/populationestimates/datasets/populationestimatesforukenglandandwalesscotlandandnorthernireland>

4.8 The constituent councils will submit their nominations on the above basis.

In addition, the Audit Committee has one independent member, and the Committee has indicated that it wishes to recruit a second independent member.

In accordance with The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 the Audit Committee the “minimum number of members required to be present at a meeting of the audit committee before business may be transacted, to be no fewer than two-thirds of the total number of members of the audit committee”. With a 11 member Committee (including an independent member) the quorum for this Committee would be 8, a number which would be unchanged on appointment of a second independent member.

4.9 The Act also determines that “At least two-thirds of the total number of members of the overview and scrutiny committee must be present at a meeting of the overview and scrutiny committee before business may be transacted”. With a 11-member committee the quorum for this Committee would be 8.

5 Pay Policy Statement

5.1 The West of England Combined Authority’s Pay Policy statement is attached for approval at Appendix 2. This outlines the authority’s policies towards a range of issues relating to the pay (including severance pay) of its direct workforce, its Chief Officers, as defined by the Local Government and Housing Act 1989 and all other employees (in accordance with provisions in the Localism Act). The policy will be reviewed, at least annually, to reflect any statutory changes (particularly in relation to public sector severance payments), anticipated in the coming year.

6 Finance Implications, including economic impact assessment where appropriate:

6.1 No specific financial implications arising directly from this report other than the pay policy attached at appendix 2. Provision for the financial implications of those proposals are taken account of in the West of England Combined Authority budget and Medium Term Financial Plan.

Report and advice reviewed and signed off by: Stephen Fitzgerald, Interim Director of Investment and Corporate Services

7 Legal Implications:

7.1 As set out in the report

Report and advice reviewed and signed off by: Stephen Gerrard, Director of Law and Governance

8 Human Resources Implications:

- 8.1 The Pay Policy Statement will meet the Authority's obligations under the Localism Act 2011 [Section 38 (1)] and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013) together with the Local Government Transparency Code 2015 (February 2015)) from the Department for Communities and Local Government.

Report and advice reviewed and signed off by: Alex Holly, Head of People & Assets

Appendix 1 - Schedule of meetings

Appendix 2 – Pay Policy Statement

Background papers:

None

West of England Combined Authority Contact:

Report Author	Contact Details
Stephen Gerrard	Stephen.gerrard@westofengland-ca.gov.uk

Appendix 1 – Meetings Schedule 2023/24 (separate document)

West of England Combined Authority – Provisional Timetable of Meetings – June 2023 to June 2024

