

24 November 2014 – At a meeting of the Committee held at County Hall, Chichester.

Present:

Mr Brown, Mr Burrett, Ms Goldsmith, Mrs Jupp (Chairman), Mr Lanzer, Mrs Mullins, Mr Peters and Dr Walsh.

Apologies were received from Mr G L Jones.

Mr Acraman was also in attendance in relation to item 6 and Mr Sartin (Unison) and Mr Mack (Hymans Robertson) for Item 7.

Declarations of Interest

86. In accordance with the code of conduct, Mr Burrett and Mr Lanzer declared personal interests in item 7, Governance of the Pension Fund: Update, as members of the West Sussex Pension Scheme. Mr Burrett also declared an interest as a member of the Local Government Pensions Committee appointed by the Local Government Association.

Minutes of the Governance Committee

87. Resolved – that the minutes of the meeting held on 15 September 2014 be approved as a correct record and that they be signed by the Chairman.

Establishment of a Start of Life Partnership Board

88. The Committee considered a report by the Director of Children and Families and the Director of Law, Assurance and Strategy on the widening of the remit of the Think Family Partnership Board to form a renamed Start of Life Partnership Board to complement the internal Start of Life Programme Board and be the overarching body to monitor partnership working and to deliver the vision of 'giving Children the Best Start in Life' (copy appended to the signed minutes).

89. Mr Burrett, as Chairman of the Children and Young People's Services Select Committee, commented that the proposals had been circulated to members of the Select Committee and that there had been no adverse comments.

90. Members were happy with the proposals to create a new Start of Life Partnership Board. They did however stress that it was important that there was a mechanism for the work of the Board to be reported and, if necessary, scrutinised, particularly as the new Board would not meet in public. Members supported the idea of a newsletter on the work of the Board and asked that it be produced quarterly.

91. In terms of the proposed membership of the Board, a question was raised as to how social workers were represented. It was noted that this would be covered by the County Council Executive Directors and Directors with responsibility for children's services plus the representative of the Children's Safeguarding Board.

92. Resolved -

- (1) That the Think Family Partnership Board and Executive transform into a Start of Life Partnership Board from 1 January 2015 be endorsed;
- (2) That the terms of reference for the Start of Life Partnership Board, as set out in the Appendix to the report, be endorsed for recommendation to the County Council for inclusion in the Scheme of Delegation in the Constitution; and
- (3) That the Cabinet Members be requested that the proposed Start of Life newsletter be produced quarterly.

Interim report of the Working Group to review the format of County Council Meetings

93. The Committee considered a report by the Director of Law, Assurance and Strategy setting out proposed terms of reference for and the scope of the working group set up to review the format of Council meetings (copy appended to the signed minutes).

94. Resolved -

- (1) That the proposed terms of reference and scope of the working group be approved (Appendix 3 of the report); and
- (2) That the membership and proposed arrangements for the next meeting of the working group be noted.

Boundary Review

95. The Committee considered a report by the Director of Law, Assurance and Strategy on the process to be followed on the forthcoming boundary review (copy appended to the signed minutes). The report sought the Committee's views on what member forum should undertake the initial phase of the work and what consultation should be carried out on the second phase.

96. Mr Acraman attended the meeting as the Chairman of the Electoral Review Panel (ERP). Mr Acraman supported the proposal that the initial phase of the work on the role of the councillor should be carried out by the Member Development Group (MDG), but stressed that it was important that the MDG should not be too prescriptive in recommending an exact size for the Council as the arithmetical calculations involved in the second phase of the work might make some Council sizes impossible to achieve.

97. In relation to paragraph 2.5 of the report and the consultation time table, Mr Acraman argued that there should be an opportunity for all members to debate the review at a full Council meeting, accepting that it might not be possible to do that within the formal consultation time table. The Committee supported that view as it was felt that the review could potentially have an impact on all members and individual members were best placed to comment on the effect of changes to their current division. The Committee was also keen for all members to have the opportunity to contribute to both phases of the work. Members proposed that the

meetings of both the MDG and the ERP should be open to all members to attend should they so wish and that the dates should be publicised as soon as possible. The findings of the MDG should be circulated to all members in due course to allow them to have an input.

