



Meeting: **Constitution Committee**

Date/Time: **Friday, 10 March 2017 at 1.30 pm**

Location: **Gartree Committee Room, County Hall, Glenfield**

Contact: **Mr E. Walters (Tel: 0116 305 6016)**

Email: **euan.walters@leics.gov.uk**

Membership

Mr. N. J. Rushton CC (Chairman)

Dr. R. K. A. Feltham CC Mr. J. B. Rhodes CC

Mr. S. J. Galton CC Mr. R. Sharp CC

AGENDA

<u>Item</u>	<u>Report by</u>	
1. Minutes of the meeting held on 27 September 2016.		(Pages 3 - 4)
2. Question Time.		
3. Questions asked under Standing Order 7(3) and 7(5).		
4. To advise of any other items which the Chairman has decided to take as urgent.		
5. Declarations of interest.		
6. Local Government Pension Scheme Central Investment Pool - Establishment of a Joint Committee.	Chief Executive	(Pages 5 - 10)
7. County Council Elections 2017 - Scale of Election Expenses.	Chief Executive	(Pages 11 - 16)
8. Any other items which the Chairman has decided to take as urgent.		



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Minutes of a meeting of the Constitution Committee held at County Hall, Glenfield on Tuesday, 27 September 2016.

PRESENT

Mr. N. J. Rushton CC (in the Chair)

Dr. R. K. A. Feltham CC
Mr. S. J. Galton CC

Mr. J. B. Rhodes CC
Mr. R. Sharp CC

56. Minutes of the previous meeting.

The minutes of the meeting held on 16 September 2016 were taken as read, confirmed and signed.

57. Question Time.

The Chief Executive reported that no questions had been received under Standing Order 35.

58. Questions asked by members.

The Chief Executive reported that no questions had been received under Standing Order 7(3) and 7(5).

59. Urgent Items.

There were no urgent items for consideration.

60. Declarations of interest.

The Chairman invited members who wished to do so to declare any interest in respect of items on the agenda for the meeting.

No declarations were made.

61. Statement of Accounts and Annual Governance Statement 2015/16.

The Committee considered a report of the Director of Corporate Resources which presented the 2015/16 Statement of Accounts for approval, provided information relating to the main areas of the accounts and reported the key findings from the external audit of the accounts. The Committee also considered a Letter of Representation to KPMG. Copies of the report, marked 'Agenda Item 7', and the Letter of Representation are filed with these minutes.

RESOLVED:

That the Statement of Accounts for 2015/16 be approved.

1.00 - 1.17 pm
27 September 2016

CHAIRMAN



CONSTITUTION COMMITTEE – 10 MARCH 2017

REPORT OF THE CHIEF EXECUTIVE

LOCAL GOVERNMENT PENSION SCHEME CENTRAL INVESTMENT POOL - ESTABLISHMENT OF A JOINT COMMITTEE

Purpose

1. The purpose of this report is to enable recommendations to be put to the meeting of the County Council on 22 March 2017 relating to the proposed establishment of a Joint Committee made up of the eight Midlands-based Local Government Pension Funds (including the Leicestershire Fund) which will form the LGPS Central Investment Pool.

Background

2. Article 11 of the County Council's Constitution requires that if the County Council wishes to establish joint arrangements to exercise non-executive functions with one or more local authorities, the arrangement must be approved by the full County Council. The normal practice is for any such proposal to be considered by the Constitution Committee before a recommendation is made to the Council.

National Guidance

3. The Government's summer budget of 2015 contained details of its intention to encourage Local Government Pension Funds to combine assets. It stated;

"The government will work with the Local Government Pension Scheme administering authorities to ensure that they pool investments to significantly reduce costs, while maintaining overall investment performance. The government will invite local authorities to come forward with their own proposals to meet common criteria for delivering savings. A consultation to be published later this year will set out those detailed criteria as well as backstop legislation which will ensure that those administering authorities that do not come forward with sufficiently ambitious proposals are required to pool investments."

4. Following further guidance from Government, the Local Pension Committee approved Leicestershire County Council Pension Fund's involvement in LGPS Central, an investment pool made up of eight Midlands-based Local Government Pension Funds (including

Leicestershire). Formal approval for LGPS Central was given by the Minister for Local Government in November 2016, and investment pooling will commence on 1st April 2018.

