



Cabinet Office

TRIENNIAL REVIEW REPORT OF THE SENIOR SALARIES REVIEW BODY

April 2014

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1. Executive Summary and Recommendations

This report records the observations and recommendations that have emerged from the triennial review of the Senior Salaries Review Body (SSRB). The review examined evidence both in relation to the continuing need for the SSRB and its status as a non-departmental public body (NDPB) (Stage One) and its compliance with the Cabinet Office Principles of Good Corporate Governance (Stage Two). This review also assessed the cost and composition of the SSRB to determine whether any further improvements could be made to increase its efficiency and effectiveness in the future.

Stakeholders were consulted using a draft version of this report to provide input and included representatives from the organisations that have a direct interest in the SSRB.

Feedback was provided by interested parties to the review who were content that the SSRB was fit for purpose, delivering functions which continue to be relevant and beneficial to the Government within an appropriate governance framework. However, the SSRB of the future must be strong, with sufficiently skilled and competent members to make robustly evidenced, and sensibly judged, advice to government. As a result, a number of recommendations have been made to improve the governance and composition of the SSRB. These recommendations, however, should not detract from the overarching message of this review, which is that the Government greatly values the contribution of the SSRB in delivering robust, evidence-based pay outcomes for public sector workers.

Recommendations:

1. As required in the triennial review guidance a Cabinet Office Board should discuss the SSRB's overall performance and existence as a standing agenda item.
2. SSRB Terms of Reference should be updated to reflect changes in their responsibilities.
3. Appointment packs should explicitly state that perceived political lobbying is incompatible with SSRB membership.
4. Reference to the Cabinet Office Code of Conduct should be included in the appointment letters in order to form part of the terms and conditions of appointment for SSRB members.
5. Future appointments should be staggered using two and three year terms to ensure continuity of membership and to reduce the administrative burden of recruitment.

6. Appointment criteria should be further modernised and simplified to attract a more diverse candidate pool.

2. Introduction

It is Government policy that a non-departmental public body (NDPB) should only be set up, or continue to exist, where the model can be clearly evidenced as the most appropriate and cost-effective way of delivering the function in question.

In April 2011, Cabinet Office announced that all NDPBs still in existence following the reforms brought about by the Public Bodies Reform programme would have to undergo a review at least once every three years. The first year of these triennial reviews was 2011-12, and we are approaching the end of the third year of the first cycle. Pay Review Bodies (PRBs) are classified as Advisory NDPBs, and are therefore subject to the triennial review process.

Triennial reviews have two purposes:

1. To provide a robust challenge of the continuing need for individual NDPBs – both their function and their form, employing the ‘three tests’ discipline; and
2. Where it is agreed that a particular body should remain as an NDPB, to review the control and governance arrangements in place to ensure that the public body is complying with recognised Principles of Good Corporate Governance.

There are some core requirements of a triennial review that need to be met – notably transparency (by announcing the commencement and conclusion by Written Ministerial Statement as well as informing relevant select committees of intent to start), and inclusivity (by consulting with key stakeholders).

The Written Ministerial Statement announcing the triennial review of the Senior Salaries Review Body (SSRB) was laid on 5th March and the process of stakeholder engagement began with contacting those individuals or organisations with a direct interest in the SSRB. The stakeholders included the Public Administration Select Committee, Department of Health, Ministry of Justice, Ministry of Defence, Home Office, HM Treasury, SSRB, Office of Manpower Economics (OME) and a number of Government Non-Executives with relevant experience and expertise. Stakeholders were consulted using a draft version of this report to provide comments. The complete list of stakeholders invited to contribute is at Annex A.

3. Background

The role of Pay Review Bodies

PRBs advise the Prime Minister, relevant Secretaries of State and the Devolved Administrations on matters referred to them, including annual recommendations about pay levels, based on the assessment of evidence on the effect of remuneration on recruitment, retention and motivation of suitably able staff, government policy on improving public services; and on equality of treatment. The seven PRBs make recommendations affecting some 2.5 million FTEs with an aggregate pay bill of approximately £95 billion¹.

The OME provides the PRBs with access to a range of independent expertise in economics, statistics, pay and labour market issues as well as policy support and high level secretariat skills. It is an independent body and its staff are civil servants employed by the Department for Business Innovation and Skills (BIS). OME's Director is responsible to the BIS Accounting Officer for resource and staff related issues.

