

Agenda Item 8 – Appendix B

**WEST MIDLANDS REGIONAL ASSEMBLY
Board of Directors – 5 December 2007**

**Report of the Finance & Audit Committee regarding a proposal
from the Independent Remuneration Panel for a Members
Allowances Scheme**

1.0 IRP Proposal for a Members Allowances Scheme

Background

- 1.1 An Independent Remuneration Panel was convened during the summer and was provided with terms of reference to develop a Members Allowances Scheme for the Regional Assembly. The panel was chaired by Dr Declan Hall of the University of Birmingham. Dr Hall presented the IRP proposal to the Finance and Audit Committee at their meeting on 18 July.

Recommendation

- 1.2 In consideration of the IRP Proposal FAC would also like to recommend to the Board that;
- a) The existence of WMLGA Allowances Scheme was a key driver for efficiency savings in the proposed Assembly Scheme and therefore **any savings should be shared equally between the two funding bodies** (following the same model that is currently operated in respect of the Chairman's Allowance).
 - b) To implement a scheme in 2007/08 **the costs would have to be met from existing budgets** (so requiring a re-prioritisation of expenditure) and costs for 2008/09 would need to be built into the business planning and budget setting process.
 - c) It is recommended that the Board may wish to give some consideration to the issue of the **number of meetings** attended by those in roles leading statutory functions compared to that of non statutory and the correlation between the two proposed levels of allowance.

Cost of an Allowances Scheme

2.3 The cost of the proposed scheme is calculated below based on current membership being continued into 2008-09 and including the recommendation 1.2(a) that savings are split 50:50 with WMLGA.

Remunerated Post / Activity	No of SRAs	Ratio	Full SRA Value	SRA Value if WMLGA post holder	WMLGA post holder	July-Mar 08 (9 mths)	Apr-Mar 09 (12 mths) +2.5%
Chairman	1	100%	8,700	4,350	Yes	3,263	4,459
Vice Chair LG	1	25%	2,175	1,088	Yes	816	1,115
Vice Chair BS & Chair Audit	1	25%+10%	3,045	1,523	No	2,284	3,121
Vice Chair OS & Chair SRG	1	25%+10%	3,045	1,523	No	2,284	3,121
Chair Planning Partnership & Conformity	1	40%+5%	3,915	1,958	Yes	1,468	2,006
Chair Housing Partnership	1	40%	3,480	1,740	Yes	1,305	1,784
Chair Transport Partnership	1	40%	3,480	1,740	Yes	1,305	1,784
Chair of Non Stat Partnership (1)	1	25%	2,175	1,088	Yes	816	1,115
Chair of Non Stat Partnership (2)	1	25%	2,175	1,088	Yes	816	1,115
Chair of Non Stat Partnership (3)	1	25%	2,175	1,088	Yes	816	1,115
Chair of Non Stat Partnership (4)	1	25%	2,175	1,088	Yes	816	1,115
Vice Chair Conformity Panel (1)		5%	435	218	No	326	446
Vice Chair Conformity Panel (2)		5%	435	218	No	326	446
Vice Chair Conformity Panel (3)		5%	435	218	No	326	446
Conformity Panel Subs Call In (max p.a.)	5	£70 (50% LGA)	350	175	No	350	350
Chair Scrutiny Panel (max p.a.)	5	£870 (10%)	4,350	2,175	No	4,350	4,459
Total Cost			42,545	21,273		21,665	27,994
50% saving (shared with WMLGA)				10,636		5,122	7,807
Total Cost to the Assembly				31,909		26,787	35,801

2.4 If the Board wish to implement a Members Allowance Scheme these remunerations will need to be processed via WMLGA payroll and as such the Assembly will also be required to meet the cost of National Insurance and any associated payroll costs.

- 2.5 For the purposes of these calculation we have assumed that if a scheme were approved it would be effective from the AGM in July 2007 and therefore the 07-08 cost is based on a pro rata payment of 9 months.
- 2.6 The estimated cost of the scheme to the Regional Assembly based on current posts held and commencing from the AGM (July 2007) is therefore explained as;

	<u>07-08</u>	<u>08-09</u>
Allowances (see table)	21,665	27,994
50% savings repaid to WMLGA	5,122	7,807
National Insurance / Payroll	<u>3,429</u>	<u>4,583</u>
Total Cost	30,216	40,384

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**A Review
Of
Allowances
For
The West Midlands
Regional Assembly**

**A Report by the
Independent
Remuneration Panel**

June 2007

Foreword

The following report, by the Independent Remuneration Panel for the West Midlands Regional Assembly (WMRA), sets out its recommendations on a new allowances scheme. The Panel was established in April 2007 to make recommendations to the WMRA on the principle of allowances for leading members of the Assembly. Furthermore, if the principle was accepted, the Panel was then asked to recommend the range and levels of allowances for senior Members.

The review took place within a wider context of change for regional governance. While the long-term outcome of the regional agenda is yet to become clear in a post-North East Referendum context it is clear that there is a continuing and evolving role for Regional Assemblies. Regional governance and structures albeit it not in a form envisaged the last time the Panel met to consider an allowance for the Chair of the Assembly continue to develop and the Panel was mindful that there are now increasing demands on the leading Members of the Assembly and it is this context within which the Panel has conducted its review.

