



*Meeting:* **Constitution Committee**

*Date/Time:* **Friday, 18 September 2020 at 2.00 pm**

*Location:* **Microsoft Teams video link**

*Contact:* **Mr E. Walters (Tel: 0116 305 2583)**

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

### Membership

Dr. T. Eynon CC   Mr. N. J. Rushton CC  
Mr. S. J. Galton CC   Mr. R. J. Shepherd CC  
Mr. B. L. Pain CC

### AGENDA

<u>Item</u>	<u>Report by</u>
1. Appointment of Chairman.  Mr. N. J. Rushton CC was nominated as Chairman elect at the County Council meeting on 8 July 2020.	
2. Election of Deputy Chairman.	
3. Minutes of the meeting held on 22 November 2020.	(Pages 3 - 4)
4. Question Time.	
5. Questions asked under Standing Order 7(3) and 7(5).	
6. To advise of any other items which the Chairman has decided to take as urgent.	
7. Declarations of interest.	
8. Independent Persons.	Chief Executive and Director of Corporate Resources  (Pages 5 - 8)



9. Charitable Trust Future Arrangements. Director of Law and Governance (Pages 9 - 16)

10. Date of next meeting.

The next meeting of the Committee is scheduled to take place on 27 November 2020 at 11:00am.

11. Any other items which the Chairman has decided to take as urgent.



Minutes of a meeting of the Constitution Committee held at County Hall, Glenfield on Friday, 22 November 2019.

PRESENT

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

Dr. T. Eynon CC  
Mr. S. J. Galton CC

Mr. J. B. Rhodes CC  
Mr. R. J. Shepherd CC

119. Minutes of the previous meeting

The minutes of the meeting held on 13 September 2019 were taken as read, confirmed and signed.

120. Question Time.

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

121. Questions asked under Standing Order 7(3) and 7(5).

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

122. Urgent Items

There were no urgent items for consideration.

123. 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.

124. Report of the Independent Remuneration Panel on Member Annual Reports and Group Whip Allowances

The Committee considered a report of the Chief Executive, the purpose of which was to present the findings of the Independent Remuneration Panel and invite the Committee to consider its content and recommendations to the County Council. A copy of the report is filed with these minutes.

The Committee was pleased to note the increase in the number of Annual Reports submitted by Members and agreed with the Panels reaffirmation that the practice should continue.

The Committee noted the proposal to commission training to support members in writing a good annual report but suggested that use of those identified by the Panel as good examples, and members actively sharing their knowledge and skills could be of more benefit.

**RESOLVED:**

That the County Council be recommended to approve the recommendations set out in the report of the Independent Remuneration Panel on Member Annual Reports and Group Whips Allowance.

15.45 pm – 16.10pm  
22 November 2019

CHAIRMAN



## **CONSTITUTION COMMITTEE: 18 SEPTEMBER 2020**

### **APPOINTMENT OF INDEPENDENT PERSONS**

#### **REPORT OF THE CHIEF EXECUTIVE AND THE DIRECTOR OF CORPORATE RESOURCES**

##### **Purpose of report**

1. This report concerns the appointment of Independent Persons to support the Member Conduct Complaints Process as required under Section 28 (7) of the Localism Act 2011 and to support the procedures for dealing with the dismissal of the Chief Executive, the Monitoring Officer and the Chief Financial Officer, as required by the Local Authorities (Standing Order) England Regulations 2001 (as amended).

##### **Policy Framework and Previous Decisions**

2. The Localism Act 2011 sets out provisions regarding the conduct of members. It is a requirement under this Act that the Council appoint at least one Independent Person, whose view must be sought and taken into account by the Authority before it makes a decision on any allegation and whose views may be sought about allegations.
3. The Local Authorities (Standing Order) England (Amendment) Regulations 2015 set out a new procedure for dealing with the possible dismissal of the Chief Executive, the Monitoring Officer and the Chief Financial Officer and this was adopted by the County Council on 8 July 2015.
4. At its meeting on 28 September 2016, the Council appointed five Independent Persons for a period of four years to form a Panel from which any one could be contacted to advise on particular allegations.
5. At its meeting on 12 June 2020, the Corporate Governance Committee agreed to undertake a joint recruitment process with the Leicester, Leicestershire and Rutland Combined Fire Authority for the appointment of Independent Persons from 30 September 2020 for a term of four years.

