

2 July 2012 – At a meeting of the Committee held at County Hall, Chichester.

Present:

Mr Barnard, Mr Brown, Mr Burrett, Mr Coleman (Chairman), Mr Hodgson, Mrs Millson, Mr Smith and Dr Walsh.

Apologies for absence were received from Ms Goldsmith.

**Declarations of Interest**

1. Mr Burrett declared a personal interest in item 6, Pensions Panel Working Group Conclusions, as a member of the Local Government Pension Scheme and of the Local Government Pensions Committee appointed by the Local Government Association.

**Minutes of the Governance Committee**

2. Resolved - that the minutes of the meeting held on 23 April 2012 be approved as a correct record and that they be signed by the Chairman.

3. In relation to minutes 152 to 162, the Head of Legal and Democratic Services reported that the new Code of Conduct had taken effect from 1 July 2012 following the publication of the regulations and the final arrangements for the new Standards regime had been agreed.

**Sussex Police and Crime Panel**

4. Members considered a report by the Head of Legal and Democratic Services on the implications of the Police Reform and Social Responsibility Act 2011 which abolishes police authorities and provides for the direct election of Police and Crime Commissioners with effect from November 2012 (copy appended to the signed minutes). The Committee was informed that the Commissioners' plans and actions were required to be scrutinised by Police and Crime Panels (PCPs) comprising representatives from each local authority in the policing area. The Sussex PCP would be hosted by the County Council for at least the first year. A shadow PCP had been established as part of the arrangements for setting up the PCP. The shadow PCP had considered draft constitutional documents for the PCP which contained provisions for all the statutory duties of the PCP as well as the procedures and arrangements for its operation. The Committee was asked to endorse the draft constitutional documents for approval by the County Council on 20 July 2012.

5. The Head of Legal and Democratic Services updated the Committee on the outcome of a meeting of the shadow PCP held on 28 June 2012 which had been asked to determine two final matters: the quorum for the PCP and a proposal from Brighton and Hove City Council that it should have an additional member on the PCP, as its status as a unitary authority gave it unequal representation. Revisions to the Appendix as a result of the shadow PCP meeting were circulated (copy appended to the signed minutes).

6. In terms of the quorum of the PCP, the Committee was informed that the shadow PCP had recommended that the quorum should be set at 10 members.

7. Members were informed that the shadow PCP had decided to recommend that Brighton and Hove should be granted one additional member to address the geographical imbalance and, in order to address an imbalance in political proportionality, the two county councils of East and West Sussex should be able to each appoint an additional member (on this occasion both would be Liberal Democrats). It was proposed that the position would be reviewed each year at the annual meeting of the PCP.

8. The Committee welcomed the proposal to give Brighton and Hove an additional place and to address the overall issue of proportionality although there was some concern about the size of PCP that this would create.

9. The Head of Legal and Democratic Services sought the Committee's views on the length of appointment of the County Council's first member on the PCP (the period of office of the second member was already set at one year by the arrangements in relation to additional local authority members on the PCP). Members were of the view that that the appointment should be for a period of one year given the requirement to review proportionality annually. In addition, the Committee recommended that the appointment of the County Council's first representative should be made by the Leader rather than by the Cabinet Member for Public Protection, given that the PCP was scrutinising the Police and Crime Commissioner rather than the Police.

10. The Head of Legal and Democratic Services also reported that the shadow PCP had changed the arrangements in relation to the standards regime for the PCP so that members would be bound by the code of conduct of the host authority rather than by that of their nominating authority. The Committee expressed some concern about the change, both in terms of the fact that this would mean that if the host authority changed their code, the code to be followed would also change and of the implications for the host authority in terms of hearings into any breaches of the code. The Head of Legal and Democratic Services reassured members that he would liaise with the Monitoring Officers of the other authorities over the best way to operate the arrangements.

11. It was noted that in the second sentence of the first paragraph of the Appendix 'West Sussex' should be amended to read 'Sussex'.

