

**Council**

**Thursday, 12 February 2015, 10.00 am, County Hall, Worcester, WR5 2NP**

**Agenda**

Item No	Subject	Page No
5a	<p>Reports of Cabinet - Matters which require a decision by Council - Budget 2015 - 2016</p> <p>To consider the reports of the Cabinet and to receive answers to any questions asked on those reports. Matters which require a decision by Council are on yellow pages (to follow after the meeting of the Cabinet scheduled for 5 February 2015). Matters upon which decisions have been taken by the Cabinet are on white pages (to follow after the meeting of the Cabinet scheduled for 5 February 2015).</p> <p><i>All members have received, or will receive, the Budget portion of the Cabinet agenda. Members are reminded to bring that paperwork with them to this meeting where final approval of the Budget for 2015/16 will be sought.</i></p>	17 - 36
5b	<p>Reports of Cabinet - Summary of decisions taken</p> <p>To consider the reports of the Cabinet and to receive answers to any questions asked on those reports. Matters which require a decision by Council are on yellow pages (to follow after the meeting of the Cabinet scheduled for 5 February 2015). Matters upon which decisions have been taken by the Cabinet are on white pages (to follow after the meeting of the Cabinet scheduled for 5 February 2015).</p>	37 - 40
6	<p><b>Constitutional Report - Worcestershire County Council Pension Fund Governance</b></p> <p>To consider a report on the future arrangements and structures for Pension Fund Governance (yellow pages).</p>	41 - 60
9	<p><b>Question Time</b></p> <p>To receive answers to any questions asked by Councillors (orange pages).</p> <p><i>(Members are reminded of the timescale adopted by Council for notice of questions. A Councillor may only ask a question if:</i></p> <ul style="list-style-type: none"> <li><i>• it is delivered in writing to the Head of Legal and Democratic Services <b>by noon on Monday 9 February 2015</b> or</i></li> <li><i>• if it relates to urgent business, the Head of Legal and Democratic Services is notified at least half an hour before the start of the meeting).</i></li> </ul>	61 - 64

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**12 February 2015**

**5. REPORTS OF CABINET**

**(a) MATTERS WHICH REQUIRE A DECISION BY COUNCIL**

**Budget 2015/16**

**Recommendation**

1. The Leader and Cabinet recommend that:
- (a) the conclusions concerning revenue budget monitoring up 31 December 2014 be endorsed;
  - (b) cash limits for 2014/15 are updated to reflect use of an additional grant of £0.520 million to support earlier discharges from Acute Hospitals to social care services;
  - (c) the budget requirement for 2015/16 be approved at £327,559,266;
  - (d) the Council Tax band D equivalent for 2015/16 be set at £1,079.77 and the Council Tax Requirement (precept) be set at £212,083,547;
  - (e) consistent with the provisional Local Government Finance Settlement that revenue cash limits be set for each Directorate:
 

	£m
(i) Adult Services and Health	132.901
(ii) Children's Services	77.388
(iii) Business, Environment and Community Services	72.971
(iv) Commercial and Change / Finance	42.819
	326.079
- recognising that £1.481 million will be transferred to earmarked reserves;
- (f) the A440 Worcester Southern Link Dualling Phase 3 scheme is added to the Capital Programme and that cash limits are updated accordingly subject to agreement with developers on the amount of contributions that will be provided to support the financing of the scheme as well as the indemnity or surety to confirm the certainty of this income that results in the scheme not requiring any net prudential borrowing from the Council other than for the purpose of financing cash flow

requirements, and on condition that there is no increased cost to the Council beyond that identified in the Cabinet report;

- (g) the County Council continues to engage with residents and businesses in shaping the Corporate Plan and spending profile in line with their priorities;
- (h) Members' Allowances are frozen for the seventh year in a row for 2015/16;
- (i) the Council's Pay Policy Statement as set out in the attached Appendix 8 be approved;
- (j) the conclusions concerning capital budget monitoring up to 31 December 2014 be endorsed;
- (k) the Capital Programme as set out in Appendix 9 be approved;
- (l) the Medium Term Financial Plan as set out in Appendix 10 be approved;
- (m) the Treasury Management Strategy set out in Appendix 11 be adopted; and
- (n) the Statement of Prudential Indicators and Minimum Revenue Statement as set out in Appendix 12 be approved.

*[NB Appendices referred to are those presented to 5 February Cabinet, other than updated Appendix 4(a), and Appendix 8 and part of Appendix 14 relating to Commercial and Change/Chief Executive/Finance budget cash limits which are all attached to this report.]*

2. All Councillors will have a copy of the full report and Appendices considered by the Cabinet on 5 February 2015 and are requested to bring that report to Council to inform Council's decision and allow full consideration of all the issues.

### **2015/16 Local Government Finance Settlement**

3. The final figures for the 2015/16 Local Government Finance Settlement were unknown at the time the 5 February 2015 Budget report to Cabinet was drafted. Central Government have since confirmed the final Local Government Finance Settlement and this was able to be reported at the Cabinet meeting. There is one change to the information contained in the provisional settlement that was included in 5 February 2015 Cabinet report.

4. The final settlement is subject to debate and approval in the House of Commons on Tuesday 10 February 2015.
5. An additional £0.502 million has been added to the Council's un-ringfenced Revenue Support Grant and Central Government have indicated this recognises that councils have asked for additional support, including to help them respond to welfare needs and to improve social care provision.
6. The 5 February 2015 Cabinet Budget Report already includes a proposal to allocate up to £0.4 million to support the continuation of funding for one year (2015/16) to District Councils in respect of the valued Local Welfare Assistance schemes. This allocation will only be made on the basis that the funding is matched by each District Council and can be combined with any underspends in 2013/14 and 2014/15.
7. It is proposed that the new additional funding of £0.502 million is also allocated to support Local Welfare Assistance Schemes for one year only, 2015/16. District Councils will be able to use this funding across more than one financial year and will be able to consider this as a non-recurrent fund.
8. This is consistent with the approved recommendation from the October 2014 Cabinet Resources Report which was to delegate to the Chief Financial Officer, in consultation with the Cabinet Member with Responsibility for Finance, to agree arrangements with District Councils should Government provide grant funding, and including transitional arrangements in relation to grant money unspent at 31 March 2015. This delegation continues.
9. The additional funding therefore updates the cash limits that were reported in the 5 February 2015 Cabinet Budget Report as follows:-
  - An **increase** of £501,723 to the total funding received from Revenue Support Grant for 2015/16
  - An **increase** of £502,000 in the cash limit for Commercial and Change / Finance budget in respect of Welfare Assistance Schemes for one year only, 2015/16
  - A **decrease** of £277 in the amount to transfer to Earmarked Reserves
10. The changes above mean the Council's Budget Requirement rises by £501,723 to £327,559,266 as set out in the updated Appendices 4a and 14 attached.
11. There are no changes to the cash limited budgets to be allocated to other Directorates for 2015/16 and there is

no change to the Council Tax Requirement (precept).

12. The draft Pay Policy Statement has been updated following the outcome of negotiations in respect of Chief Officers pay, and the updated Statement is attached as Appendix 8.

### **Cabinet Report - 5 February 2015**

13. The Cabinet considered the report of the Cabinet Member with Responsibility for Finance which included details of:

- those decisions made by the Cabinet on the draft budget 2015/16 at its meeting on 18 December 2014
- how the 2015/16 budget supported the County Council's refreshed Corporate Plan – FutureFit which looked forward to 2017. The budget would provide for a number of initiatives that supported the delivery of the four Corporate Plan focus areas: Open for Business; Children and Families; Health & Well-being, and The Environment, within the context of a significant reduction in funding from central Government
- the work needed to close the provisional financial gap. In the medium term the Council would continue to target the achievement of around £25m per year whilst focusing on what was important to local people and delivering the Corporate Plan – FutureFit's four areas of focus. The Council had managed its finances prudently in the past and plans had already been presented that potentially delivered £23.8m of savings and efficiencies in 2015/16
- the work undertaken in January 2015 to close in full the initial funding gap of £2.4m identified in the December 2014 Cabinet report. District Councils had confirmed increases in the tax base forecast for 2015/16 as well as the surplus from their Collection Fund in 2014/15. Provisional forecasts for income from Business Rates and Business Rate Buoyancy had been refined as well as a review of initiatives funded through the New Homes Bonus. For one year only it was proposed that £0.6m of the one-off Collection Fund surpluses was used to balance the Revenue Budget with the intention this was replaced by savings in 2016/17 that would be delivered year on year. It was recommended to allocate the remaining £1.5m surplus from the Collection Funds into the Change and Transformation Fund (£1m) and Self Financing Capital Investment Fund (£0.5m)
- the Council Tax referendum limit which had been set for

Council Tax increases for 2015/16 of 2%. The budget therefore confirmed the intention contained within the December 2014 Cabinet report to increase Council Tax by 1.94% to fund increased costs for Looked after Children

- revenue budget monitoring. The outturn forecast to 31 December 2014 indicated that the budget would break even by the end of the financial year representing a reduction from a forecast of a £0.5m deficit reported within the December 2014 Cabinet report. There still however remained a significant adverse variance with regard to Children's Social Care Placements. The BOLD transformational savings programme continued to make good progress and the 2014/15 target of £30.5m was forecast to be achieved in the main. General balances were likely to remain at £13m at the end of the 2014/15 financial year
- the virement of £0.6m from the Financing Transactions budget for 2014/15 to earmarked reserves to fund an additional one year's extension to the Councillor's Divisional Funds scheme for 2016/17 was recommended. This did not require alteration of the net cash limits approved by Full Council
- details of the budget 2015/16 consultation. The Council engaged with a wide range of individuals and organisations through a number of channels. The draft budget proposals and feedback from the consultation events were considered by the Overview and Scrutiny Performance Board and its response was before the Cabinet
- the budget requirement of £330.7m against funding from central Government and Council Tax of £320.9m leaving an initial funding gap of £9.8m. BOLD schemes to the value of £7.4m had been developed that left an initial financial planning gap of £2.4m at the time of the December 2014 Cabinet report
- developments since the December 2014 Cabinet report. This included details of the Leader's response to central Government's Local Government Finance Settlement. Central Government had, since the 5 February 2015 Cabinet report was drafted, confirmed the final figures for the 2015/16 Settlement. (Details of the resulting adjustments made to the budget are set out in paragraphs 3 – 11 above). The provisional settlement published on 18 December 2014 indicated a £0.2m reduction in Council funding compared with that forecast in the December 2014 Cabinet report. This shortfall had been offset by increased levels of Council Tax Buoyancy. Since the last Cabinet report forecasts in the Business Rate Retention Scheme (District Councils were yet to confirm their Business Rate income),

Revenue Support Grant, Specific Revenue Grants, Council Tax Base and Collection Fund performance and Expenditure budgets had been refined based on new information. The above changes in Council Tax, Business Rates Income and Expenditure budgets had enabled the provisional funding gap of £2.4m to be fully recovered. General Balances could be retained at their planned level of £13m for 2015/16 and future years