Proposed Formation of a Joint Committee

5. The establishment of a Joint Committee would enable a representative from each of the eight authorities (Cheshire, Leicestershire, Shropshire, Staffordshire, West Midlands, Derbyshire, Nottinghamshire and Worcestershire) to meet and ask relevant questions of the operator (i.e. LGPS Central) about investment performance and a host of other potential issues such as how responsible investment is dealt with and how investment managers performance is monitored.
6. This level of governance could be carried out in an informal manner, but the Public Sector nature of the Pension Funds means that it is important that as much of the governance as possible is transparent and open. As a result, all eight Funds strongly support a formal Joint Committee, established under s102 of the Local Government Act 1972, as the appropriate method of delivering this transparency. The Cheshire Fund has offered to service the Joint Committee.
7. The Joint Committee will not have any decision-making powers and should, therefore, be seen as a conduit between the individual Funds' decision making bodies and the operator. It will be a practical way of ensuring that the Funds have a forum to ensure that they can be kept fully informed of any matter that they feel is of relevance to the investments of the pool – investments that the Funds are the beneficial owners of. The current governance arrangements in place for the Leicestershire Fund, as detailed in the appendix, are expected to continue after LGPS Central becomes active.
8. It is intended that a Practitioners Advisory Forum, comprising of the Section 151 officer or their substitute is formed to advise and assist the Joint Committee and ensure that the wishes of the Committee are presented to individual Funds for their consideration.
9. It is also the intention that a separate Shareholders Forum will also be established between the eight funds which will focus on shareholder-related matters in respect of LGPS Central. These will include, amongst other things, the appointment of key officers, approval of business plans, appointment of auditors and approval of the accounts. The Chairman of the Local Pension Committee will represent the County Council, with the Vice Chairman acting as a substitute.
10. The Leicestershire Local Pension Committee at its meeting on 15 November 2016 supported the establishment of a Joint Committee and proposed that the Chairman of the Local Pension Committee should act as the Fund's representative and the Vice Chairman act as a substitute.

Resources Implications

11. The Cheshire Fund has offered to service the Joint Committee and therefore the recommended changes will not result in any additional resource requirements

Recommendations

12. (a) That the County Council be recommended to support the establishment of a Joint Committee noting that its establishment will be subject to support from the other seven administering authorities which form the LGPS Central Investment Fund;
- (b) That, subject to (a) above, the Chairman of the Local Pension Committee act as the Funds representative on the Committee with the Vice Chairman acting as a substitute

Background Papers

Report to the Local Pension Committee, 15 November 2016, Proposed Governance of LGPS Central Investment Pool.

<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=740&MId=4901&Ver=4>

Appendix

Appendix – Existing Governance arrangements for the Leicestershire County Council Pension Fund

Equality and Human Rights Implications

None.

Officer to Contact

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Current Governance Structure of the Leicestershire County Council Pension Fund

There are currently three committees that provide governance to the Leicestershire Fund;

Local Pension Committee

Responsible for setting investment strategy, the agreement of key policies in respect of a number of funding and investment matters and providing oversight of the investments of the Fund.

Investment Subcommittee

A subcommittee comprising of members of the Local Pension Committee which generally deals with more detailed pieces of work that are in line with the investment strategy set by the Local Pension Committee. This may involve further consideration of the best method in which to implement a strategic investment decision, including agreeing investment manager appointments.

Local Pension Board

A committee that is responsible for ensuring the Fund complies with the requirements of the LGPS Regulations and The Pensions Regulator. This committee mainly considers items concerning the administration of LGPS benefits.

All three of these committees are expected to continue after LGPS Central becomes active. The only expected change relates to the responsibility to appoint and monitor individual investment managers, which will become one of the key functions carried out by the pool. This is likely to impact the remit of the Investment Subcommittee, although there will still be more detailed pieces of work for it to consider.

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CONSTITUTION COMMITTEE

10 MARCH 2017

COUNTY COUNCIL ELECTIONS 2017

SCALE OF ELECTION EXPENSES

REPORT OF THE CHIEF EXECUTIVE

Purpose

1. The purpose of this report is to seek the Constitution Committee's approval with regard to a Scale of Fees to be used at the County Council elections in May 2017.

Background

2. The Chief Executive is the Returning Officer for elections of County Councillors and, as such, is responsible for conducting the elections in accordance with statutory rules. Officers of the District Councils are appointed as Deputy Returning Officers and the majority of the election work is carried out by their staff.
3. The County Council meets the fees and expenses of the elections, subject to these not exceeding a scale fixed by the Council for the purpose. The Scale of Fees which the County Council adheres to is normally one which is used by all the districts within the County as well as Leicester City Council and is known as the Leicestershire Scale of Fees.
4. In the past it has been the County Council's practice for members to agree the Leicestershire Scale of Fees for a general election of councillors and for the Returning Officer to be authorised to approve amendments to the scheme for any intervening by-elections.

Financial Implications

5. It is calculated that the total expenditure for the County Council election will be within the budget figure set of £0.8million.
6. The Director of Corporate Resources has been consulted on the resource implications of this report.

Decisions Required

7. The Council's functions relating to elections are exercised by this Committee and this would normally include agreeing the Scale of Fees to apply to County Council elections. It has been the practice for the scale to be fixed by Members for a general election of Councillors and for the Returning Officer to be authorised to fix a scale for intervening by-elections (to enable the scale to be updated for inflation).

Equality and Human Rights Implications

8. Persons from various sections of the community will be employed as presiding officers, poll clerks and counting assistants on the day of the poll. All polling stations have been looked at with a view to improving access for disabled persons.