The role of the Senior Salaries Review Body

The SSRB is an advisory NDPB of the Cabinet Office. It provides independent advice to the Prime Minister, the Lord Chancellor, the Secretary of State for Defence, the Secretary of State for Health, the Home Secretary and the Minister for the Cabinet Office on the pay of senior civil servants, the judiciary, senior officers of the armed forces, very senior managers in the NHS and Police and Crime Commissioners. This represents a remit group of 6,000 FTEs and an annual pay bill of £0.9 billion. As of autumn 2014, the SSRB will also provide recommendations on the remuneration of senior police officers in England, Wales and Northern Ireland.

The SSRB may also advise the Prime Minister on Peers' allowances; and on the pay, pensions and allowances of Ministers and others. If asked to do so by the Presiding Officer and the First Minister of the Scottish Parliament jointly; or by the Speaker of the Northern Ireland Assembly; or by the Presiding Officer of the National Assembly for Wales; or by the Mayor of London and the Chair of the Greater London Assembly jointly; the SSRB may also from time to time advise those bodies on the pay, pensions and allowances of their members and office holders.

¹ Armed Forces' Pay Review Body (AFPRB), Review Body on Doctors' and Dentists' Remuneration (DDR), NHS Pay Review Body (NHSPRB), Prison Service Pay Review Body (PSPRB), School Teachers' Review Body (STRB), National Crime Agency Remuneration Review Body (NCARRB) and Senior Salaries Review Body (SSRB)

4. The Review – Stage 1

Role and functions

The most significant finding of this review was the universal support for the SSRB from all stakeholders consulted. In July 2013 the Chief Secretary to the Treasury wrote to the chair of the SSRB to thank him for their work in the 2013/14 pay round, and to reaffirm that the Government greatly values the contribution of the SSRB in delivering robust, evidence-based pay outcomes for public sector workers.

Leaving aside the ad hoc work that the SSRB undertakes for government, the core, detailed work of the SSRB needs to be undertaken in some way as part of the annual pay round. The SSRB was established after government identified a “need for coordinated machinery for advising Government on the remuneration of certain groups for whom no negotiating machinery is, for one reason or another, appropriate.” Of fundamental importance is the independence and integrity of the SSRB. Members of the remit groups must be assured that recommendations about their pay are free of political interference and tax payers must be assured that decisions are robustly evidenced and free from managerial influence. The judiciary, which has no trade union representation or direct negotiation mechanism with the Government on pay, values the SSRB as an important element in the delicate balance of relationships between the Executive and the judiciary, with the PRB’s independent salary reviews being one measure which has been employed to reinforce the important principle of judicial independence.

Delivery models

Whilst there are alternative models for delivering the function the SSRB provides, none are without disadvantages. In addition, stakeholders have judged the SSRB’s function to be even more important in the context of public sector austerity while there are signs of recovery in the private sector to ensure that the overall offer remains competitive.

A central team to negotiate pay for the SSRB remit groups would be highly resource intensive and challenging given the expertise required. Delegating remit groups to departments would lose the value to compare similar roles across the remit groups; something which stakeholders highly value. Direct collective bargaining between the Government and the judiciary would fundamentally alter a constitutionally sensitive relationship.

Conclusions of Stage One

The work of the SSRB, and the publication of its annual reports on senior salaries, provide transparency and allows for public scrutiny of senior pay. This is especially important in the current economic climate where the salaries of top public servants receive high levels of media coverage and public perceptions of senior salaries have been affected as a result. PRBs, and in particular the SSRB, have a continued important role to play in opening up decisions on senior salaries to public scrutiny.

In doing this the SSRB provides a technical function for Government (which needs external expertise to deliver); is a function which needs to be, and seen to be, delivered with absolute political impartiality; and is a function which needs to be delivered independently of Ministers to establish recommendations with integrity. It is therefore recommended that this area of work continues to be delivered by an NDPB.

5. The Review – Stage 2

Where it is agreed that a particular body should remain as an NDPB it is then necessary to review the control and governance arrangements in place to ensure that the public body is complying with recognised Principles of Good Corporate Governance:

1. Accountability
2. Role of the Sponsoring Department
3. Role of the Board Members
4. Role of the Chair
5. Communication and Engagement
6. Conduct and Behaviour

Assessing compliance involves the NDPB and Sponsor Department working together to provide evidence of compliance or explaining non-compliance for each of the Principles. For each of these areas the SSRBs overall compliance is GREEN. See Annex B for a full assessment against each of the Principles.