The WMRA is not required to seek advice from an Independent Remuneration Panel before it sets its own Members' Allowances scheme, nor is it required to pay allowances. However, the West Midlands Regional Assembly has entered into the spirit of open and transparent governance by appointing an Independent Remuneration Panel to provide it with advice on a new Members' allowances scheme for senior Members. The Panel considers that a new allowances scheme should support the work of the leading Members of the WMRA, not necessarily to recognise the market value of the roles undertaken but rather as an acknowledgement that senior Members have an input beyond being an ordinary Member of the Assembly. It is also hoped that it has the supplementary effect of reducing barriers for Members to serve in the WMRA now and in the future.

Dr Declan Hall
Chair of the Independent Remuneration Panel
July 2007

Summary of Recommendations

Principle of Allowances

1. The Panel recommends that a Members' Allowances scheme be introduced for leading Members of the WMRA (see below).

Discounting for Joint WMRA and WMLGA Post Holders

2. That the principle of discounting an allowance for WMRA posts by 50% where that post held by a local government member who is also remunerated as a post holder in the WMLGA allowances scheme is confirmed.

Allowances Payable

Post	No SRAs Payable	Ratio Payable	Full Allowance	Allowance Payable if WMLGA Post Holder	Estimated Maximum Payable 2007/08
Chairman of WMRA	1	100%	£8,700	£4,350	£4,350
Vice Chair (Local Govt)	1	25%	£2,175	£1,090	£1,090
Vice Chair (Business Sector, with uplift for Audit Chair)	1	35% (25% + 10%)	£3,045 (£2,175 + £870)	Not Applicable	£3,045
Vice Chair (Other Sector, with up lift for SRG Chair)	1	35% (25% + 10%)	£3,045 (£2,175 + £870)	Not Applicable	£3,045
Chair of Planning Partnership (with uplift for Conformity)	1	45% (40% + 5%)	£3,915 (£3,480 + £435)	£1,960	£1,960
Chair of Housing Partnership	1	40%	£3,480	£1,790	£1,790
Chair of Transport Partnership	1	40%	£3,480	£1,790	£1,790
Chairs of 4 Non-Statutory Partnerships	4	25%	£2,175	£1,090	£4,360
Vice Chairs of Conformity Panels	3	5%	£435	£220	£1,305
Conformity Panel Call-In Allowance	5 max per year	50% LGA daily rate	£70	£35	£350
Chairs of Scrutiny Panels	5 max per year	10%	£870	£435	£4,350
Estimated Total Maximum Cost per annum					£27,435

Travel Expenses for RAWM Appointees

3. That the WMRA pay an annual sum to RAWM to be mutually agreed (but £1,000 per annum does not seem excessive) for RAWM to reimburse its Members appointed to the WMRA for travel expenses if they are unable to claim it from their sponsoring organisation.
4. Once the annual sum paid to RAWM has been agreed it then for RAWM to administer and monitor rather than the WMRA.

The Dependants' Carers Allowance

5. To ensure further reduction in barriers to get involved in the work of the WMRA the Panel also recommends that it introduces a Dependants' Carers Allowance for Members who have to care for any dependants. This should be paid at minimum wage and only claimed if the Member is unable to claim from their sponsoring or nominating body. A model DCA appended to this report to assist the Assembly in drawing up such a scheme.

One Allowance Only

6. As per best practice only one allowance can be drawn down by WMRA Members even if they hold more than one remunerated Assembly post.

Indexation

7. The allowances for the post holders in the WMRA should be indexed to the annual percentage increase in staff salaries.

Future Reviews

8. The Assembly and WMLGA may wish to consider reconvening a joint IRP to consider allowances for both bodies, which might assist in developing greater consistency in the approach of the two bodies.

Independent Remuneration Panel:

Review of Allowances

For

The West Midlands Regional Assembly

The Context and Background to the Review

1. This report is a synopsis of the proceedings and recommendations made by the Independent Remuneration Panel appointed by the West Midlands Regional Assembly (WMRA) to consider a pilot allowances scheme and advise the WMRA on such a scheme of allowances for leading Members.
2. The Independent Members' Remuneration Panel conducted its review in a context in which regional governance in England is facing great change. This context does not predicate recommending a comprehensive allowances scheme but it does suggest that there is a case for a review of allowances in light of the enhanced demands being made on Members at a regional level across England.
3. There is currently no statutory power to require regional assemblies (or their equivalent structures) to review their allowances schemes, or even institute one. However, the WMRA tasked the Independent Remuneration Panel to make recommendations on a pilot allowances scheme in the spirit of modernisation. While the Panel is under no obligation to follow a particular method or approach to arriving at its recommendations the Panel decided that it would abide by the approach it developed in its review of allowances for the WMLGA in 2004, which in turn abided by the spirit of the Local Authorities (Members' Allowances) (England) Regulations 2003 (SI 1021 and 1022), which came into force on 1 May 2003 unless there was a clear case not to do so, for instance, where the particular circumstances, finance or roles meant developing an alternative approach.

Terms of Reference

4. The Panel was given the following terms of reference;
 - Whether or not WMRA should establish a Special Responsibility Allowance (SRA) Scheme to include senior positions in addition to the Chair (currently the only remunerated position in WMRA). The positions to be considered to include WMRA Vice-Chairs, Chairs of Regional Partnerships and Regional Planning Executive Conformity determination Members.
 - If so what levels of remuneration should apply to these SRAs.
 - The relationship between WMRA and WMLGA SRAs and particularly remuneration protocols that might apply where there are dual roles, e.g., single Chairman of WMLGA and WMRA, WMLGA Portfolio Holders who also chair WMRA Partnerships.
 - A travel and subsistence scheme for WMRA with particular attention to non local government members of the Assembly.