Summary of changes since December 2014 Cabinet

£m	December	February	Change
Council Tax	209.2	212.1	2.9
Collection Fund Surplus	0.0	2.1	2.1
Revenue Support Grant	53.6	53.9	0.3
Business Rates Retention	58.1	59.0	0.9
Better Care Fund	33.5	33.5	0.0
Total Funding Available	354.4	360.6	6.2
Total Net Expenditure	380.6	382.9	2.3
Future Fit Programme	-23.8	-23.8	0.0
Earmarked Reserves Contribution	0.0	1.5	1.5
Funding Shortfall	2.4	0.0	-2.4

- the spending requirements which were proposed to become cash limits for each Directorate in 2015/16
- the Pay Policy Statement for approval which specified the Council's policies relating to pay of its workforce. The Statement had to be published on the Council's public website by 31 March each year
- details of the allocations of the Council's New Homes Bonus and match funding identified to support the bid for £6m allocation from central Government's Highways Challenge Fund. If successful, the latter would create £12m investment to improve Worcestershire's roads infrastructure
- the Council's Capital Programme 2014/15 to 2017/18. It was recommended that the A440 Worcester Southern Link Dualling Phase 3 scheme was added to the Capital Programme subject to certain conditions being met. The Council's Capital Budget for 2014/15 totalled



£153.7m. Capital expenditure as at 31 December 2014 was £85.4m (56% of budget). In terms of the Local Transport Plan Settlement, the Council expected to receive funding of around £100m over the future years to 2020/21. This included notional allocations of £12m per year from 2018/19 totalling £36m. With regard to the Capital Programme for schools, to date, the Council had only been notified of the confirmed amount for the basic need grant for 2015/16 and 2016/17 which would be £8.3m and £8.7m respectively. Allocations for capital maintenance and devolved formula capital were awaited. Work had also been undertaken on the financial provision within the Medium Term Financial Plan (MTFP) for additional prudential borrowing of £5m per year. There had been two significant allocations from unallocated capital funding: a contribution of £0.150m towards refurbishment and development of Hartlebury Castle and £0.305m to Wythall Library Services. As a result of the updates, forecast capital investment over the period 2014/15 to 2017/18 was £491m.

- the latest assessment of the Council's MTFP prospects. The total savings requirement over the period 2015/16 to 2018/19 was £100.1m of which £58.9m FutureFit savings had been identified. There was a risk that the current projections in relation to central Government funding into the future could reduce further following the General Election. There were a number of risks and sensitivities that may have a significant impact on the MTFP such as Looked after Children's Placements, demographic growth, the medium term implications of the Care Act, inflation, funding from central Government, business rates, pensions and the New Homes Bonus
- the Council's Treasury Management Strategy for 2015/16 and the Prudential Code for Capital Finance in Local Authorities Statement for 2015/16
- the County Council's Public Sector Equality Duty in relation to setting the budget. An overarching strategic equality relevance assessment had been undertaken in respect of budget proposals for key transformational change programmes. As many programmes were at an early stage of development it was not yet possible to carry out more detailed equality impact analysis. Where necessary equality analysis would be undertaken and funding reported to Cabinet where key decisions were required
- a personal assurance statement from the Chief Financial Officer as Section 151 officer on the robustness of the budget calculations.

## Supporting Information

- Appendix 1 Key Messages from Overview and

Scrutiny (see Cabinet papers)

- Appendix 2 Local Government Finance Settlement 2015/16 Consultation Response (see Cabinet papers)
- Appendix 3 Specific Revenue Grants 2014/15 (see Cabinet papers)
- Appendix 4 (a) Council Tax Calculation (attached) and (b) Precept (see Cabinet papers)
- Appendix 5 Budget summary (see Cabinet papers)
- Appendix 6 Budget Variation Analysis (see Cabinet papers)
- Appendix 7 BOLD Savings Projects (see Cabinet papers)
- Appendix 8 Pay Policy Statement (attached)
- Appendix 9 Capital Programme (see Cabinet papers)
- Appendix 10 Medium Term Financial Plan (see Cabinet papers)
- Appendix 11 Treasury Management Strategy (see Cabinet papers)
- Appendix 12 Statement of Prudential Indicators and Minimum Revenue Provision Statement (see Cabinet papers)
- Appendix 13 Assessment of the County Council's Equalities Duty in relation to the setting of the Budget (see Cabinet papers)
- Appendix 14 Directorate Budgets 2015/16 (see Cabinet papers and the attached relating to the Commercial and Change/Chief Executive/Finance budget cash limits)

[\[Cabinet papers refer to the Budget report to Cabinet on 5 February 2015\]](#)

## Contact Points

### County Council Contact Points

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### Specific Contact Points for this report

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## Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this item:

Agenda papers and background papers relating to the meeting of the Cabinet held on 5 February 2015.

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**CALCULATION OF COUNCIL TAX (BAND D) 2015/2016**  
**BASED ON FINAL LOCAL GOVERNMENT FINANCE SETTLEMENT 2015/2016**

	2014/2015		2015/2016		Inc. over 2014/2015 Band D Equivalent %
	£	£	£	£	
<b>Budget requirement before adjustments</b>		<b>332,061,000</b>		<b>326,079,000</b>	
<b>Addition to (+) or use of (-)</b>					
<b>Earmarked Reserves</b>		<b>2,331,510</b>		<b>1,480,266</b>	
<b>General Balances</b>		<b>0</b>		<b>0</b>	
<b>Budget requirement</b>		<b>334,392,510</b>		<b>327,559,266</b>	
<b>Less: Local Share of Business Rates</b>	<b>16,563,993</b>		<b>18,261,502</b>		
<b>Top Up Grant</b>	<b>39,978,988</b>		<b>40,742,918</b>		
<b>Total Business Rates Retention System</b>	<b>56,542,981</b>		<b>59,004,420</b>		
<b>Revenue Support Grant</b>	<b>72,097,733</b>		<b>54,358,462</b>		
		<b>128,640,714</b>		<b>113,362,882</b>	
		<b>205,751,796</b>		<b>214,196,384</b>	
<b>Less: Surplus on collection fund</b>		<b>-1,829,685</b>		<b>-2,112,837</b>	
<b>Council Taxpayer</b>		<b>203,922,111</b>		<b>212,083,547</b>	
<b>Council Tax Base</b>		<b>192,521</b>		<b>196,416</b>	
<b>Band D Equivalent</b>		<b>1,059.22</b>		<b>1,079.77</b>	<b>1.94%</b>

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## **Pay Policy Statement**

### **Introduction and Purpose**

The purpose of this policy is to clarify the County Council's strategic stance on pay in order to provide direction for members and officers making detailed decisions on pay and to provide the citizens of Worcestershire with a clear statement of the principles underpinning decisions on the use of public funds.

Under section 112 of the Local Government Act 1972, the Council has the power to appoint officers on such reasonable terms and conditions, including remuneration, as the authority thinks fit. This Pay Policy Statement (the 'statement') sets out the Council's approach to pay policy in accordance with the requirements of Section 38 of the Localism Act 2011. The purpose of the statement is to provide transparency with regard to the Council's approach to setting the pay of its employees (excluding those working in local authority schools) by identifying;

- the methods by which salaries of all employees are determined;
- the detail and level of remuneration of its most senior staff i.e. 'chief officers', as defined by the relevant legislation;
- the Panel responsible for ensuring the provisions set out in this statement are applied consistently throughout the Council and for recommending any amendments to the statement to the full Council.

Once approved by the full Council, the statement will come into immediate effect and will be published by no later than 1 April each year, subject to review on a minimum of an annual basis in accordance with the relevant legislation prevailing at that time.

### **Legislative Framework**

In determining the pay and remuneration of all of its employees, the Council will comply with all relevant employment legislation. This includes, but is not an exhaustive list, the Equality Act 2010, Part Time Employment (Prevention of Less Favourable Treatment) Regulations 2000, The Agency Workers Regulations 2010 and where relevant, the Transfer of Undertakings (Protection of Earnings) Regulations. With regard to the Equal Pay requirements contained within the Equality Act, the Council ensures there is no pay discrimination within its pay structures and that all pay differentials can be objectively justified through the use of equality-proofed job evaluation mechanisms which directly relate salaries to the requirements, demands and responsibilities of the role.

### **Pay Structure**

The purpose of pay is to encourage staff with the appropriate skills to seek to work for the County Council and then to reward them appropriately for the tasks they undertake in order to maintain their motivation and retain their services.

Based on the application of job evaluation processes, the Council uses the nationally negotiated pay spine as the basis for its local grading structure (known as the main salary scale). This determines the salaries of the majority of the workforce, together with the use of other nationally defined rates where relevant. In common with the majority of authorities, the Council is committed to the Local Government Employers national pay bargaining framework in respect of the national pay spine and any annual associated cost of living increases negotiated with the trade unions.

Any other pay rates are the subject of either nationally or locally negotiated rates, having been determined from time to time in accordance with collective bargaining machinery and/or as determined by Council policy. In determining its grading structure and setting remuneration levels for all posts, the Council takes account of the need to ensure value for money in respect of the use of public expenditure, balanced against the need to recruit and retain employees who are able to meet the requirements of providing high quality services to the community, delivered effectively and efficiently and at times at which those services are required.

New appointments will normally be made at the minimum of the relevant grade, although this can be varied where necessary to secure the best candidate. From time to time it may be necessary to take account of the external pay market in order to attract and retain employees with particular experience, skills and capacity. Where necessary, the Council will ensure the requirement for such is objectively justified by reference to clear and transparent evidence of relevant market comparators, using appropriate data sources.

## Senior Management Remuneration

For the purposes of this statement, senior management means 'chief officers' as defined within S43 of the Localism Act. The posts falling within the statutory definition are set out below, with details of their basic salary as at 31<sup>st</sup> March 2015. Salaries quoted are based on the full time equivalent (FTE) of 37 hours per week. The Council since April 2011 has adopted a maximum of 35 hours per week for new appointments and corresponding salaries are shown in brackets. Currently 13 of the chief officers are employed on a 35 hour per week contract. Table 1 lists the 32 chief officer posts that make up 0.67% of the 4750<sup>1</sup> people employed by the County Council (excluding schools).