12. Resolved -

- (1) That the draft constitutional documents set out at the Appendix to the report, subject to the amendments following the outcome of the discussion by the shadow Panel on 28 June 2012 as set out in the revised Appendix, and the correction to the Appendix set out in minute 11 above, be endorsed for submission to County Council for approval on 20 July 2012, to take effect from 1 November 2012; and
- (2) That the County Council's representatives to the Police and Crime Panel be made annually by the Leader, with any minority group member being nominated by the leader of that minority group where the Panel has requested that the second member be from that

minority group. Each representative will have a substitute appointed in the same way.

### **Nomination of Authority Governors by County Local Committees**

13. The Committee considered a report by the Head of Legal and Democratic Services on changes to the arrangements for the appointment of authority school governors in accordance with the Education Act 2011, to take effect from 1 September 2012, for recommendation to the County Council (copy appended to the signed minutes).

14. It was noted that the words 'in accordance' should be deleted from paragraph 2 of the Appendix.

15. Resolved – That the County Council be recommended to amend Part 3, Appendix 3 of the Constitution to include the nomination of local authority governors by County Local Committees with effect from 1 September 2012, as set out at the Appendix to the report, subject to the correction in minute 14 above.

### **Pensions Panel Working Group Conclusions**

16. The Committee was reminded that it had agreed on 12 September 2011 that a working group could be set up to review aspects of the investment strategy of the West Sussex Local Government Pensions fund and report on its findings to the Pensions Panel. Those findings had been reported to the Pensions Panel on 25 April 2012. The Committee was asked to consider a report by the Executive Director Finance and Performance which outlined the actions agreed by the Pensions Panel as a result of the working group's report (copy appended to the signed minutes). Furthermore, the Committee was requested to give the Pensions Panel powers to establish further ad hoc member groups itself as necessary in relation to investment matters.

17. The Cabinet Member for Finance and Resources expressed thanks to the members of the Working Group and also to the officers who had supported its work. The Committee noted that the members of the Working Group were Mr Brown, Mr Burrett, Mr Lanzer and Mr Waight together with Mr Marples from Mid Sussex District Council. The members of the Working Group on Property and Private Equity were Mr Hodgson, Mr Marples, Mrs Mockridge and Dr Walsh.

18. Resolved -

- (1) That the findings of the working group and actions agreed by the Pensions Panel as set out at the Appendix to the report be noted;
- (2) That the Constitution be amended to clarify the Pensions Panel responsibilities regarding non-investment matters as set out in paragraphs 1.6 (sections 1 and 6) and 1.7 of the report; and
- (3) That the terms of reference of the Pensions Panel in the Scheme of Delegation in the Constitution be amended to permit the Pensions Panel itself to establish member groups in future for the purpose of furthering its responsibilities as set out in paragraph 1.8 of the report.

## **Member Stakeholder Group**

19. The Committee considered a report by the Head of Legal and Democratic Services (copy appended to the signed minutes) on the work of the member stakeholder group which was looking at possible changes to the way members work. This arose from developments emerging from the Cabinet and from the Chief Executive in relation to proposals for the future operating model and governance arrangements of the County Council. It was noted that the dates set out at the Appendix in relation to the completion of various stages of the work of the Member Stakeholder Group and its sub-groups would be subject to change depending on the progress of the sub-groups and the roll-out time scale for the new IT platform.

20. Resolved – That the report be noted.

## **Report of Member Attendance April 2011 to March 2012**

21. The Committee was reminded that, as part of its terms of reference, it was required to monitor attendance of members at meetings of the County Council and its committees on an annual basis. The Committee was asked to note a report by the Head of Legal and Democratic Services on members' attendance for the period 1 April 2011 to 31 March 2012 (copy appended to the signed minutes).

22. Resolved – That members' attendance at Council, Committee and other meetings for the period 1 April 2011 to 31 March 2012 be noted.

## **Appointments to Committees, Panels and Outside Bodies**

23. In accordance with the provisions of the Local Government and Housing Act 1989, the Committee was asked to appoint members to serve on committees, panels and outside bodies in line with the expressed wishes of political groups. Members considered a note by the Head of the Legal and Democratic Services setting out appointments to committees, panels and South East Employers (copy appended to the signed minutes).

24. Resolved - That appointments to committees, panels and South East Employers be approved as set out in the note.

## **Date of Next Meeting**

25. Members noted that the next meeting of the Committee would be held at 2.15 p.m. on Monday, 17 September 2012.

The meeting ended at 3.15 p.m.

Chairman