Methodology

5. The Panel met in private on the following occasions:
 - 11 May 2007
 - 18 May 2007
 - 8 June 2007
6. The Panel met at the Regional Partnership Centre, Albert House in Birmingham. The Chair of the Panel led the drafting of the report and the Panel agreed the final form of the report after considering two working drafts. In addition, there was a great deal of pre-panel activity, such as collating information the Chair and the WMRA felt would assist the Panel (see Appendix One).
7. The Panel reviewed a wide range of information, including interviewing a range of Members and Officers (see Appendix Two). Furthermore, the Panel also had the benefit of a presentation from

Stephen Hind, former Senior Director of WMLGA on the constitution, nature and functions of the WMRA and how it has evolved in recent years.

8. The Panel felt that it was important to interview leading Members and Officers so as to enable the Panel to obtain a qualitative sense of the roles, issues and responsibilities within the WMRA. It also gave the Panel Members the opportunity to discuss further some of the issues raised in the written evidence. Also, the Panel, by asking for further written submissions, reinforced the principle of not denying a voice to any sector wishing to make a representation (see Appendix Two).

Guiding Principles

9. The Panel considered that its task was not simply to arrive at a set of figures for a new Members' allowances scheme but to make recommendations based on a logical construct that was transparent, simple and could be easily understood by both Members and the public. This objective, the Panel felt, was a guiding principle.
10. The perception the Panel gained from the evidence received was that there was substantial (but by no means unanimous) support to introduce an allowances scheme but that it should not expect to be the same in scope to allowances schemes in local authorities. This was partly out of budgetary constraints but partly out of a sense that the Regional Assembly is different in powers to local authorities.
11. Thus, the review has been guided by the following:
 - i) That the responsibility carried by leading Members of the WMRA is of a different nature to senior Members in their local authorities. The WMRA leading Members have responsibility for strategies and policy development, which involves exercising influence and managing co-ordination rather than having operational and service delivery responsibilities.
 - ii) The allowances recommended by this Panel would not expect to be of the same scope that one would expect to be paid in local authorities.
 - iii) Members should not feel restricted or inhibited from being involved in the WMRA for financial reasons

The Panel

12. The Panel comprised the following returning members:
 - ◆ Dr Declan L. G. Hall, Chair, Inlogov, School of Public Policy, The University of Birmingham, an academic specialising in the field of Members' Allowances.
 - ◆ Bransby Thomas, independent member, Former Chair of WMRA and ex-Deputy Leader of Warwickshire County Council
 - ◆ Alan Weaver, TUC Regional Policy and Campaign Officer for the Midlands

13. The Panel was supported and serviced throughout by the following Officer of the WMRA:
 - Sian Clark, Head of Partnership Support

14. The Panel would like to record its gratitude to the Members and Officers of the WMRA for making themselves available to meet with the Panel and answer questions. In particular, to Sian Clark. Her pre-Panel organisation and support during sitting of the Panel ensured that the work of the Panel was supported and carried out efficiently by facilitating its requests for information and ensuring that the whole process operated smoothly.

Arriving at Recommendations – The Principle of Allowances

15. The Panel decided through its deliberations and consideration of the evidence received that the principle of allowances for leading Members was appropriate due to the responsibility associated with these posts. The roles they undertake and for which this panel recommends allowances are generally speaking above and beyond what would be expected of an ordinary Member of the WMRA and they do require a commitment and carry a responsibility that is not insignificant.

16. **Therefore, the Panel recommends that a Members' Allowances scheme be introduced for leading Members of the WMRA.**

Benchmarking

17. The Panel first reviewed the scope and level of allowances in other Regional Assemblies in England (see Appendix Three). It was difficult to make meaningful comparisons across all regional assemblies as each regional assembly has developed a different relationship with its respective regional Local Government Association (LGA), ranging from virtual merger (as in Yorkshire and Humberside) to maintaining strong separation (as in the East Midlands). Also, there is wide range of different posts that are paid many different levels of allowances that are not strictly comparable. Therefore, it was an exercise that made benchmarking difficult.
18. However, a number of points can be discerned from looking at allowances paid in other regional assemblies, namely:
 1. While not all assemblies pay their members, e.g., the North East Regional Assembly does not pay any allowances, all the rest bar the West Midlands do pay their leading members.
 2. The levels of allowances paid in regional assemblies are generally low compared to local authorities. Apart from the Chairs of the East of England and South East Regional Assemblies, no post is remunerated more than £10,000 per annum.
 3. There is no pattern to the range of posts paid, or how deep the allowances scheme goes within the organisation. The East of England allowances scheme remunerates a wide range of posts including ordinary members of some panels while the Yorkshire and Humberside allowances scheme does not pay beyond leading Chairs of committees and Executive Board Members not otherwise remunerated.
 4. There is little commonality to the range of posts that are remunerated, apart from the Assembly Chair and Vice Chairs. In the East of England all the panel and committee chairs are remunerated while only the 3 senior committee chairs are remunerated in the East Midlands. The North West is the only regional assembly that pays group leaders, but it does not specifically pay chairs of any committees or panels.

