

For General Release

REPORT TO:	17 September 2014
AGENDA ITEM NO:	12
SUBJECT:	CONSTITUTIONAL MATTERS
LEAD OFFICER	Julie Belvir Director of Democratic & Legal Services
CABINET MEMBER	Councillor Simon Hall Cabinet Member for Finance and Treasury
WARDS	All
CORPORATE PRIORITY/POLICY CONTEXT The report details a process for appointment of independent non-voting co-optees in respect of Audit functions for the General Purposes and Audit Committee and on the Pensions Committee and to express the Committee's gratitude for the work done thus far by co-optees on the two Committees.	
FINANCIAL SUMMARY There are no direct costs arising from the proposals within this report.	

RECOMMENDATIONS

That:

1. The Committee formally thank the current independent non-voting co-opted Members on the General Purposes and Audit Committee for their services to the Committee and ask officers to convey this appreciation to them in writing;
2. The Committee approve the revised procedures at Appendix 1 for appointment of independent non-voting co-opted Members in respect of the Audit functions of the Committee and the procedures at Appendix 2 in respect of appointment of independent non-voting co-opted Members on the Pensions Committee;
3. The Chair, on behalf of the Committee, be delegated authority to appoint, for the remainder of this municipal year, on an interim basis two independent non-voting co-opted Members to the Committee in accordance with the procedures set out at Appendix 1 and to commence the appointment process for the upcoming municipal year in accordance with the timetable set out in this report;
4. The Committee formally thank the current non-voting co-opted Members of the Pensions Committee and ask officers to convey this appreciation to them in writing;

5. The Pensions Committee be delegated authority to approve the appointment of the Staff Side representative and the two Pensioner Representatives as nominated by their respective interest groups in accordance with Appendix 2 and article 2.02 of the Constitution for the remaining term.
6. The Director of Democratic and Legal Services be delegated authority to make the agreed changes and any consequential amendments to the Constitution needed to effect the recommended changes within this report.

2. EXECUTIVE SUMMARY

- 2.1 This report summarises the proposed changes to the Constitution and sets out a revised process in relation to the appointment of independent non-voting co-opted Members on the General Purposes and Audit Committee and on the Pensions Committee.

3. DETAIL

- 3.1. Co-opted Members can provide the Committees with outside knowledge, experience and skills that can inform the Audit work of the General Purposes and Audit Committee and supplement the role of Members. Similarly the outside knowledge, experience and skills of co-opted members on the Pensions Committee offer a different perspective in terms of Pensions matters.
- 3.2. Since the election the Council has been realigning its structure and delivery of services to focus clearly on the Council priorities. This has entailed revisions to Committees, Committee structures and terms of reference and Committee Membership. As part of this process the Council wishes to further refresh the Committee membership of the General Purposes and Audit Committee and the Pensions Committee by seeking to appoint new independent non-voting co-opted members to the Committees, all of whom will be requested to comply with the appropriate code of conduct in force at the relevant time.
- 3.3. Currently the General Purposes and Audit Committee has two non-elected independent non-voting members on the Committee who provide advice to the Committee in relation to its Audit functions and the Committee wishes to formally thank them for their valuable contribution to the work of the Committee to date.
- 3.4. The Council proposes keeping two posts of co-opted independent non-voting Members on the General Purposes and Audit Committee and will seek to appoint new independent non-voting co-opted members in accordance with the process detailed within this report, if approved.
- 3.5. Part 6D of the Constitution sets out the statutory scheme of co-option for co-optees on Scrutiny and Strategic Overview Committee and its sub-committees but does not cover the co-option of independent non-voting co-opted Members

on other committees.

- 3.6. The Committee is recommended to approve the process for co-option of future independent non-voting members of the General Purposes and Audit Committee and the Pensions Committee as set out at Appendix 1 and Appendix 2 respectively.
- 3.7. The proposed timetable for the appointment of new independent non-voting co-opted Members for the General Purposes and Audit Committee is as follows:

Advertisement	January 2015
Shortlisting & interviews	February 2015
Approval by Committee	March 2015
Approval at full Council and commencement of the role	May 2015

- 3.8. Delegation is sought for the Chair to commence recruitment by inviting applications for the two independent non-voting co-opted Member posts for the General Purposes and Audit Committee in accordance with the process set out at Appendix 1 for the upcoming municipal year. In the interim and for the remainder of the current municipal year a delegation is sought to the Chair to appoint two interim independent non-voting co-optees to advise the Committee in respect of its audit functions; such interim appointments to comply, in so far as is possible, with the process set out in Appendix 1, if approved.
- 3.9. The Staff side representative on the Pensions Committee is nominated by the staff side for appointment by the Committee. Similarly, following elections undertaken by the pensioner side two pensioner side representatives are put forward for appointment on the Pensions Committee.
- 3.10. The Pensions Committee wishes to appoint independent non-voting co-optees in accordance with the Constitutional provisions. Accordingly, the Committee is recommended to delegate authority to the Pensions Committee to undertake the appointment of three independent non-voting co-opted Members (1 staff side and 2 pension side representatives) for the Pensions Committee in accordance with Appendix 2 and the provisions of article 2.02 of the Constitution. Such appointment is to be for the remainder of the current municipal year only.

4. CONSULTATION

- 4.1 Officers have been in ongoing discussions with Members on realigning the Council's priorities to better progress the Council's transparency and Openness agenda and to improve public participation in and understanding of the Council processes.

5 FINANCIAL AND RISK ASSESSMENT CONSIDERATIONS

- 5.1 The proposals within the report do not have financial implications as the Scheme of Members Allowances does not contain provision for allowances to Co-opted Members.

