

A Review of Remuneration

For the

Elected Mayor

Of the

**Sheffield City Region
Combined Authority (SCRCA)**

By the

Independent Remuneration Panel

**Dr Declan Hall (Chair)
Rachel Hannan
Lisa Pogson**

December 2020

Introduction: The Regulatory Context – the SCRCA

1. This report contains the recommendations made by the statutory independent remuneration panel (Panel or IRP) appointed by the Sheffield City Region Combined Authority (SCRCA) to make recommendations to the SCRCA on the remuneration of the elected Mayor (the Mayor) of Sheffield City Region Combined Authority.
2. The Sheffield City Region Combined Authority was established under the *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014* (S.I. 2014/863). The SCRCA covers the four metropolitan boroughs that make up South Yorkshire. The Order provided for each constituent council to appoint one formal member of the SCRCA. These are the Leaders (or elected Mayor in the case of Doncaster) of the four Sheffield City Region Councils and also constitute the SCRCA 'cabinet' in that they each hold a thematic policy portfolio.
3. The office of the elected Mayor of Sheffield City Region Combined Authority was established by the *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) Order 2016* (S.I. 2016/800). This provided for the election of a Mayor for SCRCA on 4th May 2017 but was subsequently amended by the *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Election of Mayor) (Amendment) Order 2017* (S.I. 2017/432) which put back the election of the SCRCA Mayor to 3rd May 2018. The office of elected Mayor of SCRCA was established from this date.

The SCRCA Independent Remuneration Panel

4. The *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020* (S.I. 2020/806) provides the statutory basis to remunerate the elected Mayor of the SCRCA, prior to the implementation of this Order (28th July 2020) the post could not be remunerated. The same Order provides authority for the SCRCA to establish an Independent Remuneration Panel (or IRP) to make recommendations for the remuneration of the SCRCA elected Mayor and Deputy Mayor. The SCRCA cannot pay more than the IRP recommends although it may pay less.

The Terms of Reference for the Review

5. In accordance with the provisions of the *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020* (S.I. 2020/806) (Part 8, paragraph 7B) the IRP has been established and tasked with making a recommendation to the SCRCA on the appropriate remuneration of the elected Mayor of the SCRCA. It has not been asked to consider remuneration for the Deputy Mayor. The IRP has also been tasked to recommend an implementation date for any recommended remuneration.

The Independent Remuneration Panel (IRP)

6. The SCRCA appointed the following members of the IRP:
 - Dr Declan Hall (Chair): a former lecturer at the Institute of Local Government, the University of Birmingham, currently an independent consultant who specialises in Members Allowances and support
 - Rachel Hannan:: Holds a number of Chair and Non-Executive Director posts across the private and not for profit sectors. Including on a University Board where she chairs the Remuneration Committee. Previously Founder and Board Director of executive search & leadership specialists GatenbySanderson.
 - Lisa Pogson: Chair of Rotherham Business Growth Board, immediate past President of Barnsley and Rotherham Chamber of Commerce, Managing Director of Air Con business, and Trustee of a literacy charity
7. Administrative support to the IRP was provided by Steve Davenport, Monitoring Office for the SCRCA.

How the Panel approached the review

8. Due to the restrictions imposed by the current Covid-19 pandemic the IRP met virtually via MS Teams on the following occasions:
 - 23rd November 2020
 - 26th November 2020
 - 30th November 2020
 - 8th December 2020
9. It was at these meetings that the IRP:
 - Scoped and planned the review, in terms of determining the information the Panel required to conduct the review, which Members to interview and from which Officers to receive factual briefings on the SCRCA and the powers of the elected Mayor.
 - Conduct interviews/factual briefings
 - Consider written data
 - Consider benchmarking data
 - Arriving at recommendations and signing off on final report
10. For further details on the range of evidence the IRP considered in its deliberations and in arriving at its recommendations see:
 - Appendix 1: sets out the list of range of information that was formally presented to and considered by the IRP

- Appendix 2: Members who made representations to the IRP
- Appendix 3 the Officers who provided factual briefings to the IRP
- Appendix 4: Benchmarking data (BM1-3) reviewed by the IRP

