

Pensions CIV Sectoral Joint Committee AGM Agenda

14 June 2016 - 10:30am – 11:30am

Conference Suite (1st Floor)

At London Councils offices, 59½ Southwark St., London SE1 0AL

Refreshments will be provided

London Councils offices are wheelchair accessible

Labour Group pre-meeting: Room 2 (1st Floor) 09:30 am

(Political Adviser: 07977 401955)

Conservative Group pre-meeting: Room 5 (1st Floor) 10:00 am

(Political Adviser: 07903 492195)

Contact Officer: Alan Edwards

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2	Declarations of Interest*	
3	Election of the Chair of the Pensions CIV Sectoral Joint Committee	
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***Declarations of Interests**

If you are present at a meeting of London Councils' or any of its associated joint committees or their sub-committees and you have a disclosable pecuniary interest* relating to any business that is or will be considered at the meeting you must not:

- participate in any discussion of the business at the meeting, or if you become aware of your disclosable pecuniary interest during the meeting, participate further in any discussion of the business, or
- participate in any vote taken on the matter at the meeting.

These prohibitions apply to any form of participation, including speaking as a member of the public.

It is a matter for each member to decide whether they should leave the room while an item that they have an interest in is being discussed. In arriving at a decision as to whether to leave the room they may wish to have regard to their home authority's code of conduct and/or the Seven (Nolan) Principles of Public Life.

*as defined by the Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

The Chairman to move the removal of the press and public since the following items are exempt from the Access to Information Regulations. Local Government Act 1972 Schedule 12(a) (as amended) Section 3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).

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PENSIONS CIV JOINT COMMITTEE – 14TH June 2016

Confirmed dates and nominations to Pensions CIV Sectoral Joint Committee for 2016/17

1. Dates for 2016/17

10:30 - 12:30

2016

14 June 2016- AGM

13 September 2016 (4:00pm)

7th December 2016

2017

8 February 2017

14 June 2017 - AGM

13 September 2017

6 December 2017

2. Member Nominations (new members highlighted in pink)

PENSIONS

Borough	Rep	Party	Deputy 1	
Barking & Dagenham	Dominic Twomey	Lab	Faraaz Shaukat	Lab
Barnet	Mark Shooter	Con	John Marshall	Con
Bexley	Louie French	Con		Con
Brent	Shafique Choudhary	Lab	George Crane	Lab
Camden	Rishi Madlani	Lab	Theo Blackwell	Lab
Croydon	Simon Hall	Lab	John Wentworth	Lab
Ealing	Yvonne Johnson	Lab	Anthony Young	Lab
Enfield	Toby Simon	Lab		
Greenwich	Don Austen	Lab	Peter Brooks	Lab
Hackney	Robert Chapman	Lab	Geoff Taylor	Lab
Havering	John Crowder	Con	Clarence Barrett	Ind
Hammersmith & Fulham	Iain Cassidy	Lab	Mike Adam	Lab
Haringey	Clare Bull	Lab	Ali Demirci	Lab
Harrow	Nitin Parekh	Lab	Josephine Dooley	Lab
Havering	John Crowder	Con	Clarence Barrett	Ind
Hillingdon	Philip Corthorne	Con	Mike Markham	Con
Hounslow	Mukesh Malhotra	Lab	Shantana Rajawat	Lab
Islington	Richard Greening	Lab	Andy Hull	Lab
Kensington & Chelsea	Quentin Marshall	Con	Warwick Lightfoot	Con
Kingston upon Thames	Eric Humphrey	Con	Roy Arora	Con
Lambeth	Iain Simpson	Lab	Adrian Garden	Lab
Lewisham	Mark Ingleby	Lab		
Merton	Imran Uddin	Lab	Mark Allison	Lab
Newham	Forhad Hussain	Lab		
Redbridge	Elaine Norman	Lab	Ross Hatfull	Lab
Richmond upon Thames	Thomas O'Malley	Con	Benedict Dias	Con

Item 5 – Note of the Pensions CIV Membership and Dates

Southwark	Fiona Colley	Lab		
Sutton	Sunita Gordon	LD	Simon Wales	LD
Tower Hamlets	Clare Harrisson	Lab		
Waltham Forest	Simon Miller	Lab	Gerry Lyons	Lab
Wandsworth	Maurice Heaster	Con	Guy Senior	Con
Westminster	Suhail Rahuja	Con	Tim Mitchell	Con
City of London	Mark Boleat	Ind	Andrew MCMurtrie	Ind

Same rep/deputy as last year

New nomination

Pensions CIV Sectoral Joint Committee (PSJC) Annual General Meeting - 21 July 2015

AGM Minutes of a meeting of the Pensions CIV Sectoral Joint Committee held on Tuesday 21 July 2015 at 10:30am in the Conference Suite, London Councils, 59½ Southwark Street, London SE1 0AL

Present:

City of London	Mark Boleat (Chair)
Barking and Dagenham	-
Barnet	Cllr Mark Shooter
Bexley	Cllr John Waters
Brent	Cllr George Crane
Camden	Cllr Rishi Madlani
Croydon	-
Ealing	Cllr Yvonne Johnson
Enfield	Cllr Toby Simon
Greenwich	-
Hackney	Cllr Roger Chapman
Hammersmith and Fulham	Cllr Iain Cassidy
Haringey	-
Harrow	Cllr Bharat Thakker (Deputy)
Hounslow	Cllr Mukesh Malhotra
Islington	Cllr Richard Greening
Kensington and Chelsea	-
Kingston Upon Thames	-
Lambeth	Cllr Adrian Garden
Lewisham	Cllr Mark Ingleby
Merton	-
Newham	-
Redbridge	Cllr Ross Hatfull (Deputy)
Richmond Upon Thames	Cllr Thomas O'Malley
Southwark	Cllr Fiona Colley
Sutton	Cllr Sunita Gorden
Tower Hamlets	-
Waltham Forest	-
Wandsworth	Cllr Maurice Heaster
City of Westminster	-

Apologies:

Greenwich	Cllr Don Austen
Harrow	Cllr Adam Swersky
Kingston	Cllr Eric Humphrey
Kensington & Chelsea	Cllr Quentin Marshall
Newham	Cllr Forhad Hussain
Redbridge	Cllr Elaine Norman
Westminster	Cllr Suhail Rahuja

Officers of London Councils were in attendance as was Mr Chris Buss (Chair of the Technical Sub-Group).

1. Announcement of Deputies

- 1.1. Apologies for absence and deputies were listed above.

2. Declarations of Interest

- 2.1. There were no declarations of interest that were of relevance to this meeting.

3. Election of the Chair of the Pensions CIV Sectoral Joint Committee

- 3.1. Councillor Heaster nominated Mark Boleat to be Chair of the Pensions CIV Sectoral Joint Committee. Councillor. Councillor Yvonne Johnson seconded the nomination. Mark Boleat was elected as Chair of the Pensions Sectoral Joint Committee.

4. Election of the Vice Chairs of the Pensions CIV Sectoral Joint Committee

- 4.1. Councillor Yvonne Johnson and Councillor Maurice Heaster were nominated as the vice chairs of the Pensions CIV Sectoral Joint Committee. Councillor Yvonne Johnson and Councillor Maurice Heaster were duly elected as the vice chairs of the Pensions CIV Sectoral Joint Committee.

5. Note of the Membership of the Pensions CIV Sectoral Joint Committee

- 5.1. The membership of the Pensions CIV Sectoral Joint Committee was noted.

The meeting finished at 12.10pm

Pensions CIV Sectoral Joint Committee AGM

Constitutional Matters

Item No: 08

Report by: Christiane Jenkins **Job title:** Director, Corporate Governance
Date: 14 June 2016
Contact Officer: David Dent
Telephone: 020 7934 9753 **Email:** david.dent@londoncouncils.gov.uk

Summary: This report summarises the key changes to constitutional documents recommended to Leaders' Committee AGM on 7 June 2016. Changes are being recommended to the following documents:

- Minor variations to London Councils Governing Agreement
- Amendments to London Councils Standing Orders
- Approval of and amendments to London Councils Scheme of Delegation to Officers
- Terms of Reference for Sub-Committees

Recommendation: The Committee is recommended to:

- Note the changes to London Councils constitutional documents.

Constitutional changes

1. London Councils Leaders' Committee will be considering changes to four constitutional reports at its AGM on 7 June 2016. Three of the four reports recommend changes which apply to the Pensions CIV Sectoral Joint Committee and are therefore reported to the Committee for information.
2. The changes made are summarised below:
 - Minor variations to London Councils governing agreement to address inconsistencies/irregularities and the use of the term London Councils;
 - Amendments to Standing Orders, principally relating to Declarations of Interest and new Urgency arrangements, plus some points of clarification;
 - Approval of, and amendment to the Scheme of Delegation to Officers to:
 - i. Authorise the Chief Executive, in consultation with the Chair of the relevant sub-committee, to amend the programme of sub-committee meetings as required throughout the year.
 - ii. Change the proper officer in section 36 of the Scheme of Delegations from the PATAS Tribunal Manager to Head of Support Services.
 - iii. Make express reference to the delegations to the Chief Executive and the Directors of any corporate service (and their nominated deputies).
 - The Terms of Reference for Sub-Committees report has not been reported to this Committee, as it does not apply.

Recommendation:

3. Note the changes to London Councils constitutional documents

Legal Implications for London Councils

4. It is necessary that changes to London Councils governance documents are properly made in a manner which is consistent with the joint committees' Governing Agreements. Consequently Leaders' Committee has approved the changes noted in this report.

Equalities Implications for London Councils

5. There are no specific equalities implications for London Councils.

Financial Implications for London Councils

6. There are no specific financial implications to London Councils

Appendices:

Appendix 1 – Leaders Committee AGM Report item 15A – Constitutional Matters – Minor Variations to London Councils Governing Agreement

Appendix 2 - Leaders Committee AGM Report item 15B – Constitutional Matters – Amendments to London Councils Standing Orders

Appendix 3 - Leaders Committee AGM Report item 15C – Constitutional Matters – Approval of, and Amendment to London Councils Scheme of Delegation to Officers

Background documents: London Councils Standing Orders

Constitutional Issues –London Councils Governing Agreements

Item no: 15A

Telephone: 020 7934 9540 **Email** Christiane.jenkins@londoncouncils.gov.uk

1. This report notes:

- (a) Minor variations which have arisen in the course of updating London Councils Leaders' Committee Governing Agreement to address inconsistencies/irregularities and the use of the term London Councils;
- (b) The minor variations to be considered by the Transport and Environment Committee in relation to the London Councils Transport and Environment Committee Governing Agreement; and
- (c) The proposed changes at (a) and (b) above do not alter any of the functions of the Committees or the responsibilities delegated to them.

Recommendations Leaders' Committee is asked to:

1. Note the proposed amendments to address irregularities in the London Councils Leaders' Committee Governing Agreement;
2. Note the proposed changes to the London Councils Transport and Environment Committee (LCTEC) Governing Agreement which will be considered by that Committee (as provided for in the LCTEC Agreement);

Constitutional Issues –London Councils Governing Agreements

Background

1. “London Councils” is a term that is used to refer collectively, and for convenience, to three separately constituted, but inter-related, statutory joint committees appointed by the 33 London local authorities for the joint discharge of their functions i.e.:
 - London Councils Leaders’ Committee (“Leaders’ Committee”);
 - London Councils Transport and Environment Committee (“LCTEC”); and
 - Grants Committee.
2. Leaders’ Committee has been established with the authorities’ agreement under sections 101 and 102 of the Local Government Act 1972 and section 9EB of the Local Government Act 2000 (and the relevant Regulations). LCTEC is similarly constituted. The Grants Committee has been established in accordance with the London Grants Scheme made under section 48 of the Local Government Act 1985 and which forms part of the Leaders’ Committee Governing Agreement.
3. The Leaders’ Committee Governing Agreement dated 13 December 2001 has been formally amended (varied) once in 2004¹ to give effect to a new Grants Scheme.
4. On 11 March 2014, as permitted under the Leaders’ Committee Governing Agreement, Leaders’ Committee approved the terms of reference of a new sectoral joint committee which was to be established under the London Councils governance arrangements. This sectoral committee, Pensions CIV Sectoral Joint Committee, was constituted on 17 July 2014 and currently 32 of the London local authorities are members of that sectoral joint committee having each agreed to formally delegate the exercise of their relevant functions under sections 1 and 4 of the Localism Act 2011 to that joint committee.
5. The LCTEC Governing Agreement has been formally amended (varied) five times since 2001 to delegate the exercise of additional functions to LCTEC.²

¹ Variation to Agreement dated 13 December 2001 to make a New Scheme for Grants to Voluntary Organisations, dated 1 February 2004. The Grants Scheme is made pursuant to section 48 Local Government Act 1985.

6. A number of minor variations to both Agreements were agreed by Leaders' Committee on 15 July 2014 and LCTEC on the 17 July 2014 as relevant, and a further amendment was agreed by Leaders' Committee on 2 June 2015 to take into account the abolition of the Audit Commission.
7. London Councils must operate within the delegations which have been made to the joint committees (Leaders', Grants, the Pensions CIV, and LCTEC) by the London local authorities (and as relevant for LCTEC, TfL) as set out in the Governing Agreements. There have been occasions when it has been necessary to supplement or amend these arrangements and this has been achieved by varying the terms of the Governing Agreements. If this is not done, decisions taken by London Councils without appropriate delegated authority will be *ultra vires*. Additionally, a failure to comply with the governance framework, set out in the Governing Agreements, to support the effective discharge of the functions delegated to the London Councils joint committees, could be subject to challenge.
8. Leaders' Committee can approve minor variations to the London Councils Leaders' Committee Governing Agreement (clause 15.4) by a simple majority vote (clause 7.3 and Standing Order 13.2). The proposed minor variations to address irregularities in the London Councils Leaders' Committee Governing Agreement at this time can be found in clauses 7.5 and 11.3, plus the removal of duplication of numbering and can be seen in their entirety at Appendix One.
9. Minor variations to the LCTEC Governing Agreement may be made in accordance with clause 15.1 of the LCTEC Governing Agreement which expressly provides that minor variations shall not involve any additional financial contributions other than those specifically provided for in the LCTEC Governing Agreement; and further that a minor variation shall take effect with 28 days' notice being given to all the participating local authorities and Transport for London (TfL) and no objection to the proposed variation being received during the notice period. The following minor variations to the LCTEC Governing Agreement will be presented to LCTEC on that basis:

² Refer: LCTEC Agreement dated 13 December 2001, the First Variation dated 1 May 2003, the Further Variation dated 30 November 2006, the Second Further Variation dated 8 June 2009, a delegation made pursuant to Part 3(D) on 27 October 2014, and the Third Further Variation dated 14 May 2015.

