



CONSTITUTION OF THE REGIONAL EMPLOYERS' ORGANISATION (West Midlands Employers) (Revised April 2023)

WME is owned by subscribing local authorities, serving, and supporting our membership through advocating, building, and championing people-centred organisations for a strong and diverse public sector workforce.
WME is part of that workforce.

1. Title

The Organisation shall be known as West Midlands Employers (hereinafter referred to as the 'REO'). The REO is a constituent member of the National and Regional Employers Organisations together with the Local Government Association (LGA) and other Local Government Employers' Organisations (thereinafter referred to as NARE).

2. Status and Constitution

- 2.1 The REO is an Employers' Association reporting to the Certification Office and in accordance with the provisions of the Trade Union and Labour Relations (Consolidation) Act 1992. **The REO is an unincorporated legal entity**; the Act makes clear that where an employers' association is unincorporated it is (a) capable of making contracts; (b) capable of suing and being sued in its own name, whether in proceedings relating to property or founded on contract or tort or any other cause of action; and (c) proceedings for an offence alleged to have been committed by it or on its behalf may be brought against it in its own name.
- 2.2 The REO and its constituent employer bodies (hereinafter referred to as the 'Authority' or 'Authorities') shall operate in accordance with the rules as set out in this Constitution.
- 2.3 The REO will provide a mechanism through which to manage any historic liabilities of the predecessor body West Midlands Councils as defined in its Shell Constitution (revised January 2016, updated April 2020) and as amended from time to time.

3. Address

The registered address of the REO is Room 101, JQ Modern, 120 Vyse Street, Birmingham B18 6NF.

4. Purpose of the REO

- 4.1 The REO aims to be an active and influential Employers' Organisation for Local Government in the region; advising, supporting, and representing Authorities who are in membership and other subscribing employer bodies in the broad fields of workforce and people management, employment relations and employee /organisational development and transformation.

4.2 Key Activities: -

- (i) Providing information, advice, direct support and a wide range of consultancy expertise to member authorities across the broad field of workforce and people management, promoting best practice in workforce and organisational development.
- (ii) Providing a range of products and services covering the employee lifecycle and organisational development through a range of contractual trading arrangements including shared services.
- (iii) Representing the views of constituent local authorities, acting as the interface with the Local Government Association, its agencies and other relevant national bodies on matters relating to employment and development of staff.
- (iv) Coordinating and facilitating as necessary, a range of networks to jointly consider and respond on a timely basis to issues of concern and relevance to constituent Authorities in relation to people and organisational development.
- (v) Facilitating and supporting the exchange of information and dissemination of best practice across constituent Authorities in relation to matters directly affecting the employment and development of staff within and across the public sector.
- (vi) Identifying and developing opportunities for joint working with other agencies representing and relating to local government in the West Midlands on relevant matters and initiatives.
- (vii) To provide the employers' contribution to the Provincial employment relations functions within the West Midlands region both in pursuit of a constructive and positive relationship at local and regional levels together with a conciliation support service.
- (viii) To administer the West Midlands Councils (WMC) Shell Constitution and related activities in accordance with the WMC Shell Constitution.

4.3 The REO Management Board (see Rule 10 and 11) will be responsible for overseeing the delivery of the REO purpose and activities, and for the administration of the WMC Shell regarding pension and other liabilities in accordance with the WMC Shell Constitution. The Board will comprise Elected Member representatives providing political oversight and influence.

5. Membership of the REO

5.1 Shareholder Membership is available to each Metropolitan Borough, County, Unitary, and District Council in the West Midlands, who by virtue of their membership have shared ownership of the REO.

5.2 The REO may provide access to its services to other public sector bodies (such as Fire and Rescue, individual Police Forces, Childrens' Trusts, Combined Authority, Multi Academy Trusts, Parish and Town Councils, NHS bodies, Voluntary Community Groups, Universities and Colleges) primarily within the geographical area of the West Midlands (Birmingham, Black Country, Herefordshire, Shropshire, Staffordshire, Warwickshire and Worcestershire) through a Corporate Membership subscribing service.

