

*making our region more prosperous, sustainable and fairer,
helping our people and businesses to create and seize opportunities*

Combined County Authority Board		
Date	17 June 2024 – Annual General Meeting	
Report Title	Report of the Independent Remuneration Panel	
Accountable EMCCA Board Member	Mayor Claire Ward	
Accountable Chief Officer	Mark Rogers Interim Chief Executive	
Accountable Employee	Jodie Townsend Interim Monitoring Officer	
Report has been considered by	N/A	
Key decision	No	
Public Report	Yes	
Voting Arrangements	A: By simple majority (<i>the Mayor or her deputy will be required to leave the meeting for the discussion and vote on this report</i>)	
Recommendation(s) for action or decision:		
The Combined County Authority is recommended to:		
A	Consider and approve the report of the Independent Remuneration Panel attached at Appendix A.	
B	Adopt the East Midlands Combined County Authority Mayor and Members Allowances Scheme attached to Appendix B.	

1. Purpose

- 1.1 To receive and consider the report of the Independent Remuneration Panel and its recommendations regarding allowances

2. Scheme of Allowances

- 2.1 An Independent Remuneration Panel (IRP) is a body responsible for determining the level of payments to elected officials, including the Mayor of the Combined County Authority. They are established to provide independent advice on allowances and remuneration, operating independently of EMCCA.

The Independent Remuneration Panel

- 2.2 On 20 March the Board agreed to provide the following delegation to the Interim Monitoring Officer:
- Delegate to the Interim Monitoring Officer the power to establish an Independent Remuneration Panel, including agreeing a terms of reference and reasonable allowances in consultation with the four Lead Members of the Constituent Councils, so that the Independent Remuneration Panel can, at the earliest opportunity, undertake a review and make recommendations regarding a scheme of allowances for the Combined County Authority to consider at a future meeting of this Board;
- 2.3 A paper was subsequently taken to the Informal Leaders meeting on 8 April 2024 that set out a proposal to establish an Independent Remuneration Panel, a terms of reference for the review, an approach to expenses for the review and an approach to membership. The proposal was supported unanimously by the four constituent Leaders.
- 2.4 Having agreed with Constituent Leaders that the Chair should be an external individual of high standing, the Monitoring Officer convened a panel that as follows:
- Professor Stephen Leach - Emeritus Professor of Local Government, Department of Politics & Public Policy De Montfort University
 - Peter Clay – Chair of Derbyshire IRP
 - Sir Rodney Brooke – Chair of the Nottinghamshire IRP
 - Narinder Sharma – Chair of the Derby IRP
 - Melanie Future – Citizen representative of the Nottingham City IRP
- 2.5 This terms of reference for the panel review were as follows:
- Part 1: Mayoral Allowance and Deputy Mayor Allowance**
- review of remuneration to be paid to the position of the EMCCA Mayor from May 2024 that is commensurate with the responsibilities of the position;
 - review of remuneration to be paid to the position of the EMCCA Deputy Mayor appointed by the Mayor from amongst the members of the EMCCA Board;
- Part2: Independent Persons appointments**
- review of remuneration to be paid to the position of ‘independent member’ of the Audit & Governance Committee, acting as Chair of the Committee, that is commensurate with the responsibilities of the position
 - review of remuneration to be paid to ‘independent person(s)’ for standards matters that is commensurate with the responsibilities of the position
- Part 3: Wider EMCCA Allowances**
- review of remuneration to be paid to the position of member of the Overview & Scrutiny Committee that is commensurate with the responsibilities of the position
 - review of remuneration to be paid to the position of member of the Audit & Governance Committee that is commensurate with the responsibilities of the position
- Part 4: Travel and Subsistence Allowances**
- development of proposals for a Members scheme for travel and subsistence
- 2.6 Following initial consideration, with the support of the Combined County Authority Monitoring Officer, the Panel agreed various sources of information that would be required to assist the review and in making evidence-based deliberations. This helped provide focus for the Panel in providing a wide range of comparative data, interviews, evidence and contextual factors to help inform the review, this included:
- the reports of the IRPs of existing Mayoral Combined Authorities

- comparative data regarding the allowances paid to the elected mayors of other combined authorities, elected mayors of local authorities and council leaders in the constituent authorities in the East Midlands
- the responsibilities of the different Combined Authorities
 - analysis of the existing allowances arrangements and expenses scheme in each Constituent Council
 - EMCCA Constitution – Mayoral and Non-Mayoral Functions
 - EMCCA Constitution – Committee terms of reference

- 2.7 The Panel also agreed that it would undertake a range of interviews with key figures that it had identified could provide useful perspective and contextual information to the review as follows:
- Leader (or Deputy Leader) of each Constituent Council
 - Mark Rogers, Interim Chief Executive of EMCCA
 - Jodie Townsend, Interim Monitoring Officer of EMCCA

The report of the Independent Remuneration Panel

- 2.8 The review undertaken by the Independent Remuneration Panel took place throughout April and May 2024 through desk-based review, Teams meetings and an in-person full day Panel deliberation session.
- 2.9 Attached at **Appendix A** is the full report of the Independent Remuneration Panel. The report includes details of the review, a series of recommendations and a proposed scheme of allowances for adoption and inclusion in the Combined County Authority Constitution.
- 2.10 The Combined County Authority is asked to consider the report and approve its recommendations.
- 2.11 The Combined County Authority is reminded that the East Midlands Combined County Authority Regulations 2024 state that:
- The Combined County Authority may only pay an allowance to those able to receive them if it has considered a report published by the Independent Remuneration Panel which contains recommendations for such an allowance; and
 - Approved a scheme for the payment of the allowance providing that scheme does not provide for the payment of allowances of an amount in excess of the amount recommended by the Independent Remuneration Panel
- 2.12 The Combined County Authority must consider a report from the Independent Remuneration Panel before approving a scheme.