##### **Background**

6. The Independent Persons appointed by the County Council in 2016 were appointed for a period of four years. With their terms of service due to expire in September 2020, a new joint recruitment process was undertaken in July with the Leicester, Leicestershire and Rutland Combined Fire Authority (CFA). The position was publicly advertised and an interview process undertaken to recruit a pool of Independent Persons to support both organisations' member complaints process and the dismissal process for senior officers as outlined above. The Interview Panel

consisted of Members drawn from the Corporate Governance Committee and the Employment Committee of both the County Council and the CFA, supported by the Assistant Director of Corporate Resources – Corporate Services and the Head of Law (the Deputy Monitoring Officer).

7. The Committee on Standards in Public Life completed a review into Local Government Ethical Standards and the recommendations are still being reviewed. When these have been finalised, the Council will adapt recruitment processes for Independent Persons accordingly.

### Proposed Appointments

8. Whilst the Council previously appointed five candidates, a pool of six candidates is recommended for appointment for the four-year term from 30 September 2020 to cover the joint role of supporting the County Council and CFA, to allow greater flexibility and to avoid the possibility of a conflict of interest. All those recommended are eligible, live in Leicester or Leicestershire and are considered suitable candidates.
9. The regulations permit independent persons to be reappointed. The Monitoring Officer wrote to both the CFA's and the Council's existing appointees to thank them for their work to date and confirm that they were welcome to re-apply. Three of the six proposed appointees are existing Independent Persons for either the CFA or the County Council.
10. The Appointment Committee met on Friday 4 September 2020 to interview candidates and agreed to recommend the following people for appointment:-

Richard Gough  
Gordon Grimes  
Tina Herring  
Hema Kotecha  
Surinder Sharma  
Pamela Roberts

Further details of the above candidates are set out in the Appendix to this report.

11. Candidates will be appointed for a term of four years until 30 September 2024.

### Resource Implications

12. By running a joint recruitment process for both the County Council and the Leicester, Leicestershire and Rutland Combined Fire Authority, economies of scale have been achieved through reduced advertising costs, officer administration time and the servicing of a joint recruitment Panel.
13. Any payments made to the independent persons appointed, for travel and subsistence expenses (where appropriate), will fall outside the Members Allowance Scheme which only applies to either elected or co-opted members of either Authority. An allowance will not be paid.

### Timetable for Decisions

14. A report seeking approval to appoint the six Independent Persons detailed in paragraph 10 will be considered by the County Council on 30 September 2020.

### **Recommendation**

15. That the Committee recommends the County Council at its meeting in September 2020 appoint Richard Gough, Gordon Grimes, Tina Herring, Hema Kotecha, Surinder Sharma and Pamela Roberts to serve as Independent Persons for a term of four years ending on 30 September 2024.

### **Background papers**

Report to the Corporate Governance Committee 12 June 2020  
<http://politics.leics.gov.uk/ieListDocuments.aspx?CId=434&MId=6287&Ver=4>

### **Circulation under the Local Issues Alert Procedure**

None.

### **Equality and Human Rights Implications**

16. The opportunities were advertised widely to ensure that a diverse pool of potential applicants was aware of the opportunities available.

### **Appendix**

Proposed Independent Persons 2020

### **Officer to Contact**

Lauren Haslam, Director of Law and Governance  
[Lauren.haslam@leics.gov.uk](mailto:Lauren.haslam@leics.gov.uk)  
0116 305 6240

Gordon McFarlane, Assistant Director of Corporate Services  
Tel: 0116 305 6123  
E-mail: [Gordon.mcfarlane@leics.gov.uk](mailto:Gordon.mcfarlane@leics.gov.uk)

Anthony Cross, Head of Law (Deputy Monitoring Officer)  
Tel: 0116 305 6169  
E-mail: [anthony.cross@leics.gov.uk](mailto:anthony.cross@leics.gov.uk)

**Proposed Independent Persons 2020****Mr Richard Gough**

Mr Gough has been an Independent Person for the Combined Fire Authority since 2012 and was also appointed in the same year, as an Independent Person by Leicestershire Borough and District Councils. He served as a Magistrate on the Leicester Bench for 20 years. His previous career was in the financial services industry. He lives in Wigston Fields.