5.3 There shall be two categories of Membership of the REO;

- (a) **Shareholder Membership** is offered to those councils within the West Midlands (currently 33) who wish to subscribe to the REO and its services on an annual basis in accordance with the provisions of this document and who by virtue of their subscription, share in the ownership, assets, and liabilities of the REO.
- (b) **Corporate Membership** is offered to other public sector organisations who wish to receive services from the REO on an annual basis. The REO provides its services to these organisations via an annual subscription service. These organisations do

NOT share in the ownership, assets or liabilities of WME, are NOT represented on the REO Management Board or Shareholder Membership Group and have no decision-making powers whatsoever.

- 5.4 In addition to the services detailed at [5.3] the REO may offer its services on a commercial basis to a wide range of non-member organisations and other REOs.
- 5.5 The REO may offer chargeable services to organisations in membership at preferential 'member' rates.

Shareholder Member Local Authority Trading Companies

- 5.6 A Shareholder Local Authority may request the inclusion of their Trading Company for the purposes of accessing and receiving WME Shareholder Membership Services providing that the Trading Company meets the following criteria:-
- The Shareholder Local Authority must own at least 75% of the business and the remaining ownership be held within the public sector
 - The services provided to the Shareholder Local Authority by the trading company must represent core corporate council functions/services including HR
 - WME services will be delivered to the Shareholder Local Authority, but the trading company workforce may access services as if they were employees of the Shareholder Local Authority
 - The size of the trading company should not exceed 1,000 FTE
 - Services provided by the trading company must be primarily aimed at the Shareholder Local Authority and wider public sector
 - The trading company will have no ownership rights over WME whatsoever, these remain with the Shareholder Local Authority
 - WME reserves the right to monitor the impact of a trading company on service provision to ensure it is not to the detriment of the wider shareholder membership group

6. Ownership and Control

- 6.1 Shareholder Local Authorities have collective ownership of the REO and through their Membership Group have direct control over the business of the REO. There is no private sector ownership of the REO and there is no intention that there should ever be any.
- 6.2 The governance of the REO is undertaken by:
(a) the Shareholder Membership Group (see Rules 7, 8 and 9); and
(b) the REO Management Board (see Rules 10 and 11).

7. Appointments to the Shareholder Membership Group

- a) Each Subscribing Local Authority shall be a part owner (shareholder) in the REO and will be represented on the Shareholder Membership Group by their Chief Executive Officer (CEO) or equivalent senior officer i.e. Head of Paid Service, or their duly nominated deputy who will be a member of the Authority's Senior Leadership Team.
- b) Membership Authority representatives will be invited to attend the Shareholder

- Membership Group meetings and participate in any decisions taken by the REO in accordance with the provisions of this document, including the treatment of assets and liabilities.
- c) The Membership representative of each Authority or their duly nominated substitute shall, where necessary, exercise the number of votes allocated to their authority as set out at Rule 9.
 - d) On the occurrence of a vacant CEO post with a Shareholder Authority, their appointed deputy will act as an interim representative on the Shareholder Membership Group until the CEO post is filled.
 - e) Membership representatives may be invited to serve on any consultative groups established by the REO to contribute to the development of business strategy and delivery of service objectives.