The evolving role of the SCRCA and Elected Mayor

11. The SCRCA was established in April 2014. Its functions were related to Transport and Economic Development including replacing the South Yorkshire Integrated Transport Authority. In 2015 the government agreed a devolution deal with the SCRCA. This was implemented by the 2020 Order and included additional funding of £30 million per annum for 30 years and the conferral of the following additional functions:
 - Spatial planning
 - Housing/Infrastructure
 - Transport
 - Skills and Education, including devolution of the annual £35 million Adult Education budget.
 - Tourism/Culture
 - Power to create Mayoral Development Corporations
 - Employment e.g., Health led employment trial
12. All are SCRCA functions, but some functions are exercisable only by the SCRCA Mayor. The default position is that functions are non-Mayoral unless specified as Mayoral in an order or other enactment. The main Mayoral functions include
 - Chairing the SCRCA
 - Preparation of spatial development strategy (but needs approval of all SCRCA members)
 - Powers to propose the Mayoral budget, subject to full SCRCA approval
 - Bus franchising
 - Powers to designate areas of land as Mayoral development areas leading to the establishment of Mayoral development corporations (MDCs) (but needs consent of SCRCA member(s) for area concerned)
 - Lead on Local Industrial Strategy
 - Chairing the Joint Assets Board
13. The SCRCA is now a fully functioning Combined Authority that operates on a par with other longer established Combined Authorities. Similarly, the formal powers of the elected Mayor are now comparable, if not exceeding in some cases, the powers of most other Combined Authority elected Mayors. Both the Authority and role of elected Mayor has evolved significantly since 2014.

Mayoral 'Soft' Powers and Leadership Skills

14. In addition to the (evolving) responsibilities of the SCRCA and the 'hard' powers exercisable by the Mayor there is also the more ill-defined or 'soft' powers that the Mayor exercises. The mandate arising from being directly elected on a South Yorkshire-wide basis provides the Mayor with a unique platform to represent the SCRCA to the rest of the world and be the public face of the Authority on a regional, national and international level.
15. By virtue of holding the post the elected Mayor is appointed to a number of external bodies that involve key stakeholders across the region and beyond, for example:
 - Transport for the North and Rail North
 - Yorkshire Leaders Boards
 - Convenes South Yorkshire Leaders meeting that includes the South Yorkshire Police and Crime Commissioner
 - Meets with South Yorkshire University Vice Chancellors and Chief Executives of Colleges of Further Education
16. Also by virtue of being the elected Mayor it gives the post holder a unique platform that allows the Mayor to engage with other stakeholders and exercise influence in areas where there are no formal powers to do so. For example, the Mayor has set up and chairs the South Yorkshire Covid Economy Recovery Group with relevant stakeholders and has the aim to explore ways to emerge from the pandemic that protects and promotes economic growth. The Mayor is also the voice of South Yorkshire vis-à-vis the local and national media when addressing Covid-19 related issues. Another example is in relation to the recent flooding that affected South Yorkshire. The Mayor has no formal powers vis-à-vis the environment, but the Mayor has used the Mayoral platform to work with local authorities, DEFRA and the regional Water Authority to address solutions to future potential flooding in South Yorkshire.
17. If anything it is this aspect of the role of SCRCA Mayor that has become more important than their formal power. The Mayor has been called upon to take on a wider regional (i.e. Northern) role and has become the public face of the SCR. The SCRCA Mayor has become the main point of public accountability for SCRCA and the region. This can be in response to major events of public interest or simply seen as the 'go to' office holder for the media when they want a SCR response on topics of regional interest or a whole plethora of issues that are seen as having a SCR impact, even where the SCRCA Mayor is not directly responsible for such issues.
18. An element of enhanced regional role and sharpened accountability may be down to having an active SCRCA Mayor, but irrespective of the individual who may hold the post the nature of the SCRCA is such that the profile of the SCRCA Mayor would be significant regardless. It produces a whole place and people approach and partnership style of working. The SCRCA Mayor has become the principal champion and spokesperson for the SCR on both the national and international stage. Moreover, the role of elected Mayor will

continue to evolve as devolution rolls out generally and in Sheffield City Region in particular.

