

Public Document Pack

Chief Executive

**THE CIVIC MAYOR, CHAIR OF
COUNCIL BUSINESS AND ALL
MEMBERS OF THE COUNCIL**

Steven Pleasant, Chief Executive
Dukinfield Town Hall, King Street,
Dukinfield SK16 4LA

www.tameside.gov.uk

Email: Robert.landon@tameside.gov.uk

Our Ref	rl/Council
Ask for	Robert Landon
Direct Line	0161 342 2146
Date	Date Not Specified

Dear Councillor,

You are hereby summoned to attend an **ORDINARY MEETING** of the Tameside Metropolitan Borough Council to be held on **Monday, 21st May, 2018 at 5.00 pm** in the Jubilee Hall, Dukinfield Town Hall, King Street, Dukinfield when the undermentioned business is to be transacted.

Yours faithfully,



**Steven Pleasant
Chief Executive**

Item No.	AGENDA	Page No
1.	ELECTION OF CIVIC MAYOR	
	To consider the appointment of the Civic Mayor for the Municipal Year 2018 – 2019.	
	There is a statutory requirement to consider this matter first but it is intended to defer this matter until 6.00pm for the ceremonial part of the meeting.	
2.	APPOINTMENT OF CHAIR OF COUNCIL BUSINESS	
	To appoint the Chair of Council Business for the Municipal Year 2018/2019.	
3.	CIVIC MAYOR'S ANNOUNCEMENTS	
	The Civic Mayor to make any appropriate announcements.	
4.	DECLARATION OF INTEREST	
	To receive any declarations of interest from Members of the Council.	
5.	ELECTION OF COUNCILLORS	1 - 2
	To receive a report of the Returning Officer detailing the persons elected to the office of Councillor for the Wards of the Borough.	
6.	COUNCIL MINUTES	3 - 12
	The Minutes of the proceedings of the Ordinary meeting of the Council held on 27 February 2018 to be approved as a correct record and signed by the Chair of Council Business (or other person presiding) (Minutes attached).	
7.	APPOINTMENT OF EXECUTIVE LEADER	
	To appoint the Executive Leader of the Council for the Municipal Year 2018/2019.	
8.	EXECUTIVE LEADER'S ADDRESS	
	To receive an address from the Executive Leader in respect of the Council's work programme for the forthcoming Municipal Year.	
9.	STRATEGIC COMMISSIONING FINANCIAL PLAN 2018/2019	13 - 30
	To consider the attached report of the Deputy Leader/Director of Finance.	
10.	AMENDMENTS TO CONSTITUTION	31 - 36
	To consider the attached report of the Executive Leader/Director of Governance and Pensions.	
11.	NORTHERN PENSION POOL CONSTITUTIONAL ARRANGEMENTS	37 - 98
	To consider the attached report of the Executive Leader / Director (Governance and Pensions).	
12.	APPOINTMENTS OF EXECUTIVE CABINET, PANELS, THE STANDARDS COMMITTEE, OUTSIDE BODIES AND OPPOSITION SPOKESPERSONS	99 - 106

To consider and approve the appointment of the persons nominated to serve on the above for the Municipal Year 2018/2019.

13. STANDING LIST OF CONFERENCES 2018/2019 107 - 110

To approve the Standing List of Conferences for the Municipal Year 2018/2019 for which travel allowances will be paid.

14. CALENDAR OF MEETINGS 2018/2019 AND 2019/2020 111 - 116

To consider the attached Calendar of Meetings for the 2018/2019 and 2019/2020 Municipal Years.

15. EXECUTIVE CABINET MEETING 117 - 128

To receive the minutes of the meeting of the Executive Cabinet held on 21 March 2018.

16. ELECTION OF CIVIC MAYOR

To appoint a Member of the Council as Civic Mayor of Tameside Metropolitan Borough Council for the 2018/2019 Municipal Year (see Item 1 above).

17. ELECTION OF DEPUTY MAYOR

To consider the appointment of the Deputy Mayor for the 2018/2019 Municipal Year.

