

REQUEST FOR MAYORAL DECISION – MD2808

Title: Contracts of Mayoral Appointments

Executive Summary:

Section 67 of the Greater London Authority Act 1999 (as amended) ("the GLA Act") stipulates that the Mayor can appoint up to 13 members of staff ("Mayoral Appointees"), including no more than two political advisers. Section 67(4) of the GLA Act states that none of these appointments can last beyond the end of the Mayoral term.

While section 19 of the Police Reform and Social Responsibility Act 2011 states that the Mayor's Office for Policing and Crime may appoint a person as the Deputy Mayor for Policing and Crime, Schedule 3 states that the terms and conditions of a person who is appointed as the Deputy Mayor for Policing and Crime must provide for the appointment to end not later than the day when the current term of office of the occupant of the Mayor's Office for Policing and Crime ends.

The Mayoral Appointees are therefore appointed to roles on fixed term contracts that terminate by operation of law at the end of the Mayoral term. This report deals with the ending of the fixed term contracts and the proposed compensation payments to be made to the Mayoral Appointees (those appointed under section 67 of the GLA Act and section 19 of the Police Reform and Social Responsibility Act 2011).

Decision:

The Mayor is asked to:

1. Note that the employment contracts of the Mayoral Appointees will terminate by operation of law at the end of the Mayor's term of office.
2. Agree that, before the end of the Mayor's term of office, the Authority enters into a Settlement Agreement with each of the Mayoral Appointees, under which the Authority agrees to pay each of the Mayoral Appointees a termination payment in full and final settlement of all claims they may have arising from their employment and/or its termination.
3. Authorise the Head of Paid Service to exercise delegated authority to negotiate other terms and conditions of the Settlement Agreements and, after consulting with the Authority's other statutory officers, to enter into those Settlement Agreements for and on behalf of the Authority.

Mayor of London

I confirm that I do not have any disclosable pecuniary interests in the proposed decision and take the decision in compliance with the Code of Conduct for elected Members of the Authority.

The above request has my approval.

Signature:



Date: 18 03 2021

PART I - NON-CONFIDENTIAL FACTS AND ADVICE TO THE MAYOR

Decision required – supporting report

1. Introduction and background

- 1.1 Section 67 of the GLA Act stipulates that the Mayor can appoint up to 13 Mayoral Appointees, including no more than two political advisers.
- 1.2 Section 67(4) of the GLA Act states that none of these appointments can continue beyond the end of the Mayoral term. The Mayoral Appointees are therefore appointed to roles on fixed term contracts that will terminate by operation of law at the end of the Mayoral term.
- 1.3 The end of the Mayoral term is specifically defined as the second day after the day on which the last of the successful candidates at the election is declared to be returned.
- 1.4 There are currently 13 Mayoral Appointees in post, including two political advisers (appointed under section 67(1) (a) of the GLA Act) and 11 other staff (appointed under section 67 (1)(b) of the GLA Act). This decision therefore concerns the arrangements for the ending of their current fixed term employment.
- 1.5 The Deputy Mayor for Policing and Crime is employed by the Mayor's Office for Policing and Crime ("MOPAC") rather than the GLA. Her appointment also ends by operation of law at the end of the Mayoral term. MOPAC will mirror the process applied by the GLA set out below.

2. Objectives and expected outcomes

- 2.1 As section 67(4) of the GLA Act states that none of the appointments can continue beyond the end of the Mayoral term, the Mayoral Appointees are all appointed to roles on fixed-term contracts that terminate by operation of law at the end of the Mayoral term.
- 2.2 The termination of the fixed-term contracts of the Mayoral Appointees is still a dismissal in law, requiring the Authority to have a fair reason for the non-renewal of the fixed-term contracts. Furthermore, the Authority would need to follow a fair process in bringing those fixed-term contracts to an end. As the fixed-term contracts come to an end by operation of law under the GLA Act, there is no redundancy situation.
- 2.3 In order to minimise the risk of the Mayoral Appointees bringing unfair dismissal claims either because there is no fair reason for the non-renewal of the fixed-term contracts (given that the Mayoral Appointee position will still exist post-election), or because the Authority has failed to follow a fair process in bringing the fixed-term contracts to an end (including not considering suitable alternative employment), the Authority proposes to make payments to them in return for them entering into Settlement Agreements. The legal justification for making a payment in these circumstances is to remove the risk of an unfair dismissal claim. The payments will not therefore exceed the statutory cap for unfair dismissal of (currently £88,519 and rising to £89,493 with effect from 6 April 2021) and will represent value for money. The payments would be made in full and final settlement of all potential legal claims that the Mayoral Appointees may have arising from their employment and/or its termination.
- 2.4 The termination payment would be paid within one month of the end of the current Mayoral term but would be repayable in full if a Mayoral Appointee was re-appointed by the new Mayor to a post under section 67(1) of the GLA Act or section 19 of the Police Reform and Social Responsibility Act 2011 or took up any other employment post in the GLA Group within 12 months of the end of the Mayoral term. The termination payment may also have to be repaid if the Government legislation on the recovery of exit payments is implemented over the next few months conditional always on the transitional

arrangements that may be put in place (this legislation stipulates that those employees earning over £80,000 who receive a termination payment on exiting a public sector organisation then return to the public sector within 12 months will be required to repay some or all of their termination payment). Mayoral Appointees who are not in post at the end of the current Mayoral term are not eligible for the payment except in the case of one Mayoral Appointee, where steps are being taken to reduce GLA employment costs, details of which are dealt with in Part 2 of this decision form. Mayoral Appointees who return to the Authority for a short period to undertake a handover will not be required to repay their termination payments.