Comparing the Regional Assembly Chairs

19. The one set of posts that can be readily identified in their own right and comparable to one of the posts under consideration by this Panel are the Chairs of the Regional Assemblies (see below – Table One).

**Table One:
SRAs paid to Chairs of Regional Assemblies 2006-07**

Regional Assembly	Chair's SRA
East of England	£13,075
East Midlands	£8,470
North West	£2,318
South East	£12,160
South West	£9,552
West Midlands	£7,155
Yorkshire & Humberside	£8,000
Mean	£8,676
Median	£8,479

20. For benchmarking purposes the Panel disregarded the North East as it does not remunerate its Chair and included the notional allowance for the Chairman of the West Midlands Regional Assembly as it is a provision in force if not necessarily fully in operation.
21. What the benchmarking exercise does show is that the allowance for the Chairs of the Regional Assemblies cluster around the £8,500 mark, with the core range from approximately £7,000 - £9,500 per annum.

The Chairman of the WMRA

22. The only post currently remunerated in the WMRA is the Chairman, the scheme provides for an allowance of £7,155 for the Chair, which was specifically placed on a par with the Chair of the WMLGA. Since the Panel met in 2004 for the review of allowances for the WMLGA the post of Chairman of the WMLGA and WMRA has since merged as the two organisations have become more closely aligned. The Chairman of the WMLGA is *de facto* the Chairman of the WMRA. As such, the Chairman of the Assembly automatically receives a responsibility allowance as the Chairman of the WMLGA which is discounted by 50% on the grounds that there is a degree of overlap between the two posts. This is an interim agreement awaiting formal panel consideration – see below.

Confirming the 50% Discount for Joint Remunerated Post Holders

23. The Panel confirms **the principle of discounting an allowance for WMRA posts by 50% where that post is held by a local government member who is also remunerated as a post holder in the WMLGA.** There is a degree of overlap and to not recognise this fact would lead to an element of paying for the same role and responsibility twice over. Conversely, by definition, if a remunerated WMRA post holder does not hold a WMLGA remunerated post then the full (100%) of the recommended allowance should be paid. This principle should be applied consistently across the WMRA.
24. Furthermore, the Panel would expect that the joint post holders who are remunerated for holding both a WMLGA and WMRA post are paid by the WMLGA and WMRA in the same way they each currently contribute to the Chairman's joint allowances.

Arriving at the Chairman's SRA

25. The first question for the Panel to consider was whether there was a case to alter the current SRA (£7,155) awarded to the Chairman of the WMRA? The Panel decided that there was a case to up lift the current SRA on the grounds that it does not accurately reflect the workload and responsibility carried by the post holder. Moreover, the current level is not on a par with peers, namely the other Chairs of the English regional assemblies.
26. On the other hand, the Panel was aware of the budgetary constrictions within which it was operating. This meant that it was unable to recommend a SRA that reflected the workload and responsibility carried by the post holder and in effect any recommended increase was more of an acknowledgement rather than reflection of reality. On this basis, the Panel took the view that it should adopt the same methodology in arriving at the appropriate SRA it used in arriving at the recommended SRA for the Chairman of the WMLGA in 2004 and that is to explicitly link it to the average SRA for chairs of regional assemblies. For 2007/08 the average SRA paid to chairs of the English regional assemblies is £8,676, which the Panel decided to round up to the nearest £50.
27. **Thus, the recommended SRA for the Chairman of the WMRA is £8,700, which will be discounted by 50% as the current Chairman of the WMRA is also chairman of the WMLGA, and therefore paid at £4,350 per annum under current arrangements.**

The Vice Chairs of the WMRA

23. There are also three Vice Chairs of the WMRA, from each of the constituent stakeholders represented on the Assembly – local government, business and other stakeholders group. The Panel decided that these posts merited some remuneration on the grounds that they are charged with ensuring the interests of their stakeholder groups are represented at the regional level.
24. As Vice Chairs of the WMRA the Panel felt that they should all be remunerated equally: there was not a strong case to differentiate between them as Vice Chairs of the WMRA. Moreover, the Panel was informed that each of the Vice Chairs currently held a specific remit:
- Vice Chair (Local Government): currently is the specific link to local government
 - Vice Chair (Business): is the specific link to the business sector and currently is also appointed as Chair of the Audit Committee
 - Vice Chair (Other Stakeholders): is the specific link to the other stakeholders and currently is also appointed Chair of Strategic Review Group
25. Thus, each of the 3 Vice Chairs of the WMRA has a specific function to undertake and under the current arrangements the Vice Chairs (Business and Other Stakeholders) have supplementary responsibilities in that they currently hold chairs of other committees.
26. The issue for the Panel to consider whether there was a case to distinguish between the Chairs and the level of responsibility held? The Panel decided that as Vice Chairs of the WMRA they should all be treated equally on the grounds they each represented a constituent sector of the WMRA.
27. **In determining their level of SRA the Panel recommends that it is set at 25% of the Chairman's recommended SRA, which currently equals £2,175 per annum. Where a Vice Chair holds a remunerated post at the WMLGA then this recommended SRA should be discounted by 50%, or paid at £1,090.**
28. The Panel recognises that a sizing of 25% between the Chair's and Vice Chairmen's' posts is less than the ratio between the SRAs paid between the Chairman and Vice Chair of the WMLGA, which is 40%. But there are 3 Vice Chairs of the WMRA and only 1 Vice Chair of the WMLGA. Moreover the roles are not directly comparable to a Deputy Leader of a local authority. Yet, the Vice Chairs of the WMRA do have a role to perform and a responsibility over that of