**Table 1: Chief Officer posts**

<b>Title</b>	<b>Grade</b>	<b>Pay range minimum</b>	<b>Pay range maximum</b>	<b>Incremental points</b>
Chief Executive (35 hours per week)	Chief Executive	(£151,000)	(£170,000)	4
Director of Children's Services; Director of Adult Services and Health (DASH); Director of Business, Environment & Community (BEC); Director of Commercial and Change (COaCH)	Director (4 posts)	£112,998 (£106,884)	£124,296 (£117,571)	6
Head of Community & Environment; Head of Adult Social Care; Head of Integrated Commissioning Unit (ICU); Strategic Commissioner - Education Services; Head of Children's Social Care; Head of Legal & Democratic Services; Head of Strategic Infrastructure & Economy; Strategic Commissioner – Early Help and Partnerships; Strategic Commissioner - Major Projects; Strategic Commissioner - Service Transformation; Chief Financial Officer	Head of Service 1 (11 posts)	£82,556 (£78,089)	£90,932 (£86,012)	6

<sup>1</sup> Refers to the staffing count as at 31 December 2014



Head of Human Resources & Organisational Development; Head of Finance & Resources (Children's Services); Head of Finance & Business Support (DASH)	Head of Service 2 (3 posts)	£77,540 (£73,345)	£85,906 (£81,258)	6
Head of Public Health & Senior Consultant	Public Health Band 9 (1 post)	£77,850	£98,453	6
Public Health Consultant	Public Health Band 9 (3 posts)	£77,850	£98,453	6
Director of Improvement and Efficiency West Midlands	Director of IEWM (1 post)	£77,417	£77,417	n/a
Commercial Manager (Commercial and Change)	PO7 (1 post)	£57,619 (£54,501)	£61,145 (£57,837)	4
Senior Brand Manager	PO6 (1 post)	£51,880 (£49,073)	£54,970 (£51,996)	4
Senior Finance Manager (Financial Planning & Reporting)	PO6 (1 post)	£51,880 (£49,073)	£54,970 (£51,996)	4
Senior Manager (Internal Audit & Assurance)	PO6 (1 post)	£51,880 (£49,073)	£54,970 (£51,996)	4
Finance Manager	PO4 (3 posts)	£41,823 (£39,560)	£45,104 (£42,663)	4
Business Administration & Systems Manager (BEC)	PO3 (1 post)	£36,571 (£34,592)	£39,267 (£37,142)	4

For information the main salary scale, covering the majority of the workforce, is shown in Table 2 in the Appendix. The number of posts in each grade is also shown in Chart 1 in the Appendix.

### Recruitment of Chief Officer Related Posts

The Council's policy and procedures with regard to recruitment of chief officer related posts i.e. Chief Executive, Directors and Heads of Service, is set out within the Constitution which can be accessed at [insert link to Constitution](#). When recruiting to all posts the Council will take full and proper account of its own policies and procedures. The determination of the remuneration to be offered to any newly appointed chief officer related position will be in accordance with the pay structure and relevant policies in place at the time of recruitment. Where the Council is unable to recruit to a post at the designated grade, it will consider the use of temporary market forces supplements in accordance with its relevant policies. At this time there are no market forces supplements paid to any chief officer related posts.

Where the Council remains unable to recruit to chief officer related posts under a contract of service, or there is a need for interim support to provide cover for a vacant substantive chief officer related post, the Council will, where necessary, consider engaging individuals under 'contracts for service'. These will be sourced through a relevant procurement process ensuring the Council is able to demonstrate the maximum value for money benefits from competition in securing the relevant service. Currently the Council has engaged one interim chief officer related post under such arrangements who reports immediately to the Director of Children's Services.

## **Additions to Salary of Chief Officer Related Posts**

The Council does not normally apply any bonuses or performance related pay to its chief officer related posts. However progression through the incremental scale of the relevant grade is subject to satisfactory performance, which is assessed on an annual basis.

In addition to basic salary, the Council may pay other elements of 'additional pay' which are chargeable to UK Income Tax and do not solely constitute reimbursement of expenses incurred in the fulfillment of duties, which could include returning officer fees or responsibility allowances. This list is not exhaustive. The Council currently pays one additional responsibility allowance of 15% of salary to the Chief Financial Officer.

The Council is aware of the recommendations of the Hutton Review in relation to making an element of senior pay dependent upon performance i.e. as 'earn-back pay'. Such a system would see chief officer related posts required to meet pre-agreed performance objectives in order to 'earn back' an element of their basic pay that had been placed at risk. Only if objectives were met would executives receive their full basic pay, and only if objectives are clearly exceeded can any additional awards be made. The Council will keep this area under review and may consider opportunities to trial an earn-back system as part of any future pay review.

## **Payments on Termination**

The Council's approach to discretionary payments on termination of employment of chief officers, prior to reaching normal retirement age, is set out within its policy statement in accordance with Regulations 5 and 6 of the Local Government (Early Termination of Employment) (Discretionary Compensation) Regulations 2006 and Regulations 12 and 13 of the Local Government Pension Scheme (LGPS) (Administration) Regulations 2008 (as amended) and Regulation 30 of the Local Government Pension Scheme (Benefits, Membership and Contribution) Regulations 2007.

Any other payments falling outside the provisions or the relevant periods of contractual notice shall be subject to a formal decision made by the full Council or relevant elected members, committee or panel of elected members with delegated authority to approve such payments.

In 2011 the Council introduced a ceiling of £50,000 on redundancy payments for all employees.

## **Publication**

Upon approval by the full Council, this statement will be published on the Council's Website. In addition, the Council's Annual Statement of Accounts will include a note setting out the number of staff whose total remuneration is at least £50,000 and for chief officer posts it will show the amount of

- salary, fees or allowances paid to or receivable by the person in the current and previous year;
- employers contribution to the person's pension
- any bonuses so paid or receivable by the person in the current and previous year;
- any sums payable by way of expenses allowance that are chargeable to UK income tax;
- any compensation for loss of employment and any other payments connected with termination;
- any benefits received that do not fall within the above

## **Lowest Paid Employees**

The Council since April 2011 has adopted a maximum of 35 hours per week for new appointments. The lowest paid persons employed under a contract of employment with the Council are employed on 35 hour per week in accordance with the minimum spinal column point currently in use within the Council's grading structure. As at 1<sup>st</sup> April 2015 this is £13,120 per annum and is three points higher than the National pay spine minimum. Please note that this will be two points higher when

spinal column point (scp) 5 is removed from the national pay spine from October 2015. The Council employs Apprentices who are not included within the definition of 'lowest paid employees' as the terms and conditions are determined by the National Apprenticeship Service.

The relationship between the rate of pay for the lowest paid and chief officers is determined by the processes used for determining pay and grading structures as set out earlier in this policy statement.

The statutory guidance under the Localism Act recommends the use of pay multiples as a means of measuring the relationship between pay rates across the workforce and that of senior managers, as included within the Hutton 'Review of Fair Pay in the Public Sector' (2010). The Hutton report was asked by Government to explore the case for a fixed limit on dispersion of pay through a requirement that no public sector manager can earn more than 20 times the lowest paid person in the organisation. The report concluded that "it would not be fair or wise for the Government to impose a single maximum pay multiple across the public sector". The Council accepts the view that the relationship to median earnings is a more relevant measure and the Government's Code of Recommended Practice on Data Transparency recommends the publication of the ratio between highest paid salary and the median average salary of the whole of the authority's workforce.

The current pay levels within the Council define the multiple between the lowest paid (35 hours per week) employee and the Chief Executive (35 hour per week) as 1:11.51 and; between the lowest paid employee (35 hours per week) and average chief officer as 1:6.01. The multiple between the median (average) full time equivalent earnings and the Chief Executive (35 hours per week) is 1:7.14 and; between the median (average) full time equivalent earnings and average chief officer is 1:3.73

As part of its overall and ongoing monitoring of alignment with external pay markets, both within and outside the sector, the Council will use available benchmark information as appropriate.

### **Re-engagement and Re-employment of former Chief Officer Related Posts**

Other than in exceptional circumstances the Council would not normally re-employ or re-engage chief officers who were previously employed by the Council and who on ceasing to be employed, received severance or redundancy payment.

### **Accountability and Decision Making**

In accordance with the Constitution of the Council, the Appointments Etc Panel is responsible for decision making in relation to the recruitment, pay, terms and conditions and severance arrangements in relation to chief officer positions within the Council. Overall the Council aims to maintain a mid-market position on chief officer pay in comparison to similar authorities.

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#### **FOR OFFICE USE ONLY**

*Res/HR/BAC: Prepared 25 January 2012*

*Approved by Council 16 February 2012*

*Res/HR/BAC: Updated 17 January 2013*

*Approved by Council 14 February 2013*

*Res/HR/BAC: Updated 29 January 2014*

*Approved by Council 13 February 2014*

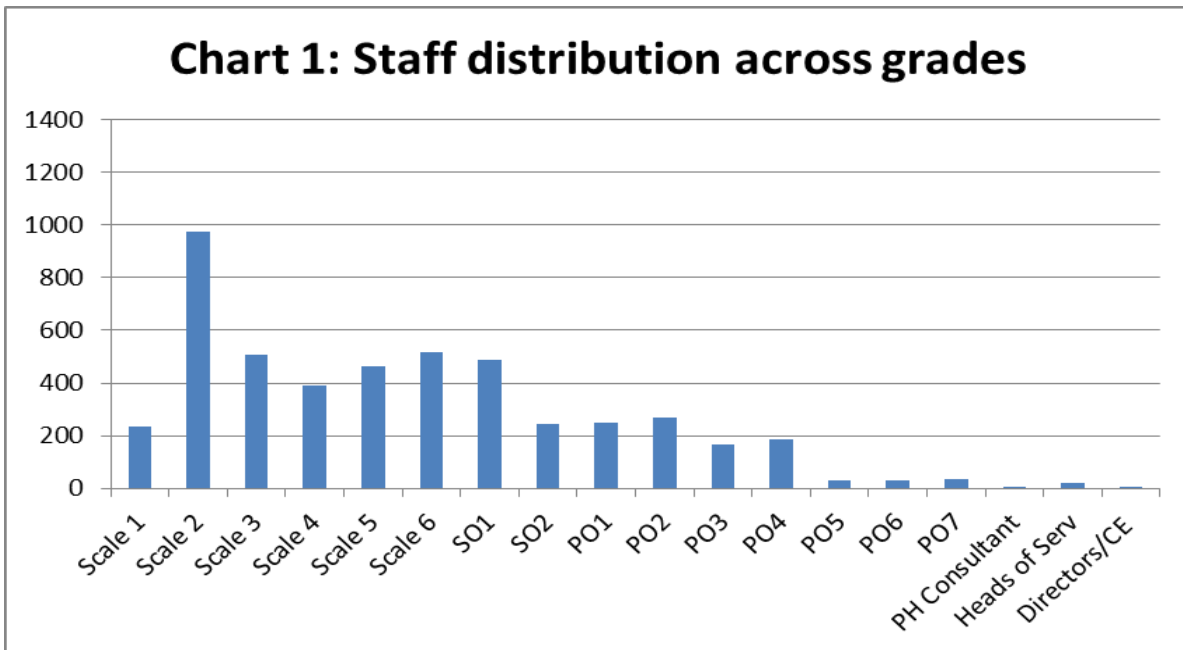
*COaCH/HR/BAC: Updated 20 January 2015*

*To be approved by Council 12 February 2015*

# Appendix

**Table 2: Other main salary grades based on 37 hour full time equivalent (35 hour full time equivalent shown in brackets)**

