

# AMENDMENTS TO THE COUNCIL CONSTITUTION, FINANCIAL PROCEDURE RULES AND PENSION BOARD PROTOCOL RELATING TO CLWYD PENSION FUND MATTERS

## Key:

- New text to be added is shown in red and highlighted – like this.
- Existing text to be removed is struck through and highlighted – like this.

## **SECTION 1 - AMENDMENTS TO CONSTITUTION**

*A) The following amendments are to be made to the role and function of the Clwyd Pension Fund Committee in Section 9.7 of the Constitution:*

### **9.7 Clwyd Pension Fund Committee**

#### **9.7.2 Role and Function**

f) In relation to the Wales Pooling Collaboration arrangements

i) Undertaking the following matters reserved to Flintshire County Council as outlined in the Inter-Authority Agreement:

- Appointment, termination or replacement of the Operator following the making of a recommendation by the Joint Governance Committee
- Approval of additional expenditure not included within the Business Plan which exceeds 30 % of the approved budget in the Business Plan in any one Financial Year.
- Formulation, approval or revisions of each respective Constituent Authority's Investment Strategy for the purposes of regulation 7 of the Investment Regulations.
- Admitting a new administering authority within the LGPS to the Investment Pool as a Constituent Authority.
- Amendment of the Agreement which is not significant to the operation of the arrangements.
- Material change to the nature of the Operator Contract.
- Approval of the initial strategic objectives to allow preparation of the first Business Plan (which objectives shall reflect the objectives set out in the procurement of the Operator).
- Approval of any evaluation or scoring criteria for any procurement of a replacement Operator.
- Approval of the Business Plan which shall include approval of the ongoing strategic objectives of the Investment Pool.
- Determination of the timing of the transition of the assets held by Clwyd Pension Fund into the Pooling Collaboration and the funds or sub-funds operated by the Operator.

- Approval of changes to the terms of reference of the Joint Governance Committee as set out in Schedule 4 of the Inter-Authority Agreement.

**Note:**

- the Council shall retain the power to terminate the Inter-Authority Agreement or make amendments to the Inter-Authority Agreement that may be significant to the operation of the arrangements.
- the Council has determined that the nomination of a Co-opted Member to the Joint Governance Committee is to be carried out by the Pension Board.

ii) Delegating powers to Flintshire County Council's own officers and the Host Council where required.

iii) Nominating Flintshire County Council's officers to the Officer Working Group.

*B) The following amendments are to be made to Section 9.7.8 of the Constitution – Wales Pooling Collaboration Joint Governance Committee:*

### **9.7.8.3**

#### **(b) Joint Governance Committee - Terms of Reference**

The Joint Governance Committee responsibilities are:

- i) Making recommendations to the Constituent Authorities on the termination of the Operator Contract before the conclusion of the fixed term contract, where the performance of the Operator is considered unacceptable;
- ii) Ensuring that there are an appropriate range of sub-funds available in order to allow the Constituent Authorities to meet their strategic investment aims. Following representation from any, some or all of the Constituent Authorities, the Joint Governance Committee may direct the Operator to set up a sub-fund in a particular asset class. The Joint Governance Committee must be mindful at all times of the need to balance the requirement to provide a particular sub-fund with the benefits of holding aggregated assets;
- iii) Monitoring the performance of the Operator against the agreed set of key performance indicators;
- iv) Reporting on the performance of the Investment Pool, its costs and other activities, but not limited to, the Constituent Authorities, government, the Scheme Advisory Board and the general public;
- v) From time to time, to review the appropriateness of the existing structures, including the number and make-up of sub-funds and to make recommendations to the Constituent Authorities as to the respective merits of procuring Operator services by means of a third party or through ownership by the Constituent Authorities of the Operator;
- vi) Liaising with the Operator, in such areas as the Operator seeks the preferences and views of the Joint Governance Committee, on the appointment of suppliers, for example manager preferences or the appointment of depositories;

vii) Liaising with the Constituent Authorities on the appropriate range of sub-funds to be provided in the Investment Pool;

viii) From time to time reviewing policies in respect of ethical, social and governance matters and voting rights and where appropriate make recommendations to the Constituent Authorities as to any changes deemed necessary;