- (a) Substitution of the remaining references to ALG (i.e. the acronym for the “Association of London Government”, the old name of London Councils) with “LC” (i.e. the acronym used to refer to “London Councils”); and
- (b) the inclusion of an additional Recital 1.8 in the Agreement to refer to the joint committee’s change of name to the London Councils Transport and Environment Committee (LCTEC), as the Committee resolved on the 17 October 2006.

10. The proposed changes to the LCTEC Governing Agreement do not alter any of the joint committee’s functions or the responsibilities delegated to it.

Recommendations

11. Leaders’ Committee is asked to:

- (a) Note the proposed amendments to address irregularities in the London Councils Leaders’ Committee Governing Agreement;
- (b) Note the proposed changes to the London Councils Transport and Environment Committee (LCTEC) Governing Agreement which will be considered by that Committee (as provided for in the LCTEC Agreement);

Financial Implications for London Councils

12. There are no specific financial implications arising from the report at this time.

Legal Implications for London Councils

13. Variations to London Councils Governing Agreements must be properly made in a manner which is consistent with the terms of those Agreements. In addition to provision for formal variations to those Agreements which would in each case need to be authorised and executed individually by all the participating authorities (and additionally in the case of LCTEC, TfL); each Governing Agreement makes provision for minor variations to be made to the governance arrangements for each joint committee, albeit by different procedures in each case.

14. It is the responsibility of the relevant joint committee to determine whether a change can be considered minor. In the past, variations have been considered minor if they do not involve any additional financial contribution or changes to the delegated powers or the functions being exercised by the joint committees.

Equalities Implications for London Councils

There are no specific equalities implications for London Councils arising from this report.

Appendix One – Proposed changes to London Councils Leaders' Committee Governing Agreement

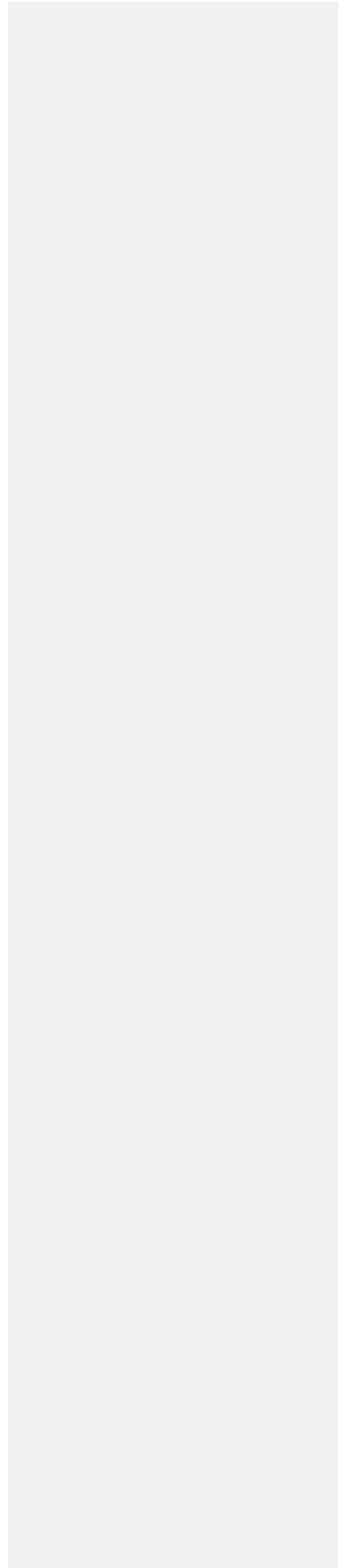
Background document: London Councils Transport and Environment Committee (LCTEC) Governing Agreement

15A - Appendix One - Proposed changes to for Leaders' Committee AGM 7 June 2016

London Councils Leaders' Committee Governing Agreement

13 December 2001

15A – Appendix 1



15A – Appendix 1

DATED 13 December, 2001

[LONDON COUNCILS]¹

(LEADERS' COMMITTEE)²:

AGREEMENT

This joint committee approved the change of name from ALG to London Councils on 12 September 2006. In this agreement, references to 'Association of London Government' and 'ALG' have been replaced with 'London Councils'.

In addition, the joint committee established in accordance with the LCTEC Agreement referred to in Recital 1.10 below changed its name from the Association of London Government Transport and Environment Committee ("ALGTEC") to London Councils Transport and Environment Committee ("LCTEC") on 17 October 2006. In this agreement, references to "ALGTEC" have been replaced with "LCTEC".

Ref: PR 6602/21/LJ

Standing Orders revised 2nd June 2015

¹ This joint committee approved the change of name from ALG to London Councils on 12 September 2006

² This joint committee is also referred to as Leaders' Committee because all of the London local authorities' leaders are represented

15A – Appendix 1

CONTENTS**Clauses**

1. Preliminary
2. Commencement and Duration
3. Definitions and Interpretation
4. Membership and Standing Orders
5. Meetings and Proceedings of [London Councils]
6. Lead Authority Functions
7. Obligations of [London Councils] and Sectoral joint committees
8. Obligations of London Local Authorities
9. Staff
10. Assets and Liabilities
11. Financial Arrangements
12. Costs and Expenses.
13. Termination and Breach
14. Dissolution
15. General
16. Execution

Schedules

Schedule 1 Part 1: The London Local Authorities

Schedule 1 Part 2: [...] ³

Schedule 2 Parts 1- 3: [London Councils] Functions

Schedule 3: [...] ⁴

Schedule 4: Lead Authority Functions

Schedule 5: [London Councils] Grants Scheme

Schedule 6: Standing Orders

Schedule 7: Financial Regulations

Schedule 8: Costs and Expenses

³ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.
[Deleted: London Housing Unit Committee: Member Authorities]

⁴ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.
[Deleted: Functions of London Housing Unit Committee]

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THIS AGREEMENT is made this 13th. day of December, 2001

BETWEEN THE Councils listed in Part 1 of Schedule 1 hereto in pursuance of arrangements made under section 101 (5), 101 (5B), 102, 111, 112, 113, 141 and 142 Local Government Act 1972; section 1 Local Authorities (Goods and Services) Act 1970; section 20 Local Government Act 2000; the Local Authorities (Arrangements for the Discharge of Functions) Regulations 2000⁵ and all other enabling powers

1. PRELIMINARY

1.1 By an Agreement dated 1 April, 2000 (the “First Agreement”), the local authorities named in Part 1 of Schedule 1, in the interests of co-ordinating more effectively the formulation of policy in relation to the functions referred to in the First Agreement and achieving greater efficiency in the use of their resources agreed to establish a joint committee under Sections 101 and 102 Local Government Act 1972 and agreed to delegate (subject to the exceptions and reservations set out in the Agreement) the functions listed in Schedule 2 to the joint committee and to name the joint committee the Association of London Government (“ALG”)⁶

1.2 [...] ⁷

⁵ Reference to section 20 of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) Regulations 2000 should now be read as section 9EB of the Local Government Act 2000 and the Local Authorities (Arrangements for the Discharge of Functions) (England) Regulations 2012; those provisions having been substituted in England.

⁶ This joint committee approved the change of name from ALG to London Councils on 12 September 2006

⁷ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders’ Committee) decision on 11 December 2007 to reduce the notice period for termination.

[Deleted: By the First Agreement, the local authorities named in Part 2 of Schedule 1 agreed to delegate the functions set out in Schedule 3 under section 8 Housing Act 1985; sections 101(12), 111 and 141 Local Government Act 1972; section 1 Local Authorities (Goods and Services) Act 1970 and any other express or implied enabling power, to a Sectoral joint committee named the London Housing Unit Committee which operates, in relation to the ALG, in accordance with the provisions of this Second Agreement which govern Sectoral joint committees. Any of the London Local Authorities listed in Part 1 of Schedule 1 may elect at any time to delegate the functions set out in Schedule 3 to the London Housing Unit Committee. Such delegation is hereby deemed a minor variation for the purposes of Clause

15A – Appendix 1

- 1.3 The local authorities listed in Part 1 of Schedule 1 are herein collectively named “the London Local Authorities”.
- 1.4 [London Councils] has acted from the date of the First Agreement as the Association of the London Local Authorities for the purposes set out in Part 1 of Schedule 2 and receiving subscriptions from the London Local Authorities under section 143 Local Government Act 1972
- 1.5 [The London Local Authorities are the constituent council for the purposes of section 48(1)(a) Local Government Act 1985 and by an agreement dated 1st February 2004 (“the Third Agreement) have agreed to establish a new Scheme for the making of grants to voluntary organisations in Greater London in accordance with the provisions of the Third Agreement.]⁸
- 1.6 The committee established to discharge various functions in accordance with section 48 Local Government Act 1985 is now known as the [London Councils] Grants Committee [and the Grants Scheme is set out in Schedule 2 of the Third Agreement]⁹
- 1.7 The London Local Authorities were the Participating Councils in the Transport Committee for London Agreement dated 15th January, 1998, (“TCfL Agreement”) and by the Agreement dated 1 April, 2000, varied the Transport Committee for London Agreement in accordance with Schedule 5 of the First Agreement
- 1.8 The Transport Committee for London is now known as the [London

15.4 and this Agreement shall thereafter be construed as if each of those London Local Authorities were listed in Part 2 of Schedule 1. Any of the London Local Authorities listed in Part 2 of Schedule 2 may at any time elect to revoke the delegation of the functions set out in Schedule 3 to the London Housing Unit Committee. Such revocation is hereby deemed a minor variation for the purposes of Clause 15.4 and this Second Agreement shall thereafter be construed as if that London Local Authority’s name were removed from Part 2 of Schedule 1.]

⁸ Substituted by the Third Agreement. Note the scheme has subsequently been amended further to minor variations agreed by London Councils (Leaders’ Committee) on 15 July 2014

⁹ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders’ Committee) on 15 July 2014

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Councils] Transport and Environment Committee (“[LCTEC]¹⁰”)

1.9 By the First Agreement, [London Councils] was appointed under section 1 Local Authorities (Goods and Services) Act 1970 to employ the staff of [LCTEC], carry out all administrative and appropriate financial functions on its behalf, recover the costs thereof and the costs payable to [LCTEC] by the London Local Authorities listed in Part 1 of Schedule 1.

1.10 The London Local Authorities are the Participating Councils in the [LCTEC] Agreement of even date herewith (“[LCTEC] Agreement”) which amends the TCfL Agreement

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1.91.11 The functions of some of the London Local Authorities set out in Schedule 2 [...] ¹¹ are the responsibility of the executive of those authorities under executive arrangements adopted for the purposes of section 10 Local Government Act 2000 while the functions of other authorities remain the responsibility of the authorities themselves

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1.101.12 It is expedient that any London Local Authority which should adopt executive arrangements after the date of this Agreement should be able through arrangements made by their mayors, executives, members of executives, committees of executives, executive leaders or council managers (as appropriate) to continue as parties to this Second Agreement

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IT IS HEREBY AGREED AS FOLLOWS:

¹⁰ The Association of London Government Transport and Environment Committee (“ALGTEC”) approved the change of name to London Councils Transport and Environment Committee (“LCTEC”) on 17 October 2006

¹¹ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders’ Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: and 3]

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2. COMMENCEMENT AND DURATION

- 2.1 This Agreement shall commence on 13 December, 2001 (“the Commencement Date”) and shall continue until terminated in whole or in part in accordance with the provisions of Clause 13.

3. DEFINITIONS AND INTERPRETATION

- 3.1 In this Agreement:

[...] ¹²

“associated committees of [London Councils]” means the [London Councils] Grants Committee and the [LCTEC] which shall operate, in relation to [London Councils], in accordance with the [London Boroughs] ¹³ Grants Scheme (as set out in full at Schedule 2 of the Third Agreement) ¹⁴ and the [LCTEC] Agreement.

“constituent councils” means the London borough councils and the Common Council, which have made the [London Boroughs] ¹⁵ Grants Scheme, as permitted by section 48 Local Government Act 1985.

“Leader” means the person vested from time to time (in accordance with law and the applicable constitutional arrangements) with the political leadership, for the purposes of this Agreement, of each of the London Local Authorities listed in Part 1 of Schedule 1

[“London Councils” means the joint committee appointed in accordance

¹² This joint committee approved the change of name from ALG to London Councils on 12 September 2006. [Deleted: “ALG” means the Association of London Government, the joint committee appointed in accordance with Clause 1.1.]

¹³ The London Boroughs Grants Scheme has been superseded by the Grants Scheme which was established by the Third Agreement. Note further amendments to the Grants Scheme were approved by London Councils (Leaders’ Committee) on 15 July 2014

¹⁴ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders’ Committee) on 15 July 2014

¹⁵ The London Boroughs Grants Scheme has been superseded by the Grants Scheme which was established by the Third Agreement. Note further amendments to the Grants Scheme were approved by London Councils (Leaders’ Committee) on 15 July 2014 as permitted under clause 9.1 of the Grants Scheme.

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with Clause 1.1]¹⁶

“Panels of [London Councils]” means the sub-committees appointed by [London Councils] to discharge any of functions delegated to [London Councils] under Clause 1.1 above.

“Parties” means the parties to this Agreement, that is the London Local Authorities listed in Part 1 of Schedule 1

“Sectoral joint committee” means a joint committee appointed under section 102 Local Government Act 1972 to discharge functions which a minimum of three and a maximum of 32 of the London Local Authorities have agreed to delegate to it, whose terms of reference have been approved by [London Councils] and which shall operate, in relation to [London Councils], in accordance with this Agreement.

- 3.2 The Schedules to this Agreement are intended to form part of this Agreement.
- 3.3 Words importing the singular shall include the plural and *vice versa*. Words importing any gender shall include both genders. Words importing persons shall include bodies corporate, unincorporated associations and partnerships.
- 3.4 Clause headings are inserted for ease of reference only and shall not affect the interpretation of this Agreement.
- 3.5 A reference to any statute or statutory provision includes a reference to all statutory instruments or orders made pursuant to it and includes a reference to that statute, statutory provision, instrument or order as amended, extended, re-enacted or consolidated from time to time.

¹⁶This joint committee approved the change of name from ALG to London Councils on 12 September 2006

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- 3.5 In the event of any conflict between Clauses 1-15 and the Schedules to this Agreement, the provisions of Clauses 1-15 shall prevail.

**4. MEMBERSHIP AND STANDING ORDERS OF [LONDON COUNCILS] AND
SECTORAL JOINT COMMITTEES**

- 4.1 Each London Local Authority shall appoint its Leader as its representative to [London Councils] and shall be entitled to appoint deputy representatives in accordance with Schedule 6.

