

ITEM: 9

WEST OF ENGLAND COMBINED AUTHORITY (“WECA”)

DATE: 15 MARCH 2017

REPORT OF THE INDEPENDENT REMUNERATION PANEL (IRP) TO SOUTH GLOUCESTERSHIRE COUNCIL ADVISING THE WEST OF ENGLAND COMBINED AUTHORITY

3 MARCH 2017

Membership of the IRP

Mr John Maslen (Chair)

Mr Steve Birch

Mr William Alexander

Mr Ian Bell

Supported by

Graham Russell (Independent Adviser)

John McCormack (Monitoring Officer)

Neil Young (Democratic Services)

Introduction

1. The IRP met on 3 March 2017 to consider a report titled :-
“REPORT TO THE SOUTH GLOUCESTERSHIRE COUNCIL INDEPENDENT REMUNERATION PANEL TO ASSESS THE LEVEL OF REMUNERATION AND ALLOWANCES FOR THE WEST OF ENGLAND COMBINED AUTHORITY MAYOR AND APPOINTED MEMBERS.” The report is attached as **Appendix A** to this document.
2. We thank our independent adviser and the officers above for their support in this process. We reviewed the report with interest and found it very helpful in enabling us to form our recommendations to the Combined Authority.

Background

3. The report was particularly helpful in the following respects (i) it covered the legislative provisions which underpin the respective roles of the Combined Authority and the West of England Mayor and it described what has been devolved (ii) it give a helpful overview of the devolution deal and how it is envisaged that it might work (iii) it provided comparative figures for different levels of national mayoral remuneration and (iv) it contained the draft job description and person specification for the role.
4. Clearly the role will carry significant responsibility, however, as with all newly established arrangements there is an absence of hard evidence about how the role will deliver with regard to its strategic functions like, the transport infrastructure, the development of skills and ultimately economic development.

Level of Remuneration

5. We considered the information provided about the levels of remuneration for mayors nationally and compared those roles against the role of the West of England Mayor. We felt that the remuneration required for immediate role sat somewhere in the middle of the levels indicated.
6. We recognise that in many cases a “city” Mayor will deal with a greater level of budget responsibility and a wider range of service provision. However, we felt that a simple comparison of this type would have lacked the necessary recognition of what this strategic role has the potential to deliver in respect of future economic growth for the region. The potential impact of the role was set out in the report attached. We also considered that the remuneration for the role should be sufficient to attract appropriate candidates.
7. We have weighed the information given in the report and we have unanimously agreed that a recommendation for the initial remuneration to be set at £62,000 per annum. This figure to be reviewed following one year of operation.
8. We also considered whether the Combined Authority should replicate the South Gloucestershire Council Scheme for Travel and Subsistence Allowances. We unanimously agreed that it should. The SGC scheme is attached as **Appendix B** to this report.
9. **RECOMMENDED: The initial remuneration for the West of England Mayor be set at £62,000 per annum. This figure to be reviewed by the IRP following one year of operation.**
10. **RECOMMENDED: The West of England Combined Authority replicate the South Gloucestershire Council Scheme for Travel and Subsistence Allowances.**

John Maslen

IRP Chair

REPORT TO THE SOUTH GLOUCESTERSHIRE COUNCIL INDEPENDENT REMUNERATION PANEL TO ASSESS THE LEVEL OF REMUNERATION AND ALLOWANCES FOR THE WEST OF ENGLAND COMBINED AUTHORITY MAYOR AND APPOINTED MEMBERS

1 PURPOSE

- 1.1 The purpose of this report is to assess the level of remuneration and allowances that should be payable to the person to be elected as Mayor for the West of England Combined Authority (WECA) and to make recommendations to WECA.