8. Meetings of the REO

Meetings of the Shareholder Membership Group

- 8.1 The REO shall hold an Annual General Meeting of the Shareholder Membership Group normally in July to conduct the following business:-
 - Receive a statement of Shareholder Member Representatives and a statement of political appointments of elected members to serve on the REO Management Board and note the election of Chair and Vice Chair on the REO Management Board;
 - Receive the REO Annual Business Plan and Budget for the year as approved and recommended by the REO Management Board
 - Receive the REO Performance Report for the previous year, and;
 - Receive and approve the consolidated Financial Statements of the REO for the previous financial year, as recommended by the REO Management Board.
- 8.2 The Shareholder Membership Group will be responsible for approval of the 3 to 5 year REO Strategic Plan and Financial Plan including the Subscription Model, and the Consolidated Financial Statements. Approval will require 2/3 (two thirds) of the total votes capable of being cast by Shareholder Authorities in membership (ie 70 of 106 total votes if all 33 authorities are in membership), either by hand or by proxy
- 8.3 Additional Meetings may be called as required where the REO Management Board or Chief Executive considers it necessary to convene such to consider and discuss matters of sufficient significance and/or where the views of the Shareholder Membership Group cannot be adequately secured on an electronic basis.
- 8.4 Meetings of the Shareholder Membership Group will be presided over by a Chair elected at the AGM from the Shareholder Membership Representatives. In the absence of the Chair, attendees may elect a Chair at the commencement of a meeting. Generally, the Chair and Vice Chair of the REO Management Board will be invited to attend Shareholder Membership Group meetings but will have no voting rights.
- 8.5 A quorum of a meeting of the Shareholder Membership Group shall be no less than 1/3 (one third) of the total number of representatives nominated.
- 8.6 In the event there is a need to call a joint meeting of the Shareholder Membership Group and REO Management Board to consider matters of a significant nature such as proposed dissolution; the quorum for a joint meeting of the Shareholder Membership Group and REO Management Board would be equivalent to that of an individual meeting for each ie 1/3 (one third) of the REO Management Board members and 1/3 (one

third) of the Shareholder Membership Group representatives. If a vote is required at a joint meeting only the Shareholder Membership Group of nominated representatives shall have the right to vote.

- 8.7 The REO Management Board will ensure appropriate consultation on its Strategic Business Plan and Shareholder Subscription model with any representative groups the REO may wish to establish for this purpose and the Shareholder Membership Group.
- 8.8 The REO may conduct its business meetings through virtual or electronic means if that is determined as the most practical and time efficient option; providing that the overarching rules of the REO are observed.

REO Consultation Groups

- 8.9 The REO Chief Executive may establish a voluntary consultation group comprising representatives from membership organisations including chief executives, senior professional officers and elected members as well as other subject experts/stakeholders. The Group may be used to consult on key business and service development issues or where a client user view is important. Meetings may be called by the REO Chief Executive as required, and/or at least annually as part of the annual business planning cycle. Such voluntary groups may make recommendations to the REO Management Board and/or the Shareholder Membership Group.

Regional Joint Council

- 8.10 The Regional Joint Council is an executive committee of trade union and employer representatives. The Regional Joint Council may consider any matter raised by either the Employers' Side or the Employees' Side, or as referred to it by the National Joint Council for Local Government Services. The Regional Joint Council will operate in accordance with its own Terms of Reference.

WME Employment Committee (a sub-committee of the Management Board)

- 8.11 The Management Board has established a sub-committee to deal with employment matters and make recommendations to the Board as needed. The Employment Committee comprises 3 individuals one of which will be the Chair or a Vice Chair of the Board. Meetings will be called as required but WME will hold at least one meeting each year. The Terms of Reference for the Employment Committee is provided as Appendix B.

9. Voting Rights of the Shareholder Membership Group

- 9.1 In the event of a vote being necessary at a meeting of the Shareholder Membership Group the following voting scheme will be used; which reflects the subscription fee structure for the REO (Rule 14).

- Each County, Unitary or Metropolitan Council (Band 1) 5 Votes
- Each County, Unitary or Metropolitan Council (Band 2) 4 Votes
- Each District Council (Band 3) 2 Votes

- 9.2 The total number of votes shall be revised from time to time based on those Authorities in membership of the REO (up to a potential total of 106 votes across 33 authorities).

- 9.3 With the exception of (9.4), a motion will be carried if it has been approved by a majority of the representatives present at a meeting and reflects the weighted votes identified above.