18. TO ACCORD A VOTE OF THANKS TO THE RETIRING CIVIC MAYOR AND MAYORESS

19. PRESENTATION OF MEDALLION TO THE RETIRING CIVIC MAYOR

20. RESPONSE OF RETIRING CIVIC MAYOR

21. URGENT ITEMS

To consider any other items which the Chair of Council Business (or other person presiding) is of the opinion shall be dealt with as a matter of urgency.

Report To:	COUNCIL
Date:	21 May 2018
Reporting Officer:	Steven Pleasant – Chief Executive and Returning Officer
Subject:	ELECTION OF COUNCILLORS
Report Summary:	To receive notification from the Chief Executive, the Returning Officer for the Local Elections held on 3 May 2018, as to which persons were elected in accordance with the Representation of the People Acts to hold the Office of Councillor for the Wards within Tameside Borough Council.
Recommendations:	That the report is noted.
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	There are no policy implications
Financial Implications: (Authorised by the Borough Treasurer)	There are no additional budgetary implications
Legal Implications: (Authorised by the Borough Solicitor)	Complies with the Representation of the People Acts.
Risk Management:	Publication of the outcome of the Elections ensures compliance with the Representation of the People Acts and the Freedom of Information Act 2000.
Access to Information	<p>The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by:</p> <p> phone: 0161 342 2146</p> <p> e-mail: Robert.landon@tameside.gov.uk</p>

ANNUAL MEETING OF THE COUNCIL – 21 MAY 2018

TAMESIDE METROPOLITAN BOROUGH COUNCIL

**REPORT OF THE RETURNING OFFICER ON THE PERSONS ELECTED TO
THE OFFICE OF COUNCILLOR FOR THE WARDS INDICATED BELOW**

The following persons, at the elections held on 3 May 2018, were elected to the Office of Councillor for the Wards respectively indicated, to hold office for a period of four years:-

WARD	NAME AND PARTY OF COUNCILLOR ELECTED
ASHTON HURST	Dolores Lewis (Labour)
ASHTON ST. MICHAEL'S	Bill Fairfoull (Labour)
ASHTON WATERLOO	Vimal Choksi (Labour)
AUDENSHAW	Oliver Ryan (Labour)
DENTON NORTH EAST	Vincent Ricci (Labour)
DENTON SOUTH	Claire Reid (Labour)
DENTON WEST	Michael Smith (Labour)
DROYLSDEN EAST	Sue Quinn (Labour)
DROYLSDEN WEST	Barrie Holland (Labour)
DUKINFIELD	Jackie Lane (Labour)
DUKINFIELD/STALYBRIDGE	Eleanor Wills (Labour)
HYDE GODLEY	Jim Fitzpatrick (Labour)
HYDE NEWTON	Phillip Fitzpatrick (Labour)
HYDE WERNETH	Phil Chadwick (Conservative)
LONGDENDALE	Janet Cooper (Labour)
MOSSLEY	Stephen Homer (Labour)
ST PETERS	Joyce Bowerman (Labour)
STALYBRIDGE NORTH	Sam Gosling (Labour)
STALYBRIDGE SOUTH	Liam Billington (Conservative)

COUNCIL

27 February 2018

Commenced: 5.00 pm

Terminated: 7.35 pm

Present: Councillors Kitchen (Chair), Bowerman (Civic Mayor), Bailey, Beeley, Bell, Bowden, Buckley, Cartey, Cooney, Dickinson, Drennan, Fairfoull, Feeley, J Fitzpatrick, P Fitzpatrick, Fowler, Glover, Gwynne, A Holland, B Holland, Homer, Jackson, Kinsey, D Lane, J Lane, McNally, Mills, Newton, Patrick, Pearce, Peet, Reid, Ricci, Robinson, Ryan, Sharif, Sidebottom, M Smith, T Smith, Sweeton, Taylor, F Travis, L Travis, Ward, Warrington, K Welsh, R Welsh, Wild and Wills