98. It was suggested that it might be helpful for members to be asked to complete a simple time sheet for a period of, say, a month to give an indication of the amount of time spent on attending meetings, reading and preparation, travelling, constituency work and attending outside bodies. Comment was made that the workload of the modern councillor, rather than reducing following the introduction of the Cabinet system, had seen an increase in constituency work and engagement with residents compared to previous years. The time sheet should distinguish between work at the County Council and with residents to show the amount of time spent on the community engagement part of the role. The Chairman agreed to contact all members to explain the process and invite them to be involved. It was requested that regular updates should be sent to all members.

99. In relation to the initial phase of the review on the role of the councillor, the Director of Law, Assurance and Strategy informed the Committee that a requirement of the Local Government Boundary Commission for England was that all political groups should be represented in the discussions. The MDG was therefore a suitable forum for that work and minor changes would be made to the membership to ensure that all political groups were represented.

100. In terms of the second phase of the work and the membership of the ERP, Mr Acraman expressed the view that, given the scope of the work required, it would be helpful to increase the size of the ERP from seven to nine members. The Director of Law, Assurance and Strategy proposed that a report be brought to the next meeting of the Committee once the scope of the work was fully understood.

101. Mr Acraman outlined the additional information that would be required as part of the review including the latest electoral register and population projection figures and asked the Director of Law, Assurance and Strategy to obtain the data as soon as possible. He commented that it was important that the population projections were as accurate as possible or the County Council could be faced with a further review earlier than would otherwise have been the case. Mr Acraman stressed that it was vital that the County Council's submission was well-argued and evidence-based if it was to be accepted by the Boundary Commission which would take the final decision.

102. Resolved –

- (1) That the proposed arrangements and time table for the review be supported, with the addition of an opportunity for full Council to debate the proposals emerging from the review;
- (2) That the Member Development Group undertakes the initial phase of work on the role of councillor and proposals for the size of the new Council;
- (3) That the Chairman invites all members to contribute to the work of both the Member Development Group and the Electoral Review Panel, including submitting evidence of time spent on Council duties;

- (4) That the dates of the Member Development Group and the Electoral Review Panel be publicised and the meetings be open to any member to attend should they so wish and that all members be sent regular updates on the review;
- (5) That a report be brought to a future meeting of the Committee on the size of the Electoral Review Panel, once the scope of the work is fully understood;
- (6) That a report on the work of the Member Development Group in terms of the proposed size of the Council and an interim report on the work of the Electoral Review Panel be brought to the meeting of the Committee on 2 March 2015; and
- (7) That further consideration be given to what consultation, if any, should be carried out by the Electoral Review Panel on its work on division arrangements as part of the interim report to the Panel to the Governance Committee on 2 March 2015.

Governance of the Pension Fund: Update

103. The Committee considered a report by the Executive Director Corporate Resources and Services which contained proposals for a new Pension Advisory Board, with effect from 1 April 2015, following the conclusion of the work of the working group established by the Committee to consider future pension fund governance (copy appended to the signed minutes). The report proposed terms of reference for the Pension Advisory Board for recommendation to the County Council. It also sought approval for an addition to the scheme of officer delegation in relation to purchases of residential investments and West Sussex property. Mr Mack from Hymans Robertson, the Actuary, who had advised the working group, attended the meeting. Mr Sartin attended the meeting on behalf of Unison in relation to Unison's comments on the proposals, as set out in Appendix 5 to the report.

104. Mr Brown, as Chairman of the working group, introduced the report and expressed his thanks to Mr Mack from Hymans Robertson and Tony Kershaw for their advice to the working group. He commented that the report had been discussed at the last meeting of the Pensions Panel and had been agreed unanimously with the exception of paragraph 21 of the proposed terms of reference, set out at Appendix 1 to the report. Appendix 5 set out the comments of the Panel members on the proposals including some reservations expressed by Unison. The Leader echoed Mr Brown's thanks to the officers supporting the working group and also placed on record her thanks to Mr Brown and the members of the working group for their hard work and for putting West Sussex in a such a good position in relation to the new arrangements which reflected the excellence of the West Sussex Pension Fund.

105. In relation to the two consultation papers mentioned in paragraph 4 of the report, Mr Mack informed the Committee that he did not expect there to be any material changes to the regulations as a result. He also commented that West Sussex was one of only a few pension funds to have developed proposals for a local pension board. Although the legislation referred to local pension boards, he said it was up to the Council to decide what to call it and the recommendation of the

working group was that the County Council's pension board should be known as the Pension Advisory Board to reflect its role as a critical friend and distinguish it from the Pensions Panel which deals with investment strategy.