Grade	Pay range minimum	Pay range maximum	National Pay spine Points
Scale 1	£13,871 (£13,120)	£14,075 (£13,313)	8 - 9
Scale 2	£14,338 (£13,562)	£15,941 (£15,078)	10 - 13
Scale 3	£16,231 (£15,352)	£17,372 (£16,432)	14 - 17
Scale 4	£17,714 (£16,755)	£19,742 (£18,674)	18 - 21
Scale 5	£20,253 (£19,157)	£22,212 (£21,010)	22 - 25
Scale 6	£22,937 (£21,696)	£24,472 (£23,148)	26 - 28
SO1	£25,440 (£24,063)	£27,123 (£25,655)	29 - 31
SO2	£27,924 (£26,413)	£29,558 (£27,958)	32 - 34
PO1	£29,558 (£27,958)	£31,846 (£30,123)	34 - 37
PO2	£32,778 (£31,004)	£35,662 (£33,732)	38 - 41
PO3	£36,571 (£34,592)	£39,267 (£37,142)	42 - 45
PO4	£41,823 (£39,560)	£45,104 (£42,663)	46 - 49
PO5	£46,505 (£43,989)	£49,448 (£46,772)	50 - 53
PO6	£51,880 (£49,073)	£54,970 (£51,996)	54 - 57
PO7	£57,619 (£54,501)	£61,145 (£57,837)	58 - 61



**CORPORATE PLAN AREA: CROSS CUTTING**

	Estimate 2014/15				Estimate 2015/16				Staff (FTE)
	Gross Exp. £000	Gross Income £000	Reserve M'ments £000	Net Exp. £000	Gross Exp. £000	Gross Income £000	Reserve M'ments £000	Net Exp. £000	No.
<b><u>SERVICE NET EXPENDITURE SUMMARY</u></b>									
<b><u>PROPERTY SERVICES (Head of Service: Peter Parkes)</u></b>									
Property Services Division	5,805	5,432		373	4,102	4,045		57	85
Facilities Management	5,143	4,668	-40	515	4,684	4,211	-40	513	19
Maintenance & Minor Works	2,382	2,382		0	2,322	2,322		0	
Property Other Services	190	31		159	280	31		249	
Smallholdings Estates & Woodlands	220	311		-91	200	311		-111	
	<b>13,740</b>	<b>12,824</b>	<b>-40</b>	<b>956</b>	<b>11,588</b>	<b>10,920</b>	<b>-40</b>	<b>708</b>	<b>104</b>
<b><u>SYSTEMS &amp; CUSTOMER ACCESS (Head of Service: Peter Bishop)</u></b>									
ICT Service Division	5,207	4,853	109	245	5,058	5,026		32	47
Customer Services	2,951	2,653		298	1,927	2,202		-275	61
Schools - Internal Trading Unit	2,734	2,920		-186	8	107		-99	0
Telecommunications - Internal Trading Unit	442	472		-30	0	0		0	0
	<b>11,334</b>	<b>10,898</b>	<b>109</b>	<b>327</b>	<b>6,993</b>	<b>7,335</b>	<b>0</b>	<b>-342</b>	<b>108</b>
<b><u>HUMAN RESOURCES &amp; ORGANISATIONAL DEVELOPMENT (Head of Service: Elaine Chandler)</u></b>									
Human Resources	5,545	5,291		254	5,380	5,420		-40	130
Learning and Development	2,111	2,024		87	1,630	1,630		0	37
	<b>7,656</b>	<b>7,315</b>	<b>0</b>	<b>341</b>	<b>7,010</b>	<b>7,050</b>	<b>0</b>	<b>-40</b>	<b>167</b>
<b><u>LEGAL &amp; DEMOCRATIC SERVICES (Head of Service: Simon Mallinson)</u></b>									
Legal Services	1,868	1,708		160	1,700	1,693		7	30
Committee and Appellate	335	197		138	321	197		124	5
Overview and Scrutiny	298			298	285			285	6
Allowance & Expenses	950		0	950	950		0	950	0
Councillors Divisional Fund	570		570	0	570		570	0	0
Business & Member Support (L & D Services)	1,139	164		975	1,420	278		1,142	8
County Council Elections	109			109	109			109	0
	<b>5,269</b>	<b>2,069</b>	<b>570</b>	<b>2,630</b>	<b>5,355</b>	<b>2,168</b>	<b>570</b>	<b>2,617</b>	<b>49</b>
<b><u>BUSINESS PLANNING &amp; PERFORMANCE (Head of Service: Lisa Peaty)</u></b>									
Performance Management	0	0		0	199	171	28	0	4
Consumer Relations Unit	228	214		14	216	216		0	5
	<b>228</b>	<b>214</b>	<b>0</b>	<b>14</b>	<b>415</b>	<b>387</b>	<b>28</b>	<b>0</b>	<b>9</b>
<b><u>COMMERCIAL TEAM (Head of Service: Joanna Charles)</u></b>									
Commercial Team	0	0		0	287	0	307	-20	5
Strategic Procurement	155	146		9	147	147		0	3
	<b>155</b>	<b>146</b>	<b>0</b>	<b>9</b>	<b>434</b>	<b>147</b>	<b>307</b>	<b>-20</b>	<b>8</b>
<b><u>RESEARCH &amp; MARKETING (Head of Service: Katharine Clough)</u></b>									
Corporate Programme Management	1,542	179	1,363	0	1,587	89	1,498	0	17
Equality and Diversity	90	86		4	80	77	3	0	1
Research & Marketing Unit	1,181	1,116		65	987	989		-2	21
Business Support Unit	206	122		84	79	0		79	2
Local Strategic Partnership	61	42		19	49	43		6	1
	<b>3,080</b>	<b>1,545</b>	<b>1,363</b>	<b>172</b>	<b>2,782</b>	<b>1,198</b>	<b>1,501</b>	<b>83</b>	<b>42</b>
<b><u>COMMERCIAL &amp; CHANGE - MANAGEMENT (Sander Kristel)</u></b>									
Commissioning and Change Management	507	332		175	385	376		9	3
Corporate Subscriptions	144			144	147			147	0
	<b>651</b>	<b>332</b>	<b>0</b>	<b>319</b>	<b>532</b>	<b>376</b>	<b>0</b>	<b>156</b>	<b>3</b>
<b>TOTAL COMMERCIAL &amp; CHANGE</b>	<b>42,113</b>	<b>35,343</b>	<b>2,002</b>	<b>4,768</b>	<b>35,109</b>	<b>29,581</b>	<b>2,366</b>	<b>3,162</b>	<b>490</b>

**CORPORATE PLAN AREA: CROSS CUTTING**

	Estimate 2014/15				Estimate 2015/16				Staff (FTE) No.
	Gross Exp. £000	Gross Income £000	Reserve M'ments £000	Net Exp. £000	Gross Exp. £000	Gross Income £000	Reserve M'ments £000	Net Exp. £000	
<b>CHIEF EXECUTIVE (Clare Marchant)</b>									
Chief Executive	438	5		433	634	5		629	2
<b>FINANCIAL SERVICES &amp; WHOLE ORGANISATION (Head of Service: Sean Pearce)</b>									
Corporate Financial Strategy Group	3,291	2,748		543	2,825	2,825		0	50
Financing Transactions	30,611	211		30,400	29,904	271		29,633	
Contributions & Precepts	216			216	232			232	
Pensions Back Funding Liabilities	0			0	7,696			7,696	
Miscellaneous Services	695	1,650		-955	2,717	1,454	-204	1,467	
	34,813	4,609	0	30,204	43,374	4,550	-204	39,028	50
<b>TOTAL CHIEF EXECUTIVE &amp; FINANCE</b>	<b>35,251</b>	<b>4,614</b>	<b>0</b>	<b>30,637</b>	<b>44,008</b>	<b>4,555</b>	<b>-204</b>	<b>39,657</b>	<b>52</b>
<b>TOTAL DIRECTORATE NET EXPENDITURE</b>	<b>77,364</b>	<b>39,957</b>	<b>2,002</b>	<b>35,405</b>	<b>79,117</b>	<b>34,136</b>	<b>2,162</b>	<b>42,819</b>	<b>542</b>

**Additional Information**

The above estimates are net of Central Support Services recharges to other Service Directorates of £13,931 million for 2015/16. The gross Commercial and Change Directorate and Chief Executive Unit budget before these costs are recharged is £56,750 million.

Contact Officers: Clare Marchant, Chief Executive (01950 822893)  
 Sander Kristel, Director of Commercial and Change (01905 766200)  
 John Campion, Cabinet Member with Responsibility for Transformation and Change  
 Adrian Hardman, Leader of the Council with Responsibility for Finance

**12 February 2015**

## **5. REPORTS OF CABINET**

### **(b) SUMMARY OF DECISIONS TAKEN**

#### **Implementation of the Care Act 2014**

1. The Cabinet has considered the implementation of the Care Act 2014 including the new duties required under it and accompanying Regulations and Statutory Guidance. The new duties and powers for local authorities fall into two categories: 'reform of duties in respect of adult social care and support' which comes into force from April 2015 and 'reform of adult social care funding' which is about changes in the eligibility for social care funding and reforming the way in which people pay for care, which comes into force from April 2016.
2. The Cabinet has authorised the Director of Adult Services and Health to consolidate existing policies and practice in respect of prevention into an appropriate single policy and action plan by 31 March 2015. The Cabinet has also agreed that the Council will apply the new national criteria and threshold to determine adults' eligibility for local authority funded care and support, and will continue to charge for care and support for service users in line with its powers under the Care Act and existing policy. It has authorised the Director of Adult Services and Health to finalise and update the relevant policies and procedures accordingly. Additionally, the Cabinet has agreed the approach to charging carers and will not charge for support to carers where this involves services that they receive directly. The Director of Adult Services and Health will reflect this position in the relevant policies and procedures. The Cabinet has noted the requirement to update the Council's Deferred Payments Agreement scheme in line with the Care Act. Again, the Director will update the relevant policies and procedures accordingly and will also implement the requirements of the Care Act in respect of advocacy through revision of the existing contract and re-commissioning of new services.
3. The Cabinet has received an assurance of the Council's state of readiness for implementation of the Care Act. The Council has had a grant of £125,000 in 2014/15 to assist with the Act's implementation. Additional costs will be incurred in 2015/16 and are currently estimated to be £5.3m. It will be difficult to estimate costs in subsequent years as the additional demand arising from the Care Act is difficult to predict. The Government has not confirmed any additional

**Superfast Extension Programme - Appointing a Preferred Supplier for a County-wide Broadband Infrastructure Partner**

funding beyond 2015/16 and this therefore, creates a cost pressure for the Council. A communications and engagement campaign is being run by the Council to raise awareness of the Care Act.