Apologies for Absence: Councillors Affleck, Bray, Buglass, Cooper, Piddington, Quinn and Whitehead

Civic Mayor (Councillor Bowerman) in the Chair

56. CIVIC MAYOR'S ANNOUNCEMENTS

The Civic Mayor expressed congratulations to Jane Claire Owen from Ashton-under-Lyne, who had been awarded the British Empire Medal in the 2018 New Year's Honours List. Jane worked as a train running controller for Network Rail, and for more than seven years, Jane had also worked tirelessly for the LGBT community, dedicating much of her free time and energy to improving awareness of the needs of transgender people.

The Civic Mayor announced that this was the last Council meeting of the Director of Public Health, Angela Hardman, who was leaving the authority to take up her new position as Deputy Director of Health Protection for the North West. She wished Angela well for the future and thanked her for her hard work and dedicated service.

The Civic Mayor further extended sincere thanks and good wishes to those Elected Members who had decided not to seek re-election in the local Elections in May; Councillors Basil Beeley, Lynn and Frank Travis and Kevin Welsh. She thanked them for their loyal and dedicated service to the people of Tameside and extended very best wishes for the future.

Councillor Kitchen, Chair of Council Business, in the Chair

57. MINUTES

RESOLVED

That the Minutes of the proceedings of the Ordinary meeting of the Council held on 28 November 2017 and the Extra Ordinary meeting of the Council held on 31 January 2018, be approved as a correct record and signed by the Chair of Council Business.

58. DECLARATIONS OF INTEREST

DISPENSATION Item 7 – Budget 2018/19 and future years		
Councillors: Bailey, Beeley, Bell, Bowden, Bowerman, Buckley, Cartey, Cooney, Dickinson, Drennan, Fairfoull, Feeley, J Fitzpatrick, P Fitzpatrick, Fowler, Glover, Gwynne, A Holland, B Holland, Homer, Jackson, Kinsey, Kitchen, D Lane, J Lane,	Prejudicial – Section 33(2)(a) of the Localism Act 2011 – that without the dispensation the number of Members prohibited from participating in any	Beneficial interest in property in Tameside, namely residence.

McNally, Mills, Newton, Patrick, Pearce, Peet, Reid, Ricci, Robinson, Ryan, Sharif, Sidebottom, M Smith, T Smith, Sweeton, Taylor, F Travis, L Travis, Ward, Warrington, K Welsh, R Welsh, Wild and Wills	particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business.	
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59. COMMUNICATIONS OR ANNOUNCEMENTS

The Chair reported that there were no communications or announcements at this meeting.

60. COUNCIL BIG CONVERSATION

The Chair reported that there were no questions submitted by members of the public in accordance with Standing Orders 31.12 and 31.13.

61. JOINT MEETING OF EXECUTIVE CABINET AND OVERVIEW (AUDIT) PANEL

Consideration was given to the Minutes of the Joint meeting of Executive Cabinet and Overview (Audit) Panel held on 7 February 2018. It was moved by Councillor Warrington, seconded by Councillor Taylor and –

RESOLVED

That the Minutes of the Joint meeting of Executive Cabinet and Overview Audit Panel held on 7 February 2018 be received and the recommendations contained therein be approved.

62. BUDGET 2018/19 AND FUTURE YEARS

The Executive Leader presented the budget for 2018/19 and future years, which set out what the Council intended to do for its residents and businesses over the coming year.

The Executive Leader began by reflecting on the very sad and untimely loss of the former Leader of the Council, Councillor Kieran Quinn and explained that the budget was a continuation of his legacy for Tameside.

The Executive Leader made reference to the continuing difficulties faced by the Council during seven years of austerity due to funding cuts imposed by the Government. She further highlighted the pressures on Hospitals, Schools, Social Care, Police and Community Safety and explained that the Council would be increasing the council tax in 2018/19 by 4.99% incorporating 2% for the adult social care precept, 2.99% for other council services. This would allow the Council to raise nearly £5.6 million to invest in council services.