2 BACKGROUND

- 2.1 Under the powers in the Local Democracy, Economic Development and Construction Act 2009 (the 2009 Act) the WECA will be created early in 2017 as a separate statutory corporation. WECA will be a Mayoral Combined Authority and the first elected Mayor for the WECA will be elected on 4 May 2017.
- 2.2 Certain functions must be exercised by the Mayor personally under the 2009 Act, including setting the Mayoral Budget and the Mayoral functions as specified in the Order creating the WECA. The Mayor is also a member of the Combined Authority and is responsible for Chairing meetings of the Combined Authority. A more full description of the role, responsibilities and a "person specification" for the elected Mayor is set out at Appendix 1.
- 2.3 The elected Mayor may appoint one of the Members of the Combined Authority to be the Deputy Mayor. The Deputy Mayor will therefore be a Member of a constituent council. There are three constituent councils: Bath and North East Somerset, South Gloucestershire and Bristol City Council, each of which is able to appoint one member and two substitute Members.
- 2.4 The Mayor may delegate functions to the Deputy Mayor and also other Officers of WECA. Functions may be delegated to a Committee of the Combined Authority but only where the Secretary of State has made an Order to authorise the exercise of any function in this way.
- 2.5 The creation of the WECA and the Devolution Deal agreed with Central Government for the area will bring around £1 billion into the West of England. The deal has been summarised as follows:-

"A new, directly elected West of England Mayor will act as chair of the West of England Combined Authority and will exercise the following powers and functions devolved from central government:

- *Responsibility for a consolidated, devolved local transport budget, with a multi-year settlement.*

- *The ability to franchise bus services, subject to necessary legislation and local consultation, which will support the Combined Authority's delivery of smart and integrated ticketing.*
- *Responsibility for a new Key Route Network of local authority roads that will be managed and maintained by the Combined Authority on behalf of the Mayor.*
- *Powers over strategic planning, including to adopt a statutory spatial development strategy which will act as the framework for managing planning across the West of England region.*

The West of England Combined Authority, working with the Mayor, will receive the following powers:

- *Control of a new additional £30 million a year funding allocation over 30 years, to be invested in the West of England Single Investment Fund, to boost growth.*
- *Responsibility for the 19+ Adult Education Budget, which will be devolved from academic year 2018/19.*
- *Joint responsibility with the government to co-design the new National Work and Health Programme designed to focus on those with a health condition or disability and the very long term unemployed. The West of England Combined Authority will also bring forward a proposal to pilot more intensive support for those furthest from the labour market.*

In addition:

- *The government will work towards closer cooperation with the West of England Combined Authority on trade and investment services, including joint activities with UKTI.*
- *The government will work with the West of England Combined Authority to realise the economic potential of the Bristol and Bath Science Park and Food Enterprise Zone at J21 Enterprise Area, and to support the development of the West of England Growth Hub.*
- *The government will work with the West of England Combined Authority to agree specific funding flexibilities. The joint ambition will be to give the West of England Combined Authority a single pot to invest in its economic growth.*

Further powers may be agreed over time and included in future legislation."

2.6 The role of Mayor is key in delivering the requirements of the Devolution Deal.

3 IRP TO CONSIDER REMUNERATION

3.1 South Gloucestershire Council will consider the matters set out in this report at a meeting of its IRP, rather than establishing a new IRP for WECA.

- 3.2 The ability to pay allowances was set out in the draft Order that was published with a view to establishing WECA.
- 3.3 The draft West of England Combined Authority Order requires the IRP to consider a report under Regulation 20 of the Local Authorities (Members' Allowances) (England) Regulations 2003 and then any remuneration approved by WECA must not exceed the amount specified in any recommendation made by the IRP.
- 3.4 We note from the draft Order that no remuneration is to be payable by WECA to Members appointed to the Combined Authority by the constituent councils; and that only travel and subsistence allowances are payable to such members (under Schedule 1 paragraph 8 of the Draft Order). This means that either WECA or each Council appointing Councillors to the Combined Authority may provide such members with travel and subsistence allowances when carrying out that work. This will include the Council Members appointed as Scrutiny Committee and Audit Committee Members as well as those appointed as WECA Members.
- 3.5 As no remuneration is to be paid by WECA, it will be for each individual Council to determine whether there should be any change to existing special responsibility allowances payable to those members who are appointed as the Council's representative on WECA.