- 9.4 Amendments to the REO Constitution in relation to voting, liabilities or a motion for dissolution of the REO will require approval of 2/3 (two thirds) of the votes capable of being cast (by hand or by proxy) by Shareholder Authorities in membership of the REO at that time.
- 9.5 The Chair presiding at any Shareholder Membership Group meeting shall not have any casting vote in addition to any vote they may be entitled to as a nominated representative.

10. Nominations to the REO (Elected Member) Management Board

10.1 The Political Parties will be invited to nominate Elected Members to serve on the REO Management Board and ideally nominees should be a Leader or Cabinet Member of a Shareholder Local Authority or serve on the Local Government Association's National Joint Council.

(a) 1 nominee from each of the following six (geographical) sub regions; as agreed by the majority of the subscribing representatives from each sub region;

- Birmingham
- Black Country
- Solihull, Coventry & Warwickshire
- Herefordshire, Shropshire and Telford & Wrekin
- Worcestershire
- Staffordshire and Stoke

and;

(b) 1 District Council nominee as agreed by the majority of District Councils in membership of the REO.

10.2 The representatives nominated to the REO Management Board shall serve for a term of three (3) years and retire on the day immediately before the date of the REO annual meeting (usually in July) in the third year. They will be eligible for re-nomination.

10.3 Elected Members nominated to serve on the REO Management Board will elect a Chair and two Vice Chair from its membership at the annual Management Board meeting in July. The two vice chairs will be nominated from the two political groups with the majority of representatives on the Board. A resigning Chair and Vice Chair is eligible for re-election.

10.4 The REO Chair will also be the REO Elected Member nominee to the National Association of Regional Employers (NARE).

10.5 Members of the REO Management Board will be invited to appoint a Substitute from their sub-region to attend and participate in REO Management Board meetings in their absence. The REO Chief Executive may also invite Substitutes to meetings of the REO Management Board as necessary to support effective business management.

10.6 A meeting of the REO Management Board shall be deemed quorate providing one third (at least 2) of the total 7 nominated Board Members are in attendance.

10.7 Any vote necessary at a REO Management Board meeting shall be based on a show of hands of those representatives' present. At meetings where both the Board representative and their substitute are present, only the appointed Board representative shall have the right to vote.

10.8 In the event that a member of the REO Management Board is required to step down from the REO for whatever reason during the term of 3 years, their appointed substitute will act as the

interim representative on the Board. The REO Chief Executive will invite the sub-region to confirm the Substitute as their representative or appoint a new representative to serve for the remainder of the current term of office.

10.9 If any sub region as a whole should cease to subscribe to the REO, their place on the REO Management Board shall become dormant.

10.10 Any Elected Member from the West Midlands who is nominated to serve on the Local Government Association's National Joint Council but is not a nominated representative on the REO Management Board will be invited to attend meetings of the REO Management Board. However, such a member will have no voting rights.

11. REO Management Board Terms of Reference

11.1 At each annual meeting of the REO, an REO Management Board shall be confirmed which shall be responsible for the general management of the REO on behalf of the Shareholder Membership Group, the REO's financial and governance arrangements and for the administration of the WMC Shell in accordance with its Constitution.

11.2 An annual cycle of meetings will be agreed by the REO Management Board and the REO Chief Executive shall call any additional meetings as required for the effective management of the REO. The REO operates a financial year from April to March.