other members of the WMRA or even that of the Board, to bring to the Assembly the considered view of the sectors they lead. This may not be as crucial as in the case of the local authority Vice Chair because the WMRA Vice Chair is also nominated by the WMLGA. Yet, the Local Authority Vice Chair is the one most likely to be called upon to deputise for the Chairman if the latter is not available to fulfil any of his/her duties as Chair (as does the Vice Chair of a local authority). This may not be as particularly onerous but it is an extra responsibility that goes with the job of Vice Chair of the WMRA. It was indicated to the Panel that the Chairman of the WMRA does depend on the two "other" Vice Chairs to move Assembly business along smoothly. As important, in the opposite direction, is the fact that all of the Vice Chairs of the Assembly have "Ambassadorial" roles, ensuring that the work of the Assembly is as widely understood and supported as possible. This should not be written off as unimportant in any of the sectors and can be perceived at least on a par with the Chairs of the non-statutory partnerships.

29. **Furthermore, where a Vice Chair of the WMRA also holds another chair of a committee of the Assembly or has a specifically defined responsibility beyond being a link member to their sector their SRA should be up lifted by 10% points (£870) and paid at 50% of the Chair's SRA, which currently equals £3,045.** Again if they are also remunerated post holders in the WMLGA then this up lift should also be discounted by 50%, and set at 5% of the Chair's SRA.

The Chairs of the Statutory Partnerships

30. The WMRA has set up 7 partnerships (similar to committees but with no formal decision making powers) to develop policy and lobby government and others on areas of concern, they are largely strategic in scope and powers. However, 3 of these partnerships are statutory in that they cover functions that are assigned to Regional Assemblies by government legislation; namely:
- **Planning:** is the largest function in all Regional Assemblies and as such the WMRA is the regional planning body. It is charged with putting together the Regional Spatial Strategy (RSS) and since 2004 with ensuring that all local government development plans and major planning applications are in conformity (through conformity sub panels) with the regional framework. In effect, the WMRA through its planning partnership act as the statutory

consultee on all major planning applications in the West Midlands.

- **Transport:** has a quasi-statutory function to develop the Regional Transport Strategy and act as the link for the constituent authorities input into that process.
- **Housing:** has statutory function to develop the Regional Housing Strategy and consult on that strategy.

31. The Panel heard evidence that in all probability the Planning Partnership is the largest area of responsibility for its Chair, but much of that has come with the additional conformity function and the Panel has recognised this extra work in another fashion (see below).

32. **As a consequence of having equal statutory responsibilities the Panel recommends that Chairs of the Planning, Transport and Housing Partnerships should be remunerated on an equal basis vis-à-vis their statutory responsibilities.**

33. Yet, the Panel did take the view that as the status of the 3 statutory partnerships was greater than the non-statutory partnerships, which meant a larger workload and responsibility of their chairs; this should lead to a larger remuneration than for the chairs of the non-statutory partnerships. Moreover, the Panel heard evidence that in terms of delivering the functions of the WMRA the Chairs of the statutory partnerships were the most important posts in the Assembly after that of the Chairman of the Assembly.

34. **The Panel recommends that the Chairs of the 3 statutory partnerships should be remunerated on the next level below the Chairman of the Assembly, and have their SRAs set at 40% of the Chairman's SRA, which currently equals £3,480. Where one of the Chairs of the statutory partnerships also holds a remunerated post at the WMLGA then this recommended SRA should be discounted by 50%, or paid at £1,790.**

Conformity Panels

35. The Panel noted that the actual work of ensuring planning conformity in the WMRA is carried out by a sub panel of the Planning Partnership. Normally it is composed of 3 selected from among the Planning Partnership Chair and 3 Vice Chairs but other members can be called upon if the 4 normal appointees to conformity cannot make up a quorum. As this is where the extra work regarding conformity is actually carried out the Panel felt that this aspect of planning should be recognised.

36. The Panel also has made the assumption that the work on conformity will be shared equally between the Chair and 3 Vice Chairs of the Planning Partnership. It also noted that much of the work of conformity is carried out informally via telephone and emails and that this work also needed recognising. **The Panel decided that the total worth of this work is 20% of the Chairman's SRA, which currently equates to £1,740 in total. The Panel recommends that this sum be divided equally between the Chair and 3 Vice Chairs of the Planning Partnership as they all have equal responsibility for fulfilling the planning function. This currently equates to £435 apiece.**
37. **Where one of the Chairs or 3 Vice Chairs of the Planning Partnership also holds a remunerated post at the WMLGA then this recommended SRA should be discounted by 50%, or paid at £220 per annum at current rates.**

Recognising the Up Lift for the Chair of the Planning Partnership for Conformity Lead Role

38. The Panel took the view that as the Chair of the Planning Partnership was a named lead in the conformity function that it should be recognised in the allowances scheme as long as that protocol is in place. In other words, recognise the reality of the current context and remunerate the Chair of the Planning Partnership at 45% (40%+5%) of the Chairman's SRA. In effect, **this places the Chair of the Planning Partnership on a SRA of £4,785 (£4,350+£435). If the Chairman of Planning is also a WMLGA post holder their WMRA will be discounted by 50% as per all other joint post holders.**

Substitute Members of Conformity

39. The Panel was informed that the legislation required conformity issues to be considered within a statutory time frame. As such, the quorum of 3 from the Planning Partnership Chair and Vice Chairs cannot be formed the Assembly has to call upon substitute members to carry out the conformity function to comply with the time frames. The Panel felt that this call-in of any Member of the Assembly to fulfil the conformity function was a role above and beyond expected from the ordinary Member and merited a small recognition. The problem is that it is of such a variable and indiscriminate nature that payment of an SRA would not be equitable.