4 LEVEL OF REMUNERATION

Elected Mayor

- 4.1 In setting the level of remuneration for the elected Mayor of WECA, Members of the IRP may wish to consider other appropriate levels of remuneration for Local Authority elected Mayors and elected Police and Crime Commissioners. We understand that the DCLG has indicated, as a guide, that the level of Police and Crime Commissioner remuneration should be considered as comparable.
- 4.2 The first Police and Crime Commissioners were elected in 2012 and the second elections took place in 2016. The Home Affairs Select Committee reviewed Police and Crime Commissioner remuneration in 2013 and established that remuneration ranged from £65,000 - £100,000 per annum.
- 4.3 West Yorkshire, Greater Manchester and West Midlands Police and Crime Commissioners were paid £100,000 and Cumbria, Gloucestershire and Lincolnshire were paid £65,000. Most were paid between £75,000 – £85,000. It is likely since that date that there may have been a small increase. The full text of the Select Committee paper with details of the remuneration of all of the Police and Crime Commissioners that responded may be accessed at: <http://www.publications.parliament.uk/pa/cm201314/cmselect/cmhaff/69/6906.htm>
- 4.4 Although DCLG suggest that Police and Crime Commissioner remuneration should be considered as a comparable figure, it would also be appropriate to have regard to other local authority elected Mayors' remuneration including:

Mayor of London	£143K;
Mayor of Hackney	£79K;
Mayor of Liverpool	£79K;
Mayor of Bristol	£66K;
Mayor of Mansfield	£54K
Mayor of Watford	£66K.

- 4.5 Clearly some of the authorities above are bigger than WECA will be (e.g. London) and a number are significantly smaller (e.g. Mansfield and Watford).

Travel and Subsistence Allowances

- 4.6 Current travel and subsistence allowances payable by SGC are as set out in Appendix 2 to this report. Members of the IRP may consider that these are reasonable and should be replicated as suggested, or that an alternative range of allowances be adopted by WECA.

5 RECOMMENDATIONS

- 5.1 Members of the Independent Remuneration Panel are requested to consider the information set out in this report and make recommendations to the WECA and constituent councils as to:-

- The remuneration for the West of England Mayor, and
- A scheme of allowances for the WECA

*Originally Appendix 1 to the Report to the
South Gloucestershire Council Independent Remuneration Panel*

DRAFT JOB DESCRIPTION AND PERSON SPECIFICATION FOR A WEST OF ENGLAND COMBINED AUTHORITY MAYOR

Job Role

Strategic Leadership

- 1 To promote the Vision for the West of England Combined Authority (WECA)
"A prosperous economy with a rising quality of life for all".
- 2 To drive economic growth.
- 3 To promote transport improvements, inward investment and tourism.
- 4 To be a prominent leader working with Central Government, partners, members of the public, business, the community and voluntary sector and others to promote initiatives of benefit to the area.

Functional Leadership

- 5 To exercise powers relating to local transport, to take responsibility for a devolved and consolidated transport budget, to exercise the powers relating to the development of the spatial development strategy, to create Mayoral Development Corporations and to exercise specified powers relating to, land acquisition, appropriation and planning process to accelerate housing delivery, and to exercise functions relating to economic development and economic regeneration..
- 6 To be consulted on or call in planning applications of potential strategic importance for determination.
- 7 To be the Chair of the Combined Authority.
- 8 To appoint a Deputy Mayor

Collaboration and Consultation

- 9 To ensure effective co-ordination and liaison with the leaders of the constituent councils of Bath and North East Somerset and South Gloucestershire and the elected Mayor for Bristol City Council to:
 - Set the strategy for the Combined Authority area, and the Combined Authority's input into any wider West of England Strategies
 - Agree priorities for the future development of the Combined Authority, including any proposals for additional money and powers for the region

- Agree the schemes and projects for investment
 - Deliver the MCA's functions, including its responsibilities for attracting and supporting business in the region, infrastructure and skills development.
 - Agree a performance management framework to track progress in delivering the MCA's objective of inclusive growth. The performance framework will track finances, schemes and projects and the day to day responsibilities of the MCA
- 10 To work with the West of England Local Enterprise Partnership; seeking to align different interests to a common cause.
- 11 To ensure that partners, the public and interested organisations are consulted as required by legislation or as may be considered appropriate by the Mayor.