**Mr Gordon Grimes**

Mr Grimes, a retired Senior Civil Servant, has been an Independent Person for the Combined Fire Authority and the County Council since 2012; and also for other authorities in Leicester, Leicestershire and Rutland. He lives in Enderby.

**Ms Tina Herring**

Ms. Herring, now retired from a career in education, has worked as a Head Teacher and also as an inspector with OFSTED. She is currently an independent non-executive Director of Kent County Council's education services company. She lives in Leicester.

**Mrs Hema Kotecha**

Mrs Kotecha has worked in police forensics for over 13 years and currently works for Dorset Police. She has a wide range of skills including investigating, analysing information, compiling evidence and ensuring that standards are maintained. She lives in Kibworth.

**Prof. Surinder Sharma**

Prof. Sharma has been an Independent Person for the County Council since 2012. He has wide ranging experience gained from working in the public, private and voluntary sectors, has been Chair of the Equal Opportunities Commission, a Magistrate and an elected member of a local authority. He is currently Chairman of the Leicester Racial Equality Council. He lives in Stoneysgate.

**Ms Pamela Roberts**

Ms Roberts, a retired Civil Servant, has a wide career in public service, including in local government. She has a wide experience of policy formation and delivery, planning and ensuring that standards are maintained. She currently volunteers as a Trustee at a local charity. She lives in Market Harborough.



**CONSTITUTION COMMITTEE: 18<sup>TH</sup> SEPTEMBER 2020****CHARITABLE TRUST FUTURE ARRANGEMENTS****REPORT OF DIRECTOR OF LAW AND GOVERNANCE****Purpose of Report**

1. The purpose of this report is to update the Committee on the proposals for the future arrangements for the Educational Trusts of which the County Council is the sole corporate Trustee and to seek the Committee's approval to the closure and transfer of funds referred in paragraph 6 below into a single fund called the Leicestershire Educational Trust Fund to be administered by the Leicestershire and Rutland Community Foundation (LRCF).

**Policy Framework and Previous Decisions**

2. Part 3 of the County Council's Constitution provides for the Constitution Committee to undertake those functions relating to the Council's role as a charitable trustee. The Committee resolved at its meeting in July 2019 to approve the principle of the transfer of educational trusts to the Leicestershire and Rutland Community Foundation.

**Background**

3. The County Council is the sole corporate Trustee of various Educational Trusts set out below. Most of the Trusts have not been subject to a review for a significant period and the interest from the funds has accumulated over the years. Many of the Trusts are relatively small and the Trust objectives are difficult to apply. Engagement took place with the LRCF as part of the scheme supported by the Charity Commission to reactivate inactive Trusts for the benefit of the community. This coincided with approaches from the Charity Commission seeking the Council's proposals for the Trusts.
4. The Committee approved the principle of the Trusts being subject to closure and the funds being transferred into a fund to be administered by the LRCF combined into a single fund called the Leicestershire Educational Trust Fund, subject to developing qualifying criteria for the Trusts.
5. To progress the recommendation referred to above, a proportionate engagement exercise took place with a dual approach. Firstly those schools (or their successor bodies) which may have been referred to in the original Trusts were contacted for their views and these are reflected in the proposals in the table below. Secondly, a representative randomly selected sample of fifteen schools across all sectors and including maintained and academy schools, mainstream and special schools as well as faith VA schools were written to seeking comments and views on the general principles of the proposed transfer referred to above. There was a very limited response. Two schools did respond to express support to the transfer to LRCF citing the greater opportunity that

this would present to access funds and the benefits this would present for students who have SEND or mental health issues or other vulnerabilities.

**Proposal; Leicestershire and Rutland Community Foundation**

6. LRCF is a charity which helps local individuals and companies to give money, in a tax efficient way, directly to local needs. It offers a structure under which community, trust and donor funds are invested and managed in a consolidated fund. It currently manages £3 million of endowment funds on behalf of various charitable trusts and national grant programmes. LRCF operates by offering a moderate risk investment strategy which will preserve the capital (or achieve modest growth) and generate an annual return of 4% per annum to be used for grant making.
  