11.3 The REO Management Board shall generally meet quarterly and be responsible for:-

- a) Consulting upon and recommending a 3 to 5 year REO Strategic & Financial Plan for approval by the Shareholder Membership
- b) Approving the REO Annual Delivery Plan, Budget and subscription fees on behalf of the Shareholder Membership Group;
- c) Monitoring organisational performance against the Annual Delivery Plan and Budget; guiding organisational priorities, policy and strategy.
- d) Approval of an REO Scheme of Delegation (Appendix A) and oversight of the Financial Management of the REO including appointment of the REO Treasurer and approval of an REO treasury management policy;
- e) Appointment of the Auditor; and the review and recommendation to the Shareholder Membership Group for approval of the REO Consolidated Financial Statements;
- f) Approval of the investment of REO financial reserves to meet business needs or in support of initiatives for the benefit of Shareholder Authorities and the sector as a whole, consulting with the Shareholder Membership Group or other REO consultative body as appropriate; and acting within the REO Scheme of Delegation;
- g) Appointment of officers of the REO as set out at rule 13;
- h) Nominating REO representatives to national bodies, including the National Association of Regional Employers (NARE) or other Forums or Consultation Groups as required; giving due consideration to a nominee's ability to demonstrate the expertise needed to serve in that capacity;
- i) Administration of the WMC Shell in regard to past pension and other liabilities in accordance with the WMC Shell Constitution and West Midlands Pension Fund Supplemental Agreement; and
- j) Approval of constitutional amendments that are not the responsibility of the Shareholder Membership Group as set out at rule 9.4.

11.4 The REO Management Board will be advised as necessary by the officer nominated by the Host Employer to act as Host Employer Representative (who will be the Chief Executive of the Host Employer or a nominated member of its Senior Leadership Team).

11.5 The Chair of the REO Management Board and Host Employer Representative will be responsible for the performance appraisal process for the REO Chief Executive

12. Observing Service Specific Governance and Contractual Arrangements

12.1 With regard to Rule 11.3 and specifically the financial management of the REO, the REO Management Board will need to take full and proper account of any discrete governance arrangements and/or contractual commitments entered into by the REO in respect of traded services provided through the REO, and in particular, those matters relating to shared services delivered via a separate service agreement.

12.2 The REO Management Board in its role of administrator of WMC Shell business will need to take full and proper account of the WMC Shell Constitution.

13. Appointment of REO Officers

The REO Management Board shall be responsible for;

- a) appointing a Chief Executive Officer of the REO
- b) participating in a selection panel for appointments to the Senior Leadership Team
- c) approving changes to the REO staffing structure outside of any agreed Annual Delivery Plan and Budget;
- d) appointing the REO Treasurer (generally the Senior Officer for Finance and Governance or an appropriate external nominee if required), who shall be eligible for reappointment on an annual basis.

14. Shareholder Membership Subscriptions

14.1 All Local Authorities in membership of the REO will pay an annual subscription for each financial year commencing 1 April. The Shareholder Membership Group will approve the REO 3 to 5 year Strategic Plan and Subscription model.

14.2 The Annual Delivery Plan, Budget and subscription fees for the forthcoming financial year will be approved by the REO Management Board. The Board will consult with the Shareholder Membership Group on any proposed significant variations to subscription fees or strategic priorities to secure majority support before approval by the REO Management Board.

14.3 All subscriptions shall become due on 1 April each year and the REO Management Board shall have the power to suspend or terminate services or membership of any Authority whose subscription is not paid by 1 September in that year, following a request in writing sent to the Local Authority. The subscription for the year shall remain duly payable and the provisions of Rule 17 will apply in full.

14.4 The REO will administer a Regional Priorities Fund in accordance with an action plan approved by Shareholder Authorities. This fund will be managed as a designated reserve within the REO, observing the REO Scheme of Delegation.

14.5 The investment of REO reserves or operational surplus will be approved by the REO Management Board, consulting with the Shareholder Membership Group as appropriate and in accordance with the REO Scheme of Delegation.

14.6 The termination of membership and treatment of subscription fees is as set out at rule 17.

15. Finance and Audit

- 15.1 The REO is responsible for producing a Consolidated Financial Statement of all activities including those relating to the WMC Shell. These Financial Statements will be reviewed by the REO Management Board and recommended to the Shareholder Membership Group for approval.
- 15.2 The REO is responsible for submitting an annual return to the Certification Office for Trade Unions and Employer Associations.