- 4.2 [London Councils] may admit to membership such representatives of such other bodies as it considers appropriate from time to time in accordance with Schedule 6.

- 4.3 The functions set out in Schedule 2 shall whenever appropriate be discharged by Panels of [London Councils] constituted in accordance with Schedule 6.

- 4.4 [...] ¹⁷

- 4.5 [Each London Local Authority shall appoint an appropriate elected representative to any sectoral joint committee and shall be entitled to appoint deputy representatives in accordance with Schedule 6.] ¹⁸

- 4.6 [...] ¹⁹

¹⁷ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: The members of the London Housing Unit Committee established to discharge the functions set out in Schedule 3 shall be the Leaders from time to time of each of the London Local Authorities set out in Part 2 of Schedule 1.]

¹⁸ Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

¹⁹ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

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4.7 Each Sectoral joint committee may admit to membership such representatives of such other bodies as it considers appropriate from time to time in accordance with Schedule 6.

4.8 The members of [London Councils] Grants Committee shall be appointed by the constituent councils in accordance with [the Grants Scheme as set out in Schedule 2 of the Third Agreement]²⁰.

4.8 The Standing Orders of [London Councils] are set out in Schedule 6

5. MEETINGS AND PROCEEDINGS OF [LONDON COUNCILS]

5.1 [London Councils shall hold a minimum of 2 meetings each year, one of which shall be an annual general meeting.]²¹

5.2 Subject to Clause 5.1, meetings of [London Councils] shall be called in accordance with the Standing Orders set out in Schedule 6 and the procedure to be adopted at such meetings shall be determined in accordance with Schedule 6.

5.3 [Each sectoral joint committee established hereunder from time to time shall hold a minimum of 2 meetings a year, at times to be determined by the Committee.]²²

6. LEAD AUTHORITY FUNCTIONS

6.1 Subject to the provisions of this Clause 6, [London Councils] may appoint

[Deleted: The discharge of the functions set out in Schedule 3 (with the exceptions of the functions of approval of cross-cutting and strategic policy in relation thereto, as determined by the London Housing Unit Committee from time to time, and approval of the budget thereof, which are hereby reserved to the London Housing Unit Committee) shall be delegated by the London Housing Unit joint committee to a sub-committee which shall be constituted in accordance with Schedule 6.]

²⁰ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

²¹ Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

²² Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

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one or more of the London Local Authorities to discharge all or any of the Lead Authority functions as set out in Schedule 4 on behalf of [London Councils], any Sectoral joint committee or (subject to the provisions of Schedule 5 and the [LCTEC] Agreement) either associated committee.

- 6.2 In the event that a London Local Authority acting or appointed hereunder withdraws its consent to discharge a Lead Authority function, it shall give (unless otherwise agreed in writing), not less than six calendar months' notice in writing (to expire on 31st March) of its intention to do so to [London Councils].
- 6.3 The decision to terminate the appointment of a London Local Authority in respect of any Lead Authority function shall be by a majority vote of [London Councils].
- 6.4 Subject to Clause 6.5 below and notwithstanding any service level agreement in force at the date of this Agreement, any termination pursuant to Clause 6.3 may be made by [London Councils] giving (unless otherwise agreed in writing) not less than six calendar months' notice in writing (to expire on 31st March) to the Lead Authority of its intention to terminate the appointment and may be given at any time.
- 6.5 Notwithstanding Clause 6.4, if the London Local Authority is in material breach of any of its obligations in respect of a Lead Authority function (whether the obligation is contained in this Agreement or in any service level agreement for the time being), any such termination pursuant to Clause 6.3 may be made at any time thereafter by [London Councils] giving not less than one calendar month's notice in writing to the London Local Authority of its intention to terminate the appointment.
- 6.6 Notwithstanding Clause 6.2, if [London Councils] is in material breach of

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any of its obligations to the London Local Authority (whether the obligation is contained in this Agreement or in any service level agreement) the London Local Authority may withdraw its consent to act in respect of a Lead Authority function by giving not less than three calendar months' notice in writing to [London Councils] of its intention to withdraw its consent.

- 6.7 [London Councils] shall reimburse each London Local Authority appointed under this Clause 6 all costs, charges and expenses (inclusive of VAT correctly levied) incurred in the provision of any services in connection with a Lead Authority function by that London Local Authority (or arising /outstanding in respect of any Lead borough function performed by any London Local Authority prior to the Commencement Date of this Second Agreement) within 30 days of receipt of invoices submitted by it to [London Councils]
- 6.8 The reimbursement payable by [London Councils] to each London Local Authority appointed or acting under this Clause 6 shall be subject to audit by [London Councils] and its authorised representatives and the London Local Authority shall on request make available all accounts, records and other documents reasonably required for such purpose.
- 6.9 Upon the termination of any appointment of a London Local Authority under this Clause 6, howsoever occasioned, the London Local Authority shall be entitled to payment from [London Councils] of any outstanding costs reasonably incurred in the performance of its duties in respect of a designated council and/or Lead Authority function.
- 6.10 [The Common Council of the City of London shall discharge the designated council function in accordance with section 42(2)(a) Local Government Act 1985 and the Grants Scheme as set out in Schedule 2 of

the Third Agreement]²³

7. OBLIGATIONS OF [LONDON COUNCILS] AND SECTORAL JOINT COMMITTEES

7.1 [London Councils] shall discharge the functions set out in Schedule 2 and the functions delegated to it under the [Grants Scheme]²⁴, together with such further functions as all of the London Local Authorities shall resolve to delegate to it, and, in so doing, shall act in the collective interests of the London Local Authorities which subscribe to each of those functions. [London Councils] shall also act as the Association of the London Local Authorities.

7.2 Each Sectoral joint committee established hereunder from time to time shall discharge the functions which have been delegated to it by the London Local Authorities which have agreed to subscribe to such Sectoral joint committee and, in doing so, shall act in the collective interests of those London Local Authorities.

7.3 [London Councils] and ([subject to Schedule 2 of the Third Agreement]²⁵ and the [LC TEC] Agreement) each associated and Sectoral joint committee established hereunder from time to time shall comply with the Standing Orders set out in Schedule 6, the Financial Regulations set out in Schedule 7 and the financial arrangements set out in Clauses 11 and 12 and Schedule 8.

7.4 [London Councils] shall appoint a Chief Executive, and a Finance Officer on terms to be agreed by [London Councils]. The Finance Officer appointed hereunder shall be responsible for the proper administration of [London Councils] financial affairs and (subject to Schedule 5 and the

²³ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

²⁴ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

²⁵ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

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[LCTEC] Agreement) those of the associated and any Sectoral joint committees established hereunder from time to time.

- 7.5 [The Finance Officer shall make appropriate arrangements to procure the audit of the annual accounts of London Councils and (subject to Schedule 5 and the LCTEC Agreement) the associated committees and any Sectoral joint committee at the end of each financial year by an Auditor approved by London Councils ~~Leaders' Committee~~. Copies of audited accounts shall be provided to London Councils ~~Leaders' Committee~~, the associated committees and any Sectoral joint committee and sent to each of the London Local Authorities.]²⁶

8 OBLIGATIONS OF LONDON LOCAL AUTHORITIES

- 8.1 Each London Local Authority shall:

8.1.1 contribute to the costs and expenses of [London Councils] and any Sectoral joint or associated committee established hereunder from time to time of which that London Local Authority is a member in accordance with the provisions of Clause 12 and Schedule 8.

8.1.2 provide [London Councils] and any Sectoral joint or associated committee with such information as is required by [London Councils] to carry out the functions referred to in Clauses 7.1 and 7.2 and to recover costs in accordance with Schedule 8.

9 STAFF

- 9.1 [London Councils] shall appoint such staff as they think necessary for the discharge by [London Councils] of the functions set out herein

²⁶ Substituted further to minor variations agreed by London Councils (Leaders' Committee) on 2nd June 2015

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9.2 [...] ²⁷

10 ASSETS AND LIABILITIES

10.1 The assets and liabilities which vested in [London Councils] prior to the Commencement Date shall continue to so vest following the Commencement Date

11. FINANCIAL ARRANGEMENTS

11.1 In October of each year (or such other date as shall be agreed by [London Councils]). [London Councils] shall send the draft budgets for the following financial year for each of the groups of functions set out in Schedules 2 and 4 (to include the designated council function in respect of the [Grants Scheme] ²⁸) for comment by the London Local Authorities listed in Part 1 of Schedule 1 as London Local Authorities subscribing to each of those groups of functions. The budget for each group of functions shall be finalised and approved in December of each year (or such other date as shall be agreed by [London Councils]) in accordance with paragraph 21.1 of Schedule 6.

11.2 [London Councils] shall send the budgets for the London Boroughs [Grants Scheme] ²⁹ and [LCTEC] in accordance with the [LCTEC] Agreement and the [Grants Scheme] ³⁰

²⁷ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: The London Local Authorities listed in Part 2 of Schedule 1 shall indemnify and keep indemnified the London Local Authorities which do not subscribe to the functions set out in Schedule 3 against any and all costs, liabilities and expenses arising after the Commencement Date in respect of the staff employed to discharge the Schedule 3 functions.]

²⁸ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

²⁹ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

³⁰ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014 and also note that the London Borough Grants Scheme has been succeeded by the Grants Scheme

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- 11.3 [The budget for each sectoral joint committee established hereunder from time to time shall send the draft budget for the following financial year for the functions delegated to such sectoral joint committee for comment. The budget shall be approved by a simple majority of members of the sectoral joint committee who are present at the meeting. The budget shall be finalised and approved in sufficient time to be reported to ~~Leaders' Committee-London Councils~~ in December each year. The annual budget (including any contingency sum) in respect of any function shall not be exceeded without the prior approval of a simple majority of the representatives of those London Local Authorities who are present at the meeting at which the proposal to exceed the budget is under consideration.]³¹
- 11.4 [London Councils] and any Sectoral joint committee shall cause proper accounts to be kept in respect of the functions discharged by [London Councils], either associated joint committee (in respect of any accounting responsibilities of [London Councils] in relation thereto) and any Sectoral joint committee established hereunder from time to time and shall make all accounts records and other documentation available for inspection by any London Local Authority on request.
- 11.5 Whenever any sum of money is recoverable by [London Councils] from, or payable by a London Local Authority to [London Councils] in respect of any of the groups of functions set out in Schedules 2 - 5, it may be deducted from any sum then due to that London Local Authority from [London Councils] in respect of that group of functions and *vice versa*.
- 11.6 [London Councils] shall cause to be maintained a separate balance sheet in the name of [London Councils] in respect of all payments received from the London Local Authorities in respect of each of the groups of

³¹ Substituted further to minor variations approved by London Councils (Leaders' Committee) on 15 July 2014

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functions set out in Schedules 2 [...] ³² and 5, such payments to be held as nominee for the London Local Authorities from which they have been received.

12 COSTS AND EXPENSES

12.1 The costs and expenses of [London Councils], either associated committee and any Sectoral joint committee appointed hereunder from time to time in discharging the functions delegated to them hereunder shall be reimbursed by the London Local Authorities in accordance with the provisions of Schedule 8. For the avoidance of doubt, the consent of all the London Local Authorities subscribing to each of the functions set out in Schedule 2 shall be required to change the basis on which costs are apportioned between them in respect of each of those functions.

12.2 [London Councils] shall notify each of the London Local Authorities by not later [...] ³³ than 31st. January each year in respect of any other function, of the amount due from that London Local Authority under Clause 12.1, such notification to include a breakdown of the sums payable in respect of each of the groups of functions set out in Schedule 2 [...] ³⁴ and the date on which payment is due.

³² Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

[Deleted: - 3]

³³ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

[Deleted: than 31st. December in each year, unless otherwise agreed, in respect of the Schedule 3 functions and not later]

³⁴ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

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- 12.3 Interest shall accrue at the rate of 2 per cent above the base rate for the time being of National Westminster Bank PLC on all amounts due to [London Councils] under Clause 12.1 from the due date until the date of payment in full inclusive.
- 12.4 In the event of any disagreement as to the amount of costs and expenses to be borne by any London Local Authority under Clause 12.1 and Schedule 8, the London Local Authority in dispute shall, not later than 14th. February, or a date agreed with the Finance Officer, notify the Finance Officer of the nature of the dispute and shall provide full supporting reasoning and documentation as appropriate to the Finance Officer. The Finance Officer and the London Local Authority shall thereafter use all reasonable endeavours to resolve the dispute. In the event that the dispute remains unresolved on 14th. March or a date to be agreed with the Finance Officer, the matter may be referred by either party to such independent CIPFA Accountant of not less than ten years' standing as the parties to the dispute shall agree. Any such independent CIPFA Accountant shall be deemed to act as expert and not as arbitrator and his/her determination shall, in the absence of manifest error, be binding on [London Councils] and the London Local Authority. In the event that the dispute is resolved at first instance by the Finance Officer, or by the CIPFA Accountant in favour of the London Local Authority, interest shall not be payable on any outstanding sums. In the event that the dispute is resolved in favour of [London Councils] by the CIPFA Accountant, interest shall accrue on all outstanding payments in accordance with Clause 12.3 The costs of dispute resolution hereunder shall be met by the unsuccessful party PROVIDED THAT in the event that any dispute under this Clause 12.4 is in respect of the amounts payable

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by the London Local Authorities as subscriptions to [...] ³⁵any Sectoral joint committee, or is in respect of the allocation of costs by [London Councils] between [London Councils] functions and those of any Sectoral joint committee, references in this Clause to “the London Local Authority” shall be construed as references to the person nominated for the purpose of dispute resolution by the Chair of [...] ³⁶any Sectoral joint committee.

13 TERMINATION AND BREACH

13.1 The termination of this Agreement or any part thereof, however caused, and the serving of notice to terminate shall be without prejudice to any obligations or rights of any of the parties which have accrued prior to such termination and shall not affect any provision of this Agreement which is expressly or by implication provided to come into effect after such termination.

13.2 Without prejudice to any other rights or remedies, this Agreement or the relevant part thereof shall terminate on the earlier of:

13.2.1 the unanimous agreement of all the London Local Authorities which are subscribers to any of the groups of functions listed in Schedule 2 [...] ³⁷or any Sectoral joint committee;

³⁵ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders’ Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: any functions listed in Schedule 3]

³⁶ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders’ Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: the London Housing Unit Committee or]

³⁷ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous

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13.2.2 where by reason of any change in law, or other reason not attributable to the fault of the London Local Authorities, they shall be prohibited from giving effect to their obligations hereunder.