Financial

- 12 To determine the Mayoral precept within the budgetary allowances allowed by legislation.
- 13 To set the Mayoral budget for the WECA, subject to approval by constituent council members (and if not approved by a two thirds majority of the WECA to prepare a new budget).
- 14 With the agreement of the local business community through the West of England Local Enterprise Partnership to introduce a supplement of up to 2p in the pound on business rates in the area to fund infrastructure.
- 15 To oversee other financial arrangements of the combined authority including the ability to levy constituent councils
- 16 To make grants in accordance with the most recent determination made by the Secretary of State and in accordance with appropriate rules and procedures adopted by the WECA.

Governance and Accountability

- 17 To ensure high standards of governance and accountability to Government, the constituent councils and the public.
- 18 To ensure value for money in the use of public resources, consistent with public sector fiduciary duties.
- 19 To act in accordance with the seven Nolan Principles of Public Life and to comply with the adopted Code of Members' Conduct
- 20 To influence, persuade and coordinate wider interests within the West of England.

- 21 To empower others to deliver, including the Deputy Mayor, Members and Officers of WECA and to agree the scope of any delegation.
- 22 To follow the WECA Constitution, adopted Codes of Conduct, rules and procedures. To represent WECA on other fora and outside bodies.
- 23 To have regard to the advice of Statutory Officers of WECA, particularly the Head of Paid Service, the Chief Finance Officer and Monitoring Officer.
- 24 To act as an ambassador for the WECA.

Draft Person Specification

- 1 Leadership qualities including the ability to:-
 - Articulate the Vision;
 - Drive forward outcomes;
 - Demonstrate a sense of passion for the West of England Combined Authority area;
 - Influence, persuade and co-ordinate a wide range of interests;
 - Act as the leading ambassador for WECA.
- 2 Strong drive and commitment to deliver the Vision and intended outcomes for WECA.
- 3 Strong appreciation of the role of local government and understanding of the need to collaborate with the constituent councils.
- 4 Adept at developing strong relationships including with central Government, the Leaders and elected Mayor of the constituent councils, the Police and Crime Commissioner, business, the community and voluntary sector and the public.
- 5 Act in accordance with the seven Nolan Principles of Public Life and ensure that personal actions are beyond reproach, promoting and upholding high standards of personal conduct as well as ensuring that the Combined Authority operates with high standards of probity and propriety.
- 6 Experience of or ability to chair meetings effectively.
- 7 Ability to embrace constructive dissenting Members to harness their energy and enthusiasm in supporting desired Combined Authority outcomes.
- 8 Ability to place the interests of the WECA above any other interests whether political, geographical or commercial.
- 9 Experience of promoting collaboration rather than competition to secure desired outcomes.
- 10 Ability to lead a team of committed professional officers and to manage them through the WECA Head of Paid Service.
- 11 Strong commitment to address social inequality and promote diversity.
- 12 Ensure that any personal or business interests are not allowed to influence the operation of WECA should they come into conflict.

*Originally Appendix 2 to the Report to the
South Gloucestershire Council Independent Remuneration Panel*

SGC SCHEME FOR MEMBERS' TRAVEL AND SUBSISTANCE		
1.	Introduction	<p>Members are entitled to claim reimbursement for travel and subsistence costs incurred in approved duties in accordance with the same arrangements as apply to employees.</p> <p>These are set out below and will be updated from time to time following any changes to the employees' scheme.</p>
2.	Car Allowances	Where a Member uses a private car on official business (ie on 'approved duties'), the member will receive an allowance in accordance with the Inland Revenue Authorised Mileage Allowance Payment Scheme (AMAPS).
3.	Mileage Rates	The Inland Revenue AMAPS rate is currently 45p per mile for all vehicles.
4.	Car Parking	Members will be reimbursed for any car parking charges whilst undertaking 'approved duties', subject to production of receipts.
5.	Fines and Penalties	The Council will not be liable for any parking fines or road traffic penalties. Incurred by Members, regardless of the circumstances.
6.	Calculating Mileage	Mileage is calculated from the home base of the Member.
7.	Car Insurance	<p>Members who use their own vehicle or a vehicle registered or insured in someone else's name, on 'approved duties' must ensure that the insurance covering that vehicle is adequate.</p> <p>The cover must be sufficient to permit the Member to drive the vehicle for business purposes. Members should contact the Motor Insurers for any advice.</p>