The Executive Leader further commented on the Council's contractual relationship with Carillion; a relationship that over the years had led to improvements and good work carried out in Tameside that would not have been possible otherwise. Unfortunately, significant issues in the way the company was run at the boardroom level had led to its collapse and liquidation at the beginning of the year. She thanked all local Carillion contracted staff, who had kept services running in the most challenging of circumstances. The Executive Leader reaffirmed her commitment to support all staff, and to find a solution that worked for them, the Council and the residents who relied on services.

In relation to Carillion's involvement in the Vision Tameside project, it was explained that, earlier in the month, the Cabinet gave approval for our infrastructure partners, Inspired Spaces, to conclude

an agreement with Robertson Construction Group Limited to secure a prompt remobilisation for completion of the project.

The Executive Leader made reference to seeking a closer relationship with Greater Manchester Combined Authority and other councils in the region, working together on a number of issues, such as tackling air pollution and the collective retention of business rates creating a central GM Pool, which could then be distributed according to need, to local authorities in Greater Manchester. Engagement with local and national charities and the Office of the Mayor of Greater Manchester to end homelessness was also outlined.

Reference was also made to continuing work on the Care Together programme, bringing together health and social care in Tameside and Glossop.

The Executive Leader commented on Children's Services and the progress made following the 'Inadequate' judgement in 2016. She explained that new leadership was in place, a new improvement plan and significantly increased resources. Teams had been strengthened, caseloads reduced and support increased. She thanked all staff in Children's Services for their hard work. She added that Ofsted's latest feedback letter, noted *'some early signs of success' and that the Council 'demonstrated a good understanding of the scale of change required in systems, culture and practice'*. The Executive Leader announced that there was a commitment in the Budget to invest a further £18 million into the service over the next 3 years.

In respect of education attainment, Members were informed that, last year, Tameside was ranked 3rd out of 10 Greater Manchester authorities for the proportion of students attainment level 5+ in both English and Maths at GCSE level, giving them the best possible chance to secure good employment and access to post-16 education. The Executive Leader further made reference to the opening of the new Laurus Ryecroft School in the new academic year.

The Executive Leader outlined the comprehensive program of investment and renovation for Tameside's infrastructure contained in the Budget; including £20 million over 4 years for highways improvement, £5 million to replace every street light in Tameside with more cost effective, high-performance and environmentally-friendly LED lights through to a finish; £600,000 would also be spent over the next 2 years to give a facelift to 35 playgrounds and play areas in all parks and towns. She further announced that Sport England had backed a £20 million project to invest in health and leisure facilities in the areas, by pledging £1.5 million to support development of the Wellness Centre in Denton.

The Executive Leader commented on another priority for the forthcoming year, which was to work with private landlords, not only to improve housing quality in the private rented sector, but also to help them provide their tenants with access to public services in the same way as social landlords do. To this end, a comprehensive, accessible register of all landlords in Tameside; public and private was being created. In conjunction with this, a comprehensive and effective plan for dealing with the full introduction of Universal Credit in Tameside, was also being rolled out.

The Executive Leader highlighted the struggles and sacrifices of all women throughout the years and was pleased to announce the planned celebrations for the anniversary of women getting the vote, and International Women's Day event on 8 March 2018. She explained Tameside's connection to the suffrage movement, giving details of Hannah Mitchell, who lived in Ashton-under-Lyne for over 10 years and in her lifetime, worked for both the Pankhurst's Women's Social and Political Union, and the early Independent Labour Party. She was also a prominent magistrate, writer and campaigner in her own right.

The Executive Leader then invited Councillor Cartey and Councillor Feeley to give details of planned events throughout the year, commemorating when the power of the vote and the power to effect change, was placed into the hands of the women of Britain. Councillor Cartey and Councillor Feeley gave further details of a cross-party working group set up in conjunction with cultural

services and also of a community arts project called the Tameside Tied Together Ribbon Project, which would be launched on International Women's Day.