- 13.3 This Agreement may be terminated by [London Councils] by a two-thirds majority of those members present and voting in relation to any London Local Authority in respect of any of the groups of functions set out in Schedule 2 or any future functions which are delegated to [London Councils], and shall be terminated in relation to any London Local Authority at the request of the Chair of a Sectoral joint committee following a decision to terminate by that Sectoral joint committee in respect of the functions discharged by such Sectoral joint committee, by written notice to that London Local Authority effective on receipt on the occurrence of any of the following events:

13.3.1 that London Local Authority materially breaches any of the provisions of this Agreement and, in the case of a breach capable of remedy, fails to remedy the same within 28 days of being notified of the breach by [London Councils] and being required to remedy the same; or

13.3.2 where by reason of any change of law or other reason not attributable to the fault of the London Local Authority, that Authority shall be unable to give effect to its obligations hereunder.

- 13.4 This Agreement may be terminated by any London Local Authority in respect of any of the groups of functions set out in Schedule 2 [...] ³⁸ by

agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

[Deleted: -3]

³⁸ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

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that London Local Authority giving one year's notice in writing to [London Councils] to expire on 31st. March.

PROVIDED THAT if at any time the number of members of [London Councils] is less than 33, the functions and consultations which are hereby discharged by [London Councils] in relation to the [...] ³⁹ Grants Committee and [LC TEC] shall continue to be discharged by a joint committee of all the London Local Authorities listed in Part 1 of Schedule 1 which shall meet immediately prior to each of the meetings of [London Councils] referred to in Clause 5.1.

13.5 In the event of termination under Clause 13.3 or 13.4, in addition to any outstanding subscriptions, the London Local Authority shall pay to [London Councils] such sum as represents the contribution to the capitalised value of that proportion of the continuing and outstanding liabilities of [London Councils] and/or any Sectoral joint committee which extend beyond such termination which is properly attributable to that London Local Authority's membership.

14. **DISSOLUTION**

14.1 In the event of dissolution of [London Councils] and/or any Sectoral joint committee, the assets thereof, after settlement of all outstanding debts, liabilities and costs or, if none, the liabilities thereof, shall be distributed amongst the London Local Authorities by [London Councils] and/or such Sectoral joint committee in proportion to the contributions of each of the London Local Authorities hereunder.

15. **GENERAL**

15.1 **Notices**

[Deleted: and 3]

³⁹ [Deleted: "ALG"] as this joint committee approved the change of name from ALG to London Councils on 12 September 2006

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All notices which are required to be given or received hereunder shall be in writing addressed to the Chief Executive of [London Councils] or the London Local Authority, as the case may be. Any such notice may be delivered personally or by first class pre-paid letter or by facsimile transmission and shall be deemed to have served if by personal delivery, when delivered, if by first class post, 48 hours after posting and if by facsimile transmission, on successful transmission.

15.2 Continuing Agreement

All provisions of this Agreement shall, so far as they are capable of being performed and observed, continue in full force and effect notwithstanding termination, except in respect of those matters then already performed.

15.3 Good Faith

Each of the Parties undertakes with each of the others to act in good faith and to do all things reasonably within its powers which are necessary or desirable to give effect to the spirit and intent of this Agreement.

15.4 Variations

No variation to this Agreement, other than variations which [[London Councils] (or any Sectoral joint committee in respect of any matters which fall to be discharged solely by any such Sectoral joint committee) reasonably considers to be minor, shall be valid or effective unless made by one or more instruments in writing signed by all the Parties.

15.5 Waiver

No failure to exercise and no delay in exercising on the part of any of the

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Parties hereto any right, power or privilege hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any right, power or privilege preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies unless otherwise provided by law.

15.6 Severability

Notwithstanding that any provision of this Agreement may prove to be illegal or unenforceable, the remaining provisions of this Agreement shall continue in full force and effect.

16 EXECUTION

16.1 This Agreement is executed by each Party by signing the annexed Memorandum of Participation on behalf of that Party and such Memorandum of Participation shall be evidence of execution by that Party when Memoranda executed by all the Parties are incorporated into this Agreement.

SCHEDULE 1

PART 1

THE LONDON LOCAL AUTHORITIES

The City of Westminster

The London Borough of Barking and Dagenham

The London Borough of Barnet

The London Borough of Bexley

The London Borough of Brent

The London Borough of Bromley

The London Borough of Camden

The London Borough of Croydon

The London Borough of Ealing

The London Borough of Enfield

The London Borough of Greenwich

The London Borough of Hackney

The London Borough of Hammersmith and

Fulham The London Borough of Haringey

The London Borough of Harrow

The London Borough of Havering

The London Borough of Hillingdon

The London Borough of Hounslow

The London Borough of Islington

The Royal Borough of Kensington & Chelsea

The Royal Borough of Kingston-upon-Thames

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The London Borough of Lambeth

The London Borough of Lewisham

The London Borough of Merton

The London Borough of Newham

The London Borough of Redbridge

The London Borough of Richmond upon Thames

The London Borough of Southwark

The London Borough of Sutton

The London Borough of Tower Hamlets

The London Borough of Waltham Forest

The London Borough of Wandsworth

The Mayor and Commonalty and Citizens of the City of London

SCHEDULE 1**PART 2**[...]⁴⁰

⁴⁰–Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders’ Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders’ Committee) decision on 11 December 2007 to reduce the notice period for termination.
~~[Deleted: LONDON HOUSING UNIT COMMITTEE Member Authorities~~

The London Borough of Barnet The London Borough of Brent The London Borough of Camden The London Borough of Croydon The London Borough of Ealing The London Borough of Enfield
 The London Borough of Greenwich The London Borough of Hackney
 The London Borough of Hammersmith and Fulham The London Borough of Haringey
 The London Borough of Havering The London Borough of Hillingdon The London Borough of Hounslow
 The London Borough of Islington The London Borough of Lambeth The London Borough of Lewisham The London Borough of Merton The London Borough of Newham The London Borough of Redbridge The London Borough of Southwark
 The London Borough of Tower Hamlets
 The London Borough of Waltham Forest]

SCHEDULE 2**PART 1 FUNCTIONS**

1. To consult on the common interests of the London Local Authorities and to discuss matters relating to local government.
2. To represent the interests of the London Local Authorities to national and local government, to Parliament, to the European Union and other international organisations and to other bodies and individuals, and to negotiate as appropriate on behalf of member authorities.
3. To formulate policies for the development of democratic and effectively managed local government.
4. To provide forums for the discussion of matters of common concern to the London Local Authorities and a means by which their views may be formulated and expressed.
5. To appoint representatives or staff to serve on any other body.
6. To represent the interests of the London Local Authorities as employers.
7. To provide services to the London Local Authorities including the dissemination of information on local government and on other relevant issues.
8. To provide information to the public, individuals and other organisations on the policies of the [London Councils] and local government issues relevant to London.
9. To act as the regional body of the Local Government Association.

SCHEDULE 2**PART 2: FUNCTIONS****Generally**

1. To act for, and on behalf of, London Local Authorities in their role as employers, through the provision and development of a range of services including in particular:
 - i. Advice on the application and interpretation of national and provincial agreements covering administrative, professional, technical and clerical employees; manual employees, craft employees; and other local government employees;
 - ii. Advice on best practice in the conduct of employment relations and personnel procedures;
 - iii. Policy advice on development and training matters;
 - iv. Advice and information across the range of development and training activities;
 - v. The organisation and delivery of regional and individual local authority training courses/seminars and similar activities;
 - vi. Research and information on human resources, development and funding;
 - vii. Advice on health, safety and welfare matters;
 - viii. To represent the view of London local authorities on pay and conditions of service to the national negotiating bodies; and to advise London representatives on the same bodies.

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- ix. To co-operate with The Improvement & Development Agency, The Employers' Organisation, local authority regional and provincial employer organisations, and other relevant local authority bodies;
- x. To provide professional advice to the employer's side of the Greater London Provincial Council and the Greater London Joint Negotiating Committee;
- xi. To provide a conciliation and arbitration role in the resolution of industrial relations disputes;
- xii. To exchange information and opinion with other organisations and to provide a human resource service to Associate and Subscriber Members and other contracted bodies.

Specifically:

1. To appoint members to represent [London Councils] on the Greater London Provincial Council in such numbers as are provided for in the constitutions of those joint bodies.
2. To secure, as far as it is possible, the largest possible measure of joint action, as between member authorities, for the consideration of pay and terms and conditions of service for those employees of member authorities falling within purview of the Greater London Provincial Council.
3. To represent the views of the Boroughs on pay and terms and conditions of service for employees to the national negotiating body.
4. To consider any other appropriate matters referred to it by constituent bodies relating to the terms and conditions of employment of employees

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in its scope.

5. To co-operate as appropriate with other Provincial Employers or other appropriate bodies in matters of common interest.

SCHEDULE 2**PART 3: GENERAL FUNCTIONS**

1. To do anything which is calculated to facilitate, or is conducive or incidental to, any of its functions under this Agreement and to discharge such other functions as can be lawfully discharged in accordance with [Clause 7.1]~~1.1.4~~⁴¹ of this Agreement.
2. To employ such staff on such terms and conditions of employment as [London Councils] considers appropriate to discharge the functions set out in Schedules 2 and 3, the functions discharged by the associated committees of [London Councils] and any further functions which are delegated to [London Councils] or a Sectoral joint committee by all or any of the London Local Authorities; to accept such staff on secondment from any of the London Local Authorities for any of these purposes as [London Councils] considers appropriate and to procure accommodation for the purposes of this Agreement.
3. To enter into contracts for goods, works and services in relation to any aspect of the functions hereunder or such other functions as [London Councils] can lawfully discharge and to enter into service level agreements with any of the London Local Authorities or any other body in relation thereto.
4. To implement, in respect of the functions delegated to [London Councils]⁴² by the London Local Authorities hereunder, any duties or

⁴¹ This paragraph incorrectly refers to Clause 1.1.4 which does not exist in this Agreement and is amended to should more correctly refer to Clause 7.1 which relates to the delegation of the exercise of further functions. It appears that when this schedule was copied over from the First Agreement, the reference to clause 1.1.4 wasn't updated to reference the equivalent clause in this Agreement.

⁴² This joint committee approved the change of name from ALG to London Councils on 12 September

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powers arising under the Best Value regime under the Local Government Act 1999.

PROVIDED THAT in discharging the Functions, [London Councils] shall ensure that in all its activities, [London Councils] and all its committees, representatives, staff and advisers pay full regard to the promotion of equal opportunities for all regardless of colour, creed, disability, gender, race or sexual orientation.

| _____

SCHEDULE 3[...]⁴³**SCHEDULE 4****LEAD AUTHORITY FUNCTIONS**

1. To procure or provide such professional advice including but not limited to financial, IT, legal, surveying and personnel as [London Councils] may require for the due and proper execution of its duties
2. To provide or procure accommodation for the purposes of [London

⁴³ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination.

[Deleted: **LONDON HOUSING UNIT COMMITTEE FUNCTIONS**

1. The Committee shall be concerned with the statutory powers and duties (hereinafter referred to as "functions") of Constituent Councils and the housing activities of other agencies, primarily to assist Constituent Councils to discharge their statutory housing functions.
2. The Committee shall also be concerned with the housing functions of councils generally and the housing activities of other housing agencies where it is to the benefit of the Constituent Councils in undertaking their statutory housing functions.
3. The activities of the Committee shall include:
 - (a) provision, organisation and co-ordination of housing publicity and information on issues relevant to member authorities;
 - (b) research and analysis on housing matters;
 - (c) evaluation and analysis on housing policy and service issues;
 - (d) other appropriate activities consistent with or contributing to the housing duties and functions of the Constituent Councils.
4. To carry out for and on behalf of Constituent Councils or other appropriate bodies or to assist Constituent Councils or other appropriate bodies to carry out investigations into and the collection of information relating to the housing functions of the Constituent Councils and the housing activities of other appropriate bodies.
5. To make for and on behalf of Constituent Councils or to assist in making arrangements for such information and the results of such investigations to be made available to Constituent Councils, other local authorities, any government department, other appropriate bodies or the public.
6. To assist the Constituent Councils in giving publicity to their functions and the amenities and/or advantages of and entitlements affecting their area individually and/or collectively.

To provide professional administrative and technical assistance to the Constituent Councils or other appropriate bodies in the preparation and implementation of specific projects proposed to be undertaken by one or more such Councils or other appropriate bodies.]

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Councils]

3. To employ staff to undertake any [London Councils] function and/or to provide payroll facilities and access to pension arrangements for staff employed by [London Councils]
4. To negotiate and execute contracts in respect of goods, works, services and property transactions on behalf of the [London Councils] on request
5. To institute and defend in its own name any court proceedings on behalf of [London Councils] on request
6. Such other functions as may be agreed by [London Councils]

Schedule 5

[...] ⁴⁴

SCHEDULE 6

STANDING ORDERS

<http://www.londoncouncils.gov.uk/who-we-are/about-us/governance/constitutional-information>

]⁴⁵

⁴⁴ The Grants Scheme is set out in Schedule 2 of the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014 [Previous schedule wording deleted]

⁴⁵ The Standing Orders have been amended a number of times since 2001. The current version was approved by London Councils (Leaders' Committee) on 15 July 2014 and includes amendments approved by London Councils (Leaders' Committee) on 2 June 2015.

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SCHEDULE 7

[FINANCIAL REGULATIONS]⁴⁶

<http://www.londoncouncils.gov.uk/who-we-are/about-us/governance/constitutional-information>

⁴⁶ The Financial Regulations have been reviewed a number of times. This schedule includes the latest revisions approved by the London Councils (Leaders' Committee) on 2 June 2015

SCHEDULE 8**COSTS AND EXPENSES****1. General:**

- 1.1 [London Councils] shall establish and maintain separate accounts for each of the groups of functions set out in Parts 1 – 3 of Schedule 2 [...] ⁴⁷ and Schedule 5 ~~(excepting the designated council function whilst it is carried out by the London Borough of Richmond upon Thames [the Common Council of the City of London]~~ ⁴⁸) and any other functions delegated to [London Councils] or any Sectoral joint committee. [London Councils] and the Finance Officer shall have regard at all times to the principle underlying this Agreement of separation and ring-fencing of funding streams and costs of functions.
- 1.2 Subject to paragraph 2 below, the costs and expenses of the groups of functions set out in Parts 1 and 2 of Schedule 2 and Schedule 3 shall be borne by the London Local Authorities which subscribe to each of those groups of functions on the same basis as that on which they were allocated prior to the Commencement Date i.e. in equal shares, and any change in such allocation shall require the consent of all the London Local Authorities which subscribe to each of those groups of functions.
- 1.3 Subject to paragraph 2 below, the costs and expenses of the functions set out in Part 3 of Schedule 2 shall be borne by the London Local

⁴⁷ Terminated under clause 13.2.1 following the dissolution of the London Housing Unit Committee with effect from 31 March 2008 in accordance with the decision of the Executive on 29 September 2006 to integrate the LHUC services into the core London Councils (Leaders' Committee) services, the unanimous agreement of the LHUC members on 13 November 2007 to dissolve the LHUC and London Councils (Leaders' Committee) decision on 11 December 2007 to reduce the notice period for termination. [Deleted: , Schedule 3]

⁴⁸ Note, with reference to the Third Agreement, the Common Council of the City of London agreed to act as designated council with effect from 1st April 2004

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Authorities in such proportions as [London Councils] shall reasonably determine relates directly to the discharge of those functions, having regard to paragraph 1.1 above.