16. Liabilities

- 16.1 A statement of liabilities both in relation to the WMC Shell and the REO will be included in the REO Consolidated Financial Statements. Each Shareholder Authority, whilst it is in membership of the REO, undertakes jointly with each of the other Shareholder Authorities, to underwrite any liabilities that are not ultra vires and have been incurred in the name of REO and in accordance with its Constitution.
- 16.2 Liabilities that may be realised during the life of the REO will be met by Local Authorities in Shareholder Membership in accordance with their proportion of the overall subscription base applicable at that time.
- 16.3 Liabilities relating to the WMC Shell will be managed in accordance with the WMC Shell Constitution and in relation to the WMC Pension Liability, in accordance with the West Midlands Pension Fund Supplemental Agreement entered into by all 33 authorities.

17. Resignation from Membership of the REO

- 17.1 The REO is a voluntary Employers' Membership Association and any Shareholder Authority wishing to terminate their membership to the REO shall be required to;
 - a) serve not less than 12 months' notice in writing to the REO Chief Executive for their Shareholder Membership to expire on 31 March in any year; and
 - b) meet the cost of calculating their share of any REO liability at the point of membership termination, and to make any payment in respect of such costs and any termination liability as calculated in accordance with the provisions of Rule 16 within 6 months of the final day of membership.
- 17.2 The REO will set aside any resignation settlements as a designated REO Liabilities Reserve. Any motion to divert REO Liabilities Reserves for another purpose shall require a recommendation of the REO Management Board and approval by the Shareholder Membership Group based on 2/3 (two thirds) of the total votes capable of being cast.
- 17.3 Termination of Membership of the REO does not release any Local Authority from its obligations in relation the WMC Supplement Agreement with the West Midlands Pension Fund, which will continue in force until its conclusion.

18. Dissolution of the REO

- 18.1 A motion for the dissolution of the REO will trigger a joint meeting of the REO Management Board and the Shareholder Membership Group.

- 18.2 The Joint Meeting will be presided over by either the Chair of the Shareholder Membership Group or the Chair of the REO Management Board. Any proposal for dissolution of the REO must be supported by a detailed dissolution plan giving due consideration to; the treatment of any contracted service commitments, responsibilities in respect of the WMC Shell Constitution and related pension liabilities covered by the WMPF Supplemental Agreement, and treatment of REO liabilities.
- 18.3 A motion for dissolution of the REO and a proposed dissolution plan will require the approval of 2/3 (two thirds) of the total votes capable of being cast by Shareholder Authorities in membership at that date, either by hand or by proxy.
- 18.4 A proposal for the transfer of administrative responsibility for the WMC Shell Constitution and related pension liabilities from the REO to a Local Authority must be agreed in accordance with the WMC Shell Constitution and supported by the majority of Shareholder Authorities in membership of the REO at the point of dissolution.
- 18.5 The apportionment of any liabilities of the REO as a result of dissolution shall be in accordance with Rule 16 and shall require full settlement within an agreed deadline as defined within an approved dissolution plan.
- 18.4 The apportionment of any assets of the REO after all liabilities of the REO have been met following dissolution, shall be in accordance with the individual Shareholder Authority's proportion of the overall subscription base applicable at that time.

APPENDIX A - REO SCHEME OF DELEGATION (Updated April 2020)

Background

West Midlands Employers (WME) is registered as a Regional Employers' Organisation (REO) and submits annual returns to the Certification Office for Trade Unions and Employer Associations.

- West Midlands Employers is the registered name of the Regional Employers' Organisation, governed by the Constitution of the REO (revised April 2020) and as amended from time to time.
- WME is VAT registered GB 79 6031 11
- Staffordshire County Council is the Host Employer for WME.
- WME is owned by (subscribing) Shareholder Member Authorities and operates with an REO (Elected Member) Management Board with representatives nominated from the 6 geographical sub-regions and a representative for District Councils.
- Shareholder Membership Authorities are represented on the Shareholder Membership Group by their Chief Executive or their nominated deputy.
- The REO has administrative responsibility for the liabilities of the West Midlands Council (WMC) Shell, these are managed in accordance with the WMC Shell Constitution.
- The REO Scheme of Delegation is approved by the REO Management Board.