40. The Panel decided that substitute members of conformity should be paid a call-in allowance for when they attend a formal meeting of the conformity panel, which would be no more than a couple per year for any substitute member based on past precedent. In determining the appropriate level for the conformity call-in allowance the Panel was guided by the current LGA daily session rate, which is £138.75 (2007/08). As the conformity panel sessions are normally no more than half a day at the most the Panel decided that the appropriate call-in allowance is half the LGA daily session rate rounded up to the nearest pound, which equals £70 per call-in.
41. Thus, **the Panel recommends that a call-in allowance be paid to substitute members of the Conformity Panel, paid at £70 per meeting at current rates. Once again, if any substitute member sitting on conformity is remunerated as a post holder on the WMLGA then their call-in allowance should be discounted by 50% and paid at £35 per conformity meeting attended at current rates.**

The Non-Statutory Partnership Chairs

42. The Panel was informed the non-statutory partnerships still carried out an important role on behalf of the WMRA. While they have limited powers they do develop policy and engage in regional and national networks on areas of concern to the WMRA, which are currently
- **Equalities and Diversity**
 - **Environment**
 - **Health, and**
 - **Europe.**
43. The Panel felt that the Chairs of these partnerships still merited recognition as they undertook a role above and beyond what would be expected of most Members and even if they were LGA appointments it was still a further demand on their time. **Thus, the Panel recommends that the Chairs of the non-statutory Partnerships are paid an allowance set at 25% of the Chairman's allowance, which currently equates to £2,175 per annum.**
44. **As with all the WMRA allowances, the SRA for the Chairs of the non-statutory partnerships is to be discounted by 50% where the relevant non-statutory partnership chair also holds a portfolio at the WMLGA, this equates to £1,090**

The Scrutiny Panels

45. The Scrutiny Panels perform the statutory function of scrutinising Advantage West Midlands (AWM) and established under the Strategic Review Group, which in turn is currently chaired by the Vice Chair of the WMRA (other stakeholders). The role of the Strategic Review Group is primarily co-ordinating the reviews and it delegates scrutiny reviews to the Scrutiny Panels and it is the chairs of these panels who sign off their reports. They are appointed on a task and finish basis, undertaking an intensive work programme typically for 6-7 months, with no more than 3 in operation within any one year. Also, the SRG appoints from time to time, again on a task and finish basis, scrutiny panels to undertake strategic reviews on issues of concern to the region, such as engagement with Europe.
46. **The Panel felt that the Chairs of the Scrutiny Panels (for both types of reviews) should be remunerated at 10% of the Chairs recommended allowance per review. This currently equates to £870 per annum and the Panel recommends that no more than 5 in total are paid out in any one year.**
47. **As with all the WMRA allowances, the SRAs for the Chairs of the Scrutiny Panels is to be discounted by 50% where the relevant Scrutiny Panel Chair also holds a remunerated portfolio at the WMLGA, thus being paid £435 per review at current rates.**

Expenses

48. As a general principle the Panel is keen to ensure as far as possible within the financial constraints that no Member of the WMRA is out of pocket by carrying out their duties. The Panel did not want to preclude anyone getting involved simply because they were unable to claim relevant expenses associated with that involvement.
49. At present, apart from the Scrutiny Panels and Strategic Review Panels there is no provision by the WMRA to recompense expenses. It is not such a major issue for the majority of local government Members who are able to claim expenses back from their local authority, although this is by no means universal. The Panel was informed it is more of an issue for Members representing Regional Action West Midlands (RAWM), whose stakeholders are often appointed by organisations with limited resources.

Travel Expenses

50. **The Panel recommends that the WMRA pay an annual sum to RAWM to be mutually agreed (but £1,000 per annum does not seem excessive) for RAWM to reimburse its Members appointed to the WMRA for travel expenses if they are unable to claim it from their sponsoring organisation.**
51. **Once the annual sum paid to RAWM has been agreed it then for RAWM to administer and monitor rather than the WMRA.**

The Dependants' Carers Allowance (DCA)

52. **The Panel is keen to underline the principle that** barriers to getting involved in the work of the WMRA by Members should be reduced as far as practically possible. Thus, the Panel **also recommends that the Assembly introduces a Dependants' Carers Allowance for Members who have to care for any dependants.**
53. The Panel recommends that there should be a maximum amount Members can claim on the DCA scheme and that a monitoring system should be put in place. To assist the Assembly in developing an appropriate DCA scheme the Panel has outlined a model DCA scheme in Appendix Four which the Assembly can adapt and adopt to suit their purposes.