Appendix 1

	JUN 2023		JUL 2023		AUG 2023		SEP 2023		OCT 2023		NOV 2023		DEC 2023		JAN 2024		FEB 2024		MAR 2024		APR 2024		MAY 2024		JUN 2024				
Mon															1	B. Hol							1	B. Hol					
Tues					1										2								2						
Wed					2							1			3								3			1			
Thurs	1				3							2			4		1						4			2	Election		
Fri	2				4			1				3		1	5		2		1				5			3			
Sat	3		1		5			2				4		2	6		3		2				6			4		1	
Sun	4		2		6			3			1			3	7		4		3				7			5		2	
Mon	5		3	A	7			4	T&HP	2	O&S	6		4	A	8	T&HP	5		4	A	8			6	B. Hol	3		
Tues	6		4		8			5		3		7		5	9		6		5				9			7		4	
Wed	7		5		9			6		4		8		6	10		7		6				10			8		5	
Thurs	8		6		10			7	S&B	5		9		7	11	S&B	8		7				11			9		6	
Fri	9		7		11			8		6	CA	10		8	12		9		8				12			10		7	
Sat	10		8		12			9		7		11		9	13		10		9				13			11		8	
Sun	11		9		13			10		8		12		10	14		11		10				14			12		9	
Mon	12	O&S	10		14			11		9		13		11	15	O&S	12		11	O&S	15			13			10		
Tues	13		11		15			12		10		14		12	16		13		12				16			14		11	
Wed	14		12		16			13		11		15		13	17		14		13				17			15		12	
Thurs	15		13		17			14		12		16		14	18		15		14				18			16		13	
Fri	16	CA	JC	14	18			15		13		17		15	19		16		15	CA	19			17		14	CA	JC	
Sat	17		15		19			16		14		18		16	20		17		16				20			18		15	
Sun	18		16		20			17		15		19		17	21		18		17				21			19		16	
Mon	19		17		21			18	A	16		20		18	22	O&S	19	T&HP	18				22			20		17	
Tues	20		18		22			19		17		21		19	23		20		19				23			21		18	
Wed	21		19		23			20		18		22		20	24		21		20				24			22		19	
Thurs	22		20		24			21		19		23		21	25		22	S&B	21				25			23		20	
Fri	23		21		25			22		20		24		22	26	CA	JC	23		22			26			24		21	
Sat	24		22		26			23		21		25		23	27		24		23				27			25		22	
Sun	25		23		27			24		22		26		24	28		25		24				28			26		23	
Mon	26		24		28	B. Hol	25		23		27		25	B. Hol	29		26		25				29			27	B. Hol	24	
Tues	27		25		29			26		24		28		26	B. Hol	30		27		26			30			28		25	
Wed	28		26		30			27		25		29		27	31		28		27				31			29		26	
Thurs	29		27		31			28		26		30		28			29		28				31			30		27	
Fri	30		28					29		27				29					29	B. Hol				31			31		28
Sat			29					30		28				30					30									29	
Sun			30					31		29				31					31									30	
Mon			31							30																			
Tues										31																			

- CA West of England Combined Authority Committee – 1.00pm
- JC West of England Joint Committee – 3.00pm
- A West of England Combined Authority Audit Committee – 10.30am
- T&HP Joint meeting of Transport Board and Housing & Planning Board 1.00pm
- O&S West of England Combined Authority Overview & Scrutiny Committee – 10.30am
- LEP West of England LEP Board – 9.30am
- S&B Joint meeting of Skills Board and Business Board – 1.00pm

Appendix 2: Pay Policy Statement

Pay Policy Statement 2023-24

Introduction

The West of England Mayoral Combined Authority, led by the Metro Mayor, is a regional organisation with devolved powers from Central Government. The West of England Combined Authority's governance comprises three of the local authorities in the region – Bath & North East Somerset, Bristol and South Gloucestershire.

Working with our partners including North Somerset Council, the business community, the education sector and other local service providers, our aim is to deliver economic growth for the region and address challenges including transport, economic investment, and skills development.

1. Purpose and scope

- 1.1 The purpose of the statement is to provide a clear and transparent policy to the public, which demonstrates accountability and value for money.
- 1.2 The policy statement will meet the Authority's obligations under the Localism Act 2011 [Section 38 (1)] and the associated statutory guidance set out in the Openness and Accountability in Local Pay: Guidance and Supplementary Guidance under section 40 of the Localism Act (February 2012 & 2013) together with the Local Government Transparency Code 2015 (February 2015)) from the Department for Communities and Local Government.
- 1.3 It will articulate the Authority's policies towards a range of issues relating to the pay (including severance pay) of its Chief Officers, as defined by the Local Government and Housing Act 1989 and all other employees (in accordance with provisions in the Localism Act). The policy will be reviewed, at least annually, to reflect any statutory changes (particularly in relation to public sector severance payments), anticipated in the coming year.
- 1.4 The Authority's pay arrangements will reflect the need to recruit, retain and motivate skilled employees to ensure high levels of performance balanced with accountability on the public purse. The policy will be underpinned by principles of fairness and equality and will need to recognise the flexibility which is essential in delivering a range of services.

- 1.5 The statement will be reviewed annually. Its approval and any subsequent amendments will be considered at a meeting of the West of England Combined Authority. The statement will be published on the Authority's public website.

2. Definitions

For the purposes of this Pay Policy Statement the following definitions apply:

'Pay' in addition to base salary includes charges, fees, allowances, benefits in kind, increases in/enhancement to pension entitlements and termination payments where applicable.

