

CONSTITUTION COMMITTEE REPORT

15 February 2017

Presented by Cllr Mark Hawthorne, Chairman of the Constitution Committee

1 Report of the Independent Remuneration Panel

- 1.1 The Committee considered a report from the Independent Remuneration Panel (IRP).
- 1.2 The Committee noted that the IRP's recommendation to raise the Basic Allowance to £10,000 was approved by full Council in February 2016, and was fixed for 2016-17 and 2017-18. The Committee also noted that the Special Responsibility Allowances have been frozen at their 2015-16 levels.
- 1.3 The Committee was informed that the IRP's latest examinations indicated that the Special Responsibility Allowances are set lower than at other local authorities. The IRP will review these allowances following the election in May 2017 and bring forward revised proposals to the Committee.
- 1.4 **RESOLVED TO NOTE**
 - a) *That the Basic Allowance is frozen at £10,000 for the 2017-18 financial year;*
 - b) *That the Special Responsibility Allowances will be reviewed following the May 2017 election.*

2. Motion 783 – Open Contracting

- 2.1 The Committee considered the Motion, proposed by Cllr Sarah Lunn and seconded by Cllr Mike Sztymiak, which was received at the full Council meeting on 7 December 2016, and referred to the Constitution Committee.
- 2.2 It was proposed at the meeting that the Motion be considered by a task group. The Committee discussed the proposal and agreed that an advisory group will be established to assess the implications of the open contracting principles.
- 2.3 In particular, it was agreed that the terms of reference for the advisory group will be to:
 - Consider the current arrangements for publishing contract details within the Council;
 - Seek expert advice on best practice relating to openness and transparency in respect of contracting;
 - Understand the views of the commercial sector on open contracting;

- Understand other local authority practices relating to openness in contracts, including councils within Gloucestershire's family group; and
- Assess the costs and other implications of any changes to the current arrangements on the Council.

2.4 It was agreed that the advisory group will be established after the election in May 2017, to report back to the Constitution Committee in December 2017.

3. Monitoring Officer Changes to the Constitution

3.1 The changes to the Pensions Committee's terms of reference have resulted from the full Council decision, taken on 7 December 2016, to enter into investment pooling through the Brunel Pension Partnership, with respect to the Gloucestershire Pension Fund.

3.2 ***RESOLVED TO RECOMMEND TO THE COUNCIL*** to ratify the changes to the Constitution, as set out in Annex A, by the Monitoring Officer under delegated powers.

Mark Hawthorne – Chairman

February 2017

CONSTITUTION COMMITTEE

16 January 2017

MONITORING OFFICER CONSEQUENTIAL CHANGES TO THE CONSTITUTION -
BRUNEL PENSION PARTNERSHIP AND LGPS POOLING

REPORT OF THE DIRECTOR OF STRATEGY AND CHALLENGE

1. As part of the overall arrangements for investment pooling of Pension Funds, the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016, require the Council to formulate an investment strategy. Such strategy must be made in accordance with the guidance issued from time to time by the Secretary of State to the Council. The authority must publish a statement of its investment strategy and the first such statement must be published no later than 1st April 2017. The authority must review and if necessary revise its investment strategy from time to time, and at least every 3 years, and publish a statement of any revisions.

As part of formulating its Investment Strategy the authority must include its approach to pooling investments. The Council agreed at its meeting on 7 December 2016 to enter into investment pooling with respect to the Gloucestershire Pension Fund. The Council authorised the Pensions Committee to progress the implementation of investment pooling through the participation in the Brunel Pension Partnership.

2. As a result of the Council's decision and the introduction of the regulations regarding the requirement for an investment strategy, the Monitoring Officer made consequential amendments to Pension Committee's terms of reference. A copy of the changes may be found in the Appendix to this report.
3. Further changes may be necessary once the Brunel Pension Partnership has been established.

Jane Burns
Monitoring Officer

APPENDIX

Changes to Gloucestershire County Council's Constitution by the Monitoring Officer

In the exercise of my powers set out in Article 14.02.01, Part 2 of the Council's Constitution, I make the following amendments to the Constitution:

3.4 PENSIONS COMMITTEE

The purpose of the Pensions Committee is to give advice on the proper management of the Gloucestershire Pension Fund and carry out the function of the Council as Administering Authority.

Table 3.04: The duties of the Pensions Committee

In accordance with the policies and budget of the Council from time to time:

1. To set the investment strategy and policies of the Fund, including the establishment and maintenance of a strategic benchmark for asset allocation, drawing upon appropriate professional advice.
2. To appoint and review the performance of all Fund Managers and associated professional service providers.
3. To consider any other matter relevant to the proper operation and management of the Fund.
4. To approve and keep under review the funding Strategy Statement.
5. To approve and keep under review the Investment Strategy Statement~~Statement of Investment Principles~~.
6. To report annually to the full Council.
7. To review the County Council's performance as Administering Authority.
8. To decide upon arrangements for managing the Administering Authority's relationship with employers in the fund, e.g. agreeing contribution rates, establishing dispute resolution procedures and ensuring employers have established policies as required by Regulations.
9. To decide upon requests for admission of qualifying organisations wishing to join the Fund.
10. To decide upon key pension policy and discretions that is the responsibility of the Administering Authority.
11. To consider advice and recommendations from the Pension Board on areas that may improve the governance of the Pension Fund (the remit of the Pension Board is detailed in its Terms of Reference).
12. To consider the Pension Board's proposed business plan for the forthcoming financial year and annual budget request.

13. To undertake such tasks as the Committee thinks appropriate to progress implementation of investment pooling, and to take such decisions and do all other things deemed necessary in order to promote the interests of the County Council with respect to investment pooling, which without limitation shall include agreeing and authorising any documentation, contracts, terms of reference, financial expenditure or investment that may be required consequential upon the County Council's participation in the Brunel Pension Partnership.

Pensions Committee Membership:

6 County Councillors

One Member with voting rights to be co-opted by the Pensions Committee following nomination by the Gloucestershire branch of the Local Government Association to represent the interests of District Councils.

One staff representative without voting rights to be co-opted by the Pensions Committee following nomination by the unions.

Note: *Because of the specialist nature of this work, no substitution is permitted.*



.....
Jane Burns
Monitoring Officer

Date: 4 January 2017