One Allowance Only

54. As per best practice only one allowance can be drawn down by WMRA Members even if they hold more than one remunerated post.

Indexation

55. The allowances for the post holders in the WMRA should be indexed to the annual percentage increase in staff salaries.

Future Reviews

9. The Assembly and WMLGA may wish to consider reconvening a joint IRP to consider allowances for both bodies, which might assist in developing greater consistency in the approach of the two bodies.

APPENDIX ONE: INFORMATION RECEIVED BY THE PANEL

1. Briefing paper on developments in WMRA since 2004
2. Briefing paper on Local Development Frameworks – Statutory Requirements
3. 2006/07 Membership of the Regional Planning Partnership
4. Joint Report of the Chief Executive and Secretary to WMRA – Regional Partnership Review, 8 December 2006
5. Protocol Governing the Exercise of the RPB Conformity Role
6. Briefing Paper on the Establishment of a Conformity Panel of Members for future decision making to the WMRA, 7th February 2007
7. WMLGA and WMRA Membership 2006/07
8. Role Profiles/Terms of Reference for WMLGA Members
9. Structure Chart of WMRA
10. Report of the IRP for review of Members' Allowances for the East Midlands Regional Assembly, February 2007
11. Board of Directors WMRA 2006/07
12. WMRA Audit Committee Membership and Terms of Reference 2006/07
13. WMRA Strategic Review Group Terms of Reference
14. Scrutiny and Strategic Review Protocol between WMRA, AWM and GOWM

APPENDIX TWO: INTERVIEWEES AND WRITTEN SUBMISSIONS RECEIVED BY THE PANEL

Members:

- 1) Cllr Keith Austin (Chair of Environment Partnership)
- 2) Cllr Bob Badham (Vice Chair – Regional Planning Partnership)
- 3) Valerie Broom (Vice Chair – Regional Assembly, Other Stakeholder Sector – also submitted written evidence)
- 4) Cllr Terry Dix (Vice Chair – Regional Assembly, Local Authority Sector)
- 5) Cllr Steve Eling (Chair of Health Partnership – by telephone conference call)
- 6) Roger McKenzie (Board Member – Other Stakeholders)
- 7) Cllr Roger Phillips (Chair of Transport Partnership – by telephone conference call)
- 8) Dr Sarindar Singh (Vice Chair – Regional Assembly, Business Sector)
- 9) Cllr David Smith (Chairman of WMRA/WMLGA – by telephone with Chair of Panel)
- 10) Roger Stone (Vice Chair Planning, Business Sector)

Officers:

1. Olwen Dutton (Chief Executive – WMRA/WMLGA)
2. Jim Graham (Regional Partnership Secretary – by telephone conference call)
3. Stephen Hind (Ex Senior Director of WMRA)
4. Rose Poulter (Director of Policy – WMRA/WMLGA)
5. Dagmar Waller (WMRA Scrutiny Manager)

APPENDIX THREE: SUMMARY OF ALLOWANCES PAID IN OTHER REGIONAL ASSEMBLIES 2006/07

REGIONAL ASSEMBLIES and LGAs MEMBERS ALLOWANCES SCHEMES

	Attendance Allowance for approved Assembly business	Travelling Expenses for approved RA meetings and conferences	Subsistence	Allowances for Post Holders	Carer's expenses
East of England Regional Assembly	£60 per day by SEEPS	Yes	Yes	<u>2006/07</u> <ul style="list-style-type: none"> • Chair of RA/Exec Ctte £13,075 • Deputy Chairs - £8,990 • Leader of Independent Group £1,635 • Chair of Regional Planning Panel £8,990 • Management Ctte Regional Planning Panel £4,495 • Chair of Liaison Panel £3,270 • Other Panel Chairs £1,635 • Management Ctte – 	none

				<p>EERA/EEDA Liaison Panel £1,635</p> <ul style="list-style-type: none"> • Management Ctte – Hsng & Sus Communities Panel £1,635 	
East Midlands Regional Assembly	None			<p>For 2006:</p> <ul style="list-style-type: none"> • Chair £8,470 • Vice Chair £5,080 • Regional Board groups (3) – Chairs £2,650 • Regional Board Groups (3) – Vice Chairs £1,590 • Assembly Board representatives £580 • Regional Board Representatives not holding office £212 	
East Midlands LGA	Lump sum payment to all Members on Executive Committee, Employment Forum, Steering Group and Member Steering Group on Improvement when not receiving SRA.	Only for approved duties outside the region.	As travel.	<p>For 2006:</p> <ul style="list-style-type: none"> • Chair £8,200 • Vice Chair £4,920 • Group Leaders £2,562.50 • Chair Employment Forum Steering Group £2,562.50 • Vice Chair EFSG £1,537.50 • Chair, Member Steering Group on Improvement 	Only one special responsibility allowance is payable to any Councillor and excludes principal office holders from claiming any Councillor expenses, other than