~~viii) Applying any processes or policies that are assigned to it within the Agreement;~~

~~ix) From time to time reviewing policies in respect of environmental, social and governance matters and where appropriate make recommendations to the Constituent Authorities as to any changes deemed necessary.~~

x) Recommend a high level plan for initial transition of assets to the pool and further asset transitions in the event, for example, of new sub-funds being created or manager changes within sub-funds;

xi) Ensuring that the Officer Working Group acts within its remit as set out in clause 4 and Schedule 8 of the Agreement;

xii) Providing any analysis or commentary on annual accounts to the Constituent Authorities;

~~xiii) Monitoring the implementation and effectiveness of the policies listed in Schedule 5 of the Agreement and initiating reviews of these where required;~~

~~xiii) Monitoring the implementation and effectiveness of the policies described in Schedule 5 of the Agreement and initiating reviews of these where required;~~

xiv) Delivery and ongoing monitoring against the Pooling Collaboration objectives, Business Plan and budgets;

xv) Approving responses from the Pooling Collaboration in relation to consultations or other matters considered appropriate;

xvi) Seeking advice from professional and authorised and regulated advisers where necessary;

xvii) Agreeing the Business Plan to be put forward to the Constituent Authorities for approval

xviii) Report to the Constituent Authorities quarterly (and at any other time when the Joint Governance Committee considers it to be necessary) on the matters within their remit including but not limited to the performance of the Operator, the structure of the funds and the ongoing monitoring of the Business Plan;

~~xix) Agreeing criteria for the evaluation of bids or tenders for any procurement (other than the first appointment of the Operator) to be put forward for the approval of the Constituent Authorities.~~

~~xix) Agreeing criteria for the evaluation of bids or tenders for any procurement of the Operator (including for the avoidance of doubt, a replacement Operator) to be put forward for the approval of the Constituent Authorities;~~

~~xx) Any reference in this schedule to the Joint Governance Committee taking any action including agreeing, approving or making recommendations, shall be determined subject to the voting provisions set out in Schedule 6 of the Agreement;~~

xxi) Approval of an appointment of an Allocator following a recommendation by the Officer Working Group, reviewing the performance of an Allocator(s), and reporting on the performance of the Allocator(s) to the Constituent Authorities;

xxii) Approval of the termination of the appointment of an Allocator following a recommendation by the Officer Working Group.

### **(c) Joint Governance Committee Schedule of Procedure**

#### **i) MEMBERSHIP**

~~i.1 The membership of the Joint Governance Committee shall consist of one elected member (or their appointed deputy) per Constituent Authority.~~

~~i.2 No substitutes other than deputies shall be allowed.~~

~~i.3 The Joint Governance Committee shall not include any non-voting or co-opted members.~~

**i.1 The membership of the Joint Governance Committee shall consist of one Member per Constituent Authority and one Co-opted Member.**

**i. 2 No substitutes other than deputies shall be allowed.**

#### **iA) ROLE OF THE CO-OPTED MEMBER**

**iA.1 The primary role of the Co-opted Member is to provide scheme member representation on the Joint Governance Committee.**

**iA. 2 The Co-opted Member is entitled to attend all meetings of the Joint Governance Committee, including exempt items, to be provided with copies of all papers, and to speak on any item during meetings of the Joint Governance Committee.**

**iA.3 The Co-opted Member may ask the Chair to include any matter on the agenda which they consider should be discussed by the Joint Governance Committee.**

#### **ii) MEETINGS**

ii.1 Meetings shall be held a minimum of four times per municipal year (being May to May). The anticipated schedule of meetings and the locations in which they will be held will be agreed in advance of the commencement of the next Financial Year no later than the final meeting of the current Financial Year.

ii.2 A meeting may be held at such time and place as the Chair of the Joint Governance Committee thinks fit provided that at least two meetings per annum shall be held in rotating locations between the Constituent Authorities to facilitate public access. The Constituent Authorities shall make available suitable accommodation for the holding of such meetings in public including the provision of Welsh Language translation, video-conferencing and webcasting services as appropriate.

ii.3 All agendas, **executive summaries of** reports and minutes in relation to the Joint Governance Committee shall be in both Welsh and English, and simultaneous translation of proceedings will be available throughout all meetings of the Joint Governance Committee.