4. The Cabinet has considered the significant progress to date of the Broadband programme, in particular the Superfast Extension Programme. There are both economic and social benefits of faster broadband for Worcestershire's residents and businesses. The current Superfast Worcestershire programme has extended broadband coverage significantly and is 3 months ahead of schedule. The Broadband Community Pathfinder project is now available to residents and business premises in three projects areas covering approximately 2,200 premises. The ambition for the Superfast Extension Programme contract is that 95% of all premises will have access to superfast broadband speeds (residential and business). The Invitation to Tender for the Superfast Extension Programme was released in December 2014.

5. The Cabinet has authorised the Director of Commercial and Change, in consultation with the Cabinet Member with Responsibility for Economy, Skills and Infrastructure and the Director of Business, Environment and Community, to complete the evaluation of tenders, undertake contract finalisation and to execute the contract. Subject to satisfactory completion of this finalisation process the Director of Commercial and Change, in consultation with the Director of Business, Environment and Community, has been authorised to award a contract to a preferred partner and supplier for the delivery of Worcestershire's Superfast Extension Programme. The Director of Commercial and Change, in consultation with the Cabinet Member and Director of Business, Environment and Community, has been given authority to approve future change controls to both the Superfast Worcestershire Contract (signed 5 August 2013) and the Superfast Extension Programme to ensure programme pace is maintained following contract award of the latter which is projected for April 2015.

6. The total amount of funding available for the Superfast Extension Programme is £4.78m, comprising £2.39m grant funding each from the Broadband Delivery UK Fund and the Local Growth Fund. There is no financial commitment for the Council other than the revenue costs of managing the contract and stimulating demand.

**Increasing the Number of School Places available in Malvern**

7. The Cabinet has considered proposals to increase the number of school places available within Malvern to cover the 2015 and 2016 Reception intakes. Latest data had identified a need for additional places by September 2016. Trends supported the provision of such places in or near to the town. A public consultation document had set out the



options and, in light of the analysis, the recommendations in relation to Callow End C.E., Leigh and Bransford, Northleigh C.E. Primary Schools and Somers Park School. A number of alternative options were also put forward during the consultation process.

8. The Cabinet has noted the results of the consultation. It has, as a result, approved the increase in Published Admission Numbers for Callow End C.E. Primary School from 12 to 15, subject to the necessary capital funding being approved under the 2015/16 Capital Programme, and for Leigh and Bransford Primary School from 15 to 30, subject to notice, planning and the necessary capital funding being approved under the 2015/16 Capital Programme. It has however, agreed not to pursue the option to expand Northleigh C.E. Primary School on its existing site.

9. Further discussions will take place with both Northleigh C.E. Primary and Somers Park Schools, local county councillors and Malvern Hills District Council to explore the viability and costs of an option to develop the Malvern Vale site. However, without prejudice to the future, the Directors of Somers Park School will be requested to take a 'bulge' year for the academic year September 2016 should the Director of Children's Services believe this is required.

10. The Cabinet has considered the Scrutiny Report on Digital Inclusion which examined how the Council could make sure that all Worcestershire residents benefited from the opportunities offered by its Digital Strategy and aimed to identify possible risks and how these could be mitigated.

11. The Overview and Scrutiny Performance Board agreed that members should monitor implementation of the Digital Strategy going forward, and, as part of this, review the quality, availability and take up of adult education courses on IT literacy. Additionally, the Adult Care and Well-being Overview and Scrutiny Panel should be given the opportunity to view and comment on the e-market place before it went live.

12. The Cabinet has noted the conclusions of the Scrutiny Report on Digital Inclusion and agreed to adopt the response of the Cabinet Member with Responsibility for Transformation and Change and the Cabinet Member with Responsibility for Adult Social Care as the way forward.

**Mr A I Hardman**  
**Chairman**

**County Council Contact Points**

Worcester (01905) 763763 or Minicom: Worcester (01905)

## **Scrutiny Report: Digital Inclusion**

## **Contact Points**

766399

**Specific Contact Points for this report**

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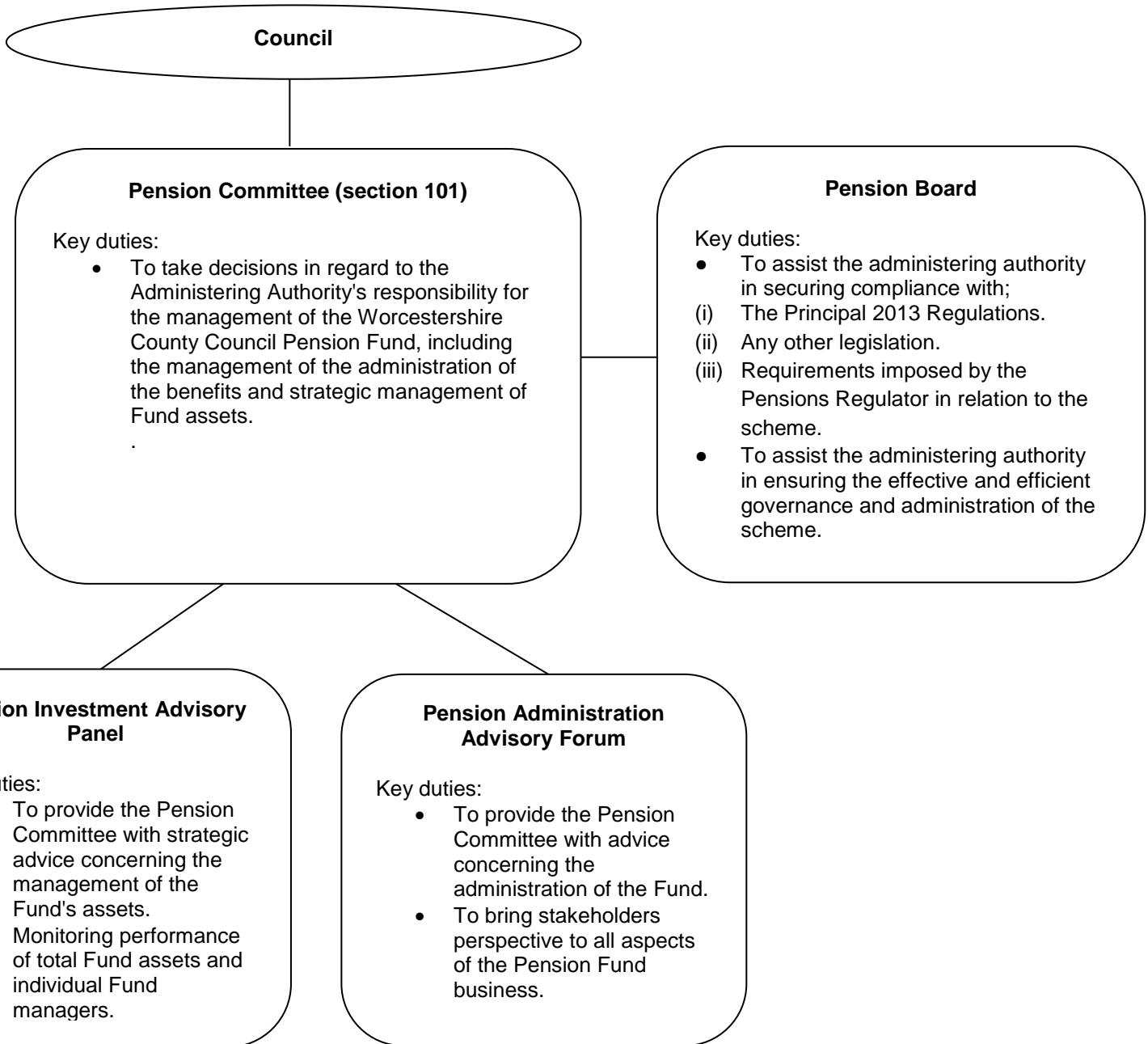
**Background Papers**

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) the following are the background papers relating to the subject matter of this item:

Agenda and background papers for the meeting of the Cabinet held on 5 February 2015.

## Worcestershire County Council Pension Fund Governance Policy Statement

### Governance Structure



*This statement has been prepared by Worcestershire County Council (the Administering Authority) to set out the governance policy strategy for the Worcestershire County Council*

*Pension Fund (the Scheme), in accordance with Regulation 73A of the Local Government Pension Scheme Regulations 1997 (as amended).*

## **1. Introduction**

1.1 The Worcestershire County Council Pension Fund administers the Local Government Pension Scheme for its own employees and employees and those of over 140 other Scheme Employers in the administrative area of Herefordshire and Worcestershire, with 20,000 contributing members, 14,100 pensioners and beneficiaries and a further 14,200 deferred pensioners.

1.2 The Local Government Pension Scheme (Amendment) (no.2) Regulations 2005 SI 2005/3199 provides the statutory framework from which the Administering Authority is required to prepare a Fund Governance Statement. The regulations require that an Administering Authority after consultation with such persons as they consider appropriate, prepare, maintain and publish a written statement setting out:

- Whether the administering authority delegates their function or part of their function in relation to maintaining the pension fund to a committee, a sub-committee or an officer of the administering authority;
- The frequency of any committee or sub-committee meetings;
- The terms of reference, structure and operational procedures of the delegation;
- Whether the committee or sub-committee includes representatives of employing authorities (including non-scheme employers) or members, and if so, whether those representatives have voting rights.

1.3 This statement has been prepared by Worcestershire County Council in consultation with appropriate interested persons.

## **2. Administrative Arrangements**

2.1 On 1 April 1998 Worcestershire County Council was constituted and vested, under section 16 of the Hereford and Worcester (Structural, Boundary and Electoral Changes) order 1996 (Statutory Instrument 1996 No 1867), with the rights and liabilities of the former pension fund Hereford and Worcester County Council. Therefore, the Council is the appropriate Administering Authority to maintain the Fund.

2.2 As the statutory Administering Authority and Scheme Manager for the Fund, Worcestershire County Council is responsible for ensuring effective stewardship of the Fund's affairs. Worcestershire County Council has established a Pension Committee to discharge the Council's responsibility for the management of the administration of the Fund.

2.3 Worcestershire County Council has also established a Pension Investment Advisory Panel to provide the Pension Committee with strategic advice concerning changes to the Fund's asset allocation, the termination and appointment of investment managers and Independent Financial Advisers.

2.4 A Pension Administration Advisory Forum has also been established to provide wider stakeholder representation and communication in matters relating to the Fund. The Pension Committee has overall responsibility for the management of the administration of the Fund, as set out in the Scheme of Assignment of Responsibility for Functions, however the Pension Committee takes advice from the Pension Administration Advisory Forum to enable the Pension Committee to discharge its responsibility effectively.

## **3. Pension Committee**

3.1 The Pension Committee discharges the responsibilities of the Council as Administering Authority of the Fund pursuant to Section 101 and Regulations under Section 7 of the Superannuation Act 1972.