'Chief Officers' refers to the Chief Executive, as 'Head of Paid Service', and Directors of the Authority

'Lowest paid employee' refers to the employee/s in substantive full-time employment at the lowest in-use scale point of the Authority's pay scale

3. General principles & practice

- 3.1 The West of England Combined Authority's employment practice will be governed generally by the relevant national and European legislation and, where relevant, specific local government legislation and regulation.

3.2 **Principles:** The Authority values all its employees and aims to apply a consistent and fair approach to pay and benefits, in line with the following principles:

- ✓ To work within financial constraints using those limited funds in the most effective way to support the Authority in the provision of quality cost effective services.
- ✓ To take account of affordability in the introduction and maintenance of any changes to pay structure.
- ✓ To support a flexible approach to the acceptance of changes to tasks, duties and responsibilities by employees and allow for flexibility between posts.
- ✓ To be mindful of the market in making decisions about pay and benefits enabling the Authority to attract and retain its employees and to respond to situations where market forces dictate the necessity to apply supplements to established salaries.
- ✓ To actively work towards reducing any unjustified gender pay gaps and promote an equal pay agenda ensuring that transparent and accessible pay and job evaluation systems, processes and systems meet legislative requirements.
- ✓ To be clear about the recognition and reward of performance, whether at whole organisation, service, team or individual level.
- ✓ To manage pay and benefits processes appropriate to service delivery in a fair and consistent way, and in line with a commitment to remaining within the framework of the relevant national pay and conditions agreements.
- ✓ To aim to retain a core set of benefits for all employees.

3.3 Practice: Basic pay is determined through:

- The job role and its accountability in the overall context of the Authority's services and responsibilities using a job evaluation process based on objective criteria and free from discriminatory bias.
- The terms of the relevant national agreements on pay and conditions of service.
- A comprehensive pay and grading structure, that must be affordable and offer recruitment and retention incentive.
- The outcome of reviews into the local pay and grading structures are determined within the terms of this policy and the Authority's governance arrangements.

3.4 **Equal pay:** The Authority is committed to the principle of equal pay for all posts of the same size and value. To put its commitment to equal pay into practice, it:

- Regularly reviews its pay grade and rates for all current staff and starting pay for new staff in line with Equality and Human Rights Commission guidance to ensure a robust and consistent approach.
- Adopts an independent and consistent job evaluation approach
- Provides training and guidance for managers and supervisory staff involved in decisions about pay and benefits.
- Regularly monitors pay and grading data and statistics and will publish pay equality data as statutorily required, including data on the gender pay gap, which will be published in Q1 2023-24.

4. Senior pay

4.1 The remuneration of the Chief Executive and other Chief Officer appointments in the Authority is undertaken by external analysts using the Hay Job Evaluation process. Levels of pay upon appointment of Chief Officers have been market-related by being compared to a national data base maintained by the Hay Group of similar posts in a wide range of public and not for profit sector organisations and recognising regional influences. The pay structure for Chief Officers takes account of clearly defined 'statutory responsibilities'. Three pay bands will be available for the most senior officers, as set out below. These reflect the pay bands agreed at the inception of the West of England Combined Authority, uprated in line with nationally agreed pay awards for Chief Executives and Chief Officers.

- **Band 1** – Chief Executive / Head of Paid Service. The pay for this role will be determined by independent analysis of market conditions, supported by benchmarking data. However, this role is likely to fall within the range of £150000 to £180000 per annum.
- **Band 2** – Executive/Strategic Director. The pay for these roles will be determined by independent analysis of market conditions, supported by

benchmarking data. However, these roles are likely to fall within the range of £120000 to £160000 per annum.