7. Based on the engagement above, it is proposed to close the funds listed in paragraph 8 below and to transfer £270,661 to LRCF to establish the new fund. Preparatory work has been undertaken in relation to the Fund Agreement Transfer which is now ready to be executed. The funds are currently invested with CCLA and the LRCF use the same investment fund and it is proposed to transfer the funds without withdrawing them as this will avoid the costs associated with buying and selling. The new trust will be called the 'Leicestershire Educational Trust' and members will retain involvement through the submission of an annual report to the Constitution Committee on the operation of the trust by the LRCF as previously agreed.
  
8. The benefits of this approach as outlined in the previous report are as follows:
  - a. The active management of the Trusts and making grant awards would support the community and be in keeping with the wishes of the donors;
  - b. The administration of the Trusts at present is achieved through the internal services and via professional support from Corporate Resources and the Chief Executive's Department. The resource involved in maintaining the Trusts is not significant but if the Trusts are to be actively managed this would require additional resourcing;
  - c. It meets the objectives of the Charity Commission trust revitalisation initiative;
  - d. LRCF is an accredited member of the UK Foundation Network and is experienced in managing educational trusts elsewhere, such as for Leicester City Council, and offers a resilient approach;
  - e. Members retain involvement through receipt of an annual report on grant giving and the operation of the Trust; and
  - f. It is consistent with the advice to Local Authorities from the Charity Commission to review and consolidate small funds.

<b><u>Trust Name</u></b> <b><u>Charity Number</u></b>	<b><u>Details</u></b>	<b><u>Valuation</u></b> <b><u>as at</u></b> <b><u>31.3.20</u></b> £
<b>Charities in Connection with Humphrey Perkins High School</b> (LCC Humphrey Prkns Sch Prize) <b>527839</b>	For pupils who have for not less than two years at any time attended Humphrey Perkins' County Secondary School, who are in need of financial assistance. With a preference, other things being equal, to those beneficiaries who were born or are a resident of Barrow-Upon-Soar.	44,430
<b>The Longwill Agricultural Scholarships</b> (LCC Longwill Bqst No2 Ag Schl) <b>527888</b>	To be awarded to students studying agriculture in Leicester, under the rules made by the council.	58,437
<b>Charities in Connection with Loughborough Burleigh College</b> (LCC Spriggs Memorial Prize) <b>527842</b>	One prize awarded to a pupil showing expertise in the technical and scientific side of television and one for the production side of television or allied arts in the form the headmaster decides.	15,874
<b>Lutterworth Grammar School</b> (LCC Luttrwrth Upper Sch Endow) <b>527857</b>	To offer maintenance allowances to pupils who in the opinion of the council are in need of financial assistance to keep them in school, to be paid to the parent or guardian or in the form of travelling facilities or meals.	50,259
<b>The Longwill Educational Foundation</b> (LCC Longwill Bequest No 1) <b>527889</b>	To provide financial assistance for students of Melton Mowbray Grammar School.	67,215
<b>Lord Maynard's Trust</b> (LCC Maynards Charity) <b>527936</b>	Charity objects are to promote education of persons under the age of 25 residing in the parish of Bagworth and students of Nailstone Dove Bank Primary and Thornton Primary.	19,085
<b>The Doctor Peter Hill Prize Fund</b> (LCC Dr Peter Hill Prize) <b>515108</b>	For pupils of Melton Mowbray King Edward VII Upper School, the Melton Mowbray Sarson High School and the Melton Mowbray John Ferneley High School who demonstrate excellence in Mathematics, Music and Athletics respectively.	7,307

<b>Marjorie Wright Scholarship</b> (Trust No. 527839-2)	Linked to charity 527839 above	8,054
<b>Total</b>		<b>270,661</b>

9. The engagement referred to above elicited some feedback from schools/ colleges who may consider themselves to be directly affected by the proposal because they are a potential successor body or have been accessing funds under the trusts to some extent from time to time. It is proposed that these be subject to further engagement as set out below and subject to a further report to the Constitution Committee in due course.

