Date: 24 February 2017
Subject: Establishment of an Independent Remuneration Panel
Report of: Tony Lloyd, GM Interim Mayor and Liz Treacy, GMCA Monitoring Officer

PURPOSE OF REPORT

To brief members of the GMCA on the current and prospective position concerning members’ allowances and to propose that the Monitoring Officer be given delegated authority to establish, in accordance with relevant statutory provisions, an Independent Remuneration Panel.

RECOMMENDATIONS:

The GMCA is recommended to:

1. Note the current and prospective position in respect of members’ allowances.

2. Delegate to the GMCA Monitoring Officer the power, in consultation with the Interim Mayor, to establish, in accordance with relevant statutory provisions, an independent remuneration panel to make recommendations to the GMCA and to constituent councils in respect of allowances payable to:

   a) Members appointed to the GMCA;
   b) The Mayor of the GMCA; and
   c) Members of committees and sub-committees of the GMCA.

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COUNCIL

BACKGROUND PAPERS:
None.

RISK/ FINANCIAL/ LEGAL CONSEQUENCES/DETAILS
Risk Management – N/A
Legal Considerations – as detailed in the report
Financial Consequences – Revenue – N/A
Financial Consequences – Capital – N/A

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<td>Does this report relate to a major strategic decision, as set out in the GMCA Constitution (paragraph 14.2) or in the process (paragraph 13.1 AGMA Constitution) agreed by the AGMA Executive Board:</td>
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<td>Are there any aspects in this report which means it should be considered to be exempt from call in by the AGMA Scrutiny Pool on the grounds of urgency?</td>
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1. **INTRODUCTION**

1.1 The current position in respect of members allowances for the GMCA, as set out in Greater Manchester Combined Authority Order 2011 (“the 2011 Order”), is as follows:

a) Other than as detailed at c) below no remuneration may be paid by the GMCA to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the GMCA.

b) A constituent council may, in accordance with its own scheme of allowances, pay a special responsibility allowance to any member appointed by it to the GMCA in respect of duties and responsibilities undertaken as a member of the GMCA.

c) The GMCA may pay an allowance to the Interim Mayor, but only if the GMCA 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 the allowance paid by the GMCA does not exceed the amount specified in the recommendation made by the independent remuneration panel.

1.2 Under the Greater Manchester Combined Authority (Functions and Amendment) Order 2016 the reference in the 2011 Order to “the Interim Mayor” described at paragraph 1.1c) above will be amended to refer to “the Mayor” with effect from 8 May 2017.

1.3 It is anticipated that further amendments will shortly be made to the provisions concerning member remuneration. In particular it is expected that provision will be made for the following (which are broadly in line with the objectives for this area set out in GMCA Scheme 2):

a) The establishment by the GMCA of an independent remuneration panel who may make recommendations to the GMCA and to the constituent councils regarding the allowances payable to members appointed to the GMCA, to the Mayor, and to members of a committee or sub-committee of the GMCA.

b) Rules concerning the membership of the independent remuneration panel, payment of expenses incurred by the independent remuneration panel and payment of allowances and expenses of members of the independent remuneration panel.
c) A requirement that other than as detailed at d) below no remuneration is to be payable by the GMCA to its members or a member of a committee or sub-committee of the GMCA other than allowances for travel and subsistence.

d) The GMCA is to be able to pay an allowance to the Mayor or to a member of a committee or sub-committee of the GMCA who is not an elected member of a constituent council, but only if the GMCA has considered recommendations made by the independent remuneration panel which contains recommendations for the payment of such an allowance and the allowance paid by the GMCA does not exceed the amount specified in the recommendation made by the independent remuneration panel.

e) Where the independent remuneration panel recommends the payment of an allowance to a member of the GMCA or a GMCA committee or sub-committee who is a member of a constituent council, that constituent council may pay the member such an allowance through its own scheme of allowances.

2. ESTABLISHMENT OF AN INDEPENDENT REMUNERATION PANEL

2.1 So as to enable an independent remuneration panel to be established expeditiously once expected changes to legislation come into effect, it is recommended that the GMCA delegate to the GMCA Monitoring Officer the power, in consultation with the Interim Mayor, to establish, in accordance with relevant statutory provisions, an independent remuneration panel to make recommendations to the GMCA and to constituent councils in respect of allowances payable to:

a) Members appointed to the GMCA;

b) The Mayor of the GMCA; and

c) Members of committees and sub-committees of the GMCA.

3. RECOMMENDATIONS

3.1 Recommendations are set out in full at the beginning of this report.