The Executive Leader concluded that challenges to the Council were many and varied and that despite the unprecedented scale of the cuts faced by local government, it was vital to protect vulnerable residents and take every opportunity to invest in Tameside, its people and businesses.

In accordance with the Constitution, the Chair of Council Business then afforded the Opposition Group the opportunity to present to the Council alternative budgets.

In response, Councillor Bell wished the Executive Leader well in her new role and informed Members that the Opposition Group would not be proposing an alternative budget, however, he proposed the following amendment, which was seconded by Councillor Buckley:

'That this Council freeze the general level of Council Tax for the municipal year 2018/2019, however in light of the challenges faced within the social care sector of the Council, supports the 2% precept in respect of social care'.

Councillor Bell stated that he agreed with the precept of 2% to assist the Authority in meeting expenditure on social care, however, due to the large financial reserves held by the Council it was the opinion of the Opposition Group that there could be a freeze in the general level of Council Tax for the municipal year 2018/19.

For the amendment, as set out below:

Councillors: Beeley, Bell, Buckley, Dickinson, Patrick, and R Welsh

Against the amendment, as set out below:

Councillors: Bailey, Bowden, Bowerman, Cartey, Cooney, Drennan, Fairfoull, Feeley, J Fitzpatrick, P Fitzpatrick, Fowler, Glover, Gwynne, A Holland, B Holland, Homer, Jackson, Kinsey, Kitchen, D Lane, J Lane, McNally, Mills, Newton, Pearce, Peet, Reid, Ricci, Robinson, Ryan, Sharif, Sidebottom, M Smith, T Smith, Sweeton, Taylor, F Travis, L Travis, Ward, Warrington, K Welsh, Wild and Wills

Upon being put to a named vote the amendment was declared lost.

General discussion then ensued in relation to the proposed budget as outlined and responses made accordingly. The budget for 2018/19 set out in the previously circulated report, as amended by the tabled report and addendum, was moved by Councillor Warrington, seconded by Councillor Taylor and, in accordance with The Local Authorities (Standing Orders) (England) (Amendment) Regulations, a named vote was taken on the Council Tax Motion as follows:

For the Motion, as set out below:

Councillors: Bailey, Bowden, Bowerman, Cartey, Cooney, Drennan, Fairfoull, Feeley, J Fitzpatrick, P Fitzpatrick, Fowler, Glover, Gwynne, A Holland, B Holland, Homer, Jackson, Kinsey, Kitchen, D Lane, J Lane, McNally, Mills, Newton, Pearce, Peet, Reid, Ricci, Robinson, Ryan, Sharif, Sidebottom, M Smith, T Smith, Sweeton, Taylor, F Travis, L Travis, Ward, Warrington, K Welsh, Wild and Wills

Against the Motion, as set out below:

Councillors: Beeley, Bell, Buckley, Dickinson, Patrick, and R Welsh

RESOLVED

Revenue budget recommendations:

- 1. That the budgeted net expenditure for the financial year 2018/19 as set out in Appendix A be agreed at £186.514m and that the level and usage of reserves and balances set out in section 7 of this report be approved.**

2. That the Medium Term Financial Strategy, as updated in this report, be approved and form the basis of future updates, reports and decisions taken by Cabinet to balance resources and expenditure in future years budgets.
3. That the proposed expansion of the Integrated Commissioning Fund as set out at paragraph 2.17 is noted.
4. That the assumptions set out in section 5 are approved, and that the Council specifically approves:
 - An uplift to all fees and charges of 2.5% except where costs are not being recovered or market conditions indicate a different rate is more appropriate.
 - The child allowance fees payable to Tameside Foster Carers and Relative Carers relating to the financial year 2018/19 are increased in line with the weekly minimum rates as determined by the Department of Education.
 - Accordingly there will also be a corresponding increase to the related allowances payable.
 - The personal allowance rate payable to eligible and relevant care leavers living independently is increased in 2018/19 to the same level as the Job Seekers Allowance rate payable for 18-24 year olds as determined by the Department for Work and Pensions.
5. That Council Tax for 2018/19 be increased by 4.99%, being 2.99% in respect of general level council tax and 2% in respect of the adult social care precept, as set out in section 6.
6. That the Pay Policy for 2018/19 included at Appendix J is approved.