- 3.2 The Pension Committee discharges the responsibilities for management of the administration of the Fund. However it will take views from the Pension Administration Advisory Forum to enable it to discharge its duties effectively.
- 3.3 The Pension Committee discharges the responsibilities for the strategic management of the Fund's assets. However, it will take strategic advice from the Pension Investment Advisory Panel to enable it to discharge its duties effectively. The dates of Pension Committee meetings will be synchronised with those of the Pension Investment Advisory Panel to ensure investment decisions are reviewed without unnecessary delay.
- 3.4 The Council appoints the Chairman and Vice-Chairman of the Pension Committee. The Chairman of the particular meeting has a second or casting vote in the case of equality of votes.
- 3.5 The Pension Committee is a formal committee of the Council and comprises a total of 8 voting members:
- 5 Worcestershire County Councillors
  - 1 co-opted Councillor as nominated by Herefordshire Council (being the second largest employer in the Fund)
  - 1 co-opted voting employer representative and
  - 1 co-opted voting employee representative from a relevant Union.

The 5 County Councillor members are formally appointed by the Head of Legal and Democratic Services in accordance with political balance requirements from time to time and the nominations of the relevant Group Leaders, and the 3 co-optees are co-opted by the Chairman of the Committee.

***[Note - as of 12 February 2015, the political balance of the 5 County Councillors to be appointed to the Pension Committee is: Conservative 3, Labour 1, and (tbc) either 2013 or Independent Group 1]***

- 3.6 The Pension Committee will be advised by on an ad hoc basis by an Independent Financial Adviser and the Fund's Actuary.
- 3.7 Pension Committee Terms of Reference:

The Pension Committee will meet at least quarterly or otherwise as necessary to take decisions on:

- Changes to the Statement of Investment Principles, including the strategic benchmark for asset allocation, Investment Manager benchmarks and Investment Manager targets.
- The termination and appointment of Investment Managers and associated professional service providers.
- The termination and appointment of the Fund's Independent Financial Adviser, Performance Measurement Consultant, Global Custodian and Actuary.
- The Pensions Administration Strategy Statement, Policy Statement on Communication Strategy, Policy Statement on Governance Strategy, Funding Strategy Statement and Governance Compliance Statement.
- The Triennial and Interim Actuarial Valuations.
- The approval of the Pension Fund Annual Report and Accounts.
- The approval of the Pension Fund annual and triennial budgets.
- Key outstanding risks as identified in the Pension Fund Risk Register.
- The Pension Administration Advisory Forum arrangement and regular Forum reports, which consider and address outstanding member and employer issues and concerns.
- The Pension Investment Advisory Panel arrangement and regular Advisory Panel reports, which monitor performance of the Fund's assets.
- Requests for admission of qualifying Community and Transferee Bodies wishing to join the Fund.

- Key pension policy discretions that are the responsibility of the Administering Authority.
- 3.8 All elected members and voting co-optees of the Pension Committee are subject to the Worcestershire County Council Code of Conduct for Members, and must therefore register and keep updated their Disclosable Pecuniary Interests as required by the law and Code and disclose potential conflicts of interest as required by that Code.
- 3.9 Members of the Pension Committee are expected to hold the appropriate knowledge and skills to discharge their responsibility effectively – see Section 8.
- 3.10 The responsibility for advising the Pension Committee is delegated to the Chief Financial Officer.
- 3.11 Members of the Pension Committee have equal access to Pension Committee agenda papers and associated appendices in accordance with the legislation and constitutional Rules relating to access to information for committees. Formal meetings of the Committee will take place in public unless it has resolved to move into exempt session in accordance with the applicable access to information provisions.

#### **4. Pension Board**

Please see separate Pension Board Terms of Reference document.

#### **5. Pension Investment Advisory Panel**

- 5.1 The Pension Investment Advisory Panel provides the Pension Committee with strategic advice concerning changes to the Fund's asset allocation, the termination and appointment of Investment Managers and Independent Financial Advisers. It is not a decision-making body or formal committee, and will not normally meet in public.
- 5.2 The Chief Financial Officer appoints the members of the Pension Investment Advisory Panel, which comprises of:
- four County Councillors
  - the Chief Financial Officer
  - the Principal Accountant – Pension Fund and
  - one employee representative.

The composition of the Pension Investment Advisory Panel is intended to reflect the abilities and knowledge of the individuals in matters relating to the investment of the Fund's assets rather than political representation. All members of the Panel are entitled to vote if necessary for the Panel to fulfil its role and provide advice to the Pension Committee regarding the administration of the fund's assets.

The Chairman of the Panel is appointed from amongst its members by the Chairman of the Pensions Committee.

#### **5.3 Terms of reference:**

The Pension Investment Advisory Panel will meet at least quarterly or otherwise as necessary to produce strategic advice to the Pension Committee on:

- Changes to the Statement of Investment Principles, including the strategic benchmark for asset allocation, Investment Manager benchmarks and Investment Manager targets.
- The termination and appointment of Investment Managers and associated professional service providers.
- The termination and appointment of the Fund's Independent Financial Adviser, Performance Measurement Consultant and Global Custodian.

The Pension Investment Advisory Panel will also:

- Monitor performance of total Fund assets and individual Investment Managers.
  - Monitor compliance with the Statement of Investment Principles.
  - Monitor performance of the Independent Financial Advisor.
- 5.4 The Pension Investment Advisory Panel is advised by an Independent Financial Adviser who attends all meetings.
- 5.5 Active Equities Investment Managers report to the Pension Investment Advisory Panel bi-annually, whilst the Fund's Bond Manager reports annually. Further monitoring meetings with Investment Managers are undertaken by officers of the Administering Authority and the outcomes reported to the Pension Investment Advisory Panel.
- 5.6 One of the regular quarterly meetings will include an annual meeting to consider the Fund's full year's performance.
- 5.7 The Fund's Statement of Investment Principles (SIP) sets out the arrangements in place for the management of the investments of the Worcestershire County Council Pension Fund.
- 5.8 The day to day management of the Fund's investments is divided between external Investment Managers, operating in accordance with mandates set out in the Statement of Investment Principles.
- 5.9 The Chairman of the Panel may attend the Pension Committee to ensure flow of information between the 2 bodies.
- 5.10 Members of the Pension Investment Advisory Panel must not have a conflict of interest and are required to provide the Chief Financial Officer with such information as the Chief Financial Officer reasonably requires for the purposes of ensuring no conflict of interest exists prior to appointment to the Pension Investment Advisory Panel and on an ongoing annual basis.
- 5.11 Members of the Pension Investment Advisory Panel are required to hold the appropriate knowledge and skills to discharge their responsibility effectively.

## **6. Pension Administration Advisory Forum**

- 6.1 The Pension Administration Advisory Forum provides the Pension Committee with advice concerning the administration of the Fund. It is neither a decision-making body nor formal committee, and will not normally meet in public. No voting rights apply to the Pension Administration Advisory Forum as the purpose of the Forum is to provide transparency of information to scheme employers and for scheme employers to provide advice to, and raise concerns with, the employer representative.
- 6.2 The Pension Administration Advisory Forum comprises
- all Fund employers who wish to attend following invitation by the Administering Authority
  - the Fund's Actuary (ad hoc basis)
  - the Administering Authority's Pensions Manager and HR Service Centre Manager
  - and the employer representative and employee representative of the Pension Committee.
- 6.3 Terms of reference:

The Forum will meet at least twice a year or otherwise as necessary to:

- Discuss an Annual Administration Report and respond to any issues raised by employers.
- Discuss Government Consultations relating to the administration and benefits of the LGPS.
- Discuss the outcomes of the triennial/interim valuations and respond to any issues raised by employers.

- Discuss the minutes and updates from the Pension Committee and ensure flow of information between the Pension Committee and the Forum.
  - To advise on service delivery to all stakeholders.
  - To bring stakeholders perspective to all aspects of the Pension Fund business.
  - To ask the Administering Authority and the Pension Committee to consider topics which affect the Pension Fund.
- 6.4 All Fund employers are invited to attend the Pension Administration Advisory Forum along with the Fund's Actuary, Administering Authority officers and the employer and employee representatives on the Pension Committee.
- 6.5 Other meetings are held as required between Administering Authority officers and employers to discuss important issues such as discretionary policies and regulatory changes.
- 6.6 The Administering Authority also communicates with the Fund's membership through newsletters, road shows and presentations.
- 6.7 The Fund's Policy Statement on Communication Strategy explains in more detail engagement with all stakeholders.

## **7. Delegation**

- 7.1 The day to day administration of, and investment decisions for, the Worcestershire County Council Pension Fund are delegated to the Chief Financial Officer.
- 7.2 The Chief Financial Officer may authorise other officers to exercise on his/her behalf those functions delegated to him/her.
- 7.3 The Chief Financial Officer has delegated responsibility for the following responsibilities concerning the management of the administration of the Fund including:
- Preparing and maintaining a Pensions Administration Strategy Statement, Policy Statement on Communication Strategy, Policy Statement on Governance Strategy, Funding Strategy Statement and Governance Compliance Statement.
  - Provision of data for the Triennial and Interim Actuarial Valuations. The Chief Financial Officer will also negotiate over actuarial assumptions, set the appropriate funding target and associated recovery period.
  - Preparing the Pension Fund Annual Report and Accounts.
  - Preparing the Pension Fund annual and triennial budgets.
  - Preparing and maintaining a Pension Fund Risk Register and monitoring key outstanding risks.
  - Overseeing and administering the Pension Administration Advisory Forum arrangement and review regular Forum reports to consider and address outstanding member and employer issues and concerns.
  - Administering the Pension Investment Advisory Panel arrangement and reviewing regular Advisory Panel reports to monitor performance of the Fund's assets.
  - Deciding upon requests for admission of qualifying Community and Transferee Bodies and Scheduled and Designated Bodies wishing to join the Fund.
  - Deciding upon key pension policy discretions that are the responsibility of the Administering Authority.
  - Executing documentation relating to the implementation of new and existing investment mandates, Independent Financial Advisers, Performance Measurement Consultant, Global Custodians, Actuaries and any other associated professional service providers.
  - Quarterly monitoring of Investment Managers' performance for managers not presenting to the Pension Investment Advisory Panel.
  - The effective discharge of the pensions administration function, including the payment of pensions and collecting and reconciling of contribution income.
  - Maintaining the Fund's accounting records.



- Preparing and maintaining the Statement of Investment Principles, including implementing changes to the strategic benchmark for asset allocation.
- Implementing and maintaining a knowledge and skills training plan for members of the Pension Committee and Pension Investment Advisory Panel.
- Advising the Pension Committee.
- Implementing and maintaining the cash flow strategy for the Fund, which includes the transfer of cash to the Fund's Global Custodian to ensure cash is fully invested when available and the transfer of cash from the Global Custodian to pay pension liabilities as they fall due.