This Scheme of Delegation sets out the financial management framework for the REO/WME which is a small organisation of less than 25 people.

Glossary:

REO	Regional Employers' Organisation called West Midlands Employers (WME)
WMC Shell	West Midlands Councils Shell Body (administered by the REO)
REO Management Board (RMB)	WME Elected Member Management Board
Chief Executive	WME Chief Executive Officer
Senior Leadership Team (SLT)	WME CEO, Directors and Assistant Directors operating as the Senior Leadership Team
Treasurer	WME (REO) Treasurer; generally, the Assistant Director, Finance & Governance
Shareholder Membership Group (SMG)	Chief Executive (or their nominated deputy) from a Local Authority subscribing to WME
Host Employer Representative (HER)	The Host Employer (Staffordshire County Council) Chief Executive or deputy nominated from their Senior Leadership Team

Table of Delegations

Delegated Authority >	Senior Leadership Team	REO Management Board	Shareholder Membership Group
Developing and approving a medium term Strategic Plan, Financial Plan and Subscription Model:	Lead the consultation and preparation of a Strategic Plan including Financial Plan and Subscription Model terms strategic plans	Support the consultation and preparation process for the development of a Strategic Plan	Provide feedback on any strategic plan consultation
	Present Strategic Plan to the Management Board	Review and recommendation of a Strategic Plan to the SMG	Approval of the REO Strategic and Financial Plan and Shareholder Subscription Model
Preparation and performance reporting against Annual Delivery Plan & Budget (ADP&B)	Preparation of an Annual Delivery Plan and Budget	Approval of the ADP&B	Receive the ADP&B
	Performance reporting against Annual Delivery Plan & Budget	Monitoring performance against Annual Delivery Plan & Budget	Receive Minutes of the RMB Meetings
	Coordination of all REO meetings in accordance with its Constitution		Attend an Annual AGM and support efficient decision-making processes
	Canvass nominations of representatives to serve on REO	Nominate REO representatives to outside bodies i.e. NARE	Attend an Annual AGM and support efficient decision-making processes
Constitutional Changes	Ensure the REO operates in accordance with its agree Constitution	Approve any constitution changes not reserved for the SMG	Approve constitutional changes in respect of votes, liabilities and dissolution
Changes to the REO Staffing Structure and Staff Appointments	Recruitment process for a new CEO	Appointment of the CEO	Participation in the selection process for the CEO
(having due consideration for Host Employer rules)	Appointments to the Senior Leadership Team	Approval of changes to the REO Staffing Structure (reporting significant change to the SMG)	Participation in the selection process for SLT roles

	Appointments of staffing to an agreed structure within budget	Appointment of the CEO (notifying the SMG)	
Delegated Authority >	Senior Leadership Team	REO Management Board	Shareholder Membership Group
	Short term amendments to employment contracts or temporary contracts to facilitate service provision	Performance management of the CEO (reporting any concerns to SMG)	
	Recruitment to SLT	Nominate Board Members to participate in selection process for appointment to SLT	
	Recruitment to all REO posts		
Procurement Polices and Processes	Develop appropriate procurement policies and processes	Approval of REO Procurement Policies	
	Ensure compliance to REO policies and processes	Provide emergency approval for purchase without procurement to meet business critical needs (delegated authority to Chair & Vice Chair)	
	Provide a business case or recommendation for any variation from agreed procurement rules to the Management Board for approval	Provide approval of any variation from agreed procurement policy	
	Approval of expenditure within agreed ADP&B up to £50K	Approval of expenditure within agreed ADP&B over £50k	
	Approval to enter into medium term contracts up to 3 years; within agreed ADP&B OR new contracts not in agreed ADP&B up to £20,000 (report to Management Board)	Approval of long term contracts over 3 years in duration OR new contracts not within agreed ADP&B over £20k	

