

INDEPENDENT PANEL

TO REVIEW THE EMOLUMENTS OF MEMBERS OF TYNWALD

Analysis of consultation responses
8th October 2019

Background

1. In February 2018, Tynwald resolved that the Emoluments Committee should establish a review of the emoluments of Tynwald Members. In May 2019 an independent Panel was appointed to undertake the review. Its members are Ian Cochrane (chair), Jennifer Houghton and Sir Miles Walker.
2. The Panel issued a consultation paper which described the present arrangements, set out the terms of reference of its review, and invited the public to submit views on the following four questions. The first three questions were derived directly from the terms of reference while the fourth was included to ensure that respondents could raise any concerns not addressed in those terms of reference.

(Q1) What level of salary and benefits would be sufficient to allow anyone to be able to serve in Tynwald and to attract a diverse collection of community members?

(Q2) How should Tynwald Members' enhanced executive and scrutiny roles be recognized?

(Q3) How should Members' basic pay be linked to Civil Service salary levels?

(Q4) What other comments would you like to make about Tynwald Members' emoluments?

3. Submissions could be made directly to the Panel by email, or through the Isle of Man Government's Consultation Hub.
4. The consultation opened on 8th July 2019 and closed on 31st August 2019.

Responses received

5. The total number of responses received was 82. Of these, 80 responded through the Consultation Hub and two submitted responses by email. The Panel is grateful to everyone who took the trouble to respond.

6. Only one response was made on behalf of an organisation (the Postive Action Group) with the rest being made by individuals. Only one response was made by a person who did not live in the Isle of Man (Mr Patrick Ayres) with the rest being made by Manx residents.

7. Permission to publish was given as follows:

Submission may be published in full	22
Submission may be published anonymously	46
Submission may not be published	14

Of the 22 who gave permission for their submission to be published in full, two did not provide a name and one provided a pseudonym.

Q1: What level of salary and benefits would be sufficient to to allow anyone to be able to serve in Tynwald and to attract a diverse collection of community members?

8. Of the 82 responses received, 51 answered this question by giving a specific salary level or range and 11 by giving a formula from which a salary level could be derived. New formulas were suggested based on the pay scale for civil servants appointed since April 2016; the Manx earnings index; junior doctors' pay; teachers' pay; the living wage; the minimum wage; and the state pension. One respondent who did not propose a specific figure suggested that the basic rate should be set by reference to comparators from other jurisdictions.

9. The responses varied in their proposed treatment of different roles (see Question 2 below). In order to allow for this, we compared the level at which the different respondents proposed to remunerate an MHK who was a Member of a Department. Of the 62 responses who proposed a specific salary, seven would have resulted in such a Member receiving an increase in salary, with the highest proposal being £125,000. Ten proposals favoured a continuation of the status quo. The remaining 45 proposed a reduction. One proposed an hourly rate. Two proposed no payment at all.

10. The vast majority of proposals lay in the range £30,000 to £60,000 per year. The average sum proposed was a little under £50,000 per year.

11. Two respondents suggested that Members be paid at the level of their earnings immediately prior to being elected. One suggested that they be paid on the basis of their qualifications. One suggested that a means tested approach could be considered to allow less affluent members of society to consider the role.

Q2: How should Tynwald Members' enhanced executive and scrutiny roles be recognized?

12. Of the 82 responses received, 38 made specific proposals for various roles based on either a percentage or a fixed sum. Some were content with the existing arrangements and some proposed modest adjustments. Some proposed to reduce the number of roles which should

be remunerated. Two thought that extra remuneration should be payable to the Chief Minister alone.

13. Eight respondents suggested some form of performance related pay for Tynwald Members. One suggested that this should be linked to the delivery of Programme for Government objectives. Another suggested that it be determined by an independent board.
14. Twenty-eight respondents rejected altogether the idea of different pay levels for different roles. Reasons given included:
 - “avoid the mess associated with additional payments”
 - “as soon as you give more for another role you create a conflict of interest”
 - “it invites the wrong kind of people into the position and also invites the wrong motives”
 - “they should treat it as a privilege to be asked to take a seat on a Board, otherwise it can be and is treated as a bribe to follow the Chief Minister’s wishes.”
15. Of the 38 who made proposals for remunerating specific roles, six included membership of scrutiny committees among the roles to be remunerated.
16. Of the 38 who made proposals for remunerating specific roles, five proposed that Members of the Legislative Council should be paid less than Members of the House of Keys.

Q3: How should Members’ basic pay be linked to Civil Service salary levels?

17. A number of respondents answered this question by arguing that Members’ pay should not be linked to the civil service on the basis that the roles were so different. Some were content with the existing arrangement. Two proposed that the link should be with the scale applicable to civil servants appointed or promoted since April 2016, as opposed to the older scale.
18. One respondent proposed a link with senior civil service managers; one said that Tynwald Members should be paid less than senior civil servants; and one said that Tynwald Members should be paid in line with entry level low grade workers.

Q4: What other comments would you like to make about Tynwald Members’ emoluments?

19. Of the 82 responses received, 30 made reference to the tax-free annual sum for expenses. The vast majority of the 30 responses which referred to expenses proposed that a fixed annual sum should not be paid, but instead that any expenses should be claimed on the basis of submitted receipts. One respondent suggested that instead of comprehensive receipts, each Members should submit a side or two of A4 to explain where they had spent

the money. One respondent suggested keeping the tax-free sum but reducing it by half. One suggested incorporating it into salary.

20. Of the 82 responses received, 20 commented on Tynwald Members' pensions. Of these 20, the vast majority believed that Tynwald Members' contributions to their pensions were too small, or that the benefits provided by their pensions were too great.

Panel Secretary
8th October 2019