106. Mr Burrett reported that he had recently attended a meeting of the Local Government Pensions Committee where there had been a discussion about the establishment of local pension boards. Mr Burrett commented that the County Council was adopting the smallest model of Board with only two employer representatives, two scheme members and a Chairman. In relation to the quorum, as set out in paragraph 27 of the draft terms of reference in Appendix 1, he therefore proposed that it should include at least one employer and one scheme member. Mr Brown said that, although the working group did not see the employer and scheme member representatives as adversarial, the suggested amendment might provide for a stronger quorum and other members of the Committee agreed.

107. Mr Sartin commented on Unison's concerns which were set out at Appendix 5 to the report in relation to the procedure for selecting scheme member representatives. In his view, trade unions were uniquely placed as they had members working for a range of employers and access to retired members across borough and district councils and police authorities as well as access to training programmes. Mr Brown commented that, in his view, the proposed arrangements for the selection of employer and scheme member representatives were a pragmatic and reasonable way forward in the circumstances and reiterated that the operation of the Board would be reviewed after a year. The Committee supported the proposals in the report for appointment to the Board which gave all members of the scheme the chance to be nominated. Mr Brown reassured the Committee that the announcement of the creation of the Pension Advisory Board, as well as a call for expressions of interest in becoming a member of the Board, would be included in the regular newsletters sent to members of the scheme and be published on the County Council's website.

108. Mr Sartin also raised the importance of representatives in employment being given paid release to enable them to make the time commitment of a day a month. Without such an arrangement there could be a problem getting scheme members to serve, particularly if the application process were onerous. The Cabinet Member for Corporate Relations suggested that some text be prepared for representatives in employment to show to their employer making the case for paid release to enable them to undertake their role on the Pension Advisory Board.

109. The Committee considered a suggestion that one each of the employer and scheme members should be from the County Council. Although in theory this could have helped with the issue of selecting representatives for the Board, the Director of Law, Assurance and Strategy advised such an arrangement would go against the guidance that everyone in the scheme should have the chance to be nominated and that appointment should be on the basis of the nominees best suited to the job, which was to scrutinise rather than to represent any particular interest.

110. Members were reassured that the role of the independent Chairman in relation to the membership of the Board was to interview and appointment members from among those nominees selected by the Executive Director Corporate Resources and Services and the Director of Law, Assurance and Strategy.

111. Resolved –

- (1) That the terms of reference for the Pension Advisory Board, subject to the amendment of paragraph 27 of the draft terms of reference set out at Appendix 1 to the report to refer to the quorum including at least one employer and one scheme member, be endorsed for recommendation to the County Council;
- (2) That supporting text be prepared for representatives in employment to show to their employer making the case for paid release to enable them to undertake their role on the Pension Advisory Board; and
- (3) That authority be delegated to the Executive Director Corporate Resources and Services to approve, in consultation with the Pensions Panel Chairman, purchases of residential investments and West Sussex property, where no conflict of interests or other risks are evident, as set out at Appendix 6 to the report.

Member Development Group

112. The Committee was asked to approve the appointment of Mr Lanzer to the Group to provide direct Cabinet representation. In addition, in view of the discussion set out in minute 99 above on the role of the Member Development Group (MDG) in the forthcoming boundary review, the Director of Law, Assurance and Strategy recommended that the Independent Group be asked to put forward a member to sit on the MDG.

113. Resolved –

- (1) That Mr Lanzer be appointed as an additional member to the Member Development Group; and
- (2) That the Independent Group be asked to put forward a member to sit on the Member Development Group.

Minor change to the Scheme of Delegation

114. The Committee was asked to endorse the following minor change to the terms of reference of the Regulation, Audit and Accounts Committee to reflect the fact that the Committee approves changes to the Anti-Fraud and Corruption Strategy, as shown in bold, italic text.

15. To monitor ***and approve any changes to*** the County Council's anti-fraud and corruption strategy.

115. Resolved – That the change to the terms of reference of the Regulation, Audit and Accounts Committee, as set out in minute 114 above, be endorsed for recommendation to the County Council.

Date of Next Meeting

116. Members noted that the next meeting of the Committee would be held at 2.15 p.m. on Monday, 19 January 2015 at County Hall North in Horsham.

The meeting ended at 4.15 p.m.

Chairman