Despite the GREEN assessment for the Role of the Sponsoring Department, the Cabinet Office is not compliant in one minor aspect of governance in that discussion of the SSRB's overall performance and existence is not a standing agenda item for one of the Department's management boards. Instead, currently, senior Cabinet Office boards discuss the overall performance of the SSRB where required.

Recommendation 1: As required in the triennial review guidance a Cabinet Office Board should discuss the SSRB's overall performance and existence as a standing agenda item.

In addition to this, the SSRB's terms of reference are in need of amendment to reflect the transfer of responsibility for MPs' pay, allowances and pensions to the Independent Parliamentary Standards Authority, and the addition of Police and Crime Commissioners, and later in 2014, senior police officers. The SSRB has also argued that it is no longer practical or desirable to maintain broad linkage between the remuneration of the senior civil service, judiciary and senior military, as the terms of reference require them to do. This presents an ideal opportunity to update the Terms of Reference to reflect current responsibilities and enable the SSRB to respond effectively to challenges post-pay freeze.

Recommendation 2: SSRB Terms of Reference should be updated to reflect changes in their responsibilities.

Stakeholder feedback proposed minor changes to the Appointments literature better to define political activities and reflect Code of Conduct requirements of new members of the SSRB as follows:

- Appointment packs should explicitly state that perceived political lobbying is incompatible with Review Body membership and perhaps set out acceptable political activities; and
- Reference to the Cabinet Office Code of Conduct be included in the appointment letters in order to form part of the terms and conditions of appointment for SSRB members.

It is recommended that these amendments should be made to the Appointments literature for the SSRB, with the exception of listing acceptable political activities, which it is considered would not be effective. The changes will be made in conjunction with Cabinet Office and OME guidance to ensure coherence across the Pay Review Bodies.

Recommendation 3: Appointment packs should explicitly state that perceived political lobbying is incompatible with SSRB membership.

Recommendation 4: Reference to the Cabinet Office Code of Conduct should be included in the appointment letters in order to form part of the terms and conditions of appointment for SSRB members.

In addition to assessing the Principles of Good Corporate Governance, this review assessed the cost and composition of the SSRB to determine whether any further improvements could be made to increase its efficiency and the effectiveness in the future.

Cost

The SSRB's costs are essentially demand led, and are primarily determined by the volume and nature of the work that the Government commissions. Members of PRBs do not draw a set salary. Instead they are remunerated for each day of attendance on review body work. Chairs of PRBs are remunerated at £350 and members at £300 for each day, which is also intended to cover any travelling time and preparation work. Members are also reimbursed for any essential expenses they incur while undertaking SSRB business. The daily rate for PRB members and chairs has not been increased since its introduction in 2003. In addition to this, the SSRB and the OME has no "back office" of its own; its support functions are provided by BIS on the same shared services basis (and within the same contracts) as the core Department, and have therefore benefited from the considerable savings in overheads BIS have made in recent years.

The total cost of SSRB members' fees and travel & subsistence in 2012-13 was £51,150, split between Cabinet Office, Department of Health, Ministry of Defence and Ministry of Justice. For 2013-14 this cost reduced to £32,000 – a 37% reduction.

Composition

The SSRB comprises eight members (including the Chair) all of whom are appointed on three year terms by the Prime Minister. Terms can be renewed once, meaning that each SSRB member can serve a maximum of six years. There are currently three members from a business background (including the Chair), a senior academic lawyer, 2 economists, a public sector expert, and the chair of the Armed Forces Pay Review Body, who sits on the Body as an *ex officio* member. This will rise to nine when the SSRB becomes responsible for providing recommendations on the remuneration of senior police officers in the autumn. This role will be fulfilled by the Chair of the National Crime Agency/Police Remuneration Review Body who will also be an *ex officio* member.

Maintaining continuity of knowledge and experience of the SSRB is vital to it achieving what is required of it. From April 2014 the current Chair and two members will stand down from office having all served two terms. This will leave the SSRB with five members while a Chair and two new members are recruited. Once these posts are filled and the NCARRB Chair joins as an *ex officio* member the SSRB will rise to nine. This is a big loss of experience and knowledge and a large administrative burden of recruitment. Future appointments to the SSRB should be staggered to prevent this situation from arising again.