- 1.4 The allocation of costs and expenses in respect of any further functions which may be delegated to [London Councils] by all or any of the London Local Authorities shall be as agreed between [London Councils] and such Authorities
- 1.5 Subject to paragraph 2 below, the contributions of the constituent councils to the designated council in respect of grants made to eligible voluntary organisations under the [Grants Scheme]⁴⁹, the designated council function and any Lead Borough functions carried out by the designated council shall be in accordance with Section 48(3) Local Government Act 1985, i.e. in proportion to the populations of their respective areas
- 1.6 Subject to paragraph 2 below, the contributions of the Participating Councils in the [LCTEC] Agreement shall be in accordance with Parts 1 - 4 of Schedule 6 of that Agreement

2. Increases or Decreases in staffing , administration and accommodation costs

- 2.1 Any net increases in overheads including staffing, administration, accommodation costs (including fitting-out) and all reasonably related costs which result from the formation of [London Councils] and the delegation of the functions set out herein to [London Councils] which in [London Councils'] reasonable opinion and that of the Finance Officer are not directly attributable to the discharge of the functions or an

⁴⁹ Substituted by the Third Agreement. Note further amendments to the scheme were approved by London Councils (Leaders' Committee) on 15 July 2014

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improvement in the service received by a particular function as a result of the formation of [London Councils] shall be borne by an increase in the subscription payable by each London Local Authority in respect of the Schedule 2 Part 1 functions, such increase to be allocated to the London Local Authorities in equal shares.

- 2.2 Any savings which, in the reasonable opinion of [London Councils], accrue from the creation of [London Councils] and the delegation to it of the functions set out herein shall accrue to the budget for the particular function(s) in which such savings are found



Leaders' Committee AGM

Constitutional Matters – Amendments to London Councils Standing Orders

Item no: 15B

Report by: Christiane Jenkins

Job title: Director, Corporate Governance

Date: 7 June 2016

Contact Officer: Christiane Jenkins

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Summary:

This report proposes a number of amendments to London Councils Standing Orders.

These provide additional clarity to procedures and consistency of wording throughout the document. The changes are minor and do not alter the provisions for managing meetings.

Recommendations:

Leaders' Committee is asked to agree to the proposed amendments to London Councils Standing Orders, as detailed in Appendix 1.

Constitutional Matters – Amendments to London Councils Standing Orders

1. London Councils Standing Orders (SOs) are contained in Schedule 6 of the Leaders' Committee Governing Agreement. In accordance with section 27.2 of the SOs, they can be amended by a decision of London Councils Leaders' Committee. The SOs have been amended a number of times since 2001. The current version was approved by Leaders' Committee on 2 June 2015.
2. The proposed amendments are detailed in Appendix 1. The current SOs and a revised version, as proposed, are available as background papers.
3. There are two changes of substance:

a) Declarations of interest

Declarations of interest are covered by SO 20 and very much follow guidance issued by government. However, they are framed quite narrowly and a further SO is proposed to give members the opportunity to declare an interest that they feel may be relevant but is not caught by the SOs as existing.

b) New Urgency Arrangements for Sub-Committees

Under the urgency arrangements in the current SOs, urgent matters of a Sub-Committee may be dealt with by the Chief Executive in consultation with the Elected Officers of the relevant joint committee. In some instances these arrangements do not provide sufficient flexibility because consultation is required with the Elected Officers of the relevant joint committee rather than the equivalent members of the Sub-Committee. New urgency arrangements are therefore proposed as set out in the Appendix.

4. There are further changes which are intended to provide additional clarity to procedures and for consistency, for example clarifying how arrangements for meetings are made. Some further minor drafting changes are also proposed to ensure clarity of language throughout the document. These minor drafting changes are not included in the Appendix attached but a version including all the proposed changes can be provided upon request.
5. Finally, it should be noted that in accordance with SO 1.8, sub-committee and forum substitute appointments must be made by the relevant joint committee in accordance with the political balance rules, unless the terms of reference (or constitution) of a sub-

committee or forum makes specific provision for the make up of its membership. These substitute appointments should be made at the relevant joint committee's AGM for the ensuing year.

Recommendations

Leaders' Committee is asked to:

- Agree to the proposed amendments to London Councils Standing Orders as detailed in Appendix 1.

Financial Implications for London Councils

There are no specific financial implications arising from this report.

Legal Implications for London Councils

It is necessary that changes to London Councils governance documents are properly made in a manner which is consistent with the joint committees' Governing Agreements. Leaders' Committee has the authority to approve changes to London Councils Standing Orders. Should these revised Standing Orders be approved, they will be deemed to be substituted as Schedule 6 to the Leaders' Committee Governing Agreement.

Equalities Implications for London Councils

There are no specific equalities implications for London Councils from this report.

Appendix 1: Proposed amendments to London Councils Standing Orders

Background Documents:

- The current Standing Orders (last revised June 2015)
- A revised version of London Councils Standing Orders as proposed in this Report

Proposed amendments to Standing Orders (SO)s Appendix 1

Wording of existing SOs that it is proposed to remove is indicated **thus** and new wording is indicated **thus**

	SO no.	Existing	Proposed	Reasons
1	1.6	Meetings may be called at such time and such place as may be determined by:	Meetings may be called by:	To clarify how arrangements for meetings are made having regard to the operation of SO 3.1 which relates to the date, time and place of meetings
2	1.9(iii)	... approve nominations of Councillors appointed to committees.	... receive nominations of Councillors appointed to committees by the participating London Local Authorities	Clarifies that the participating London Local Authorities appoint to London Councils committees
3	2.6	The Lead Member for Equalities of London Councils and any other Lead Member appointed in respect of any issue...	Any Lead Member appointed in respect of any issue...	No need to single out the Lead Member for Equalities.
4	2.14	New SO	The following shall be the Elected Officers of any sub-committee appointed by Leaders' Committee, associated joint committees or sectoral joint committees: (i) Chair (ii) Vice Chair/Deputy/s	Included for the purposes of new urgency arrangements for sub-committees. Also refer to SO 19.9 below
5	3.1	The time and place of meetings will be determined by the Chief Executive and notified in the summons.	The date , time and place of meetings will be determined by the Chief Executive and notified in the summons.	To clarify how arrangements for meetings are made having regard to the operation SO 1.6 which relates to calling meetings.
6	4.1	The Chief Executive will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules.	The Chief Executive will give notice to the public of the time and place of any meeting in accordance with the Access to Information Rules. <i>footnote reference</i> Under Part VA of the Local Government Act 1972	Citing reference for information and clarification
7	4.2	... The notice will give the date, time and place of each meeting and specify the business to	... The notice will give the date, time and place of each meeting and specify the business to	To reflect the provisions of The Local Government (Electronic Communications) (England) Order 2015 that

		be transacted, and will be accompanied by such reports as are available.	be transacted, and will be accompanied by such reports as are available. Where the recipient has given consent for the summons to attend the meeting to be transmitted in electronic form to a particular electronic address (and consent has not been withdrawn), the summons may be sent in electronic form to that address.	provide that where a member has given consent, a summons to attend the meeting to be transmitted in electronic form
8	9.1	Except for motions which can be moved without notice under Standing Order 10 or consideration of any matters of urgency brought forward by leave of the Chair, written notice of every motion, signed by at least 5 members, must be delivered to the Chief Executive not later than 10 clear days before the date of the meeting and clear days are deemed to exclude the day of delivery, the day of the meeting and any Sunday. These will be entered in a book open to public inspection.	Except for motions which can be moved without notice under Standing Order 10 or consideration of any matters of urgency brought forward by leave of the Chair, written notice of every motion, signed by at least 5 members, must be delivered to the Chief Executive not later than 10 clear days before the date of the meeting and clear days are deemed to exclude the day of delivery, the day of the meeting and any Sunday. These will be open to public inspection.	Update to reflect London Councils practices
9	13.2	Subject to Clause 11.1, 12.1 of the Leaders' Committee Governing Agreement and Standing Order 14.1...	Subject to Clause 11.1, 12.1 of the Leaders' Committee Governing Agreement and Standing Order 21.1...	To correct reference
10	13.5	... in accordance with 13.6 (b) below.in accordance with 13.6 below.	To correct reference
11	15.1	At every meeting, each representative of a member authority and all other representatives present in accordance with Standing Order 2 (Membership), shall enter his/her name in an	At every meeting, the Clerk to the Meeting will record the attendance of each representative of a member authority and all other representatives present in accordance with	Update to reflect London Councils practices

		attendance book provided by the Clerk to the Meeting.	Standing Order 2 (Membership).	
12	19.6	The urgency procedure to be followed by Transport and Environment Committee is as in 19.1-19.5 above, with the substitution of "Corporate Director" for "Chief Executive" and referring to the Elected Officers of the Transport and Environment Committee.	The urgency procedure to be followed by Transport and Environment Committee is as in 19.1-19.5 above, with the substitution of "Director, Transport & Mobility" for "Chief Executive" and referring to the Elected Officers of the Transport and Environment Committee.	Reflects change to London Councils staffing structure
13	19.9	New SO	The urgency procedure to be followed by any sub-committee appointed by Leaders' Committee, associated joint committees or sectoral joint committees is as in 19.1-19.5 above, referring to the Elected Officers of that sub-committee and a Corporate Director or senior officer. designated by that sub-committee	Introduces new urgency arrangements for sub-committees.
14	20.6	New SO	You must declare any private interests, both pecuniary and non-pecuniary, including your membership of any Trade Union that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests	To give members the opportunity to declare an interest that they feel may be relevant but is not caught by the existing SOs
15	27.2	Any of these Standing Orders except Standing Orders 13.8, 14.2 and 27.2 may be suspended at any meeting...	Any of these Standing Orders except Standing Orders 13.7, 14.2 and 27.2 may be suspended at any meeting...	To correct reference

Constitutional Matters – Approval of
and amendment to London Councils
Scheme of Delegations to Officers

Report by:	Christiane Jenkins	Director Corporate Governance
Date:	7 June 2016	
Contact Officer:	Christiane Jenkins	
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This report requests approval of London Councils' Scheme of Delegations to Officers which includes the following amendments and additions to the Scheme approved in 2015:

1. To authorise the Chief Executive, in consultation with the Chair of the relevant sub-committee, to amend the programme of sub-committee meetings as required throughout the year.
2. Change the proper officer in section 36 of the Scheme of Delegations from the *PATAS Tribunal Manager* to *Head of Support Services*.
3. To make express reference to the delegations to the Chief Executive and the Directors of any corporate service (and their nominated deputies).

Leaders' Committee is asked to approve the Scheme of Delegations to Officers incorporating the amendments detailed in the Appendix to this report.

Approval of/Amendment to Scheme of Delegations to Officers

Background

1. As required by London Councils' Standing Orders, London Councils' Scheme of Delegations to Officers is approved annually at Leaders' Committee's AGM, although additional delegations may be made during the year. The current Scheme was approved at the Leaders' Committee's Annual General Meeting on 2 June 2015.
2. London Councils' joint committees have retained the authority to make decisions on policy and service provision and have delegated to officers the administrative functions relating to the running of London Councils.
3. The Scheme of Delegations to Officers reflects the current structure of London Councils and enables effective and transparent decision making processes. It does not seek to repeat the delegations contained within the Governing Agreements in full, only repeating them if it enhances the usefulness and clarity of the relevant delegation. The Scheme also does not repeat the specific delegations granted to the Director, Corporate Resources, where the responsibilities are included within the financial regulations. The Scheme of Delegations to Officers refers largely to administrative functions such as staffing, which are delegated in the first instance to the Chief Executive.
4. This year's report requests approval of proposed changes to the London Councils' Scheme of Delegations to Officers approved in 2015 as detailed in the Appendix. There are three changes of substance:

a) Changing the dates of a sub-committee

SO 1.8 requires a relevant joint committee to approve a programme of ordinary meetings for the sub-committees it appoints at its AGM.

The timing and location of meetings is delegated to the Chief Executive under SO 3.1. At present the power to change the date of a sub-committee remains solely with the relevant joint committee, a somewhat cumbersome mechanism if exigencies require swift action to cancel, postpone or call a meeting of a sub-committee. Leaders' Committee is therefore recommended to agree a further delegation as set out in the attached Appendix.

b) Changing the proper officer in relation to London Tribunals

Section 36 of the Scheme of Delegations approved in 2015 appointed the PATAS tribunals manager to perform the functions of the proper officer under the Schedule to the Civil Enforcement of Parking Contraventions (England) Representations and Appeals Regulations 2007. Changes to staffing arrangements in London Tribunals require that function to be now performed by a new post, the Head of Support Services. It is therefore proposed to appoint the Head of Support Services as the proper officer. Whilst making this change, it is also proposed to correct the description of the statutory provisions. Leaders' Committee is therefore recommended to agree the amendments as set out in the Appendix.

c) Day-to-Day Management

Reflecting existing practice and for the purposes of ensuring effective day-to-day management of London Councils and administration of the London Councils joint committees, it is proposed that express reference is made to the delegations to the Chief Executive and the Directors of any corporate service (and their nominated deputies) as set out in the Appendix.

5. There are further drafting changes which are intended to provide additional clarity to procedures, to ensure clarity of language and consistency and to ensure legislative references are up to date throughout the document as set out in the Appendix. Please note the table which has been included in Part A of the Appendix has been updated to remove provisions which are not relevant and these changes are not marked as tracked changes.

Recommendations

5. Leaders' Committee is asked to approve the Scheme of Delegations to Officers incorporating the amendments detailed in the Appendix to this report.
-

Financial Implications for London Councils:

There are no specific financial implications arising from this report.

Legal Implications for London Councils:

It is important that London Councils' joint committees properly delegate the exercise of functions to Officers in a manner which is consistent with the relevant Governing Agreements, and any legal restrictions on delegable functions, to ensure that the work of London Councils (through Leaders' Committee, Grants Committee and LCTEC) is delivered efficiently and effectively and to avoid any grounds for challenge to decisions made pursuant to those delegations.