## **8. Knowledge and Skills**

- 8.1 The Administering Authority has regard to the legal requirements set out in the Local Government Pension Scheme Regulations, other relevant legislation and best practice guidance published by CIPFA and other professional and regulatory bodies in creating a knowledge and skills policy for the Worcestershire County Council Pension Fund, to ensure all those involved in the decision-making process receive relevant training in order to obtain the appropriate knowledge and skills to discharge their responsibilities effectively.
- 8.2 Committee members and appropriate Administering Authority officers complete an annual knowledge and skills self-assessment form. These are used to prepare annual training plans and a log of training undertaken is maintained by the Administering Authority. The annual training plans include a programme of external and internal training events designed to meet the requirements both of new members of the committee and the ongoing needs of existing members. These events are reported formally to members on an annual basis. Individual reports to authorise attendance by members at these events are put to the Chief Financial Officer on an event by event basis.

## **9. Further information**

Additional information on the activities of the Pension Fund can be found in the Annual Report and Accounts, which is available on the Worcestershire County Council's website at: [http://www.worcestershire.gov.uk/downloads/download/697/pension\\_fund\\_annual\\_report](http://www.worcestershire.gov.uk/downloads/download/697/pension_fund_annual_report)

February 2015

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### LOCAL PENSION BOARD OF WORCESTERSHIRE COUNTY COUNCIL TERMS OF REFERENCE

#### Introduction

1. This document sets out the terms of reference of the Local Pension Board of Worcestershire County Council (the 'Administering Authority') a scheme manager as defined under Section 4 of the Public Service Pensions Act 2013. The Local Pension Board (hereafter referred to as 'the Board') is established in accordance with Section 5 of that Act and under Regulation 106 of the Local Government Pension Scheme Regulations 2013 (as amended).
2. The Board is established by the Administering Authority and operates independently of the Committee. Relevant information about its creation and operation are contained in these Terms of Reference.
3. The Board is not a committee constituted under Section 101 of the Local Government Act 1972 and therefore no general duties, responsibilities or powers assigned to such committees or to any sub-committees or officers under the constitution, standing orders or scheme of delegation of the Administering Authority apply to the Board unless expressly included in this document.
4. Except where approval has been granted under regulation 106(2) of the Regulations the Board shall be constituted separately from any committee or sub-committee constituted under Section 101 of the Local Government Act 1972 with delegated authority to execute the function of the Administering Authority.

#### Interpretation

5. The following terms have the meanings as outlined below:

<b>'the Act'</b>	The Public Service Pensions Act 2013.
<b>'the Code'</b>	means the Pension Regulator's Code of Practice No 14 governance and administration of public service pension schemes.
<b>'the Committee'</b>	means the committee which has delegated decision-making powers for the Fund in accordance with Section 101 of the Local Government Act 1972.
<b>'the Fund'</b>	means the Fund managed and administered by the Administering Authority.

<b>'the Guidance'</b>	means the guidance on the creation and operation of local pension boards issued by the Shadow Scheme Advisory Board.
<b>'the Regulations'</b>	means the Local Government Pension Scheme Regulations 2013 (as amended from time to time), the Local Government Pension Scheme (Transitional Provisions, Savings and Amendment) Regulations 2014 (as amended from time to time) including any earlier Regulations as defined in these regulations to the extent they remain applicable and the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2009 (as amended from time to time).
<b>'Relevant legislation'</b>	means relevant legislation as well as the Pension Regulator's Codes of Practice as they apply to the Administering Authority and the Board notwithstanding that the Codes of Practice are not legislation.
<b>'the Scheme'</b>	means the Local Government Pension Scheme in England and Wales.

### **Statement of purpose**

6. The purpose of the Board is to assist the Administering Authority in its role as a scheme manager of the Scheme. Such assistance is to:
  - (a) secure compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme and;
  - (b) to ensure the effective and efficient governance and administration of the Scheme.

### **Duties of the Board**

7. The Board should at all times act in a reasonable manner in the conduct of its purpose. In support of this duty Board members should be subject to and abide by the Administering Authority's code of conduct for members.

### **Establishment**

8. The Board is established from 1 April 2015 subsequent to approval by Council on 12 February 2015, and may establish sub-groups.

## **Membership**

9. No officer or elected member of the Administering Authority who is responsible for the discharge of any function of the Administering Authority under the Regulations may serve as a member of the Board may be a member of the Board. The Board shall consist of four voting members appointed by the Chief Financial Officer, as follows:

Two Member Representatives; and

Two Employer Representatives.

10. There shall be an equal number of Member and Employer Representatives appointed to the Board.
11. There shall also be one other Board member to act as its independent chair, appointed in accordance with paragraph 20, who is not entitled to vote.

### ***Member representatives***

12. Member representatives shall have the capacity to represent scheme members of the Fund.
13. Member representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
14. Substitutes shall not be appointed.
15. A total of two member representatives shall be appointed from the following sources:
  - a) One member representative shall be appointed as nominated by the recognised trade unions representing employees who are scheme members of the Fund.
  - b) One member representative shall be appointed following a transparent recruitment process which should be open to all Fund members and be approved by the Chief Financial Officer of the Administering Authority.

### ***Employer representatives***

16. Employer representatives shall be office holders or senior employees of employers of the Fund or have experience of representing scheme employers in a similar capacity, and must have the capacity to represent employers.

17. Employer representatives should be able to demonstrate their capacity to attend and complete the necessary preparation for meetings and participate in training as required.
18. Substitutes shall not be appointed.
19. A total of two employer representatives shall be appointed to the Board by the Chief Financial Officer of the Administering Authority having asked all employers to submit any interest in undertaking the role of employer representative on the Board.

**Other members**

20. One Other member shall be appointed to the Board to act as its independent chair, as proposed by the Chief Financial Officer of the Administering Authority and agreed by a majority of the Board.
21. The Other member does not have voting rights on the Board.

**Appointment of independent chair**

22. The independent chair will be independent in terms of having no pre-existing employment, financial or other material interest in either the Administering Authority or any scheme employer in the Fund and shall not be a member of the Fund.

**Duties of chair**

23. The chair of the Board:
  - (a) Shall ensure the Board delivers its purpose as set out in these Terms of Reference,
  - (b) Shall ensure that meetings are productive and effective and that opportunity is provided for the views of all members to be expressed and considered, and
  - (c) Shall seek to reach consensus and ensure that decisions are properly put to a vote when a consensus cannot be reached. Instances where a decision has been reached by a majority (with a vote against) will be recorded and published.

**Notification of appointments**

24. When appointments to the Board have been made, the Administering Authority shall publish the name of Board members, the process followed in the appointment together with the way in which the appointments support the effective delivery of the purpose of the Board.

**Terms of Office**

25. The term of office for Board members is four years.

26. Extensions to terms of office may be made by the Chief Financial Officer of the Administering Authority with the agreement of the Board.
27. Board membership may be terminated by the Chief Financial Officer prior to the end of the term of office due to:
- (a) A member representative appointed on the basis of their membership of the scheme no longer being a scheme member in the Fund.
  - (b) A member representative no longer being a scheme member or a representative of the body on which their appointment relied.
  - (c) An employer representative no longer holding the office or employment or being a member of the body on which their appointment relied.
  - (d) A Board member no longer being able to demonstrate to Worcestershire County Council their capacity to attend and prepare for meetings or to participate in required training.
  - (e) The representative being withdrawn by the nominating body and a replacement identified.
  - (f) A Board member has a conflict of interest which cannot be managed in accordance with the Board's conflict policy.
  - (g) A Board member who is an elected member becomes a member of the Committee.
  - (h) A Board member who is an officer of the Administering Authority becomes responsible for the discharge of any function of the Administering Authority under the Regulations
  - (i) or otherwise as the Chief Financial Officer considers appropriate.

### **Conflicts of interest**

28. The Chief Financial officer must be satisfied that any person to be appointed to the Board does not have a conflict of interest as defined in section 5 (5) of the Public Service Pensions Act 2013. All members of the Board must declare to the Administering Authority on appointment and at any such time as their circumstances change, any potential conflict of interest arising as a result of their position on the Board.
29. A conflict of interest is defined as a financial or other interest which is likely to prejudice a person's exercise of functions as a member of the Board. It does not include a financial or other interest arising merely by virtue of that person being a member of the Scheme.
30. On appointment to the Board and following any subsequent declaration of potential conflict by a Board member, the Administering Authority shall ensure that any potential conflict is effectively managed in line with both the internal procedures of the Board's conflicts policy and the requirements of the Code.

## **Knowledge and understanding (including Training)**

31. Knowledge and understanding must be considered in light of the role of the Board to assist the Administering Authority in line with the requirements outlined in paragraph 6 above. The Board shall establish and maintain a Knowledge and Understanding Policy and Framework to address the knowledge and understanding requirements that apply to Board members under the Act. That policy and framework shall set out the degree of knowledge and understanding required as well as how knowledge and understanding is acquired, reviewed and updated.
32. Board members shall attend and participate in training arranged in order to meet and maintain the requirements set out in the Board's knowledge and understanding policy and framework.
33. Board members shall participate in such personal training needs analysis or other processes that are put in place in order to ensure that they maintain the required level of knowledge and understanding to carry out their role on the Board.

## **Meetings**

34. The Board shall as a minimum meet four times each year.
35. Meetings shall normally take place between the hours of 09:00am and 17:00pm at County Hall, Worcester.
36. The chair of the Board may call additional meetings. Urgent business of the Board between meetings may, in exceptional circumstances, be conducted via communications between members of the Board including telephone conferencing and e-mails.

## **Quorum**

37. A meeting is only quorate when at least 50% of both member and employer representatives are present, i.e. at least one member representative and at least one employer representative.
38. A meeting that becomes inquorate may continue but any decisions will be informal and non-binding.

## **Board administration**

39. The Chair shall agree with the Chief Financial Officer (the 'Board Secretary') an agenda prior to each Board meeting.
40. The agenda and supporting papers will be issued at least 5 clear working days (as far as practicable) in advance of the meeting except in the case of matters of urgency.



41. Draft minutes of each meeting including all actions and agreements will be recorded and circulated to all Board members within ten working days after the meeting. These draft minutes will be subject to formal agreement by the Board at their next meeting. Any decisions made by the Board should be noted in the minutes and in addition where the Board was unable to reach a decision such occasions should also be noted in the minutes.
42. Any public minutes may be edited to exclude items on the grounds that they would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data prevented from disclosure under the Data Protection Act 1998.
43. The Board Secretary shall ensure that Board members meet and maintain the knowledge and understanding as determined in the Board's Knowledge and Understanding Policy and Framework and other guidance or legislation.
44. The Board Secretary shall arrange such advice as is required by the Board subject to such conditions as are listed in these Terms of Reference for the use of the budget set for the Board.
45. The Board Secretary shall ensure an attendance record is maintained along with advising the Administering Authority on allowances and expenses to be paid under these terms.
46. The Board Secretary shall liaise with the Administering Authority on the requirements of the Board, including advanced notice for officers to attend and arranging dates and times of Board meetings.

### **Public access to Board meetings and information**

47. The Board meetings can be open to the general public at the discretion of the Board or Chair (unless there is an exemption under relevant legislation or as referred to in paragraph 43 which would preclude part or all of the meeting from being open to the general public).
48. The following will be entitled to attend Board meetings in an observer capacity:
  - (a) Members of the Committee,
  - (b) Any person requested to attend by the Board.