<u>Trust Name</u> <u>Charity</u> <u>Number</u>	<u>Details</u>	<u>Valuation as at</u> <u>31.3.20</u> £	<u>Proposal</u>
<b>The Mary Smith Scholarship Fund</b> (LCC Mary Smith Bequest) <b>527890</b>	To give financial assistance for students of Ashby-de-la-Zouch Grammar or Ivanhoe Secondary School or are residents of Ashby-de-la-Zouch to help them pursue a trade or profession or travel abroad for their education.	95,669	This fund is administered by Ashby school via the governing body and includes a representative related to the original endower Mary Smith. It is proposed to work towards the transfer of this fund to the governing body of the school.
<b>Willis Memorial Scholarship</b> (LCC Willis Memorial Prize) <b>160619</b>	To provide scholarships for purpose of enabling pupils of Dixie Grammar school to participate in foreign travel.	11,049	The Dixie Grammar school has a trust; it would seem sensible to work towards transferring this fund to the school. This will have the advantage of allowing the LRCF trust to focus on

			maintained schools and academies.
<b>Minnie Burman Trust Fund 514700</b>	To award each year of a prize or prizes to a pupil or pupils of Dunton Bassett County Primary School and the provision/repair of plant equipment, furniture or other chattels or the provision of amenities or services for the benefit of the School of the pupils of the staff at the school or some of them.	7,205	The school continues to give prizes as part of the 'Minnie Burman annual service'. It is proposed to work towards the transfer of this fund to the governing body of the school.
<b>The Piercy Scholarship Fund, in Connection with the Loughborough Technical College and the Loughborough College of Art and Design (LCC Piercy Trust) 527810</b>	Open to pupils who have attended for two years at least at one of the Elementary schools or Secondary Schools at Loughborough for the assistance of their education in Electrical Engineering.	49,383	To review whether this fund should be transferred to Loughborough College to form part of the of the college's existing Educational Trust (Loughborough Educational trust).
<b>Thompson Trust Charity No. Tbc</b>	Net income applied by the Governors in assisting pupils to attend Loughborough College for purposes of education other than elementary by means of exhibitions.	55,302	To review whether this fund should be transferred to Loughborough College to form part of the of the college's existing Educational Trust (Loughborough Educational trust).
<b>Fullhurst Community College Price Fund (LCC</b>	Award of prizes to pupils showing qualities of citizenship, public spirit or kindred qualities as distinct from academic	2,935	To transfer to the Fullhurst college existing trust

Elizabeth R Frisby Prize) <b>527832</b>	knowledge.		
<b>John Cleveland College Education Enhancement Trust</b>	To advance the education of the pupils of John Cleveland college by providing or assisting in the provision of educational, recreational and other charitable facilities in augmentation of such facilities financed by the local education authority or the department for education and science.	4,110	To review whether this fund should be transferred to John Cleveland college
Total		<b>21,217</b>	
		<b>246,870</b>	

### **Resource Implications**

10. LRCF's running costs are met through fees charged for managing and administering the funds and also from private sector donations. The set-up fee is 5% and annual fees are negotiated between 1-3%. There are no costs to the Council in connection with the LRCF proposal.

### **Recommendations**

11. The Committee is recommended to:
- a) Approve the closure of the Trusts referred to in para 8 above and the transfer of assets into a trust to be administered and managed by the Leicestershire and Rutland Community Foundation and to authorise the Director of Law and Governance take any steps necessary to achieve this.
  - b) Request the Leicestershire and Rutland Community Foundation to submit an annual report to the Constitution Committee on the operation of the Fund.
  - c) Authorise the Director of Law and Governance to explore the future arrangements for the trusts referred to in para 9 above and to report back to this committee.

### **Background Papers**

Report to the Constitution Committee on 29<sup>th</sup> July 2019

<http://politics.leics.gov.uk/documents/s147457/Charitable%20Trusts%20report.pdf>

### **Circulation Under the Local Issues Alert Procedure**

None

**Equality and Human Rights Implications**

12. A full EHRIA is not considered necessary. The resources currently allocated to the management of these funds are limited. The transfer will enable these funds to be actively managed enabling additional resources to be directed to recipients identified in the objects of the charities concerned and will benefit students in the protected groups.

**Appendices**

None

**Officer to Contact:**

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