~~ii.4 The Joint Governance Committee may decide to allow remote participation in meetings via video-conference or any similar medium. Any Member attending by video-conference shall be held to be in attendance at the meeting for the purposes of this Schedule of Procedure.~~

ii.4 The Joint Governance Committee may decide to allow remote participation in meetings via video-conference or any similar medium having regard to any applicable guidance issued from time to time by the Welsh Government. Any Member or Co-opted Member attending by video-conference shall be held to be in attendance at the meeting for the purposes of this Schedule.

ii.5 A meeting of the Joint Governance Committee may be called by a proper officer of the Host Council on the request of the Chair. Members must declare any conflict of interest in respect of any business being conducted at the meeting which would likely to be regarded to prejudice the exercise of a person's function as a participant in the meeting.

ii.5 A meeting of the Joint Governance Committee may be called by a proper officer of the Host Authority on the request of the Chair. Members and the Co-opted Member must declare any conflict of interest in respect of any business being conducted at the meeting which would likely to be regarded to prejudice the exercise of a person's function as a participant in the meeting.

ii.6 The Chair is responsible for the running of meetings. The Chair shall invite Members expressing a desire to speak in turn. All discussion and debate shall be held through the Chair and the Chair may draw a discussion to a vote at any time where they consider that every member has been given a fair opportunity to speak.

ii.6 The Chair is responsible for the running of meetings. The Chair shall invite Members and the Co-opted Member expressing a desire to speak in turn. All discussion and debate shall be held through the Chair and the Chair may draw a discussion to a vote at any time where they consider that every Member and the Co-opted Member has been given a fair opportunity to speak.

ii.7 Minutes will be kept of all meetings. The Chair will sign the minutes of the proceedings at the next suitable meeting.

ii.8 Notice of meetings

(a) A notice of meeting specifying the place, date and time of the meeting and containing a statement of the matters to be discussed at the meeting, shall be served on all of the Members of the Joint Governance Committee by the appropriate governance officer of the Host Council;

(b) Subject to the next clause ((c)), notice of each meeting, copies of the agenda and any reports to be presented at the meeting, shall be given to all Constituent Authorities by the Host Council no later than seven clear days before the date of the meeting. The Constituent Authorities shall ensure that a minimum of five clear days' notice of all meetings is given in accordance with their normal procedures for notification of Council meetings and all papers made available at all of the Constituent Authorities head offices for inspection for those five days unless certified as confidential in which case agendas and any non-certified items are made available only.

(c) If a meeting is required to be held with less than five days' notice, the Chair must agree it is required urgently, approve the shortened notice period and allow as much notice as possible to be given. Notice should be given in the same manner, and the documents should be made available to all of the Constituent Authorities for as many days as practicable before the meeting.

ii.9 Exclusion of the public and press

~~(a) Where any item to be discussed forms exempt information the Chair shall move that the public and press are excluded from the meeting for the duration of the discussion and voting on that item. Motions to exclude the press and public do not require to be seconded and shall be determined by simple majority vote of the Members present.~~

(a) Where any item to be discussed forms exempt information, the Chair shall move that the public and press are excluded from the meeting for the duration of the discussion and voting on that item. The Co-opted Member is entitled to remain in the meeting and shall not be excluded. Motions to exclude the press and public do not require to be seconded and shall be determined by simple majority vote of the Members present.

(b) Where the press and public are excluded under (a) above the Chair may invite any person to remain in the meeting where they consider it to be necessary or appropriate to do so and any members of the Officer Working Group present shall be presumed to be invited to remain unless the Chair specifies otherwise.

(c) Any person may be excluded from a meeting or required to leave a meeting where in the opinion of the Chair they are causing a disturbance to the running of the meeting and have not desisted from doing so following a request; or where any person is so disruptive that their conduct if allowed to remain would prevent the meeting from proceeding in a fair and acceptable manner.

ii.10 The Joint Governance Committee may, through the Chair, invite any person to speak at a meeting.

ii.11 Officers of the Officer Working Group presenting reports to the Joint Governance Committee may be asked questions following such presentation.

ii.12 Section 151 Officers and Monitoring Officers (and in their absence their deputies) of any Constituent Authority are entitled to attend all meetings including any part of any meeting which is closed to the public and press.

