



Combined Authority Board

5 June 2024 – Ordinary Meeting

Title:	Independent Remuneration Panel
Report of:	Edwina Adefehinti, Interim Director for Legal, Governance & Monitoring Officer
Lead Member:	Mayor, Dr Nik Johnson
Public Report:	Yes
Key Decision:	No
Voting Arrangements:	A simple majority of all Members present and voting.

Recommendations:

A	Agree that an Independent Remuneration Panel be constituted to review the Members' Allowance Scheme for the Combined Authority in relation to the Mayor's allowance.
B	Agree that an Independent Remuneration Panel be constituted to review the allowance for the two Independent Persons for the Audit & Governance Committee.
C	Agree that an Independent Remuneration Panel be constituted to review the allowance for the members for the Audit & Governance Committee.
D	Agree that an Independent Remuneration Panel be constituted to review the allowance for the members for the Overview & Scrutiny Committee.
E	Agree that an Independent Remuneration Panel be constituted to review the allowance for travel and subsistence of all Combined Authority members including co-opted members.

Strategic Objective(s):

The proposals within this report fit under the following strategic objective(s):

X	Achieving ambitious skills and employment opportunities
X	Achieving good growth
X	Increased connectivity
X	Enabling resilient communities
X	Achieving Best Value and High Performance

1. Purpose

1.1	The Combined Authority Board is asked to agree that an Independent Remuneration Panel be constituted to review the Members' Allowance Scheme for the Combined Authority in relation to the Mayor's allowance and the Independent Persons for the Audit & Governance Committee Allowance.
1.2	The Combined Authority is required to make a scheme of allowances in accordance with the Local Authorities (Members' Allowances) (England) Regulation 2003. The process for making and reviewing such a scheme is regulated so that the public can have confidence in the independence, openness and accountability of the process involved.
1.3	The process requires that the Combined Authority must establish an Independent Remuneration Panel, and before making or amending its scheme of allowances, it must have regard to the recommendations of the Panel.

2. Proposal

2.1	The Combined Authority Board is requested to discuss and approve constituting an Independent Remuneration Panel to review the Members' Allowance Scheme for the Combined Authority in relation to the Mayor's allowance; the recommendations from the 2021/22 panel included that the Mayoral allowances should next reviewed in early 2025 to be applicable from the beginning of the Mayoral term in May 2025.
2.2	The Combined Authority is requested to approve including as part of the Independent Remuneration Panels considerations the allowance of the Independent Persons for the Audit and Governance Committee be reviewed.
2.3	The Combined Authority is requested to approve including as part of the Independent Remuneration Panels considerations the allowance of the members for the Audit and Governance Committee be reviewed.
2.4	The Combined Authority is requested to approve including as part of the Independent Remuneration Panels considerations the allowance of the members of the Overview and Scrutiny Committee be reviewed. allowances for travel and subsistence
2.5	The Combined Authority is requested to approve including as part of the Independent Remuneration Panels considerations the allowance for travel and subsistence of all Combined Authority members including co-opted members.

3. Background

3.1	The Members' Allowance Scheme was adopted by the Combined Authority Board on 28 June 2017 following a report from the Independent Remuneration Panel dated April 2017. The scheme included the allowance paid to the Mayor.
3.2	A review of the Members' Allowance Scheme was undertaken in 2018/19 which recommended an allowance of £80,000 per annum should be payable to the Mayor to reflect the changing role and responsibilities since 2017. The Independent Remuneration Panel in 2017 advised that review of the scheme should be undertaken every 24 months.
3.3	In September 2021 the CA Board agreed to constitute a panel of Cambridgeshire County Council and Peterborough City Council to review the Members' Allowance Scheme for the Combined Authority in relation to the Mayor's allowance.
3.4	The review was undertaken and recommended that the level of Mayoral Allowance at Cambridgeshire and Peterborough Combined Authority be set at £86,121 from the start of the 2022/23 municipal year and that the level of Mayoral Allowance at be indexed against the National Joint Council cost of living increase each year rather than the Consumer Price Index and should be applied each year.