Recommendation 5: Future appointments should be staggered using two and three year terms to ensure continuity of membership and to reduce the administrative burden of recruitment.

Table 1: Schedule of current appointments

Member	Apt. Date	Original expiry	Extensions	Final end date
Bill Cockburn [^] (Chair)	April 2008	March 2011	April 2011	March 2014
Dame Hazel Genn [*]	August 2012	August 2015		
Margaret Edwards	August 2012	August 2015		
Bruce Warman	April 2009	March 2012	April 2012	March 2015
Martin Fish	April 2009	March 2012	April 2012	March 2014
Prof. David Metcalf	April 2009	March 2012	April 2012	March 2015
Prof. Richard Disney	April 2009	March 2012	April 2012	March 2014
John Steele ⁺	Ministry of Defence lead on appointment of the Chair of the AFPRB who automatically sits on the SSRB as an ex-officio member.			
Due to be filled in Autumn 2014~	Home Office lead on appointment of the Chair of the NCARRB who will automatically sit on the SSRB as an ex-officio member.			

[^] Chair of the SCS Sub-Committee. ^{*} Chair of the Judicial Sub-Committee. ⁺ Chair of the AFPRB and *ex officio* member. [~] Chair of NCA/PRRB and *ex officio* member.

A previous comparison of the selection criteria for all of the PRBs found SSRB criteria to be drafted in more convoluted and less approachable language than those of other PRBs. As a result, it was agreed that redrafting the criteria could improve the diversity of the SSRB. Since then Cabinet Office and the OME have worked together to review and update the Chair and member selection criteria and whilst the SSRB now has two female members it still has no members from an ethnic minority background. With upcoming recruitment exercises for economist and business members there is an opportunity to further review the selection criteria and to make it more accessible.

Recommendation 6: Appointment criteria should be further modernised and simplified to attract a more diverse candidate pool.

Conclusions of Stage Two

Stakeholders who provided feedback to the review were content that the SSRB was fit for purpose, delivering functions which continue to be relevant and beneficial to the Government within an appropriate governance framework. However, the SSRB

of the future must be strong, with sufficiently skilled and competent members to make robustly evidenced, and sensibly judged, advice to government. As a result, a number of recommendations have been made to improve the governance and composition of the SSRB. These recommendations, however, should not detract from the overarching message of this review, which is that the Government greatly values the contribution of the SSRB in delivering robust, evidence-based pay outcomes for public sector workers.

Recommendations:

1. An appropriate Cabinet Office Board should scrutinise the performance of the SSRB on a regular basis.
2. SSRB Terms of Reference should be updated to reflect changes in their responsibilities.
3. Appointment packs should explicitly state that perceived political lobbying is incompatible with SSRB membership.
4. Reference to the Cabinet Office Code of Conduct should be included in the appointment letters in order to form part of the terms and conditions of appointment for SSRB members.
5. Future appointments should be staggered using two and three year terms to ensure continuity of membership and to reduce the administrative burden of recruitment.
6. Appointment criteria should be further modernised and simplified to attract a more diverse candidate pool.

Annex A - Listing of stakeholders

The following individuals were asked to contribute to this review:

Gordon Fleck (Department of Health)

Ben Foyle (Home Office)

Bernard Jenkin MP (Chair – Public Administration Select Committee)

Ed Bowie (Ministry of Justice)

Dave Penman (FDA)

Geoff Dart (Office of Manpower Economics)

Commander Johanna Hooper (Ministry of Defence)

Lord Browne (Lead Non Executive – Cabinet Office)

Matthew Smith (HM Treasury)

Mike Wheeler (Non Executive – Department of Health)

Philippa Hird (Non Executive – HM Revenue and Customs)

Willy Roe (Non Executive – Department for Work and Pensions)

Annex B - Compliance with the Principles of Good Corporate Governance

Accountability

Principle: The Minister is ultimately accountable to Parliament and the public for the overall performance, and continued existence, of the public body.

- 1) The Minister and sponsoring department should exercise appropriate scrutiny and oversight of the public body. This includes oversight of any public monies spent by, or on behalf of, the body.

Explain: The Minister and sponsoring department set the Terms of Reference and remit for the SSRB and receive the reports setting out recommendations.