### **iii) QUORUM**

iii.1 The quorum shall be five Members.

iii.2 Where a quorum is not present within 15 minutes of the start of the meeting and the Chair has not been notified that one or more Members have been delayed but will be attending, the meeting shall not be held and the Host Council will be asked to schedule and give notice of a replacement meeting.

iii.3 Where, during any meeting there is no quorum present, then the meeting will adjourn immediately. If the Chair has been unable to ascertain within 15 minutes that the quorum can be restored the remaining business will be considered at another time and date fixed by the Chair.

### **iv) CHAIR AND VICE CHAIR.**

iv.1 The Chair and Vice-Chair shall be Members and shall be appointed by vote for a term of 12 calendar months.

iv.2 In the absence of the Chair, the Vice-chair shall be entitled to exercise all of the functions of the Chair.

iv.3 The decision of the Chair of the meeting on all points of procedure and order and the Chair's interpretation of any rule in this Schedule of Procedure shall be final and no debate

may ensue thereon. The Chair shall be entitled to take the advice of a governance officer in interpreting any rule or objection on procedure.

iv.4 The Chair may be assisted during meetings by a governance officer on procedural matters and such administrative officers as the Chair considers appropriate. Such governance and secretarial officers shall be entitled to remain in the meeting where the public and press are excluded.

## **v) AGENDA**

v.1 An agenda shall be produced in advance for each meeting by the Host Council following consultation with the Chair.

v.2 The agenda for each meeting shall contain as the first substantive item the approval of the minutes of the previous meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the previous minutes that can be discussed is their accuracy and any matters arising from those previous minutes shall be regarded as new items on the agenda of the current meeting.

v.3 The Officer Working Group and the Constituent Authorities may ask the Chair to include any matter on the agenda which they consider should be discussed by the Joint Governance Committee.

v.4 The decision on whether to allow discussion on any other matter not on the agenda of a meeting at that meeting shall be made by the Chair.

## **vi) MOTIONS**

vi.1 Any Member may propose a motion. All motions must be seconded. Motions which are opposed shall be put to a vote in accordance with the voting provisions of this Schedule of Procedure.

~~vi.2 A Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the provisions of this Schedule of Procedure, or the law or other competent authority. The Member must indicate the provision or law or regulation and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final. The Chair may take advice on the point of order from the appropriate officer.~~

~~vi.2 A Member or the Co-opted Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the provisions of this Schedule, or the law or other competent authority. The Member or Co-opted Member must indicate the provision or law or regulation and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final. The Chair may take advice on the point of order from the appropriate officer.~~

## **vii) VOTING**

~~vii.1 The Chair shall seek consensus wherever possible however where a vote is required the provisions of this section shall apply.~~

~~vii.2 Each Member present will have one vote and voting will be by means of a show of hands. In the event of a tied vote, the Chair shall have a second or casting vote.~~

~~vii.3 All decisions will be determined by simple majority.~~

vii.4 In the event that a vote is taken, the voting positions and any abstentions of members will be recorded in the minutes.

vii.1 The Chair shall seek consensus wherever possible however where a vote is required the provisions of this section shall apply.

vii.2 Each Member present will have one vote and voting will be by means of a show of hands or such other method as the Chair may decide is appropriate in the circumstances, including a roll call. The Co-opted Member may not vote. In the event of a tied vote, the Chair shall have a second or casting vote.

vii.3 All decisions will be determined by simple majority of Members present.

vii.4 In the event that a vote is taken, the voting positions and any abstentions of Members will be recorded in the minutes.

### viii) SUB-COMMITTEES AND WORKING GROUPS

viii.1 The Joint Governance Committee shall form such sub-committees and working groups as it considers expedient to performing its function. The Joint Governance Committee shall at the time of forming sub-committees or working groups set out the remit of the sub-committees or working groups, what the sub-committees or working groups are required to deliver and the timescale for that delivery.

viii.1 The Joint Governance Committee shall form such sub-committees and working groups as it considers expedient to performing its function. The Joint Governance Committee shall at the time of forming sub-committees or working groups set out the remit of the sub-committees or working groups, what the sub-committees or working groups are required to deliver and the timescale for that delivery. The Co-opted Member may be a member of any sub-committee or working group.