The current post holder and role of the IRP

19. The IRP notes that the current SCRCA elected Mayor is also an MP. This partly arises out of the historical context, in that as a non-remunerated post it meant that only someone who had independent means or other remuneration could stand for the post as it could not be paid until this year. The IRP views the post as a full time equivalent and notes that the current elected Mayor is active, putting a great deal of time to both elected posts held.
20. Nonetheless, the remit of the IRP is to assess the role rather than the individual. As such, taking into account the significance of the role, it has to recommend a remuneration that provides sufficient support to enable a wide range of potential candidates to put themselves forward for election without having to rely on other means to support themselves.

Benchmarking - other comparable roles

South Yorkshire Council Leaders/Mayor, Other Public Office Holder and Metro Mayors

21. The IRP undertook an extensive benchmarking exercise to compare how other public posts were paid. A starting point was the remuneration of the Leaders/elected Mayor of the four South Yorkshire Councils, which shows a median remuneration of £37,943. While it is acknowledged that the South Yorkshire constituent council Leaders and elected Mayor have extensive executive powers within their respective authorities, the scope and remit of the SCRCA and nature of the role and responsibilities of the SCRCA Mayor, has led the IRP to conclude that the roles are not directly comparable.

Comparing SCRCA Mayor to other public posts

22. The IRP also looked at the remuneration of a range of other public post holders (see appendix four for full details) and noted that IRPs for other Combined Authorities paid particular attention to the remuneration of their local Police and Crime Commissioner and that of a UK MP, particularly what MPs were paid at the time of their review. In particular, a number of other Combined Authority IRPs had linked their respective recommended Mayoral remuneration to that of an MP, followed by paying close cognisance to the remuneration of the local Police and Crime Commissioner.
23. The IRP noted that these posts are currently paid as follows:

- UK MP £81,932
- South Yorkshire Police & Crime Commissioner £85,000

24. The IRP concluded that these posts and their remuneration were not particularly relevant for benchmarking purposes. While the role of SCRCA elected Mayor can be seen as larger than that of both MP and South Yorkshire Police and Crime Commissioner in terms of strategic responsibilities and range of soft powers, the remuneration of both MPs and Police and Crime Commissioners have been determined nationally, by the Independent Parliamentary Standards Authority (IPSA) in the case of MPs and the Home Secretary on advice from the Senior Salaries Review Body (SSRB) in the case of Police and Crime Commissioners. As such, national determination has traditionally paid higher remuneration than when the matter is a locally devolved responsibility.

Elected Mayors of other English Combined Authorities

25. Unlike when other IRPs were assessing remuneration for their respective Combined Authority Mayors there is now a meaningful number of elected Mayors of the other Combined Authorities to benchmark against. The current remuneration of other Metro Mayors are as follows

• Greater Manchester	£110,000
• Liverpool City Region	£80,631
• West Midlands	£79,000
• Cambridgeshire & Peterborough	£75,000
• West of England	£65,000
• North of the Tyne	£65,000
• Tees Valley	£36,592

26. The median remuneration of English metro Mayors is £75,000.
27. The IRP notes that the remuneration of nearly all other Metro Mayors was determined 2-3 years ago (thus building in a lag when it comes to benchmarking). It also considered that the SCRCA was more comparable to the Liverpool City Region and West Midlands Combined Authorities, therefore making the role of the SCRCA elected Mayor more significant than that of the average CA elected Mayor. Therefore, the IRP has taken the median remuneration (£75,000) paid to other Combined Authority elected Mayors as a baseline and uplifted it to £79,000.
28. In arriving at this figure the IRP noted that the role of elected Mayor of the SCRCA is significant and complex - not necessarily fully recognised in the constitutional roles, but also in the exercise of 'soft' powers derived from the platform that the role gives the elected Mayor. The IRP has looked at a wide range of benchmarking, across other public sector and elected roles. The IRP concluded that the level of influence, scale and complexity of the role was greater than some other roles used as benchmarks elsewhere by other IRPs in the absence of other MCA comparators in the past. Therefore, while the IRP considered the role of MPs and the PCC in South Yorkshire and assessed they did not have the same level of breadth and influence as that of the elected Mayor, the IRP did note their remuneration was higher than the level the IRP is recommending. However, the IRP concluded these comparisons were not as useful as other Mayoral Combined Authorities in terms of being relevant