				<p>£2,562.50</p> <ul style="list-style-type: none"> • Vice Chair, MSGI £1,537.50 	those outside the region.
North East Regional Assembly	Members Claim £22 for attendance at each meeting from their LA, who then invoice the Assembly.	For those Members who are unable to claim from the LA (including SEEPs), they claim through the Assembly and are paid a mileage rate based on NJC casual users rate (54.4ppm).	Yes	None	Yes
North East LGA	Members Claim £22 for attendance at each Corporate Meeting.	Only for approved duties outside the region.	Only for approved duties outside the region	None	Not known
North West Regional Assembly 01942 737916	None	None	None	<p>For 2006/07</p> <ul style="list-style-type: none"> • Chair £2,318 • Chair of Executive £2,318 • Local Authority Deputy Chair £579 • ESP Deputy Chair £579 • Leader of the Conservative Group £579 • Leader of the Liberal Democrat Group £579 	None

				<ul style="list-style-type: none"> • Leader of Labour Group £579 	
South East	None	Authorised travel outside the region only	Yes	2006/07 <ul style="list-style-type: none"> • Assembly Chair - £12,160 • Assembly Deputy Chair - £6,080 (50%) • Assembly Vice Chairs - £4,255 (35%) • Executive Committee Members - £610 (5%) • Chair – Regional Planning Committee £8,510 (70%) • Vice Chair – Regional Planning Committee £3,040 (25%) • Regional Planning Committee Member - £610 (5%) 	None
South West Regional Assembly	None	Yes for Social, Economic and Environment Partners: - 40p per mile for first 10,000 miles and then 25p per mile thereafter. Local Authority Members only travel and	Yes	2006/07 <ul style="list-style-type: none"> • Chair - £9,522 • Deputy Chair - £5,820 • Vice Chairs - £5,820 • Chairs of Regional Spatial Planning and Transport Group, Regional housing Advisory Group, Scrutiny and Review Panel and Regional 	Members eligible to claim up to one and a half times Members' Special Responsibility Allowance.

		subsistence when undertaking Assembly duties outside of the Region.		Futures Group - £3,177 • Members of RSPTG and Scrutiny Panel - £531	
South West LGA	None	Only travel and subsistence when undertaking Assembly duties outside of the Region.	Only travel and subsistence when undertaking Assembly duties outside of the Region.	2006/07 • Chair - £3,177	
South West Provincial Employers	None	Only travel and subsistence when undertaking Assembly duties outside of the Region.	Only travel and subsistence when undertaking Assembly duties outside of the Region.	2006/07 Chair SWPE Management Committee – £925 Members of SWPE Management Committee - £155	
West Midlands (Under Review) Due to complete 31/03/07	None	None	None	None	None
Yorkshire and Humberside Assembly		Yes. 54.4p per mile (1200 cc plus) For the first 8500 miles. 14.3 per mile (1200 cc plus)	Yes	2006/07 • Chair - £8,000 • Deputy Chair - £6,400 • Chairs of the Planning, Housing, Transport and	None

		after 8500 miles.		<p>Sustainable Development Boards - £4,000 each</p> <ul style="list-style-type: none">• Other Regional Executive Board members (representatives of the sub-regions, city regions, social economic and environmental partners, rural authorities and Local Government Yorkshire and Humber) - £1600.• Will review in April 07	
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APPENDIX FOUR: A MODEL DEPENDANTS' CARER'S ALLOWANCE (DCA) SCHEME

1. The Panel recommends that a Dependants' Carers Allowance be made available to any WMRA member who has dependants who have to be cared for when that Member is on WMRA business, subject to different rates and capping levels.

The Childcare Element

2. It recommends that the childcare element is paid at and indexed to the relevant national minimum wage applicable to age of the carer. Furthermore, it should be for actual expenditure incurred up to a maximum of 2 hours in any one week. It is also recommended that the child care element of the allowance be paid out on the basis of self-monitoring. For instance,
 - a. A Member must register that they have a dependant child living with them under the age of 14.
 - b. Claim the allowance on production of a signed statement, which declares that the childcare has been provided by a childminder and not by a member of the immediate family normally resident at the Member's home address.
 - c. It can only be claimed for approved duties only
3. The Panel recognises that the proposed self-monitoring arrangement is unlikely to provide a perfect audit control over DCA payments. Nevertheless, given the fact that at the present time the number of potential claimants is so low that it does not represent a major issue. Moreover, the onus is on claimants rather than the WMRA so it becomes a matter for the individual to take responsibility for any omissions or errors. However, the Panel does recognise that the operation of the DCA may need reviewing after a year of operation to ensure that it is not open to manipulation.

Elderly and/or Disabled Dependants

4. Many allowances panels take the view that the cost for care for dependants who are elderly and/or disabled is much more than minimum wage. Consequently, the Panel suggests the elderly and/or disabled dependant care element of the allowance should be paid at a similar rate chargeable by the relevant Council Social Services Department within which the Member resides for provision of a Home Care Assistant. The Panel also suggests that this allowance should be paid out only on the production of a receipt for actual expenditure incurred while a Member was on approved duties. As care for elderly and/or disabled dependants would be provided by professional carers they would be in a position to provide formal receipts in a way that many child carers would not.

5. The Panel also suggests that the Dependants' Carers Allowance is made available to Members who have an express need for such an allowance. This express need should take the form of a written declaration by a Member, which is then lodged with the Standards Committee (and the monitoring officer as a means of providing further audit).
6. A Member should not be able to claim for multiple carers for multiple dependants within the same category of care.
7. A Member should produce evidence that they are unable to claim reimbursement of care for dependants while on WMRA approved business from their sponsoring body.
8. If a Member is in receipt of a SRA for an approved duty they are expected to pay for care of any dependants out of that SRA.