(Approved by: Richard Simpson, Director of Finance and Assets)

6. HUMAN RESOURCES EQUALITIES, ENVIRONMENT AND CRIME AND DISORDER REDUCTION IMPACTS

- 6.1 There are no direct implications in these areas arising from this report.

7. REASONS FOR RECOMMENDATIONS/PROPOSED DECISION

- 7.1 The Council wishes to make the process of appointment, role requirements and expectations for independent non-voting co-opted Members on the Committee clear and to provide a mechanism to appoint new co-opted members as part of a refresh of the Committee.

8. OPTIONS CONSIDERED AND REJECTED

- 8.1 Consideration was given to not refreshing the Committee Membership fully by retaining existing co-optees however it was felt that this did not reflect the renewed focus and ethos which the Council wishes to adopt and promote going forward.

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BACKGROUND PAPERS -

None

PROCESS FOR CO-OPTION OF NON-ELECTED INDEPENDENT NON-VOTING MEMBERS OF GENERAL PURPOSES AND AUDIT COMMITTEE

- 1.1 This process relates only to independent non-voting co-opted Members of General Purposes and Audit Committee (“the Committee”).
- 1.2 Council has agreed that the Committee shall have two independent non-voting co-opted members (“Co-opted Members”) in relation to the conduct of its Audit functions only.
- 1.3 The Co-opted Members may not be either officers or Members of the Council.
- 1.4 Anyone who lives, works (including voluntary work) and/or studies in Croydon is eligible to be a Co-opted Member on the Committee.
- 1.5 A vacancy may be advertised on the Council’s website or more widely if the Committee is of the view that to do so would be beneficial.
- 1.6 In approving an appointment, the Committee will be mindful of the potential for any ongoing or potential conflicts of interest between, for example, the Co-opted Members’ paid employment and the audit work of the Committee.
- 1.7 Co-opted Members will usually be appointed for a period of one year with their appointment to be coterminous with the municipal year but may also be appointed for a shorter period of time if necessary.
- 1.8 Co-opted Members may be disqualified during their term of office if they do not attend three consecutive meetings of the Committee to which they have been co-opted; or if they are elected as a Member of the Council or become a Council officer. It is the responsibility of the Co-opted Member to inform the Council if a circumstance arises which they believe disqualifies them from continuing their term of office. Co-opted Members may resign during their term of office.
- 1.9 Co-opted Members are required to comply with the Code of Conduct for Co-optees as adopted and amended from time to time by the Council. Failure to comply with the Code of Conduct for Co-optees may result in their appointment being terminated.
- 1.10 Co-opted Members will not receive an allowance or a salary.
- 1.11 Co-opted Members will:
 - Be expected to attend all meetings of the Committee to which they have been appointed and read the agenda papers
 - Bring an external perspective to the work of the Committee by utilising their knowledge and experience

- Be expected to represent the whole community and not just one sector or viewpoint
- Act independently of party politics and lobbying interests
- Be expected to treat other Committee Members, officers and external parties with respect
- Comply with the Committee procedure rules, rules of debate and the Code of Conduct for Co-optees
- Be required to recognise that they may encounter sensitive information and to act with discretion and keep any confidential information confidential.

September 2014

PROCESS FOR CO-OPTION OF NON-ELECTED INDEPENDENT NON-VOTING MEMBERS OF PENSIONS COMMITTEE

- 1.1 This process relates only to independent non-voting co-opted Members of the Pensions Committee (“the Committee”).
- 1.2 Council has agreed that the Committee shall have three independent non-voting co-opted members (“Co-opted Members”) in relation to the conduct of its functions – one staff side representative and 2 Pensioner side representatives.
- 1.3 The Co-opted Members may be either contributors to or beneficiaries of the Croydon Council Local Government Pension Scheme.
- 1.4 Nominees for Staff Side and Pensioner Side representatives on the Committee shall be selected based on their compliance with the criteria and processes established by their respective nominating groups.
- 1.5 A vacancy may be advertised on the Council’s website or more widely if the Pensions Committee is of the view that to do so would be beneficial.
- 1.6 The 3 Co-opted members may only be appointed following consultation with the Staff Side and Pensioners of the Pension Fund in accordance with Article 2.02 of the Constitution.
- 1.7 In approving an appointment, the Pensions Committee will be mindful of the potential for any ongoing or potential conflicts of interest between, for example, the Co-opted Members’ paid employment and the work of the Committee.
- 1.8 Co-opted Members will usually be appointed for a period of three years with their appointment to be coterminous with the end of the third municipal year but may also be appointed for a shorter period of time if necessary.
- 1.9 Co-opted Members may be disqualified during their term of office if they do not attend three consecutive meetings of the Committee to which they have been co-opted; or if they are elected as a Member of the Council or become a Council officer(subject to the exception for the staff side representative). It is the responsibility of the Co-opted Member to inform the Council if a circumstance arises which they believe disqualifies them from continuing their term of office. Co-opted Members may resign during their term of office.
- 1.10 Co-opted Members are required to comply with the Code of Conduct for Co-optees as adopted and amended from time to time by the Council. Failure to comply with the Code of Conduct for Co-optees may result in their

appointment being terminated.

1.11 Co-opted Members will not receive an allowance or a salary.

1.11 Co-opted Members will:

- Be expected to attend all meetings of the Committee to which they have been appointed and read the agenda papers
- Bring an external perspective to the work of the Committee by utilising their knowledge and experience
- Be expected to act in the best interests of the beneficiaries of the Pension Fund and not simply for one sector or viewpoint
- Act independently of party politics and lobbying interests
- Be expected to treat other Committee Members, officers and external parties with respect
- Comply with the Committee procedure rules, rules of debate and the Code of Conduct for Co-optees
- Be required to recognise that they may encounter sensitive information and to act with discretion and keep any confidential information confidential.

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