Responsibility for reimbursing members fees also lies with sponsoring departments, although OME/BIS handles the logistics. The review body itself does not directly spend any monies as all costs are either:

- Incurred by OME; including secretariat staffing and administrative costs along with costs of arranging meetings and visits. Allocation of staffing and admin costs to each review body is not meaningful owing to the small sums involved and high level of cross-secretariat support within OME. Or
- Form part of the services provided by BIS, at no direct cost to OME or the sponsoring department, on the same shared services basis as the core Department. These include IT and HR support, accommodation and central services (the latter is determined by BIS to be insignificant and therefore uneconomic to identify).

All of these costs are overseen by BIS Ministers as part of their management of the Department as a whole and appear in BIS audited accounts. The OME Director has day-to-day responsibility for the budget by means of a letter of delegated authority from the BIS Accounting Officer.

- 2) Appointments to the board should be made in line with any statutory requirements and, where appropriate, with the Code of Practice issued by the Commissioner for Public Appointments.

Comply: The appointment process is managed by the sponsoring department with support from OME.

- 3) The Minister will normally appoint the Chair and all board members of the public body and be able to remove individuals whose performance or conduct is unsatisfactory.

Comply: The SSRB Chair and members are appointed by the Prime Minister. The letter of appointment allows scope for the Prime Minister to remove the Chair or members.

- 4) The Minister should meet the Chair on a regular basis.

Explain: The Chair meets with Ministers following appointment, and has an annual meeting with the Chief Secretary to the Treasury prior to the start of the pay round. Once in remit, Ministers submit written evidence and present formal oral evidence, but it would be inappropriate for the Chair to have additional meetings prior to submission of the recommendations.

- 5) There should be a requirement to inform Parliament and the public of the work of the public body through publication of an annual report (or equivalent publication).

Comply: The SSRB produces at least one report each year which sets out the evidence received, key issues considered, and recommendations. Reports are submitted to the Prime Minister and relevant Minister(s), presented to Parliament and published as Command Papers, and then made available on the OME website. In addition, OME produces an annual stewardship report about the work of the secretariats.

- 6) The public body must be compliant with Data Protection legislation.

Comply: OME, who handle information on behalf of the SSRB, complies with Data Protection legislation. All information is handled in accordance with BIS Departmental guidelines.

- 7) The public body should be subject to the Public Records Acts 1958 and 1967.

Comply: All administrative records concerning the SSRB's business are public records by virtue of being held by OME on BIS systems.

Overall assessment of statutory accountability: GREEN

Role of the Sponsoring Department

Principle: The departmental board ensures that there are appropriate governance arrangements in place with the public body. There is a sponsor team within the department that provides appropriate oversight and scrutiny of, and support and assistance to, the public body.

- 1) The departmental board's regular agenda should include scrutiny of the performance of the public body.

Explain: Discussion of the SSRB's overall performance and existence is not a standing agenda item for one of the Department's management boards. Instead, currently, senior CO boards discuss the overall performance of the SSRB where required.

- 2) There should be a document in place which sets out clearly the terms of reference of the public body. It should be accessible and understood by the sponsoring department and by all board members. It should be regularly reviewed and updated.

Comply: The SSRB's Terms of Reference are set out formally in the Foreword of each Annual Report.

- 3) There should be a dedicated sponsor team within the parent department. The role of the sponsor team should be clearly defined.

Comply: There is a dedicated sponsor team within Cabinet Office responsible for providing the oversight function; in-house recruitment of the SSRB Chair and members; managing the clearance process with the Minister and other senior managers in the Civil Service; and stakeholder engagement.

- 4) There should be regular and ongoing dialogue between the sponsoring department and the public body.

Comply: There are regular communications between the SSRB, the OME and the sponsor team within Cabinet Office.

- 5) There should be an annual evaluation of the performance of the board and its committees – and of the Chair and individual board members.

Comply: There is an annual appraisal of the SSRB's Chair and members overseen by OME and reported to Cabinet Office.

Overall assessment of the role of the sponsoring department: GREEN

Role of the Board Members

Principle: Board members should provide independent, expert advice.

- 1) There should be a formal, rigorous and transparent process for the appointment of non-executive members of the board. This should be compliant with the Code of Practice issued by the Commissioner for Public Appointments.

Comply: The duties, role and responsibilities, terms of office and remuneration of board members is set out in the appointment pack and appointment letter.

- 2) Board members should be properly independent of the Department and of any vested interest (unless serving in an ex-officio or representative capacity).

Comply: Members are independent of the Department and of any vested interest (unless serving in an ex-officio or representative capacity).