benchmarks and noted that the higher levels of remuneration for MPs and Police and Crime Commissioners may have been influenced by the fact this remuneration had been set by national bodies. The IRP did feel that the level of these other salaries in the region, while the roles are not directly comparable, did further underline the appropriateness of setting the SCRCA remuneration slightly above the median remuneration of English Metro Mayors.

29. The IRP was also cognisant that the Authority could not adopt a higher remuneration than recommended, but could always adopt a lower figure than recommended. It further notes that the remuneration of Metro elected Mayors is not pensionable, unlike MPs and Police and Crime Commissioners for instance. In London under provisions of the Greater London Authority Act 1999 (section 26) the Mayor and members of the Assembly may still be entitled to other pension provision. Such alternative provision has been made and from 1st January 2018 pensions for elected Members are provided under a Master Trust Pension Scheme and administered by Aviva, for Members who choose to join it. No similar separate provision exists for Metro Mayor's remuneration.

The IRPs recommendation

30. Thus bearing in mind the evolution of the role of the SCRCA Mayor, the representation received and benchmarking the IRP has concluded that the remuneration of the SCRCA Mayor should be £79,000.
31. **The IRP recommends that the remuneration of the SCRCA Mayor is set at £79,000.**

A future review

32. The IRP notes that it is the intention of the SCRCA to undertake a further review of Mayoral remuneration to be completed by April 2023. The IRP welcomes this intention and will use that opportunity to review the appropriateness of the recommendation arising out this review taking into account any changes in the remit of the SCRCA and the role of elected Mayor.

Implementation of Recommendations

33. **The IRP recommends that the recommended remuneration of £79,000 for the SCRCA elected Mayor is backdated to the date when the *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020* (which gives authority for the SCRCA to remunerate the Mayor) came into force, which is 28th July 2020.**

Appendix One: List of Information considered by the IRP

Information the IRP has received

1. *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority Order 2014* (S.I. 2014/863).
2. *Barnsley, Doncaster, Rotherham and Sheffield Combined Authority (Functions and Amendment) Order 2020* (S.I. 2020/806), which also provides legal authority for the IRP and sets out the IRP's terms of reference
3. Independent Mayoral Panel – Independent Member Brief – November 2020
4. SCRCA Constitution, 21 September 2020 with particular reference to
 - a. Article 2 – Functions of the Authority
 - b. Article 3 – Members of the Authority
 - c. Article 4 – Chairing the Authority
 - d. Article 14 Part 3 – Functions of the Authority
 - e. Article 14 Part 4 – Responsibility for Functions
5. SCRCA meetings schedule 2020/21
6. SCRCA Thematic/Portfolio Responsibilities, as set out in Appendices 4-7 of the Constitution
7. SCRCA – Mayoral Role/Job Description
8. Benchmarking data (see appendix four for summary data)
 - a. BM1 – Remuneration of S. Yorks Leader/elected Mayor
 - b. BM2 – Remuneration of other CA elected Mayors
 - c. BM3 – Remuneration of other Public Post holders, including
 - i. S. Yorks Police and Crime Commissioner
 - ii. Members of the devolved assemblies/Parliament
 - iii. MPS and Government Ministers
 - iv. NHS Trusts – Chair and Non-Executive Directors
 - v. GLA and Other London-wide Public Bodies
 - d. Comparing CA population, devolved powers budgets and Mayoral remuneration
9. IRP Reports from other Combined Authorities, namely
 - a. West of England Combined Authority IRP Reports September 2019
 - b. Report by the Cambridgeshire & Peterborough Combined Authority IRP, April 2017
 - c. Liverpool City Region, IRP Report – City Region Elected Mayor Remuneration, 21 April 2017
 - d. A Review of Remuneration for the Elected Mayor of the SCR CA and the Independent Members/Person appointed to the SCR CA Audit and Standards Committee by the IRP, March 2020