Recommendations of the Independent Remuneration Panel

- 2.13 For ease of reference the recommendations contained within the report of the Independent Remuneration Panel are set out below, the full report sets out the evidence behind the recommendations.

Mayoral Allowance

Recommendation 1 The allowance paid to the East Midlands Elected Mayor should be £93,000

Deputy Mayoral Allowance

Recommendation 2 The allowance paid to the Deputy Mayor (if eligible) should be a minimum of £18,600 and a maximum of £46,500, depending on the responsibilities involved.

- Recommendation 3 The allowance paid to the Deputy Mayor should ensure that his or her overall allowance (including those received in the constituent authority) is less than the lowest overall allowance paid to a local council leader.
- Recommendation 4 The Panel should be reconvened to make a recommendation, once a job specification has been agreed.

Recognising Constituent Councillor Commitment

- Recommendation 5 Constituent Councils consider if they wish to ask their Independent Remuneration Panels to review allowances for the Leader and other appointees to the Combined County Authority given the impact the EMCCA aspect of their role will have on their position.

Overview & Scrutiny

- Recommendation 6 An allowance of £9,500 annual payment for the Chair of the Overview and Scrutiny Committee
- Recommendation 7 An allowance of £1000 annual payment for members of the Overview & Scrutiny Committee

Audit & Governance

- Recommendation 8 An allowance of £9,500 annual payment for the Independent Chair of the Audit & Governance Committee
- Recommendation 9 An allowance of £1000 annual payment for members of the Audit & Governance Committee

Independent Person(s) for Standards Matters

- Recommendation 10 An allowance of £1000 per annum for the Independent Person(s) for Standards

Indexation of Allowances

- Recommendation 11 The criterion for the indexation of allowances should be the NJC cost of living rate increase moving forward, this would link Mayoral and other allowance increases with those of staff and provide equity in increases.

East Midlands Combined County Authority Mayor and Members Allowances Scheme

- 2.14 The Combined County Authority is required to adopt a scheme of allowances for inclusion within its constitution.
- 2.15 A proposed scheme is attached at Appendix B, drawn up by the Monitoring Officer to reflect the recommendations contained within the Independent Remuneration Panel Report.
- 2.16 The Combined County Authority are recommended to adopt the East Midlands Combined County Authority Mayor and Members Allowances Scheme attached at Appendix B.

3. Background

- 3.1 The East Midlands Combined County Authority Regulations 2024 set out requirements for the determination of allowable allowances and expenses, Leaders will be familiar with such requirements through the operation of Independent Remuneration Panels within their own Councils.

- 3.2 The regulations make it clear that no remuneration is to be payable by the Combined County Authority to its members, other than allowances for travel and subsistence paid in accordance with a scheme drawn up by the Combined County Authority.
- 3.3 The regulations also make it clear that remuneration can be payable to the Mayor and some other positions, stating that the Combined County Authority may establish an independent remuneration panel to recommend a scheme to the Combined County Authority regarding the allowances payable to:
- the Mayor;
 - the deputy mayor provided that the deputy mayor is not a leader or elected mayor of a constituent council;
 - independent persons appointed under article 5 of the Combined Authorities (Overview and Scrutiny Committees, Access to Information and Audit Committees) Order 2017(1); and
 - members of the overview and scrutiny committee and members of the audit committee

4. Appendices

- 4.1 Appendix A: Report of the Independent Remuneration Panel
- 4.2 Appendix B: East Midlands Combined County Authority Mayor and Members Allowances Scheme

5. Implications

Financial Implications

- 5.1 The estimated total costs for the allowances detailed in the report will be between £147.6k and £175.5k per annum depending on the deputy mayor allowance. These costs are shown below at the maximum amount payable for the allowances and do not reflect any on costs payable:

Role	No. of Roles	Total Annual Allowance £
Mayor	1	93,000
Deputy Mayor	1	(Max) 46,500
Overview and Scrutiny - Chair	1	9,500
Overview and Scrutiny - Members	7	7,000
Audit and Governance - Chair	1	9,500
Audit and Governance - Members	8	8,000
Independent Person(s) for Standards Matters	2	2,000
Total		£175,500*

**Excluding any on costs payable*

- 5.2 The total cost of these allowances (and any on costs) will be funded from the Combined County Authority budget.
- 5.3 As per recommendation 11 detailed in paragraph 2.13, the criterion for the indexation of allowances should be the NJC cost of living rate increase moving forward, this would link Mayoral and other allowance increases with those of staff and provide equity in increases. Any increase from this recommendation will be factored in as part of the budget setting process for 2025/26.

Legal Implications

- 5.2 The approval of the matters set out in this report are part of the process of establishing the governance arrangements of the Combined County Authority. The specific legal implications are set out in the body of this report.

Other Significant Implications

- 5.3 When setting allowances, consideration is given as to how the allowances enable the Combined County Authority to attract high quality candidates to be the Independent Chair of the Audit & Governance Committee and Independent Person(s) for standards matters, from a wide variety of backgrounds, whilst also ensuring that financial barriers to anyone who wishes to apply for or accept these roles are minimised.

Background Papers

- 5.4 [The East Midlands Combined County Authority Regulations 2024 \(legislation.gov.uk\)](#)