- 3) Board members should be drawn from a wide range of diverse backgrounds. The board as a whole should have an appropriate balance of skills, experience, independence and knowledge.

Comply: Board members are drawn from a wide range of diverse backgrounds across academia, business, public sector, and the economics profession and this ensures the body as a whole has the appropriate balance of skills, experience, independence and knowledge.

- 4) The duties, role and responsibilities, terms of office and remuneration of board members should be set out clearly and formally defined in writing. Terms and conditions must be in line with Cabinet Office guidance and with any statutory requirements.

Comply: The duties, roles and responsibilities of members are set out in the appointment pack and the terms of office and remuneration are in the appointment letter.

- 5) All board members must allocate sufficient time to the board to discharge their responsibilities effectively.

Comply: Members attend all meetings except in exceptional circumstances agreed in advance with the Chair and the Director of OME.

- 6) There should be a proper induction process for new board members. This should be led by the Chair. There should be regular reviews by the Chair of individual members' training and development needs.

Explain: All new members typically meet the Chair before the first review body meeting and there is an induction process for all new members lead by the secretariat at OME. Annual appraisals of members are conducted by the Chair and by the OME Director for review body Chairs using the Cabinet Office prescribed form.

- 7) All board members should ensure that high standards of corporate governance are observed at all times. This should include ensuring that the public body operates in an open, accountable and responsive way.

Comply: The SSRB submits its reports, which set out the evidence received, any additional research considered and the reasoning for its recommendations, to the Prime Minister and relevant Minister(s). These are the published in paper format as Command Papers, and made available on the OME website.

Overall assessment of the role of the Board: GREEN

Role of the Chair

Principle: The Chair is responsible for leadership of the board and for ensuring its overall effectiveness

- 1) The Board should be led by a non-executive Chair.

Comply: The SSRB is led by a Chair appointed through a fair and open process.

- 2) There should be a formal, rigorous and transparent process for the appointment of the Chair. This should be compliant with the Code of Practice issued by the Commissioner for Public Appointments. The Chair should have a clearly defined role in the appointment of non-executive board members.

Comply: The SSRB is led by a Chair appointed through a fair and open process. In addition, the Chair sits on the appointments panel for review body members.

3) The duties, role and responsibilities, terms of office and remuneration of the Chair should be set out clearly and formally defined in writing. Terms and conditions must be in line with Cabinet Office guidance and with any statutory requirements. The responsibilities of the Chair will normally include:

- Representing the public body in discussions with Ministers;
- Advising the sponsoring Department and Ministers about board appointments and the performance of individual non-executive board members;
- Ensuring that non-executive board members have a proper knowledge and understanding of their role and responsibilities. The Chair should ensure that new members undergo a proper induction process and is normally responsible for undertaking an annual assessment of non-executive board members' performance;
- Ensuring that the board, in reaching decisions, takes proper account of guidance provided by the sponsoring department or Ministers;
- Ensuring that the board carries out its business efficiently and effectively; and
- Representing the views of the board to the general public.

Comply: The duties, roles and responsibilities of the Chair are set out in the appointment pack and the terms of office and remuneration are in the appointment letter. The Chair's annual performance objectives include ensuring the efficient and effective functioning of the review body. In particular, the Chair:

- Sits on appointments panels for members;
- Meets with new members as part of the induction process carried out by OME;
- Conducts an annual review/appraisal for each member; and
- Ensures that members follow the Terms of Reference for their body, the remit letter(s) provided by the relevant Ministers and guidance provided by OME in the members guide.

Overall assessment of the role of Chair: GREEN

Communication and Engagement

Principle: The Public Body should be open, transparent, accountable and responsive.

- 1) The public body should operate in line with the statutory requirements and spirit of the Freedom of Information Act 2000.

Comply: The SSRB is named in Schedule 1 of the Freedom of Information Act along with the OME. It operates in line with the requirements and OME deal with all FOI information requests and publish the replies on the OME website.

- 2) The public body should make an explicit commitment to openness in all its activities. Where appropriate, it should establish clear and effective channels of communication with key stakeholders. It should engage and consult with the public on issues of real public interest or concern. This might include holding open meetings or annual public meetings. The results of reviews or inquiries should be published.