- e. West Midland IRP Report on Mayoral Remuneration, 3 March 2017
- f. IRP Report for Elected Mayor's Remuneration, North of Tyne Combined Authority, January 2019

Appendix Two: Member Representations to IRP

Dan Jarvis	SCRCA elected Mayor
Cllr C. Read	Leader of Rotherham Council and SCRCA Board Member and Thematic Portfolio Holder for Transport & Environment

Appendix Three – Officers who briefed the Panel

David Smith	Chief Executive, SCR CA
Stephen Batty	Director of Mayor's Office / Head of Governance, SCR CA
Gareth Sutton	SCRCA Group Finance Director / Section 73 Officer
Steve Davenport	SCRCA Monitoring Officer

Appendix Four: Benchmarking Data

Remuneration Paid to Leaders/Elected Mayor in the four South Yorkshire Authorities 2020/21			
South Yorkshire Council	Basic Allowance	SRA	Total Remuneration
Barnsley	£11,309	£27,255	£38,564
Doncaster	£13,216	£52,864	£66,080
Rotherham (17/18)	£11,471	£25,851	£37,322
Sheffield	£12,678	£19,616	£32,294
Mean	£12,169	£31,397	£43,565
Median	£12,075	£26,553	£37,943
Lowest	£11,309	£19,616	£32,294
Highest	£13,216	£52,864	£66,080

Remuneration Paid to Elected Mayors in English Combined Authorities 2020/21	
Combined Authority	Remuneration
Cambridgeshire & Peterborough	£75,000
Greater Manchester	£110,000
Liverpool City Region	£80,631
North of Tyne	£65,000
Tees Valley	£36,592
West of England	£65,000
West Midlands	£79,000
Sheffield City Region	Not Paid
West Yorkshire	No Mayor
Mean	£73,032
Median	£75,000
Lowest	£36,592
Highest	£110,000

SCR CA: Salaries other public posts benchmarked – November 2020 (unless indicated otherwise)

UK/Devolved Nations – elected representatives

• UK MPs:	£81,932
• Minister of State (UK)	£116,019 ¹
• UK Parliamentary Under Secretary	£106,409 ²
• Member of the (NI) Legislative Assembly:	£50,500
• Member of the Scottish Parliament:	£64,470
• Member of the Welsh Assembly:	£67,649

GLA/Other London Public Bodies

• Mayor of London:	£152,734
• Statutory Deputy Mayor	£105,269
• Chair of London Assembly:	£70,225
• London Assembly Members:	£58,543
• Chair London Pension Funds Authority	£50,800

NHS – Non Executive Appointments Remunerations

• NHS Non-Executive	£13,000 (1 April 2021)
• NHS Trust Chair	£40,000 - £55,500 (min 1/04/21) £43,000 - £60,000 (min1/04/22) ³

Police and Crime Commissioners

• South Yorkshire Police & Crime Commissioner	£85,000 ⁴
• Where a PCC also has responsibility for fire	£3,000 extra

¹ MPs Salary £81,932 (April 2020) + Minister of State Salary £34,087 (April 2019)

² MPs Salary £81,932 (April 2020) + Parliamentary Under Secretary Salary £24,477 (April 2019)

³ NHS, Structure to align remuneration of chairs and non-executive directors of NHS Trusts and NHS Foundation Trusts. Chairs salary range is dependent on annual turnover of Trust.