	Approval of virements between budget heads up to £20K (report to Management Board)	Approval of virements between budget heads over £20K (report to SMG)	
Delegated Authority >	Senior Leadership Team	REO Management Board	Shareholder Membership Group
Financial Management	Administer process for selection of Audit services	Appointment of REO Auditors	
	Secure annual appointment of Treasurer	Appoint REO Treasurer (usually the Senior Finance Officer)	
	Preparation of a Treasury Management Plan	Approval of the REO Treasury Management Plan	
	Maintain Risk Register and report to REO Management Board	Monitoring of Risk and approval of any funded mitigations	
	Secure appropriate business insurance cover for the REO		
	Ensuring sound and robust financial management through effective and efficient business practice. Reporting performance to the Management Board quarterly	Scrutiny of finance, propriety and effectiveness of financial systems through the review of quarterly budget report or other methods as deemed necessary by the Board	
	Prepare and plan for an annual independent Audit (delegated to Treasurer) and presentation of Annual Financial Statements to the Board	Receive and review the audited REO Financial Statements and recommend them to the SMG	Approve the REO Financial Statements following a recommendation from the Management Board
	Approve bad debt write off up to £5,000 reporting it to Management Board	Approve bad debt write off over £5,000 reporting it to the SMG	
	Submit a proposal for the investment of REO reserves to meet business need, product development or investment for the benefit of the SMG	Review and approve use of REO reserves (consulting SMG on any significant investment)	Participate in any investment consultation process

Delegated Authority >	Senior Leadership Team	REO Management Board	Shareholder Membership Group
	Prepare and file statutory returns to HMRC and the Certification Office (delegated to Treasurer)		
	Maintain efficient banking service provision and secure authorisation processes	Changes to Banking provision and approval of REO authorised signatories and related banking and financial delegations	
	Operational banking and short-term deposit management	Approval of long-term financial deposits	
Administration of the WMC Shell Constitution	Maintaining the WMC Shell Constitution	Oversight of the WMC Shell Constitution and process for managing related liabilities	Not relevant to the REO SMG. The WMC Shell Constitution relates to all 33 councils with its own set of rules to administer liabilities
	Administration of processes to secure annual contributions from all 33 councils for the repayment of WMC pension liabilities; included within the consolidated REO Financial Statements		
	Coordination of any meetings necessary in the administration of the WMC Shell		

APPENDIX B: WME Employment Committee - Terms of Reference (October 2022)

Purpose

The Management Board Employment Committee will oversee all WME employment matters and make recommendation to the Board regarding changes in staffing structures, remuneration, and terms and conditions of employment. The Committee will have oversight of employment policies and other issues affecting employees.

Membership

The committee will comprise 3 members nominated from the WME Management Board including either the Chair or a Vice Chair; who will act as the Chair of the Employment Committee. Meetings will be quorate if 2 of 3 people are in attendance and in the absence of the Chair those attending will agree who will Chair that meeting. Ideally, Employment Committee members will have relevant experience or hold a portfolio responsibility for finance or resourcing.

Meetings

The Employment Committee will meet at least once each year to consider any employment matters that will impact on WME budget development and service planning for the coming year.

The Employment Committee Chair may call a meeting of the Committee at any time during the year to consider employment related matters of urgency or with a specific deadline for decision. Generally, meetings of the Employment Committee will be held virtually.

WME will give at least 10 working days' notice of a virtual meeting together with an agenda, unless there is a critical deadline requiring a shorter notice.

Committee Responsibilities

As a sub-committee of the WME Management Board the Employment Committee will:-

- Review and approve any employment policies introduced by WME
- Approve any contractual arrangements for outsourced employment services to WME
- Approve changes to the WME organisation structure and resourcing requirements
- Hear and deliver a decision on any grievances, complaints or employment matters raised by WME staff
- Make recommendations to Management Board in relation to any matters that have impact on the liabilities of WME Shareholder Members or that require a financial commitment that warrants consideration by the Board

Each member of the Employment Committee will have one vote and the Chair of the Committee will hold the deciding vote where necessary.