viii.2 Sub-committees and working groups shall be entitled to request the input and support of the Officer Working Group in the same manner as the Joint Governance Committee.

viii.3 Each sub-committee and working group shall appoint a chair for that sub-committee or working group, who is to be one of the members of the sub-committee or working group.

viii.4 Working groups may invite any person who is not a member to join the group in order to assist in carrying out its function.

viii.4 Working groups may invite any person who is not a Member or Co-opted Member to join the group in order to assist in carrying out its function.

viii.5 The Chairs of sub-committees and working groups shall report to Joint Governance Committee at each meeting of that committee on the progress of the matters within their remit.

viii.6 Sub-committees and working groups may be disbanded at any time on the vote of the Joint Governance Committee.

viii.7 The provisions of the paragraphs in this Schedule of Procedure relating to Agendas, Motions and Voting shall apply to any sub-committee and working group meetings.

## **SECTION 2 - AMENDMENTS TO FINANCIAL PROCEDURE RULES**

*A) The following amendments are to be made to the Flintshire County Council Financial Procedure Rules contained in section 17 of the Constitution.*

### **5.2 Income and Expenditure**

#### **Responsibilities of the Chief Finance Officer**

- a) To agree arrangements for the collection of all income due to the authority and to approve the procedures, systems and documentation for its collection.
- b) Order, control and issue all receipts, invoices, tickets and other documents recording, acknowledging, or demanding the receipt of monies paid to the Council, except where the Chief Finance Officer has given written approval to alternative arrangements in specific instances.
- c) Agree the write-off of bad debts up to £5,000 in aggregate for each single domestic or business debtor, agree in consultation with Cabinet the write-off of bad debts over those amounts but up to £25,000 and refer for approval items for write-off in excess of £25,000 to the Cabinet. A record of all sums written off up to the approved limit is maintained to adhere to the requirements of the Accounts and Audit Regulations.
- c) Agree the write-off of bad debts up to £5,000 in aggregate for each single domestic or business debtor, agree in consultation with Cabinet the write-off of bad debts over those amounts but up to £25,000 and refer for approval items for write-off in excess of £25,000 to the Cabinet. A record of all sums written off up to the approved limit is maintained to adhere to the requirements of the Accounts and Audit Regulations. **Where a bad debt relates to a Clwyd Pension Fund transaction, the responsibilities of the Cabinet are carried out by the Clwyd Pension Fund Committee.**
- d) Make or approve secure and efficient arrangements for the recording of all income received by direct debit, standing order, debit and credit cards and such other methods of payment as the Council may approve.
- e) To ensure that appropriate accounting adjustments are made following write-off action.

## **SECTION 3 - AMENDMENTS TO PENSION BOARD PROTOCOL**

*A) The following amendments are to be made to the Pension Board Protocol which is included in section 9.11 of the Constitution. The Pension Board are not a local authority committee; instead it is established by Flintshire County Council under the powers of Section 5 of the Public Service Pensions Act.*

### **2) Powers of the Pension Board**

The Pension Board will exercise all its powers and duties in accordance with the law and this Protocol.

**In addition, Flintshire County Council has determined that, in accordance with the Wales Pooling Collaboration Inter-Authority Agreement, any nomination of a Co-Opted Member to the Joint Governance Committee will be carried out by the Pension Board.**

## 5) Location and Frequency of Meetings

The Pension Board will normally meet at the offices of the Clwyd Pension Fund, although the offices of any Employer Representatives could be used with prior agreement of the Chair and at no additional accommodation cost to the Clwyd Pension Fund.

The Pension Board will normally meet at the offices of the Clwyd Pension Fund, although the offices of any Employer Representatives could be used with prior agreement of the Chair and at no additional accommodation cost to the Clwyd Pension Fund. **Meetings can also be held with remote attendance by members or as hybrid (a combination of physically present and remote attendance).**

The Board will meet a minimum of twice and a maximum of four times in each calendar year. If the Board does not believe that this is sufficient to discharge its duties and responsibilities effectively the Chair can make a request to the Chief Executive for approval to hold additional meetings.

Urgent business of the Pension Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Pension Board including **remote attendance**, telephone conferencing and e-mails.