⁴ SSRB recommended 2% increase across the board in 2018 but found no evidence of implementation

SCR CA: Comparing CA population, devolved powers, budgets and Mayoral remuneration

Mayoral Combined Authority	Council areas covered	Population size	Devolved powers	Devolved budget (£'000)	Elected Mayor remuneration
Sheffield City Region (Mayoral) Combined Authority	Sheffield City Council Rotherham MBC Barnsley MBC Doncaster MBC	1.4 million South Yorkshire only	Transport Skills, training & Adult Education Housing Economic development Business Support Non-statutory spatial planning Tourism/Culture; Power for to create Mayoral Development Corporations; Employment	£189,729	N/A
Liverpool City Region (Mayoral) Combined Authority	Liverpool City Council Halton Borough Council Knowsley MBC Sefton Council St Helens Borough Council Wirral MBC	1.5 million	Transport Economic development; Energy & environment Skills, Adult Education and apprenticeships Culture Power to create Mayoral Development Corporation	£631,966	£80,631
Greater Manchester (Mayoral) Combined Authority	Manchester City Council Salford City Council Bolton MBC Bury MBC Oldham MBC, Rochdale MBC Stockport MBC Tameside MBC Trafford MBC Wigan MBC	2.8 million	Transport; Economic development, Business support; regeneration and housing; Strategic spatial planning Skills and training; Police and Crime Commissioner; Fire and Rescue Waste Public health co-ordination powers Power to create Mayoral Development Corporation	£973,303	£110,000

West of England Combined Authority	Bath and North East Somerset Council Bristol City Council South Gloucestershire Council	1.1 million	Economic development; transport Skills, apprenticeships and adult education; Power to create Mayoral development Corporation Housing Employment	£182,372	£65,000
Cambridgeshire and Peterborough	Cambridgeshire County Council Cambridge City Council Peterborough City Council Fenland District Council East Cambridgeshire District Council Fenland District Council Huntingdon District Council	855,796	Transport Skills & Adult Education budget; Housing Economic growth/Business Support Non-statutory spatial planning	£198,124	£75,000
North of Tyne	Newcastle City Council North Tyneside MBC Northumberland County Council	880,000	Economic Development/Business Support; Housing; Power to create Mayoral development Corporation; Skills and adult education budget; Tourism/culture. Transport	£59,155	£65,000
Tees Valley	Darlington, Hartlepool; Middlesbrough; Redcar; and Stockton-on-Tees	1.2 million	Economic Development; Business support; Skills and Adult Education Budget; Transport Mayoral Development corporation Powers; Tourism/culture; Housing.	£185,056	£36,592

West Midlands	Birmingham Coventry Dudley Sandwell Solihull Walsall Wolverhampton	2.9 million	Transport Economic Development Housing & Regeneration Productivity & Skills Culture & Digital Environment & Energy & HS2 Industrial Strategy	£940,400	£79,000
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SCRCA BM3: Salaries other public posts benchmarked – March 2020 (unless indicated otherwise)

UK/Devolved Nations – elected representatives

- UK MPs: £79,468
- Minister of State (UK) £113,555⁵
- Member of the (NI) Legislative Assembly: £50,050
- Member of the Scottish Parliament: £63,579
- Member of the Welsh Assembly: £67,649

GLA/Other London Public Bodies

- Mayor of London: £152,734
- Statutory Deputy Mayor £105,269
- Chair of London Assembly: £70,225

⁵ MPs Salary £79,468 + Minister of State Salary £34,087 (April 2019)

- London Assembly Members: £58,543
- Chair London Pension Funds Authority £50,800

Elected Mayors Combined Authorities salaries

- Greater Manchester £110,000
- Liverpool City Region £89,000
- West Midlands £79,000
- Cambridgeshire & Peterborough £75,000
- West of England £65,000
- North of the Tyne £65,000
- Tees Valley £38,500
- Sheffield City Region No remuneration⁶
- West Yorkshire No elected Mayor

NHS – Non Executive Appointments Remunerations

- NHS Non-Executive £11,500 (1 April 2020)
- NHS Trust Chair £35-£40,000 (2018/19)⁷

⁶ Post holder is also an MP and draws MPs salary only

£55,500 (minimum 1/04/21)

£60,000 (minimum 1/04/22)

Police and Crime Commissioners

- West Midlands & West Yorkshire
Police & Crime Commissioner £100,000⁸
- Where a PCC also has responsibility for fire £3,000 extra

⁷ UHL Full Annual Report 2018-19, p.31

⁸ SSRB recommended 2% increase across the board in 2018 but only implemented for four lower bands