

Notice of Non-key Executive Decision

Subject Heading:	London Collective Investment Vehicle (CIV) – New Governance Arrangements and dissolution of the Pension CIV Sectoral Joint Committee (PCSJC)
Cabinet Member:	<i>Leader of the Council – Councillor Damien White</i>
SLT Lead:	<i>Chief Operating Office and Statutory S151 Officer</i>
Report Author and contact details:	<i>Debbie Ford, 01708432569, debbie.ford@onesource.co.uk</i>
Policy context:	<i>Local Government Pension Scheme (LGPS) Support the London CIV new Governance</i>
Financial summary:	<i>No Financial decisions required</i>
Relevant OSC:	<i>The Overview and Scrutiny Board will be responsible for reviewing the decision if called-in or once implemented</i>
Is this decision exempt from being called-in?	<i>No</i>

Non-key Executive Decision

The subject matter of this report deals with the following Council Objectives

Communities making Havering	[X]
Places making Havering	[X]
Opportunities making Havering	[X]
Connections making Havering	[X]

Part A – Report seeking decision

DETAIL OF THE DECISION REQUESTED AND RECOMMENDED ACTION

By a cabinet decision of 23 September 2015 the relevant steps for the London Councils to take were approved. A revision now needs to take place after due consideration. Specifically:

The London CIV new governance arrangements were the subject of a consultation earlier in the year and received support and agreement in principle from both the PCSJC and the London Councils Leaders' Committee in March 2018. The decisions were ratified at the London CIV Annual General Meeting on the 12 July 2018.

Havering Council is a shareholder in the London CIV Limited Company and the new governance arrangements do not alter the rights of London CIV shareholders under the existing Shareholders arrangements.

A Joint Letter signed by Chief Executive of the London LGPS CIV Limited and the Chief Executive of London Councils dated 13 June 2018, attached as **Appendix A**, sets out the detail of the new governance framework.

Key changes to the governance framework involves the dissolution of the PCSJC, which requires authorisation of the written notice as attached in **Appendix C** and the replacement of the PSCJC with new shareholder engagement arrangements, one of which is the Shareholder Committee (Terms of Reference are as set out in **Appendix B**).

For information the new Governance structure of the London CIV has been summarized in the chart attached as **Appendix D**.

Accordingly the following recommended steps in this sequence are requested to be approved to be notified and effected as soon as practicable:

Recommendation

- To confirm acceptance and agreement of the new governance arrangements in the letter signed by the Chief Executive of the London LGPS CIV Limited and the Chief Executive of London Councils dated 13 June 2018, attached as **Appendix A**. To Revoke the delegation of the joint discharge of the relevant functions to the Pension CIV Sectoral Joint Committee (PCSJC).

Part B - Assessment of implications and risks

LEGAL IMPLICATIONS AND RISKS

The recommendations set out here are in relation to certain administrative steps which are delegated to the oversight of the pension fund investment operations through London Councils.

Pursuant to section 9E Local Government Act 2000 all executive authority vests in the Leader as the Senior Executive Member and the Cabinet, portfolio holders, other authorities, joint committees and officers may be authorised to take executive decisions.

The Leader or Cabinet may therefore take the executive decisions to cease to be a member of the PCSJC, dissolve the PCSJC and revoke the delegations made on 23 September 2015.

FINANCIAL IMPLICATIONS AND RISKS

No direct financial implications on this decision

HUMAN RESOURCES IMPLICATIONS AND RISKS (AND ACCOMMODATION IMPLICATIONS WHERE RELEVANT)

There do not appear to be any HR implications *or risks arising directly as a result.*

EQUALITIES AND SOCIAL INCLUSION IMPLICATIONS AND RISKS

Having a diverse community made up of many different groups and individuals. The council values diversity and believes it essential to understand and include the contributions, perspectives and experience that people from different backgrounds bring.

The Public Sector Equality Duty (PSED) under section 149 of the Equality Act 2010 requires the council, when exercising its functions, to have due regard to:

- (i) the need to eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under the Equality Act 2010;*
- (ii) the need to advance equality of opportunity between persons who share protected characteristics and those who do not, and;*
- (iii) foster good relations between those who have protected characteristics and those who do not.*

Note: 'Protected characteristics' are: age, sex, race, disability, sexual orientation, marriage and civil partnerships, religion or belief, pregnancy and maternity and gender reassignment.

Non-key Executive Decision

- To confirm and accept that the new governance arrangements supersede the PSCJC, and support the dissolution of the PSCJC, and the making of appointments to the new Shareholder Committee and additional non-executive appointments and a Treasurer observer enabling the first meeting under the new arrangements to take place in September 2018 in accordance with the relevant delegations and Standing Orders..

AUTHORITY UNDER WHICH DECISION IS MADE

Part 3, section 2 Executive Functions of the Constitution establishment of and management of the pension fund.

STATEMENT OF THE REASONS FOR THE DECISION

The London CIV required the dissolution notice to be signed by the 31 July 2018 (notice was received on the 13 June 2018). The London CIV have been alerted to our committee timescales and that Havering Council were not likely to meet the 31 July deadline and they have accepted this, however they mentioned that the proposed new Shareholder Committee that they have set up to replace the PCSJC meets on the 19th September (rescheduled until October).

OTHER OPTIONS CONSIDERED AND REJECTED

OTHER OPTIONS CONSIDERED AND REJECTED

No other option required.

Leaders Committee (London Councils) and the PCSJC had already agreed in principle to the new governance arrangements and the decision at the borough level is a formality in order to give authority for Havering Council Officers to sign the dissolution notice. The London CIV requires **ALL** boroughs to sign the written notice of dissolution before it can be formally dissolved.

PRE-DECISION CONSULTATION

N/A

NAME AND JOB TITLE OF STAFF MEMBER ADVISING THE DECISION-MAKER

Name: Debbie Ford

Designation: Pension Fund Manager (Finance)

Signature:

Date:

Non-key Executive Decision

Part C – Record of decision

I have made this executive decision in accordance with authority delegated to me by the Leader of the Council and in compliance with the requirements of the Constitution.

Decision

Proposal agreed

Delete as applicable

Proposal NOT agreed because

Details of decision maker

Signed



Name:

Damian White

Cabinet Portfolio held:

CMT Member title:

Head of Service title:

Other manager title:

Leader of the Council

Date:

07/01/2019.

Lodging this notice

The signed decision notice must be delivered to the proper officer, Debra Marlow, Principal Democratic Services Officer in Democratic Services, in the Town Hall.

For use by Committee Administration

This notice was lodged with me on

10/1/19

Signed

A-Num

Non-key Executive Decision

*The council demonstrates its commitment to the Equality Act in its decision-making processes, the provision, procurement and commissioning of its services, and employment practices concerning its workforce. In addition, the council is also committed to improving the quality of life and wellbeing of all Havering residents in respect of socio-economics and health determinants. The matters concerned with this report will be undertaken in adherence to equality policy and the law.
Note here the equalities and social implications of, and risks relating to, the proposed decision.*

BACKGROUND PAPERS

None