- 2.5 The Mayor is asked to authorise the Head of Paid Service to exercise delegated authority to negotiate other terms and conditions of the Settlement Agreements and, after consulting with the Authority's other statutory officers, to enter into those Settlement Agreements for and on behalf of the Authority.
- 2.6 Part 2 of this decision form covers any other individual arrangements relating to the end of the Mayoral term and sets out the proposed payment for each current Mayoral Appointee. These take account of the actual length of service of the Mayoral Appointees and their current salaries and are aligned to the amount Government Special Advisors are awarded at the end of an electoral term.

3. Consultation

- 3.1 Consultation is being undertaken directly with the Mayoral Appointees in order to confirm the termination of their fixed term contracts.

4. Financial comments

- 4.1 The proposed payments would be met by drawing on the relevant GLA reserve which exists to fund pay settlements and reviews for all relevant staff and Members. All budget adjustments would be made.

5. Legal comments

- 5.1 Under section 70(1) of the GLA Act the Mayor may appoint Mayoral Appointees on such terms and conditions as he sees fit, within the financial resources available to the Authority.
- 5.2 Under section 34(1) of the GLA Act, the Authority, acting by the Mayor, has the power to do anything which is calculated to facilitate, or is conducive or incidental to, the exercise of any of the functions of the Authority exercisable by the Mayor. For the reasons set out in paragraph 2 above, it is considered that entering into the proposed Settlement Agreements is within the Mayor's powers contained in sections 70(1) and 34(1) of the GLA Act.
- 5.3 By virtue of section 38(6) of the GLA Act, the Mayor cannot delegate and must therefore personally exercise the powers of appointment under section 67(1) of the Act. By virtue of section 38(1) of the GLA Act, the Mayor is however permitted to delegate his powers contained in sections 70(1) and 34(1) of the Act. The Mayor is therefore permitted to authorise the Head of Paid Service to negotiate and enter into the Settlement Agreements as proposed in this Mayoral Decision.
- 5.4 It should be noted that this Mayoral Decision is approved by the Head of Paid Service and Executive Director of Resources as opposed to the Chief of Staff and/or the Mayoral Appointees due to the potential conflict of interest if the Chief of Staff or Mayoral Appointees were involved in proposing this decision, which directly affects them.

6. Planned delivery approach and next steps

Activity	Timeline
Issuing of Settlement Agreements to all Mayoral Appointees	March/April 2021
Mayoral Election	6 May 2021
Mayoral Appointees to receive a termination payment within one month of the election date.	June 2021

Appendices and supporting papers:

None

Public access to information

Information in this form (Part 1) is subject to the Freedom of Information Act 2000 (FoIA) and will be made available on the GLA website within one working day of approval.

If immediate publication risks compromising the implementation of the decision (for example, to complete a procurement process), it can be deferred until a specific date. Deferral periods should be kept to the shortest length strictly necessary. **Note:** This form (Part 1) will either be published within one working day after it has been approved or on the defer date.

Part 1 - Deferral

Is the publication of Part 1 of this approval to be deferred? Yes

If YES, for what reason: This decision is to be published alongside the draft GLA Statement of Accounts 2020-21, which will contain further relevant details.

Until what date: Publication of the draft GLA Statement of Accounts 2020-21 (in June-July 2021).

Part 2 – Sensitive information

Only the facts or advice that would be exempt from disclosure under FoIA should be included in the separate Part 2 form, together with the legal rationale for non-publication.

Is there a part 2 form – YES

ORIGINATING OFFICER DECLARATION:

Drafting officer to confirm the following (✓)

Drafting officer:

Laura Heywood has drafted this report in accordance with GLA procedures and confirms the following:

✓

Sponsoring Director:

Mary Harpley has reviewed the request and is satisfied it is correct and consistent with the Mayor's plans and priorities.

✓

Mayoral Adviser:

N/A has been consulted about the proposal and agrees the recommendations.

✓

Advice:

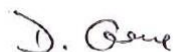
The Finance and Legal teams have commented on this proposal.

✓

EXECUTIVE DIRECTOR, RESOURCES:

I confirm that financial and legal implications have been appropriately considered in the preparation of this report.

Signature



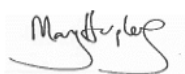
Date

18 March 2021

CHIEF OFFICER:

I am satisfied that this is an appropriate request to be submitted to the Mayor

Signature



Date

18 March 2021