Equalities Implications for London Councils:

There are no specific equalities implications for London Councils arising from this report.

Appendix: London Councils Scheme of Delegations to Officers 2015 with proposed changes as a track changed version

Background Document:

[London Councils Scheme of Delegations to Officers \(last revised July 2015\):](#)

London Councils Scheme of Delegations to Officers is available from London Councils' website in the constitutional information section.

15C - Appendix - Proposed changes to the 2015 version for Leaders' Committee AGM 7 June 2016

Scheme of delegations to officers

June 2015

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15c - Appendix

Scheme of Delegations to Officers

INTRODUCTION

London Councils¹ ~~or any of its Member Bodies²~~ may, and only in a manner consistent with the London Councils Governing Agreements³:

- (i) ~~a) delegate to officers of London Councils such of their those of its~~ functions as ~~are are-permissible~~ permitted by under statute to be delegated; and
 - (ii) ~~b) in relation to any of those functions, require that the exercise of those functions be subject to such conditions as London Councils deems fit to impose, including, where appropriate, prior consultation with the leading member on London Councils of each political party or group before taking such action.⁴~~
- ~~For London Councils must formally resolve or any of its Member Bodies to delegate the exercise of one or more of their functions to officers by either they must formally agree on the delegation. This agreement to delegate can be documented by:~~

- (i) ~~a) a formal agreement (e.g. the ALC Agreement); or a decision taken at a meeting of London Councils, i.e. on a case-by-case basis;~~
- (ii) ~~b) the minutes of a London Councils Member Body meeting agreeing a general scheme of delegations to officers.-~~

~~This document is the general scheme of delegations to London Councils officers. It is not the intention of this document to reproduce details of The majority of the functions which have been delegated to officers under the London Councils Governing London Councils' delegated powers were agreed by, and are contained in, the London Councils Agreements and the London Councils Transport and Environment Committee Agreement and subsequent variations⁵. This document will, however, be kept under annual review and any additional general delegations to officers which may be made by London Councils throughout the year, will be considered for inclusion in this scheme as part of that review. It is not the intention of this document to reproduce those delegated powers.~~

As a general rule, the functions delegated to the London Councils joint committees and their sub committees reflect the purpose of the organisation in best representing the interests of the 32 London Boroughs and the City of London. Decisions about policy directions, lobbying and scope of services remain reserved to Member Committees unless specifically delegated on an issue by issue basis. The authority to manage the administrative aspects of the organisation's work has been delegated to Officers within the conditions specified below. ~~The powers delegated by Member bodies to the Chief Executive and other officers are~~ to enable the effective and efficient running of the organisation.

¹ The reference to London Councils in this Scheme of Delegations to Officers encompasses any joint committee of elected Members (including Leaders' Committee, the London Councils Transport and Environment Committee, Grants Committee and the London Pensions CIV Sectoral Joint Committee, and any of their sub-committees authorised to take decisions.

² ~~"London Councils Member Bodies" include all London Councils Member groupings, committees, steering groups, forums, etc. Please note, this document reflects the change of name from Association of London Government to London Councils in 2006.~~

³ The London Councils (Leaders' Committee) Governing Agreement, dated 13 December 2001 (as amended); and the London Councils Transport and Environment Committee Governing Agreement, dated 13 December 2001 (as amended).

⁴ Paragraph 22 of Schedule 6 (Standing Orders) of the ALC-London Councils (Leaders' Committee) Governing Agreement, dated 13 December 2001 (as amended); Agreement 2001.

⁵ Association of London Government (ALG) Agreement 2001, subsequent variation dated 1/2/04 and minor variations approved 15/7/14 and 2/6/15. Association of London Government Transport & Environment Committee (ALGTEC) Agreement 2001, First Variation 1/5/03, further variation 30/11/06, a second further variation, 8/6/09, a third further variation 14/5/15, minor variations approved 17/7/14 and delegated authority 27/10/14. Op cit, footnote 3.

Section 1 - General Conditions Of Delegations To Officers**Day-to-Day Management**

1. ~~4.~~ 4.—The Chief Executive and the Directors of any corporate service (and their nominated deputies) shall, in accordance with this Scheme of Delegations, have authority delegated to them for carrying out the day-to-day management of the London Councils services for which they are responsible. (Day-to-day management should include those items which have been recognised as such by past practice or by specific decision/resolution of a committee, or where the Chief Executive, in consultation with the relevant Director, agrees is ancillary to or analogous with matters accepted as being within the scope of day-to-day business exercisable by officers of London Councils). This includes authority to:
- (a) appoint and manage staff in accordance with agreed policies and procedures, having regard to Section 2. below;
 - (b) place orders and enter into contracts for the supply of goods and services in line with the Financial Regulations and to authorise or incur any other expenditure for which provision has been made in the appropriate budget subject to limits set out in the Financial Regulations and subject to these not being in conflict with existing contracts.

Limitations

- ~~1-2.~~ 2. Any exercise of ~~delegated~~ powers by officers shall comply with London Councils current Financial Regulations⁶ and Standing Orders. The Financial Regulations will not form part ~~of~~ this scheme but must be read alongside it.
- ~~2-3.~~ 2.—The Chief Executive will have the authority to extend an existing policy or procedure only if it relates to the internal administration of the organisation and when exercised subject to the conditions below.
- ~~3-4.~~ 3.—The Chief Executive, ~~and~~ the Finance Officer (Director of Corporate Resources), and any other person authorised under the Financial Regulations, will have the authority to negotiate and agree minor variations to contracts, to write off debts and to undertake all other actions authorised under the Financial Regulations~~.~~
- ~~4-5.~~ 4.—With the exception of policies referred to in ~~condition paragraph 32,~~ any exercise of delegated powers shall not involve a new policy or extend an existing policy of the organisation unless the Chief Executive is acting under the urgency procedures as contained in the current Standing Orders⁷.
- ~~5.~~ 5.
- ~~6.~~ a)—Any delegation to the Chief Executive or the Finance Officer may be exercised by any officer authorised by the Chief Executive or the Finance Officer (as the case may be) either generally or specifically for the purpose (except where restrictions exist in employment policies which have been agreed in accordance with Section 2 below).
- ~~6-7.~~ The Chief Executive ~~will nominate~~ as Corporate Director of corporate services to assume authority to exercise all powers delegated to him in his absence.
- ~~7-8.~~ b)—In the event of the Chief Executive being unexpectedly indisposed, authority will be granted to the Corporate Director, Policy and Public Affairs to take over as interim Chief Executive between January to June in any year and to the Corporate Director, Services between July and December, until such time as Elected Officers are able to ~~determine~~ what temporary or transitional arrangements will apply following such indisposition (or death).

⁶ Current Financial Regulations dated 2/6/15

⁷ Current Standing orders dated 2/6/15

15c - Appendix

~~8-9.~~ ~~6.~~ The Chief Executive may exercise any delegated function in the absence of an ~~o~~ Officer to whom that authority has been specifically delegated.

~~9-10.~~ ~~7.~~ All delegations are without prejudice to the overriding rights and powers of ~~the a~~ London Councils' joint committee or decision-making sub-committee to exercise those functions delegated to it. Any officer may refer a matter to a London Councils ~~Member Body~~ joint committee or decision-making sub-committee in lieu of exercising delegated powers.

~~10-11.~~ ~~8.~~ Subject to the foregoing conditions, and to any ~~specific special~~ conditions which are ~~may have been or may in future be applied hereby or may in future be applied in respect of particular matters~~, the Chief Executive will be expected to make such decisions and to take such action as he/she deems necessary in the interests of the efficient running of the organisation and the services provided and administered.

Section 2 - Staffing Delegations

~~11-12.~~ ~~4.~~ The Chief Executive has been granted ~~the following~~ delegated ~~powers authority, in consultation with the Corporate Management Board (CMB), to approve policies and procedures relating to human resources and corporate policies and procedures⁸ subject to the following conditions to be undertaken in consultation with the Corporate Management Board (CMB);~~

~~(a) — a) To approve policies and procedures relating to human resources and corporate policies and procedures⁸ subject to the following conditions —~~

~~(a) — i. a) Any policy relating to internal organisational functions which also applies to Members will be referred to the London Councils' (Leaders) Executive Sub-Committee for approval;~~

~~(b) — ii. a) All new or amended policies relating to the internal administration of the organisation will only be approved following consultation with the Joint Consultative Committee (JCC);~~

~~(c) — iii. i) In the event that CMB and the JCC are unable to reach an agreement on the terms of a policy that policy will be referred to the London Councils' (Leaders) Executive Committee for approval;~~

~~(d) — any iv. d) Delegations to officers within made in accordance with these policies and procedures to Officers of a certain post level shall be considered, with reference to Section 1, paragraph 4(i) above to be general~~

~~(e) (d) delegations from the Chief Executive or the Finance Officer (as the case may be) in accordance with paragraph 6 above.~~

Section 3 — Proper Officers And Statutory Functions Officers authorised for certain purposes

~~12-13.~~ ~~1.~~ Under the terms of In accordance with the specific the Local Government Act, 1972 statutory functions delegated to the London Councils joint committees ~~(or other statute or otherwise to allow the proper and efficient exercise of those functions in accordance with section~~

⁸ Corporate policies and procedures would include, but not be limited to, the code of conduct, health and safety and information management policies

⁹ Corporate policies and procedures would include, but not be limited to, the code of conduct, health and safety and information management policies

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~~111 of the Local Government Act 1972 mentioned,)~~ ~~a~~ officers have been individually authorised to act in respect of particular matters (i.e. they are an "proper officer/authorised officer" for those purposes) ~~has been appointed pursuant to those statutory provisions.~~ Where permitted ~~under that the applicable~~ legislation these powers may be further delegated, whether specifically or generally, to another officer to act in the absence of the proper officer.

~~14.~~ ~~2.~~ The Chief Executive has been appointed:

~~(a)~~ ~~a)~~ to act as ~~the~~ "proper officer" for the purposes of the Access to Information provisions of the Local Government Act 1972 (as amended) except insofar as such powers have been specifically delegated to another officer; and

~~(a)(b)~~ ~~b)~~ to be responsible for the preparation of papers for London Councils Member Body meetings, the preparation of minutes and the promulgation of decisions of such meetings.

~~15.~~ The Chief Executive, in consultation with the Chair of the relevant sub-committee, will have the authority to amend the programme of ordinary meetings approved by the relevant joint committee for the sub-committees it appoints at its AGM in accordance with Standing Order 1.8. as required throughout the year.

~~13.~~~~16.~~ ~~3.~~ The Director, Corporate Resources (~~Finance Officer~~) has been appointed to act as the proper officer for the purposes of Section 151 ~~of the Local Government Act 1972~~ (and section 114 of the Local Government Finance Act 1988). The officer to be responsible for the proper administration of ~~Authority's London Councils'~~ financial affairs and to issue a report to Members if there is or is likely to be unlawful expenditure or an unbalanced budget.

~~14.~~~~17.~~ ~~4.~~ Additional delegations to named officers, some of which do not strictly apply to London Councils but which are adopted as a matter of best practice ~~to allow the proper and efficient exercise of the functions delegated to the London Councils joint committees, in accordance with section 111 of the Local Government Act 1972,~~ are set out in Appendix A with reference to the relevant legislative provisions.

~~Section 4 – Grant-Making Powers Delegated To Director Of Those Services~~

~~15.~~ The Grants Committee has agreed to delegate the following powers to the Director responsible for Grants Services, subject any decisions taken under these delegated powers being approved in advance by the Chair of the Grants Committee and communicated to Grants Committee Executive Members who, if they have any concerns about the proposals, can call for those items to be referred to the full Grants Committee. The scheme of delegations reflects the provisions set out in the Commissioning Monitoring Arrangements approved by the Grants Committee on 20 February 2013.

~~a/ Small grants to currently funded organisations~~

~~1. To Approve:~~

~~Urgent non-recurrent purposes to enable delivery of programme outcomes~~

~~a) — for which an overall provision of £40,000 has initially been set aside for 2013/14 subject to a limit of £10,000 in any one instance.~~

~~b/ Other issues relating to currently funded organisations~~

~~2. To decide the outcome of any appeal.~~

~~3. To approve:~~

Comment [CJ1]: This whole section is deleted as this delegation has not been updated. Any actions which need to be taken will be done by way of Urgency

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- a) ~~Interim grant variations +/- 10% of the original grant award (within the financial envelope approved by the Grants Committee) to achieve programme outcomes until variations can be considered by Committee.~~
- b) ~~Significant change requests made by providers that do not affect the original grant award amount.~~
- c) ~~Management consultancies — small grants (up to £7,500).~~

~~c/ Delegated European Social Fund Joint financing decision-making~~

~~4. To approve:~~

- a) ~~Interim grant variations +/- 10% of the original grant award (within the financial envelope approved by the Grants Committee) to achieve programme outcomes until variations can be considered by Committee.~~

~~d/ Specific Annual Funds~~

- 5. ~~To take any other decisions as the Grants Committee may from time to time delegate to the Director, in particular where bids have been invited against specific, and typically ring-fenced, funds.~~

Section 5.4 - Nominations of elected members to outside bodies

18. The Chief Executive has delegated authority to nominate elected Members to serve on outside bodies subject to:

- (a) those decision being taken in accordance with guidelines agreed by the London Councils Appointments Panel (set out at paragraph 19 below);
- (b) having regard to the Nolan principles, and

(c) those decisions being reported to the next meeting of the Appointments Panel.¹⁰
~~In 2002, London Councils' Elected Officers, acting in their capacity as its Appointments Panel, agreed to delegate the making of nominations to outside bodies to the Chief Executive within agreed guidelines and on Nolan principles and on the basis that they were reported to the next available meeting of the Appointments Panel. The guidelines were refined in 2012 and are set out below.~~

~~16-19. Nominations will be made by the Chief Executive under paragraph 1918 in consultation with elected Mmembers, s—as appropriate. In making nominations the Chief Executive will first apply the Particular Principles {at (a)1, below} first but will also seek to ensure that nothing is done to depart from the General Principles {at (b)2, below}. Regard should also be had to the General Conditions at (c){3, below} are included for guidance.~~

~~(a) 4—Particular Principles~~

- ~~(i) —a) In cases where a single nomination is required.~~
 - ~~(i) —i) In first instance the relevant portfolio-holder will be considered and if that is not a suitable appointment then the Chief Executive will consult elected Mmembers on an alternative candidate.~~

¹⁰ In accordance with the decision of the London Councils' Executive acting in their capacity as its Appointments Panel on 29 May 2012

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~~(ii) b)~~ In cases where an outside body requires more than a single nomination—

~~(i)~~—The first principle to be applied in such cases is any reasonable external requirement placed on London Councils in making the nomination¹¹.

