

Agenda item:

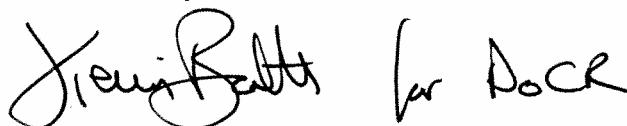
**Pensions Committee**

**On 1 November 2010**

Report Title. **Role of Representative members of the Pensions Committee**

Report of **Director of Corporate Resources**

Signed :

 for DoCR

Contact Officer : **Nicola Webb – Corporate Finance**  
**Telephone 020 8489 3726**

Wards(s) affected: **All**

Report for: Non key decision

**1. Purpose of the report**

- 1.1 To consider a proposal to change the role of the representative members of the Pensions Committee.

**2. Introduction by Cabinet Member**

- 2.1 Not applicable.

**3. State link(s) with Council Plan Priorities and actions and /or other Strategies:**

- 3.1 Not applicable.

**4. Recommendations**

- 4.1 That Pensions Committee recommend to Council that the representative members of Pensions Committee have full access to all information including

exempt information upon signing an undertaking to observe the Members 'Code of Conduct'.

- 4.2 That Pensions Committee recommend to the stakeholder groups represented on the Committee that representatives are elected for a period equivalent to an elected member.

## **5. Reason for recommendations**

- 5.1 To ensure that the Pension Fund fully benefits from the representative members being part of the Pensions Committee.

## **6. Other options considered**

- 6.1. Not applicable.

## **7. Summary**

- 7.1 Pensions Committee representative members are currently excluded from exempt items of business including receiving the related reports and minutes. The report proposes this is changed to enable them to take part fully in Pensions Committee meetings.

## **8. Head of Legal Services Comments**

- 8.1 The Head of Legal Services has been consulted on the content of this report. The legal framework enabling the Council to exercise its discretion concerning the provision of voting rights and access to exempt information to non-voting members of the Pensions Committee is set out within the body of the report. There is no legal obligation to give voting rights to non-councillor members. As indicated in the report, should voting rights be given to non-voting members of the Committee, they would be subject to the Members' Code of Conduct following their written agreement to observe the Code.

## **9. Equalities & Community Cohesion Comments**

- 9.1 There are no equalities issues arising from this report.

## **10. Consultation**

- 10.1 Not applicable.

## **11. Service Financial Comments**

- 11.1 There are no financial implications arising from this report.

<b>12. Use of appendices /Tables and photographs</b>
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None
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<b>13. Local Government (Access to Information) Act 1985</b>
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**14. Background**

14.1 The Pensions Committee was originally made up of only elected councillor members, however in recent years representatives of various stakeholder groups have been invited to join the Committee to provide a wider perspective on pensions matters and to ensure all groups have an input. This is in accordance with guidance from the Communities and Local Government Department.

14.2 There are now three representative members on the Committee representing:

- Employees (nominated by UNISON)
- Pensioners (elected annually by pensioners attending the AGM)
- Scheduled and Admitted Bodies (elected annually by the bodies)

These representative members do not have voting rights and are not permitted to attend any “exempt” items of business or receive the reports or minutes associated with them.

**15. Legal Position**

15.1 Legislation places the main responsibility for administering the Pension Fund on those elected councillors of the Administering Authority who are appointed to the Pensions Committee. These members are subject to the discipline of the statutory Members Code of Conduct.

15.2 Section 13(3) of the Local Government and Housing Act 1989 gives the Council a discretion whether to confer voting rights and the right to receive exempt information on non-Councillor members of a few specific Committees including Pensions Committees. Therefore if any changes were to be made to the current position, they would need to be agreed by full Council.

**16. Proposals for the future**

16.1 In order for the Pension Fund to benefit fully from the representative members being on the Pensions Committee, it is proposed that the representative members are able to take part in exempt items and to share fully in the access to information of the Committee on an equal basis with the elected councillors.

- 16.2 However, given that the nature of the “exempt” items of business is that it is either commercially sensitive or the potential harm caused by its unauthorised public disclosure would outweigh any public benefit from open discussion and debate, a way of ensuring that representative members are bound by confidentiality is required. This is proposed to be addressed through those members being required to sign an undertaking to observe the Members 'Code of Conduct'.
- 16.3 To ensure that the representative members can participate fully and make use of training provided, it is considered appropriate for them to serve for the same term as the elected councillor members rather than being subject to re-election annually. It is proposed that at the next elections of the pensioner and scheduled and admitted body representatives, the bodies are advised to elect a representative to serve until 2014. It is also proposed Unison are advised of this recommendation in respect of their nominated representative.