3.5	<p>The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024 states the following:</p> <p><i>(2) The Combined Authority may pay an allowance to-</i></p> <ul style="list-style-type: none"> <i>a) the Mayor;</i> <i>b) a member of a constituent council who is appointed to an overview and scrutiny committee of the Combined Authority or to a sub-committee of that committee; or</i> <i>c) a member of the Combined Authority or to a member of a constituent council who is appointed to the audit committee of the Combined Authority.</i> <p><i>(3) The Combined Authority may only pay an allowance under sub-paragraph (2) if—</i></p> <ul style="list-style-type: none"> <i>a) the Combined Authority has considered a report published by an independent remuneration panel established in accordance with article 16 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017 which contains recommendations for such an allowance; and</i> <i>b) the allowance paid by the Combined Authority does not exceed the amount specified in the recommendation made by that panel.</i>
3.6	<p>The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024 defines An independent remuneration panel as—</p> <ul style="list-style-type: none"> <i>a) a panel established by one or more of the combined authority’s, or combined county authority’s, constituent councils, under regulation 20 of the Local Authorities (Members’ Allowances) (England) Regulations 2003(9), or</i> <i>b) a panel established by the combined authority or combined county authority to make recommendations to that authority about allowances paid in accordance with articles 10A (payment of overview and scrutiny committee members) and 15 (payment of audit committee members).</i> <p><i>(2) An independent remuneration panel established in accordance with paragraph (1)(b) must consist of at least three members none of whom—</i></p> <ul style="list-style-type: none"> <i>a) is also a member of the combined authority or, as the case may be, the combined county authority, or is a member of a committee or sub-committee of that authority; or</i> <i>b) is disqualified from being or becoming a member of that authority.</i> <p><i>(3) The independent remuneration panel may be a panel established to make recommendations to the combined authority or, as the case may be, combined county authority about other allowances payable by that authority.</i></p> <p><i>(4) An independent remuneration panel established by the combined authority or combined county authority in accordance with paragraph (1)(b) may be used by that authority to make recommendations about other allowances payable by the authority.</i></p> <p><i>(5) The combined authority or, as the case may be, combined county authority, may pay the expenses of an independent remuneration panel in carrying out its functions and may pay the members of the panel such allowances or expenses as that authority may determine.”.</i></p>
3.7	<p>The Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) (Amendment) Regulations 2024 In the Schedule to the Cambridge and Peterborough Combined Authority Order 2017(17), for paragraph 8 (remuneration) substitute—</p> <p><i>“8.—(1) Save as provided for in sub-paragraphs (2) and (3), no remuneration is to be payable by the Combined Authority to its members or to members of a constituent council referred to in sub-paragraph (2)(b) and (c), other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined Authority.</i></p>

4. Appendices

4.1 None

5. Implications

Financial Implications

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| 5.1 | The recommendations of any independent remuneration panel will not be known until they report, which will inform the long-term financial implications, however the 2024/25 budget and Medium-Term Financial Plan includes an allowance for costs payable to the Committees should the panel recommend, and the Combined Authority adopt, such a scheme.
The costs of an independent remuneration panel would be met from that approved budget. |
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Legal Implications

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| 5.2 | As set out in the body of the report, the Combined Authority Board is empowered to approve the setting up of the Independent remuneration panel and consider the recommendations of the panel. |
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Public Health Implications

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| 5.3 | None |
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Environmental & Climate Change Implications

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| 5.4 | None |
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Other Significant Implications

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| 5.5 | None |
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Background Papers

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| 5.6 | Combined Authority Board Report – 28 June 2017 |
| 5.7 | Combined Authority Board Report – 28 November 2018 |
| 5.8 | Combined Authority Board Report – 29 May 2019 |
| 5.9 | Combined Authority Board Report – 28 July 2021 |
| 5.10 | Combined Authority Board Report – 29 September 2021 |