Comply: The role of the SSRB is to provide advice to Ministers. To carry out this role, the SSRB seeks written evidence from all key stakeholders to the process and hold oral evidence sessions. Departments and stakeholders generally publish their evidence and the final reports setting out the evidence received, any additional research considered and the reasoning for its recommendations. These are also made available through the OME website. The review body secretariat also holds informal meetings at working level with key stakeholders. Public meetings are not appropriate for the role as the frank discussion of the matters under consideration could be inhibited by public scrutiny. All research is conducted either using OME's competitive tendered Framework Agreement, or in rare instances following a business case, by single tender. Results are publicly available through commentary in the relevant report and, in most cases, through publication of the research on the OME website.

- 3) The public body should proactively publish agendas and minutes of board meetings.

Explain: Agendas and minutes of SSRB meetings are not publicly available. The ability of the SSRB to provide sound evidence-based advice to Ministers depends on a free and frank exchange of views for the purposes of deliberation. Stakeholders may be less likely to offer evidence or there could be an inhibiting effect on the frankness and candour of the many individuals and organisations invited to submit evidence to the SSRB without a safe space in which to formulate and debate issues

away from public scrutiny. However, as discussed above, Departments and consultees generally publish their evidence. The final reports setting out the evidence received, any additional research considered and the reasoning for review body recommendations are also published by Departments and made available on the OME website. In addition, prior to each remit, the SSRB conducts a programme of visits to members of the remit groups to take views on pay and related matters, enables staff to highlight issues of concern and provide an opportunity for staff to give feedback on previous recommendations.

- 4) There should be robust and effective systems in place to ensure that the public body is not, and is not perceived to be, engaging in political lobbying. There should also be restrictions on board members attending Party Conferences in a professional capacity.

Comply: The appointment pack sent to all prospective candidates states that prominent political activity is incompatible with continuing membership of the SSRB and sets out activities/potential conflicts of interest which would disqualify candidates from becoming review body members (such as paid party political posts or sensitive, senior or prominent positions in any political organisation). Subject to the above, members may engage in political activities, provided that they are conscious of their general responsibilities and standards in public life and exercise proper discretion. In addition, any potential conflicts of interest are discussed with the Chair and the OME Director who provides guidance on acceptable activities.

Overall assessment of communication and engagement: GREEN

Conduct and Propriety

Principle: Board members should work to the highest personal and professional standards. They should promote the values of the public body and of good governance through their conduct and behaviour.

- 1) A Code of Conduct must be in place setting out the standards of personal and professional behaviour expected of all board members. This should follow the Cabinet Office Code. All members should be aware of the Code. The Code should form part of the terms and conditions of appointment.

Comply: The code of conduct for members, which reflects the Cabinet Office Code, is published on the OME website and is set out in the members guide.

- 2) There are clear rules and procedures in place for managing conflicts of interest. There is a publicly available Register of Interests for board members. This is regularly updated.

Comply: The members' guide sets out the rules and procedures for conflicts of interest. Any potential conflicts of interest are discussed with the OME Director who provides guidance on acceptable activities. A list of each member's relevant interests is publicly available on the OME website.

- 3) There must be clear rules in place governing the claiming of expenses. These should be published. Effective systems should be in place to ensure compliance with these rules.

Comply: The members' guide sets out the rules and procedures for claiming expenses which are set by BIS. All claims are scrutinised and approved by a member of the OME secretariat and processed in line with BIS procedures. The total fees and expenses claimed are published on the OME website while detailed OME expenditure is included in the BIS financial information published on its website.

- 4) There are clear rules and guidelines in place on political activity for board members and that there are effective systems in place to ensure compliance with any restrictions.

Comply: The appointment pack sent to all prospective candidates, states that prominent political activity is incompatible with continuing membership of the review body, with the caveats explained in the previous section. In addition, any potential conflicts of interest are discussed with the OME Director who provides guidance on acceptable activities.

- 5) There are rules in place for board members and senior staff on the acceptance of appointments or employment after resignation or retirement. These are enforced effectively.

Explain: The post of SSRB member and Chair are public appointments rather than employment, so restrictions on the acceptance of appointments after resignation or retirement are not appropriate. However, SSRB members must discuss with the Chair any offers of other appointments they receive whilst serving on the SSRB or shortly after stepping down which might raise a question about their independence or impartiality. Senior staff within OME are BIS employees and therefore covered by the rules applying to civil servants.

Overall assessment of conduct and propriety: GREEN

Overall compliance with recognised Principles of Good Corporate Governance: GREEN