~~(ii)~~—The second principle to be applied, if the first principle does not obtain, is ~~that~~ the number of nominations made from each political party shall reflect the balance of the parties represented on Leaders' Committee at that time.

(b) ~~2~~General Principles

(i) ~~—~~When the Chief Executive is applying the ~~P~~particular ~~P~~principles set out above they will seek to reflect any particular interest that the body to be nominated to has expressed to London Councils¹².

(ii) ~~ii.~~—The Chief Executive will also be mindful of other factors that it would be reasonable or proper for London Councils to consider, for example specialist knowledge and skills, stability of service, diversity as well as the Nolan principles set out below and the Chief Executive may ~~—~~in consultation with elected Mmembers~~—~~ override the Particular Pprinciples set out above when there is a compelling case to do so.

(iii) ~~iii.~~—All public bodies are under a duty to follow the Seven Principles of Public Life set out by the Committee for Standards in Public Life, formerly chaired by Lord Nolan (the principles are often called the “Nolan Principles”). In particular, the Chief Executive will seek to ensure that the following three Nolan principles are applied~~—~~:

Objectivity

In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Accountability

Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.¹³

Openness

Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

(iv) ~~(iv)~~—The Chief Executive will give consideration to the elected Mmembers of the City Corporation of London Corporation when making any nominations to outside bodies.

(c) ~~3~~General conditions

(i) When a nominee to an outside body ceases to be an elected Mmember of a

¹¹ For example the mechanism employed in determining the number of **nominations** for each political party made by London Councils to the London Fire and Emergency Planning Authority is set out in legislation – the Greater London Authority Act 1999. This will be determined by the application of the d'Hondt formula

¹² For example outside bodies occasionally ask for cross-party appointments

¹³ Members will be expected to regularly attend meetings of the bodies they are appointed to and may be accountable to and from, London Councils for their actions in that capacity.

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London local authority, London Councils will, in general, take whatever steps are necessary to remove them from that outside body.

- (ii) At a freeze date, being the date of the meeting of the London Councils' Leaders' Executive Sub-Committee in May of each year, a report will be brought to that meeting setting out the total number of nominations made to outside bodies for each of the political parties with a calculation of how this reflects the agreed principles (above) for nominations, and the variation from the balance of the parties on Leaders' Committee. That report may also contain recommendations to rectify any variations that may exist.

Section 6-5 – Appointments to Young People's Education and Skills Board (YPES Board)

~~17-20.~~ The YPES Board is a ~~F~~forum (or sub-committee) of London Councils Leaders' Committee which operates under a constitution (terms of reference) approved by Leaders' Committee in accordance with Standing Orders. Leaders' Committee has the power to approve the appointment of representatives to the YPES Board upon their nomination by those organisations who are members of the Board. On behalf of Leader' Committee, the Chief Executive will have delegated authority from Leaders' Committee to approve appointments to casual vacancies of the YPES Board.

Appendix A

**PROPER OFFICER AND PERSONS AUTHORISED BY LONDON COUNCILS TO EXERCISE POWERS
CONSISTENT WITH FUNCTIONS - GENERAL STATUTORY FUNCTIONS OF THE PARTICIPATING
LOCAL AUTHORITIES**

PART A

The following statutory provisions give powers to ~~the~~ duly authorised Proper Officers/Authorised Persons in most local authorities in London. Some of these functions have been expressly delegated by the 33 London local authorities to the London Councils joint committees, some have not and are instead are captured within the general delegations to the joint committee.

The following table sets out the ~~Proper Officers~~persons authorised for the functions identified. This list includes delegations to named officers, some of which do not strictly apply to London Councils' joint committees as a Joint Committee but which are ~~adopted~~followed as a matter of best practice in accordance with the exercise of the functions expressly delegated to the joint committees.

~~Proper Officers~~Authorised Persons should nominate, in writing, an appropriate deputy to carry out any statutory duties during planned absences. Officers should also ensure arrangements are in place ~~to grant authority to authorise~~ another officer in the event of unplanned absence. These may vary according to the nature of the responsibility but will be approved by the Corporate Management Board.

	<u>STATUTE AND FUNCTION/POWER</u> <u>STATUTORY PROVISION</u>	<u>PROPER OFFICER</u> <u>PERSONS AUTHORISED</u>
LOCAL GOVERNMENT ACT 1972		
1	Section 84 – The officer to whom written notice of resignation of elected office shall be delivered	Chief Executive
2	Section 96 – The officer to whom general notices and recording of disclosures of interests under Section 94 should be given	Director of Corporate Governance
3	Section 99 + Schedule 12 - To give notice and send summonses in respect of any Council <u>London Councils committee</u> meeting	Chief Executive
4	Section 100 - To give public notice of any meeting to which the public are entitled to attend, provide copies of agenda and facilities for the press	Chief Executive
5	Section 100B (2) – The officer to exclude from committees <u>or</u> sub Committees , Council or Executive meeting agendas any information to be dealt with in a meeting from which the public are likely to be excluded	Director of Corporate Governance
6	Section 100B (7)(c) – The officer to supply to any newspaper copies of documents supplied to Members of committees <u>or</u> sub-committees , Council or Executive meetings in connection with an item for consideration <u>at their meetings</u>	Director of Corporate Governance

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	STATUTE AND FUNCTION/POWER STATUTORY PROVISION	PROPER OFFICER PERSONS AUTHORIZED
7	Section 100C (2) – The officer to prepare a written summary of proceedings of committees <u>or</u> , sub-committees; Council or the Executive from which the public were excluded	Director of Corporate Governance
8	Section 100D (1)(a) – The officer to prepare a list of background papers for reports considered by committees; <u>or</u> sub-committees; Council or the Executive	Director of Corporate Governance
9	Section 100D (5) – The o Officer to determine which documents constitute background papers; and <u>under</u> Section 100H –to be responsible for –charging <u>ability to charge for copies of those</u>	Director of Corporate Governance
10	Section 100F (2) – The officer to decide which documents are not, by virtue of containing exempt information, required to be open to inspection	Director of Corporate Governance
11	Section 100G - To maintain a register of the names and addresses of <u>Elected</u> Members and membership of committees, lists of delegations and the like	Director of Corporate Governance
12	Section 115 – The officer to whom money properly due from officers shall be paid	<u>Finance Officer</u> (Director of Corporate Resources)
13	Section 151 (and section 114 of the Local Government Finance Act 1988) – The officer to be responsible for the proper administration of the Authority's <u>London Councils'</u> financial affairs (and to issue a report to <u>elected</u> Members if there is or is likely to be unlawful expenditure or an unbalanced budget)	<u>Finance Officer</u> (Director of Corporate Resources)
14	Section- 223 - Authorising officers to attend court and appear on behalf of the <u>Council</u> <u>London Councils</u> under Local Government Act 1972 and the County Courts Act 1984	Chief Executive, Corporate Directors & Programme Directors
15	Section 225 (1) – The officer to receive and retain statutory documents on behalf of the Authority <u>London Councils</u>	Chief Executive
16	Section 229 (5) – The officer to certify photographic copies of documents	Chief Executive
17	Section 233 – The officer to receive documents required to be served on the Authority <u>London Councils</u>	Chief Executive
18	Section 234 (1) & (2) – The officer to authenticate documents on behalf of the Authority <u>London Councils</u>	Chief Executive
19	Schedule 12 [paragraphs 4(12)(<u>ab</u>) & 4(3)] – The officer responsible for <u>issuing summons to meetings at which business is proposed</u> the receipt of notices regarding the address to which a summons to meetings is to be sent	Chief Executive
20	Schedule 14 [paragraph 25(7)] – The officer responsible for the certification of true copies of resolutions	Chief Executive
LOCAL GOVERNMENT ACT 1974		
21	Section 30(5) - Notice of Local Government Ombudsman's Report	Chief Executive
LOCAL GOVERNMENT FINANCE ACT 1988		
22	Section 116 - Notification to the Council's <u>London Councils'</u> auditor of any meeting to be held under Section 15 of the 1988 Act (meeting to consider any report of the Chief Finance Office under Section 114)	<u>Finance Officer</u> (Director of Corporate Resources)

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23	Section 139A - Provision of information to the Secretary of State in relation to the exercise of his powers under this Act as and when <u>required</u>	<u>Finance Officer</u> (Director of Corporate Resources)
LOCAL GOVERNMENT AND HOUSING ACT 1989		
24	Section 2 – The officer to hold on deposit the list of politically restricted posts and Section 2 - provision of certificates as to whether a post is politically restricted	Director of Corporate Governance
25	Section 4 – The officer to be designated Head of Paid Service	Chief Executive
26	Sections 15 – 17 (and regulations made thereunder) – The officer to receive notices relating to the membership of political groups	Chief Executive
CIVIL EVIDENCE ACT 1995		
27	To certify Council records for the purposes of admitting the document in evidence in civil proceedings.	<u>Any member of the</u> Corporate Management Board
LOCAL GOVERNMENT (CONTRACTS) ACT 1997		
28	Certification of relevant powers to enter into contracts	Chief Executive and Director of Corporate
DATA PROTECTION ACT 1998		
29	Duty to notify the Information Commission of any changes in accordance with Section 20 of the DPA 1998	Director of Corporate Governance
TRAFFIC MANAGEMENT ACT 2004 and <u>SCHEDULE 7</u> CIVIL ENFORCEMENT OF PARKING CONTRAVENTIONS (England) REPRESENTATIONS AND APPEALS REGULATIONS 2007		
30	Section 81(4)(a) requires enforcement authorities to provide administrative staff for adjudicators. <u>The Schedule to the Civil Enforcement of Parking Contraventions (England) Representations and Appeals Regulations 2007</u> provides that one of the members of the administrative staff required by section 81 shall be appointed to perform the functions of proper officer as set out in the Schedule	<u>PATAS-Tribunal Manager Head of Support Services –</u>
LOCAL GOVERNMENT ACT 2003		
31	Requirement to report to <u>Council-London Councils</u> annually on the robustness of estimates and financial reserves	<u>Finance Officer</u> (Director of Corporate Resources)
MONEY LAUNDERING REGULATIONS 2003 - PROCEEDS OF CRIME ACT 2002		
32	Money Laundering Reporting Officer for the purposes of receiving disclosure on suspicions of money laundering and reporting as necessary	<u>Finance Officer</u> (Director of Corporate Resources)

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OTHER MISCELLANEOUS PROPER OFFICER FUNCTIONS		
33	Any other miscellaneous proper or statutory officer functions not otherwise specifically delegated by the Authority	Chief Executive or his/her nominee delegate

PART B

~~The following general statutory requirements shall be exercisable by all~~ London Councils officers shall have regard to the following insofar as is relevant ~~for the effective performance of their duties~~ and within their job description and for the effective performance of their duties and responsibilities and are of responsibility.

B1	Audit	To comply with any powers and duties contained in directions made by the Audit Commission, <u>or any other body which may be responsible for audit of the exercise of London Councils functions,</u> including publication of performance standards and provision of information.
B2	Disabled Persons	Make provision for the supply of services and admission to public buildings and premises for those who are disabled, ensure proper signage and make appropriate adjustments for staff and service users.
B3	Criminal Proceedings	Have regard to <u>London the</u> Council's protocol in relation to the bringing of Council proceedings when deciding whether a person should be charged with any offence.
B4	Best Value	To have regard to <u>London Councils'</u> Best Value duties on the Authority when providing services and to keep under review the provision of all.
B5	Equalities	Ensure that <u>London the</u> Council's functions are carried out to eliminate discrimination and promote equality of opportunity and good relations and carry out appropriate equalities impact assessments of service delivery, policies and strategies and any changes.
B6	Identity Checks	To comply with any powers or duties contained in any Regulations or statutory provisions with regard to the necessity to check identification before the provision of public services.
B7	Proceeds of Crime and Money Laundering	To notify the Council's Money Laundering Officer (Head of Finance Officer <u>Director of Corporate Resources</u>) of any matter where proceeds from crime maybe used to fund an acquisition, benefit, agreement or services from the Council or where there is a suspicion that same are may be harbouring the proceeds of crime.
B8	Human Rights	To notify the Council's Money Laundering Officer (Head of Finance) <u>Finance Officer</u> of any matter where proceeds from crime maybe used to fund an acquisition, benefit, agreement or services from the Council <u>London Councils</u> or where there is a suspicion that someone same are <u>may be</u> harbouring the proceeds of crime.

Pensions CIV Sectoral Joint Committee AGM

Item no: 9

London CIV Implementation Programme Closure Report

Report by: Brian Lee **Job title:** Chief Operating Officer
London LGPS CIV Ltd.

Date: 14 June 2016

Contact Officer: Brian Lee

Telephone: 020 7934 9818 **Email:** Brian.lee@londonciv.org.uk

Summary: This report provides the Committee with detail about the final costs of the London CIV implementation programme and effectively seeks to draw a line under the implementation phase of establishing the London CIV arrangements.

Recommendations: The Committee is recommended to receive the report relating to the status of the London CIV Implementation Program

London CIV Implementation Programme Closure Report

Introduction

1. The Committee will be very familiar with the high level details of LCIV implementation project that has been running since October 2014 and which led to the launch of the first ACS sub fund in December 2015. As the implementation phase draws to a close and LCIV transitions into a business as usual phase, this report compares the financial aspects of the implementation program budget to the actual costs incurred together with an explanation and narrative on the nature of the costs.
2. The report to the Joint Committee in December 2014 included an updated budget which set out expenditure committed to date and anticipated expenditure through to launch. The projected budget to launch was £1.7m whereby the funding of the expenditure would be met through contributions from the participating boroughs to a total of £1.5m and that any excess over the £1.5m would be met by the LCIV. At that time 30 boroughs had committed to fund the project since when a further two boroughs have agreed to participate and fund their share of the implementation funding.
3. At the time of the budget setting in 2014, very competitive fixed price contracts were agreed with the principal service providers Deloitte Consulting, Eversheds and Northern Trust but as one would expect with a project that was so unique with complicated variables, the original scope of the project and deliverables had to be flexed to accommodate some of the additional complexities that arose over the duration of the project.
4. At the time of this report although the launch of the LGIM funds has been scheduled for later in the year, the agreement with Deloitte tax advisory and Eversheds is that the work necessary to complete the LGIM fund launches will be covered by the existing fee arrangement.
5. The table below sets out the budget from December 2014, analysed by the main cost components compared to the actual costs as of June 2016.