<p>8.</p>	<p>Passenger Allowance</p>	<p>(a) The allowance of 5p per mile will be paid to the driver, in respect of one or more passengers who are fellow members or Council employees carried on Council business. This will mean that, in accordance with the Inland Revenue Scheme, Tax and National Insurance deductions would not be made on these payments.</p> <p>(b) Claims for Passenger Allowance should be made through the on-line claim 'My View'.</p> <p>(c) Drivers who are to claim the passenger allowance must satisfy themselves that their Motor Insurers will not consider the receipt of the additional allowance paid for the carrying of a passenger as being the hire or reward within the terms of their Policy.</p> <p>(d) Passenger mileage allowance is restricted to the drivers paid business mileage on the day of the claim.</p>
<p>9.</p>	<p>Motor Cycle Allowances</p>	<p>The Council has adopted the Inland Revenue Authorised Mileage Payment Scheme (AMAPS) for employees who use a motor cycle for official journeys. With effect from 1 April 2006 the rate is 24p per mile.</p>
<p>10.</p>	<p>Cycle Allowance</p>	<p>A cycle allowance will be payable for use of cycles for appropriate short journeys related to 'approved duties' A payment would be made on the basis of a flat rate per day when the cycle is used for authorised business purposes. The current rate is £2.33 per day or 20p per mile (whichever is the greater).</p>
<p>11.</p>	<p>Travel</p>	<p>This is on the basis of standard class rail travel together with the cost of reserved seating if required, subject to the journey being on 'approved duties'.</p>

<p>12.</p>	<p>Meals</p>	<p>Members are entitled to claim subsistence expenses in situations where they are working or are on a conference/seminar/training course away from their base and do not arrive home until after 8.30 pm. To be eligible they must necessarily incur expenditure and be on official business more than 3 miles from their home, administrative centre or establishment where they normally take their meals.</p> <p>Upon production of receipts, employees will be reimbursed for their actual expenditure up to the maximum South Gloucestershire allowance (currently £10).</p> <p>Claims cannot be made where a meal or buffet is provided, unless the Member has specific dietary requirements which preclude their participating in the arrangements.</p>
<p>13.</p>	<p>Reimbursement of Expenses</p>	<p>The following situations are to be regarded as “exceptional circumstances”. Expenses must relate to ‘approved duties’ and have actually been incurred and claims supported by receipts.</p>
<p>14.</p>	<p>Visits abroad</p>	<p>In these circumstances the type of expenses which will be eligible for reimbursement will be agreed with the Member in advance, by the Chief Executive or an officer authorised to act on her behalf, and all reasonable claims for accommodation, meals and refreshments will be reimbursed.</p>
<p>15.</p>	<p>Meetings/Conference/ Training /Seminars involving one or more over-night stays away from home</p>	<p>Where these involve one or more overnight stays away from home, the type of expenses which will be eligible for reimbursement will be agreed with the Member in advance by the Chief Executive or an officer authorised to act on her behalf, and all reasonable claims for accommodation and meals will be reimbursed.</p>
<p>16.</p>	<p>Situations involving long distance travel</p>	<p>In situations where a Member, in order to attend a Meeting, Conference, Training Event or Seminar, is required to leave home before 6.30am, then the cost of breakfast will be reimbursed.</p>

APPROVED DUTIES FOR THE PAYMENT OF MEMBERS TRAVEL, SUBSISTENCE AND CARERS ALLOWANCES

- All formal meetings which form part of the Council's constitution and where the councillor is:
 - a) a member of the body concerned;
 - b) is acting as a substitute or where they have been specifically invited to attend or;
 - c) where a councillor is attending to speak on an issue on behalf of the constituents of their ward
- Attendance at tender opening sessions where required by Standing Orders
- Councillors' seminars called under the provision of Standing Orders
- Training and development activities under the Councillors Development Programme
- Approved external conferences
- Meetings of outside bodies to which appointed
- Attendance by councillors or other office holders (ie, those in receipt of special responsibility allowances) at briefings, meetings or events (either within South Gloucestershire or outside) in their official capacities and in the furtherance of their official duties)
- Travel undertaken by the Chair and Vice Chair in connection with their official duties where council transport is not provided