



WEST MIDLANDS
COMBINED AUTHORITY

Board Meeting

Date	18 November 2016
Report title	Establishment of an Independent Review Panel – Mayoral Remuneration
Cabinet Member Portfolio Lead	Councillor Bob Sleight – Chair of the WMCA
Accountable Chief Executive	Keith Ireland, Clerk to the Combined Authority Email: keith.ireland@wolverhampton.gov.uk Tel: (01902) 554500
Accountable Employee	Chris Tunstall, Combined Authority Advisor Email: chris.tunstall@wolverhampton.gov.uk Tel: (01902) 554500
Report to be/has been considered by	None

Recommendation(s) for action or decision:

The Combined Authority Board is recommended to:

1. Approve the establishment of an Independent Review Panel.
2. Seek an independent representative nomination for the Panel from each of the Constituent Authorities.
3. Authorise the Clerk, in consultation with the Chair, to confirm the Panel appointments.
4. Agree the terms of reference in Appendix 1 for determination of the Mayoral Remuneration.
5. That the Clerk be authorised, in consultation with the Chair, to undertake any necessary actions to ensure the timely production of the Report.
6. To receive the Report from the Independent Review Panel early in the new year for consideration of an appropriate level of Mayoral Remuneration

1.0 Purpose

- 1.1 To establish an Independent Review Panel (IRP) in order to determine the appropriate level of remuneration for the elected Mayor for the West Midlands Combined Authority.

2.0 Background

- 2.1 The Combined Authority, at its meeting of the 10 June 2016, (subsequently ratified at its AGM on the 29 June 2016) confirmed within its Mayoral Scheme that a Mayoral remuneration could be paid and that the appropriate level should be determined by an Independent Review Panel. The Scheme was subsequently consulted on in July - August 2016.
- 2.2 The Mayor will be elected in May 2017 for an initial term of 3 years and subsequently on a 4 yearly cycle.
- 2.3 Government have confirmed that they are not proposing to set a national scale of remuneration, as they did with the Police and Crime Commissioner roles, but are leaving it with individual areas to determine their own levels. This will enable individual Combined Authorities to better reflect the responsibilities in respect of the scale and role for their specific area. Appendix 1 details the terms of reference for the review.
- 2.4 To establish the IRP it is recommended that each Constituent Council nominate an independent representative, possibly from their own IRP.
- 2.5 In order that a determination of the appropriate level of Mayoral Remuneration can be made early in the new year it is proposed that, subject to the establishment of an IRP being agreed, that the Clerk to the Authority be authorised, in consultation with the Chair, to carry out all necessary action so as to be able to present a report to the Authority for determination in February 2017.
- 2.6 The final determination of the Mayoral Remuneration be a decision of the Combined Authority, based on the IRP recommendation.

3.0 Financial implications

- 3.1 Any costs associated with the Independent Review Panel should be marginal and will be funded from within the existing Combined Authority governance budget. The Mayors remuneration will form part of the budget for the Mayors officer which will be met from the Mayoral precept

4.0 Legal implications

- 4.1 There are no further legal implications flowing from the contents of this report.

5.0 Equalities implications

- 5.1 There are no equalities implications as a result of this report

6.0 Schedule of background papers

- 6.1 Report to the 10 June Shadow Combined Authority – ‘Implementing the Devolution Agreement – Provision for Mayoral West Midlands Combined Authority’.

Appendix 1

Terms of Reference for Review of WMCA Mayoral Remuneration and Allowances

Requirement

1. To undertake a review that would ensure the remuneration paid to the Mayor is commensurate with the responsibilities of the position;
2. Subsequently report to and advise the West Midland Combined Authority (WMCA) on the appropriate indicative level of Mayor Remuneration and Allowances.

It should be noted that, in its considerations and recommendations, the WMCA must have due regard to the recommendations of this review, but that, ultimately, the determination of allowances is a matter for the West Midlands Combined Authority.

Timescale

A report on the results of the Review with the appropriate advice is required by the end of 2016 to enable the Authority to make a decision early in the new year.

Background

The WMCA comprises the area of the 7 Constituent Councils of:

- Birmingham
- City of Wolverhampton
- Coventry
- Dudley
- Sandwell
- Solihull
- Walsall

With a population of 2.7million.

In addition to the above constituent members, there are 5 non-constituent Councils and 3 non-constituent Local Enterprise Partnerships. There are also 5 Councils awaiting non-constituent membership (who will be incorporated by January 2017) and 4 observer organisations, including the West Midlands Fire Service and the Police and Crime Commissioner's Office.

The Authority has an ambitious programme for improving the Economic prospects for its area and the number of jobs. To achieve this, it has entered into a Devolution Deal with Government that will deliver an extra £36.5 m/ year 'gainshare' as part of an overall £8bn of investment over 30 years.

As part of the Devolution Deal the Authority has signed up to an Elected Mayor over the area of the WMCA's constituent Councils.

The Authority at its meeting of the 10 June 2016 confirmed that an allowance should be paid and that this should be undertaken by an Independent Review Panel.

The Mayor will be elected in May 2017 for an initial term of 3 years and subsequently on a 4 yearly cycle.

Role and Responsibility of the Mayor

The directly elected Mayor for the West Midlands will be a Member and Chair of the Mayoral WMCA and will be subject to the Mayoral WMCA constitution.

Once elected, the Mayor will appoint a Deputy from one of the Constituent Members.

The Leaders of Constituent Councils, who are the Constituent Authority Members of the Mayoral WMCA, will hold the office of portfolio leads for aspects of the Authorities responsibilities, on the basis to be set out in its Constitution, and in consultation with the Mayor, and will be collectively known as the Cabinet operating with collective responsibility

The functions which are to be Mayoral functions only pursuant to the devolution agreement and the conditions under which they can be exercised by the Mayor are;

- HCA CPO powers (with the consent of the appropriate authority(ies))
- Grants to Bus Service Operators (Secretary of State to consult the Mayor)
- Devolved, consolidated transport budget
- Coordination and oversight of a Key Route Network of roads (in conjunction with the constituent authorities)
- Raising of a Mayoral precept (will form part of mayoral accounts)
- Raising of a business rate supplement (in agreement with the relevant LEP Board(s) and the Mayoral WMCA)
- Functional power of competence

There will also be a Mayors Office/ staff and a Mayoral Budget

In addition, the Authority has the role and responsibility of the former West Midland Integrated Transport Authority and its Passenger Transport Executive (Centro) together with Economic and Regeneration Functions. Whilst not responsible for these functions the Mayor will nevertheless be actively involved. Full details can be found in the current Constitution and the Mayoral WMCA Functions Scheme on the Authorities Website.

The Mayor is not responsible for the Police and Crime Commissioner role nor the Fire and Emergency Services.

Issues for Consideration

The role and responsibility of the position of Mayor as detailed above and in the Mayoral WMCA Functions Scheme.

Recognition that these responsibilities might be subject to significant variation over time and that the allowance paid at any particular time should be reflective of such variations. Significant variations will however only take place prior to Mayoral elections and not during a Mayors term of office.

Schemes currently in existence for comparable Mayoral roles elsewhere within the UK.

The level of the Constituent Leaders remunerations of the 7 Constituent Councils.

Consideration of levels of remuneration set by the Senior Salaries Review Body for similar roles.