	Budget as of December 2014	Actual as of June 2016	Variance	Note
	£k	£k	£k	
Deloitte Consultancy	750	755	-5	Para 6
Eversheds	370	426	-56	Para 8
Northern Trust	22	118	-96	Para 10
Mercer	50	50	0	Para 11
Other	542	454	88	Para 12
	1,734	1,803	-69	

Notes

6. Deloitte provided a number of services in respect of the implementation project. This included the following:-
 - initial scoping of the project;
 - preparation of the business plan;
 - preparation of the FCA application;
 - preparation of the regulatory capital requirements;
 - drafting of policies and procedures;
 - tax advice.
7. The actual costs incurred are in line with the original budget.
8. Eversheds provided the following services:-
 - legal advice on overall governance structures, and the structuring of the Company and the ACS Fund;
 - legal advice on the FCA application;
 - legal advice on the fund prospectus including a number of iterations necessary for each sub-fund launch;
 - legal reviews on all documentation including FCA compliance.
9. In respect of the original budget agreed with Eversheds, this budget was renegotiated due to unplanned complications arising from additional work necessary on such matters as fee disclosures and investor protections. Although this is additional expense beyond the original budget, the additional expenditure was considered necessary to ensure that investors' interests were properly secured.
10. Northern Trust; although not specifically identified as part of the original budget, it was agreed with Northern Trust that a contribution towards their set up costs would be more cost beneficial to investors rather than embedding start up costs in the ongoing administration charge. This additional cost overrun is offset by the budgetary saving in personnel costs in the 'Other' costs category.
11. Mercer were contracted to assist with the selection and appointment of the asset servicing provider (Northern Trust).
12. Other. This expense category comprises principally people costs, project management consultants, recruitment costs for permanent Board members payable to Odgers and central overhead costs payable to London Councils.
13. Of the above costs, £124k has been expensed in LCIV with the remainder being charged to the dedicated implementation fund (made up of contributions from participating authorities) maintained by London Councils.
14. A provisional sum of £45k relating to London Councils' overhead recovery and an invoiced amount of £28k from Eversheds have been accrued within the sum of £1.8 million. It is proposed that the implementation budget be kept open until the launch of the LGIM funds and the official notification of the London Councils' overhead recovery but it is not anticipated that further material amounts will be incurred from the implementation

budget and therefore a formal closure of the reporting of Implementation Program budget is requested.

Recommendations

15. The Committee is recommended to consider the report relating to the London CIV Implementation Program Closure Report.

Financial Implications

16. The financial implications are contained within the body of the report.

Legal implications

17. There are no legal implications for the Committee that have not been considered in the report.

Equalities implications

18. There are no equalities implications for the Committee.

Pensions CIV Sectoral Joint Committee AGM

Item no: 10

Annual Report From the Investment Advisory Committee

Report by: Chris Buss/
Ian Williams **Job title:** Chair/Vice Chair
Investment Advisory Committee

Date: 14/06/2016

Contact Officer: Jill Davys

Telephone: 020 7934 9968 **Email:** Jill.davys@londoncouncils.gov.uk

Summary: The Investment Advisory Committee was formed last September to work closely with the London CIV and the Pensions Sectoral Joint Committee on investment matters. The Committee is formed of nominated Borough Treasurers and pension manager representatives. The Committee has met 6 times since September discussing a wide range of investment related issues. This paper sets out the work of that Committee.

Recommendations: The committee is recommended to:

- i. Note the contents of this report;

London CIV Investment Advisory Committee – Work Programme 2015/16

Introduction

1. The Investment Advisory Committee (IAC) was formed in September 2015 as a follow on from the Technical Sub-Group, which worked with the CIV as an advisory group on the establishment of the CIV. The IAC was formed from the nominated representatives of the London Local authorities with a mixture of Society of London Treasurers and the authority Pension Managers. Nominated representatives from 12 London authorities attended during the year with 6 meetings taking place.
2. Appendix A to this report provides the Joint Committee with an outline of the work that the IAC has undertaken during the year and the areas of investment which the IAC has focussed on as well as receiving feedback from the CIV on the progress that is being made. Working groups to focus on specific areas of interest were formed and these are continuing to work with the CIV on these areas.
3. The objectives of the IAC are as set out in the IAC Terms of Reference (attached at Appendix B) which are:
 - i. To support the Joint Committee in the investment decision making process
 - ii. To liaise with the Fund Operator of the CIV in defining Shareholders' investment needs.
4. The IAC has also been supporting the CIV to draft responses to the government consultation on the investment reform agenda and pooling for both the initial February submission and the more comprehensive July submission and has been instrumental in ensuring that data to support the July submission has been forthcoming from all the participating London authorities.

5. Members of the Joint Committee are therefore requested to note the report from the IAC.

Recommendations

6. The committee is recommended to:
 - i. Note the contents of this report

Financial implications

7. There are no financial implications for London Councils

Legal implications

8. There are no legal implications for London Councils.

Equalities implications

9. There are no equalities implications for London Councils

Annexes

- | | |
|---------|---|
| Annex A | London CIV – Investment Advisory Committee Review 2015-2016 |
| Annex B | Investment Advisory Committee Terms of Reference |

LONDON CIV – INVESTMENT ADVISORY COMMITTEE

Review of Work Undertaken by Committee 2015/2016

1. The Investment Advisory Committee (IAC) was formed in September 2015 following the establishment of the London CIV company and followed on from the work undertaken by the Technical Support Group in helping to establish the London CIV. The objectives of the Investment Advisory Committee are twofold:
 - a. To support the Joint Committee in the investment decision making process
 - b. To liaise with the Fund Operator of the CIV in defining Shareholders' investment needs.
2. The first meeting of the Committee took place on 25th September 2015 with Chris Buss (Wandsworth) elected as Chair, Ian Williams (Hackney) as Vice Chair and Jill Davys (Hackney) as the Secretary. The terms of reference for the Committee were confirmed at the meeting and a copy is attached as an appendix to this report for reference. Nominees from a number of Boroughs were confirmed as members of the IAC, representatives included Wandsworth, Hackney, Barking & Dagenham, Islington, Croydon, Waltham Forest, Newham, Enfield, Ealing, Lambeth, Kingston and Tower Hamlets.
3. The Committee recognises the achievements that the London CIV has delivered over the year in obtaining FCA authorisation, opening the first 3rd party manager sub-fund in December 2015 and the progress made with opening further sub-funds and the pipeline of opportunities for the London Boroughs and the City of London. The Committee also recognises the complexities of this project where the original voluntary nature of the CIV has now moved on to the mandatory pooling required by Central Government and therefore the scale, complexity and the likely costs of delivering such a large scale fund management organisation has undoubtedly increased since inception. The government's investment reform and pooling agenda including the criteria and guidance issued last November has significantly shifted the goalposts for LGPS funds in England and Wales, meaning that all funds are now being forced to deliver LGPS investment pools and to set out clear timeframes for when assets will be transitioned to the new pools, the costs of doing so, the costs of running the pools and the savings that will be delivered over time by reduced fee savings and increased efficiency.
4. It is clear that the London CIV has been instrumental in helping to shape the government's latest agenda and a move away from merger of funds and

wholesale passive investments and the fact that the CIV was making considerable progress in developing the appropriate governance structures and obtaining FCA authorisation as well as getting buy-in from nearly all London funds in the early days. It is recognised that this has resulted in London leading the way in LGPS pooling developments, but other pools are now making significant progress from a standing start and will undoubtedly reach milestones much quicker than the CIV was able to do so, simply due to the path having already been forged.

5. The progress that has been made is a remarkable achievement and testimony to the collaboration that has taken place in London. It is expected that by the end of this financial year, the CIV will have assets under management in place of £7-8bn, with around 80% of London Funds having at least some of their investments through the London CIV. Fees savings by then are expected to be in the region of £4m per annum with undoubtedly more to come.
6. After a year of the IAC therefore it is important to reflect that whilst a lot has been achieved, a lot of work is still to be done if we are to deliver the objectives of being the investment pool of choice in London that is high performing and efficient, it has to have the necessary resources and expertise to follow through on those objectives and the IAC is committed to supporting the London CIV to deliver on this.
7. The Committee met 6 times during the year:
 - 25th September 2015
 - 23rd November 2015
 - 13th January 2016
 - 17th February 2016
 - 8th April 2016
 - 25th May 2016
8. The Committee has been provided with regular updates from the Directors of the London CIV, setting out the progress obtaining FCA authorisation and setting up manager sub-funds once authorised. The IAC affirmed support for the managers being chosen for the first funds and the proposed opening timescales for the new funds being opened. The IAC have also been provided with regular investment updates on the outlook for the markets and economy from the Chief Investment Officer.
9. Working groups covering a range of key areas were established by the IAC comprising a small number of officers to work in support of the Chief Investment Officer to develop investment opportunities for the CIV going forwards. The sub-groups comprised:

- **Fixed Interest:** The working group reviewed the current position of London Boroughs for opportunities to consider the same approach as was being developed with some of the early sub-funds, namely commonality of mandates with quantum of assets invested and high levels of conviction amongst the boroughs. However, it quickly became clear that there was very little of either commonality or quantum amongst the existing mandates, therefore consideration had to be given to how best to approach this asset class going forwards. This has resulted in a wider review of fixed interest with the need to consider how Boroughs might need to approach this asset class going forwards and in particular how the forthcoming actuarial valuation might impact on the requirements for funds. An initial paper setting out preliminary views was prepared by the CIO and reviewed by both the sub-group and the full IAC before being presented to the Pensions Sectoral Joint Committee (PSJC) at its meeting in February. It was agreed that further work should be undertaken to look at bespoke options going forwards which would be available to funds to meet potential cashflow challenges going forwards and that over the course of the next year to 18 months manager selections should take place to provide pension funds for opportunities in fixed income.
- **Infrastructure:** This has clearly been an area of focus for the IAC given the emphasis that has been placed on this asset class by the wider discussion on pooling of investments. Within London, there has to date been little by way of allocation to infrastructure, in part reflecting the relatively small size of funds, but also the lack of opportunity for meaningful risk/return opportunities to convince funds of the need to invest. The larger scale that pooling will afford in future should provide the CIV with opportunities to consider options in this area going forwards. An initial paper on infrastructure by the CIO was considered by the IAC, with further work underway on this area with a further paper due for consideration at a future meeting of the IAC. The IAC has been kept updated on wider discussions on infrastructure including work being done at a national level by a cross pools working group and this is likely to involve a greater degree of collaboration in this area to ensure that any opportunities for infrastructure investment are not competed away if pools were to bid against each other for those investments. It is recognised that at this stage London funds have as a group very low allocations to this area at the moment, and that going forwards it will still be very much up to each fund to decide when and how much it wants to allocate to this space, taking into account the risk/return profiles for each individual fund.
- **Responsible Investment and ESG:** The working group undertook a survey of London borough officers to review approaches to ESG related issues, receiving 26 responses. The main findings of the survey were a desire for the CIV to participate actively in engagement with the managers that it employs and fulfils a Stewardship Role. Boroughs were also keen for the CIV to adopt the Stewardship Code. The ESG sub-group has engaged with both index

providers and passive managers to look at options for index tracking funds, as well as looking at active funds with a responsible investment approach. The group does however; recognise that there are very different approaches across London to this area of investment. The IAC has been kept updated on wider discussions on Responsible Investment and Stewardship including work being done at a national level by a cross pools working group. Consideration by the CIV is now being given to holding a dedicated seminar on this area in the future which will look at both the risks of not fulfilling the stewardship role, in light of the fact that there will over time be in excess of £25bn assets under management, but also what opportunities there might be to target investment opportunities which target sustainable investments going forwards for those funds which want to target this area.

- Housing including Private Rental Sector: The IAC reviewed a paper considering investment in the private rental sector and whilst it was felt that there was some appetite for this investment across London, it was limited and that there were other key asset classes to address. The IAC has been mindful of the need to consider wider housing opportunities and in particular across London and this is likely to be an area for further investigation, particularly if this can be linked into the wider London housing and regeneration programme involving London Councils.
- Global equities: Whilst recognising that a number of sub-funds have been and will be opened covering global equities, the IAC are keen to explore new opportunities in this area and a sub-group will be working on this over the summer in conjunction with the CIV to review options and to undertake a procurement exercise which will provide a range of opportunities for funds to consider.

10. A key focus for the IAC has also been to consider how to respond to the Government's pooling agenda. This included reviewing the CIV's response for the February submission and also agreeing to support the use of the third party benchmarking service CEM to collate fee data across London. A draft response for the July submission was also considered at the IAC May meeting and an updated response will be provided to the PSJC. The IAC were also kept informed about the collaboration at the pools level with representatives from the CIV sitting on the cross pools working groups including feedback from DCLG and Treasury.
11. Membership of the IAC is on an annual basis and the request for nominations to sit on the IAC for 2016/17 is to be considered in early summer.
12. It has been agreed to schedule monthly meetings for the IAC for 2016/17 to reflect the speed of development for the CIV and the pooling agenda.

LONDON CIV – INVESTMENT ADVISORY COMMITTEE

TERMS of REFERENCE - SCOPE and OBJECTIVES. The Terms of Reference for the IAC have been agreed by the Joint committee and SLT and are as follows:-

Objectives

The objectives of the Investment Advisory Committee is twofold:

- a. To support the Joint Committee in the investment decision making process
- b. To liaise with the Fund Operator of the CIV in defining Shareholders' investment needs.

Scope

The IAC will be involved in the following activities;

- i. Review the needs of the London local authority Pension Funds in terms of investment strategies and mandates for the CIV and liaise with the Fund Operator.
- ii. From a client perspective participate in the review of existing fund managers in the CIV.
- iii. The IAC will receive and review the annual investment plan, including; the selection of fund managers, investment strategy and sub-fund product structure and performance benchmark.
- iv. The IAC will receive and review regular reports and information from the ACS Operator (at least quarterly, unless particular circumstances indicated otherwise). These reports can include performance information, transactions reports and fund manager investment operations SLA's.
- v. The IAC will be expected to contribute to the discussion on a regular basis on the future requirements of the London Local Authority Pension Funds so that the CIV can continue to meet their needs.
- vi. The IAC will liaise with their peers in the other London Local Authorities to ensure their needs are being considered.
- vii. The IAC will liaise with other Local Authorities to consider investment options where these might present opportunities for the CIV.
- viii. The IAC will keep under review opportunities for investment in existing asset classes in the CIV and for new asset classes
- ix. The IAC will review annually the effectiveness of the Committee including:

1. The extent to which the Committee has discharged all the responsibilities detailed in its Terms of Reference.
2. The extent to which these responsibilities and the operation of the Committee have been effectively executed.