Any such attendees will be permitted to speak at the discretion of the Chair.
49. In accordance with the Act the Administering Authority shall publish information about the Board to include:
  - (a) The names of Board members and their contact details.
  - (b) The representation of employers and members on the Board.

- (c) The role of the Board.
- (d) These Terms of Reference.

50. The Administering Authority shall also publish other information about the Board including:

- (a) Agendas and minutes
- (b) Training and attendance logs
- (c) An annual report on the work of the Board to be included in the Fund's own annual report.

51. All or some of this information may be published using the following means or other means as considered appropriate from time to time:

- (a) On the Fund's website.
- (b) As part of the Fund's Annual Report.
- (c) As part of the Governance Compliance Statement.

52. Information may be excluded from being published on the grounds that it would either involve the likely disclosure of exempt information as specified in Part 1 of Schedule 12A of the Local Government Act 1972 or it being confidential for the purposes of Section 100A(2) of that Act and/or they represent data prevented from disclosure under the Data Protection Act 1998.

### **Expenses and allowances**

53. The Administering Authority shall meet the out of pocket expenses of Board members (for travelling etc) in line with the Administering Authority's policy on expenses.

### **Budget**

54. The Board is to be provided with adequate resources to fulfil its role. In doing so the budget for the Board will be met from the Fund and determined by the Chief Financial Officer. The Board will seek approval from the Chief Financial Officer for any specific expenditure it wishes to make.

### **Core functions**

55. The first core function of the Board is to assist the Administering Authority in securing compliance with the Regulations, any other legislation relating to the governance and administration of the Scheme, and requirements imposed by the Pensions Regulator in relation to the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

- a) Review regular compliance monitoring reports which shall include reports to and decisions made under the Regulations by the Committee.

- b) Review management, administrative and governance processes and procedures in order to ensure they remain compliant with the Regulations, relevant legislation and in particular the Code.
- c) Review the compliance of scheme employers with their duties under the Regulations and relevant legislation.
- d) Assist with the development of and continually review such documentation as is required by the Regulations.
- e) Assist with the development of and continually review scheme member and employer communications as required by the Regulations and relevant legislation.
- f) Monitor complaints and performance on the administration and governance of the scheme.
- g) Assist with the application of the Internal Dispute Resolution Process.
- h) Review the complete and proper exercise of Pensions Ombudsman cases.
- i) Review the implementation of revised policies and procedures following changes to the Scheme.
- j) Review the arrangements for the training of Board members and those elected members and officers with delegated responsibilities for the management and administration of the Scheme.
- k) Review the complete and proper exercise of employer and administering authority discretions.
- l) Review the outcome of internal and external audit reports.
- m) Review draft accounts and Fund annual report.
- n) Review the compliance of particular cases, projects or process on request of the Committee.
- o) Any other area within the statement of purpose (i.e. assisting the Administering Authority) the Board deems appropriate.

56. The second core function of the Board is to ensure the effective and efficient governance and administration of the Scheme. Within this extent of this core function the Board may determine the areas it wishes to consider including but not restricted to:

- a) Assist with the development of improved customer services.
- b) Monitor performance of administration, governance and investments against key performance targets and indicators.
- c) Review the effectiveness of processes for the appointment of advisors and suppliers to the Administering Authority.
- d) Monitor investment costs including custodian and transaction costs.
- e) Monitor internal and external audit reports.
- f) Review the risk register as it relates to the scheme manager function of the authority.
- g) Assist with the development of improved management, administration and governance structures and policies.
- h) Review the outcome of actuarial reporting and valuations.
- i) Assist in the development and monitoring of process improvements on request of Committee.
- j) Assist in the development of asset voting and engagement processes and compliance with the UK Stewardship Code.

- k) Any other area within the statement of purpose (i.e. ensuring effective and efficient governance of the scheme) the Board deems appropriate.
57. In support of its core functions the Board may make a request for information to the Committee with regard to any aspect of the Administering Authority's function. Any such request should be reasonably complied with in both scope and timing.
58. In support of its core functions the Board may make recommendations to the Committee which should be considered and a response made to the Board on the outcome within a reasonable period of time.

### **Reporting**

59. The Board should in the first instance report its requests, recommendations or concerns to the Committee. In support of this any member of the Board may attend a Committee meeting as an observer.
60. Requests and recommendations should be reported under the provisions of paragraphs 57 to 59.
61. The Board should report to the Committee any concerns (agreed upon by consensus or a majority vote of the quorate Board) over a decision made by the Committee.
62. On receipt of a report under paragraph 63 above the Committee should, within a reasonable period, consider and respond to the Board.
63. Where the Board is not satisfied with the response received it may request that a notice of its concern be placed on the website and in the Fund's annual report.
64. Where the Board is satisfied that there has been a breach of regulation which has been reported to the Committee under paragraph 63 and has not been rectified within a reasonable period of time it is under an obligation to escalate the breach.
65. The appropriate internal route for escalation is to the Head of Legal and Democratic Services and the Chief Financial Officer.
66. The Board may report concerns to the LGPS Scheme Advisory Board for consideration subsequent to, but not instead of, using the appropriate internal route for escalation.
67. Board members are also subject to the requirements to report breaches of law under the Act and the Code.

### **Review of terms of reference**

68. These Terms of Reference shall be reviewed on each material change to those parts of the Regulations covering local pension boards and at least every four years.

69. These Terms of Reference were adopted 12 February 2015.

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**12 February 2015**

## **9. QUESTION TIME - CONTINUED**

### **Question 2 – Tobacco Control**

2. Mr A T Amos will ask the Leader of the Council:

"Would the Leader of the Council join with me in congratulating the Government for legislating to introduce brand-free cigarette packets and a ban on smoking in cars with children; and would he also accept my personal thanks for the County Council's action in supporting the Government's continuing anti-smoking campaign by ensuring we signed up to the Local Government Declaration on Tobacco Control, thus committing the Council to ensure tobacco control is part of mainstream public health work and to take comprehensive action to address the harm from smoking; and in so doing will he note that over 80 councils nationwide across the political spectrum have so far signed the Declaration, recent signatories being Surrey County Council, Suffolk County Council, and Middlesbrough Council; and has been endorsed, inter alia, by the Public Health Minister, Chief Medical Officer, Association of Directors of Public Health, Public Health England, Trading Standards Institute, and Chartered Institute of Environmental Health?"

### **Question 3 – Road works and repairs**

3. Mr P M McDonald will ask the Cabinet Member with Responsibility for Highways:

"Would the Cabinet Member with Responsibility for Highways please inform me how many road works/repairs have not started on the proposed date?"

### **Question 4 – Home Carers**

4. Mr P M McDonald will ask the Cabinet Member with Responsibility for Adult Social Care:

"Will the Cabinet Member with Responsibility for Adult Social Care please inform me how she is ensuring that contracted home carers are being paid between visits to clients and not having to pay their own petrol?"

### **Question 5 – Discharge from hospital**

5. Mr G J Vickery will ask the Cabinet Member with Responsibility for Adult Social Care:

"Worcestershire Acute Hospitals Trust has reported in the context of its £28 million forecast budget deficit, an £8 million cost of delayed discharges. Can the Cabinet Member with Responsibility for Adult Social Care say how

**Question 6 – Living Wage**

much of that is the fault of the County Council?"

6. Mr G J Vickery will ask the Cabinet Member with Responsibility for Transformation and Change:

"82 Councils in England are paying, or committed to pay, their staff the living wage, including Worcester City Council, Bromsgrove District Council, Redditch Borough Council and Wyre Forest District Council. In addition all 32 councils in Scotland are now Living-Wage employers, paying their staff at least the living wage. Will the Cabinet Member with Responsibility for Transformation and Change say why the County Council does not intend to be a Living-Wage employer?"

**Question 7 – Oversight of schools**

7. Mr R C Lunn will ask the Cabinet Member with Responsibility for Children and Families:

"Does the Cabinet Member for Children and Families agree with the comments of Councillor David Simmonds, Chair of the LGA's Children and Young People's Board, that 'Councils are best placed to ensure oversight of all schools is effective and any action needed can be taken quickly'."

**Question 8 – Free School Meal Offer**

8. Mrs F M Oborski will ask the Cabinet Member with Responsibility for Children and Families:

"Could the Cabinet Member with Responsibility for Children and Families tell me:  
- what percentage of Key Stage 1 pupils across the county have taken up the Free School Meal Offer?  
- what assistance the Council is giving to encourage take up?"

**Question 9 – Excess winter deaths**

9. Mr P J Bridle will ask the Cabinet Member with Responsibility for Health and Well-being:

"This winter it is predicted that the death toll of vulnerable pensioners will be the highest since the decade 1999 - 2009 when the influenza toll was 36,450. It is predicted that this figure will be exceeded by 3,000 to 4,000 this winter. According to the Office for National Statistics, there were 8,800 more deaths than the average of 25,000 in the short time between early December 2014 and 16 January this year. The reportedly useless 'flu vaccine issued this winter and the appalling fuel costs, boosted by the pointless environmental charges have condemned our precious elderly citizens to death by hypothermia or cold induced sickness in their own homes.

Have we any comparative statistics for Worcestershire?"

**Question 10 - Female**

10. Mr P J Bridle will ask the Cabinet Member for Health and Well-being:



## Genital Mutilation

"The practice of Female Genital Mutilation (FGM) is barbaric and appalls any right-minded citizen. I notice that not one case of this is reported in our county, let alone any charge or conviction of a perpetrator. The law is clear and holds anyone and everyone accountable who performs such an act or conceals such an act. Surely we must be seen to take this matter extremely seriously and not just pay it lip service. Are we giving a woman so violated every opportunity to report her ordeal and to protect her identity so that investigation can take place with her safety and confidentiality paramount?"

It is difficult to believe that this dreadful practice is not going on in our county. There isn't even the lowest of drum beats from the authorities or the afflicted.

Why? Are we being complacent or far too politically correct? Are we doing too little to empower these poor women to come forward? What reports are available from our GPs and hospital maternity wards?"

## Question 11- Speed cameras

11. Mr A T Amos will ask the Cabinet Member with Responsibility for Highways:

"Will the Cabinet Member with Responsibility for Highways ensure that, where relevant and appropriate, local members are in future consulted on proposals to install speed cameras in their electoral divisions?"

## Contact Points

### County Council Contact Points

Worcester (01905) 763763, Kidderminster (01562) 822511 or Minicom: Worcester (01905) 766399

### Specific Contact Point for this Report

John Higginbotham, Committee and Appellate Officer, Worcester (01905) 766621

Email: [jhigginbotham@worcestershire.gov.uk](mailto:jhigginbotham@worcestershire.gov.uk)

## Background Papers

In the opinion of the proper officer (in this case the Head of Legal and Democratic Services) there are no background papers relating to the subject matter of this report.

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