- **Band 3** – Director. The pay for these roles will be determined by independent analysis of market conditions, supported by benchmarking data. However, these roles are likely to fall within the range of £95000 to £112000 per annum.
- 4.2 The Authority has adopted a pay range to allow flexibility in candidate attraction. Individual appointments will be made on a ‘fixed or spot salary’. Pay increments with time served progression are not appropriate, however cost of living increases as negotiated nationally by the JNC (Joint National Council) for Chief Executives and Chief Officers will be applied. Placement within the range upon appointment will reflect factors such as capability, experience, previous salary history, and marketability.
- 4.3 Senior staff will not be differentiated from other members of staff in terms of remuneration on resignation or termination.
- 4.4 The appointment of all Chief Officers (the Chief Executive and Directors of the Authority) will be ratified by the Employment and Appointments Committee.
- 4.4 If proposed severance packages are likely to exceed £99,999 (this threshold includes [but is not limited to] any proposals in respect of salary to be paid in lieu, redundancy compensation, pension entitlements and holiday pay as appropriate) these will be considered in accordance with agreed Authority governance arrangements and subject to Committee approval. This provision will be reviewed to comply with any legislative changes made during the year.

5. Pay of the lowest-paid employees

- 5.1 The Authority has resolved that no employee will be paid less than the Real Living Wage, which is set by the Living Wage Foundation. The Authority has adopted this definition because it has decided that none of its employees should be paid less than the real UK Living Wage.
- 5.2 The Authority achieved Living Wage Foundation accreditation in 2021, in recognition of its commitment to paying the Living Wage not only for its employees but also for any contractors or service providers directly engaged in providing services to the Authority.
- 5.2 For 2023/24, the UK Real Living Wage is £10.90 per hour, which equates to a minimum annual salary of £21,029 (based on a full-time week of 37 hours).
- 5.3 Apprentices and interns are normally exempt from the provisions of the Living Wage.

6. Relationship between senior pay and the ‘lowest paid Authority employee’

- 6.1 The Authority is committed to ensuring the ratio between the highest and lowest paid employee is never greater than 10:1.
- 6.3 The ratio of the highest paid employee to the lowest is currently 6.1 : 1. At present, the highest paid employee is the Chief Executive.

7. Pay Bands

- 7.1 The Authority has a set of pay scales for staff below Head of Service level. These pay scales based on Hay grades and are subject to a clear job evaluation scheme which has been fully approved by the Unions and is in line with National Joint Council (NJC) provisions. The Authority applies nationally agreed NJC pay awards to this scale.
- 7.2 For staff at Head of Service level, whose salary range sits above the pay scales outlined in section 7.1 but below Chief Officer, three pay ranges have been adopted (Senior Manager Level 1 to Senior Manager Level 3). These pay scales have been developed with support from an independent external consultancy, with clear reference to evaluated market benchmarking, and range from broadly £64,000 to £88,000 per annum depending on the level of complexity and responsibility of the job, and the pay of similar roles in similar employers within the market. The Authority applies nationally agreed NJC pay awards to this scale, and roles are independently job evaluated to ascertain which pay range individual roles sit within.

8. Pensions

- 8.1 Subject to the provisions of the relevant scheme, all directly employed staff will be enrolled into the Local Government Pension Scheme, a statutory contributory scheme. They may choose to opt out of membership.
- 8.2 The Authority has a policy for flexible retirement.

9. Use of consultants, contractors and temporary 'agency' staff.

- 9.1 Ordinarily staff will be engaged directly by the Authority as employees but on an exceptional basis, if circumstances deem it necessary, people may be engaged under 'contracts for services' as consultants or contractors or on an 'agency basis'. When this situation arises, the Authority will give detailed prior consideration to the benefit of doing so and that the overriding need to ensure value for money is achieved. Such arrangements must be in accordance with the Authority's Codes of Practice and Financial Regulations.
- 9.2 The Authority has a contract in place with a "Managed Service Provider" for the provision of Agency workers, to ensure that they are always engaged in a consistent and cost effective manner.

10. Publication

- 10.1 The Authority's approach to the publication of and access to information on the remuneration of Chief Officers is to include it on its public website as part of its requirements within the Accounts and Audit (England) Regulations 2011 and in accordance with the Code of Recommended Practice for Local Authorities on Data Transparency. A copy of the Pay Policy Statement will be published on the Authority's website.