Recommendations

10. That the Constitution Committee agree:-
- (a) that the attached scale of expenses be used at the County Council elections to be held on 4th May 2017 and for any subsequent by-elections held before 31st March 2018.
 - (b) that the Chief Executive be authorised to fix a scale for the purpose of by-elections occurring between 1st April 2018 and the next County Council elections.

Background Papers

None.

Circulation Under Sensitive Issues Procedure

None.

Officer to Contact

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Appendix

Recommended Scale of Fees and expenses payable to returning officers at local elections – 01.04.17 to 31.03.18

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LEICESTERSHIRE SCHEDULE – RECOMMENDED SCALE OF FEES AND EXPENSES PAYABLE TO RETURNING OFFICERS AT LOCAL ELECTIONS – 01.04.17 TO 31.03.18

(COUNTY COUNCIL ELECTIONS 2017)

DESCRIPTION OF DUTIES	GROSS
Deputy Returning Officer fee (Lead DRO) (including all disbursements and expenses not otherwise provided for in this scale) in the case of a contested election for all duties preparatory to taking the Poll and Counting of the votes and making the return of the election for each 500 local government electors or part thereof on the Register of Electors for each division separately returning a Councillor or Councillors	£23.75 (Minimum £2500 per District/Borough)
Deputy Returning Officer's fee (Lead DRO) in the case of an uncontested election – for each division separately returning a Councillor or Councillors	£54.37
County Council fee for services of staff engaged on election duties	15% of fees paid to Deputy Returning Officers for contested election above
Deputy Returning Officers' fee for supporting DRO with full powers to be a matter of local determination. Authorities in calculating the amount that DROs receive are advised to take into account the level of duties actually undertaken, current budgetary constraints and any other payment made to the DRO arising out of their duties in connection with the election	Discretionary but recommended equivalent to 50% of the Lead DRO fee
All equipment to be purchased, hired, altered or repaired	Actual and necessary cost
Hire and fitting up of Polling Stations including heating, lighting, cleaning and damages and expenses paid in respect thereof	Actual and necessary cost
Stationery at Polling Stations	Actual and necessary cost
Printing and providing nomination forms, notices, ballot papers and other forms and documents required in and about the election or poll	Actual and necessary cost
Returning Officers' travelling expenses and those of Presiding Officer's and Poll Clerks	Casual Users' rate as laid down by the N.J.C. or local agreement
Conveyance of Ballot Boxes	Actual and necessary cost
Each Presiding Officer 7.00 am to 10.00 pm Poll	£195.00
Each Presiding Officer where the County Council Election is held simultaneously with District/Parish Elections (20%)	£234.00
Each Poll Clerk 7.00 am to 10.00pm Poll	£115.00

DESCRIPTION OF DUTIES ¹⁴	GROSS
Each Poll Clerk where the County Council Election is held simultaneously with District/Parish Elections (20%)	£138.00
Each part-time Poll Clerk where acting for 4 hours	£35.48
Remuneration of persons employed at the Counting of Votes at the Election: 1) For each 500 local government electors or part thereof on the Register of Electors used at the election 2) Where the number of candidates exceeds three, for every three candidates or part thereof 3) Allowance for a recount per division	£32.42 £32.42 £100.00
For the production and printing of postal ballot packs	Actual and necessary cost
Remuneration of persons employed for the purpose of in house despatch of postal ballot papers: 1) Where the number of persons entitled to vote by post does not exceed 50 persons 2) Where the number of persons entitled to vote by post exceeds 50 persons, for every additional 10 persons or part thereof Alternative to above formula - for consideration: 1) Postal vote Supervisor fee – per hour – standard rate 2) Postal Vote Assistant fee – per hour – standard rate	£12.63 £1.72 £10.00 £7.50
Remuneration of persons employed for the purpose of in house receipt of postal ballot papers: 1) Where the number of persons entitled to vote by post does not exceed 50 persons 2) Where the number of persons entitled to vote by post exceeds 50 persons, for every additional 10 persons or part thereof Alternative to above formula - for consideration: 1) Postal vote supervisor fee – per hour – standard rate 2) Postal Vote Assistant fee – per hour- standard rate	£25.27 £3.44 £12.50 £10.00
Alternative formula for Postal Votes Remuneration of persons employed for the purpose of in house despatch and receipt of postal ballot papers: 1) Where the number of persons entitled to vote by post does not exceed 50 persons 2) Where the number of persons entitled to vote by post exceeds 50 persons, for every additional 10 persons or part thereof	£37.89 £5.15
Clerical assistance	Actual and necessary cost
For the employment of persons in connection with the preparation, completion and issue of Official Poll Cards, for every 100 cards or fraction thereof issued	£10.37

DESCRIPTION OF DUTIES	GROSS
For the attendance at training of persons employed at the election – per category of job, subject to local conditions and annual review	Up to a maximum of £50.00
For printing and providing Official Poll Cards	Actual and necessary cost
For general stationery, postages and miscellaneous expenses	Actual and necessary cost

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