

WMCA Board

Date	9 June 2023
Report title	The Report of the Independent Remuneration Panel
Portfolio Lead	Finance - Councillor Bob Sleigh
Accountable Chief Executive	Laura Shoaf, West Midlands Combined Authority email: laura.shoaf@wmca.org.uk
Accountable Employee	Helen Edwards, Director of Law & Governance email: helen.edwards@wmca.org.uk

Recommendation(s) for action or decision:

The WMCA Board is recommended to:

- (1) Agree with the Independent Remuneration Panel's recommendations to increase the SRA paid to the deputy mayor to £ 20,000 and backdate this to October 2022.
- (2) Agree that the Special Responsibility Allowance (SRA) paid to the Chairs of each of the Audit, Risk and Assurance Committee, the Overview and Scrutiny Committee and the Transport Delivery Overview and Scrutiny Committee be set at £9,500.
- (3) Agree that the SRA paid to the six Scrutiny Champions operating within the Transport Delivery Overview and Scrutiny Committee should be set at £4,750.
- (4) Agree a Co-optees Allowance of £3,000 for all members of constituent authorities who serve on the Audit, Risk and Assurance Committee, the Overview and Scrutiny Committee and the Transport Delivery Overview and Scrutiny Committee.
- (5) Agree that all the allowances recommended above should be updated annually on the basis of the average increase in salaries (private and public sector in previous financial year in the West Midlands, as published in the Annual Survey of Household Earnings (ASHE) as set out in para 4.32 of the Panel's 2022 report.
- (6) Agree that mechanisms should be introduced to monitor and publish attendance of co-optees on the three Committees.

- (7) Agree that a review should be carried out annually of the extent to which the work of the three Committees and of the six Scrutiny Champions on the Transport Delivery Overview and Scrutiny Committee is proving effective and 'adding value'.
- (8) Agree that if either the Audit, Risk and Assurance Committee or the Overview and Scrutiny Committee were minded to introduce Scrutiny Champions, these positions should attract the same SRA as for Transport Delivery i.e., £4,750.
- (9) Agree that if any of the three Committees were to establish 'task and finish' groups to study a particular issue in depth, then an SRA of £2,375 should be paid to the Chair of the group, so long as this role is not filled by a Committee Chair or Scrutiny Champion.
- (10) Agree that if a councillor from a constituent authority is co-opted onto two of the three Committees, he or she should be entitled to two Co-optees Allowances.
- (11) Note that the remuneration recommended in relation to members of the Overview and Scrutiny Committees, the Scrutiny Champions and the members of the Audit, Risk and Assurance Committee cannot be paid until such time as the legislation permitting it has been passed, and that we will at that time backdate the remuneration to the start of the municipal year if the legislation permits us to do so

1. Purpose

- 1.1 This Report sets out the recommendations of the Independent Remuneration Panel (IRP) set up to look at allowances at the West Midlands Combined Authority (WMCA).

2. Background

- 2.1 At the meeting of the WMCA Board held on the 18 March 2022, Members agreed to appoint an IRP to consider:
 - the allowances that should be paid to the Mayor and the Deputy Mayor,
 - whether allowances should be recommended for Portfolio Leaders,
 - the allowances paid to the TDC and whether allowances should be recommended to other Members of the WMCA.
- 2.2 The IRP carried out a thorough review of Members Allowances, including carrying extensive interviews with key stakeholders and considering comparative data across the country. In May 2022, the Independent Remuneration Panel (IRP) submitted its report which made recommendations regarding a range of topics specified in its brief, namely the allowances to be paid to the elected mayor, the deputy mayor, the chairs of the Audit, Risk and Assurance, Overview and Scrutiny and Transport Delivery Committees respectively, and the members of the Transport Delivery Committee.
- 2.3 In October 2022, the recommendations relating to the elected mayor and the chairs of Audit, Risk and Assurance and Overview and Scrutiny were agreed by the Board and the recommendation relating to the deputy mayor referred back to the IRP.

- 2.4 The Panel's recommendation regarding allowances to members of the Transport Delivery Committee was deferred pending the outcome of the WMCA internal Transport Governance Review, which was then in progress and which has been considered separately at this meeting. In addition, the government has indicated in its recently issued Levelling Up and Regeneration Bill (para 6.7) that it will issue new guidance which permits the payment of allowances to those involved in overview and scrutiny activities in Combined Authorities.
- 2.5 The Panel was reconvened in May 2023 and asked, in the light of these new circumstances, to make recommendations on allowances to be allocated to the deputy mayor, to the members of the Overview and Scrutiny committees and Audit, Risk and Assurance Committee and to the six 'Member Champions' proposed within the re-named Transport Delivery Overview and Scrutiny Committee. This report is focused on these specific issues and should be seen as a supplementary report to that submitted by the Panel in 2022. The other topics dealt with in that report (e.g., the elected mayor's allowance) are not revisited here.

3. Strategic Aims and Objectives

- 3.1 Develop our organisation and our role as a good regional partner

4. Financial Implications

- 4.1 The annual ongoing cost of implementing all of the recommendations in this report would be £188,000. There is an additional cost of £5,000 in 2023/24 relating to backdated allowances bringing the total cost for 2023/24 to £193,000. £153,000 of this cost can be funded from repurposing of existing budgets with the balance to be supported by one off reserves generated from the 2022/23 year end outturn position. The ongoing annual cost will be built into future year budgets.

5. Legal Implications

- 5.1 Where an IRP has issued a report, the Board are required under the provisions of the West Midlands Combined Authority (Functions and Amendment) Order 2017 to determine the allowances payable to the Mayor and the Deputy Mayor "in accordance with the recommendations of the IRP."

6. Single Assurance Framework Implications

- 6.1 There are no Single Assurance Framework implications associated with this report.

7. Geographical Area of Report's Implications

- 7.1 There are no specific geographical implications associated with this report.

8. Appendices

- 8.1 Appendix 1 – May 2023 Report of the IRP

9. Schedule of Background Papers

[Report or the IRP October 2022](#)