Capital budget recommendations:

7. That the position on the Capital Programme (section 8), as previously approved by Executive Cabinet on 18 October 2017 is noted.

General recommendations

8. That the Council notes the difficult circumstances, and the expected challenges set out in this report over the medium term.
9. That the Council notes the significant good progress made over the last few years in meeting the financial challenges and continuing to operate in a financially robust manner.
10. That the Council retains a minimum level of General Fund balances of £17 million.
11. That the Council accepts the advice of the Section 151 Officer regarding the robustness of the estimates made for the purposes of the budget calculations and the adequacy of the proposed financial reserves. Following this, that the Council determines that the estimates are robust for the purpose of setting the budget and that the proposed financial reserves are adequate.
12. That it be noted that a Key Decision was taken on 25 January 2018 by the First Deputy (Performance and Finance) that the relevant Council Tax bases for 2018/19 be as follows:
 - (a) 60,914.1 for the whole Council area (including the Mossley Parish area) [item T in the formula in Section 31B(1) of “the Act”].
 - (b) 3,310.5 for the Mossley Parish area to which a local precept relates.

13. That the Council approves the Council Tax Requirement for the Council's own purposes for 2018/19 (excluding the Mossley Parish precept) as being £86,068,000.
14. That the following amounts be calculated by the Council for the year 2018/19:
 - (a) £389,113,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) of "the Act" taking into account the precept issued for the year by Mossley Parish Council (Appendix 2).
 - (b) £303,014,000 being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) of "the Act" (Appendix 2).
 - (c) £86,099,000 being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council, in accordance with Section 31A(4) of "the Act", as its Council Tax Requirement for the year [item R in the formula in Section 31B(1) of the "the Act"]].
 - (d) £1,413.45 being the amount at 3(c) above, divided by item T (1(a) above), calculated by the Council, in accordance with Section 31B(1) of "the Act", as the basic amount of Council Tax for the year (including the Mossley Parish precept).
 - (e) £31,000 being the aggregate amount of all special items referred to in Section 34(1) of "the Act", being the Mossley Parish precept.
 - (f) £1,412.94 being the amount at 3(d) above less the result given by dividing the amount at 3(e) above by item T (1(a) above), calculated by the Council, in accordance with Section 34(2) of "the Act", as the basic amount of tax for the year for dwellings in those parts of its area to which no special items relate.
 - (g) £1,422.30 being the amounts given by adding to the amount at 3(f) above the amount of the special item or items relating to dwellings in those parts of the Council's area mentioned at 3(e) above divided by the amount at 1(b) above, calculated by the Council, in accordance with Section 34(3) of "the Act", as the basic amount of Council Tax for the year for dwellings in those parts of its area to which one or more special items relate.
4. That it be noted that for the year 2018/19 the Office of the Police and Crime Commissioner for Greater Manchester and the Greater Manchester Fire and Rescue Authority have issued precepts to the Council in accordance with Section 40 of "the Act", for each category of dwelling in the Council's area as indicated in the tables below.
5. That the Council, in accordance with "the Act", hereby sets the aggregate amounts shown in the tables below as the amounts of Council Tax for 2018/19 for each part of its area and for each of the categories of dwellings.

VALUATION BANDS - TAMESIDE METROPOLITAN BOROUGH COUNCIL (EXCLUDING MOSSLEY PARISH COUNCIL)								
	A	B	C	D	E	F	G	H
Tameside Metropolitan Borough Council	881.95	1,028.95	1,175.94	1,322.93	1,616.91	1,910.90	2,204.88	2,645.86
Precepts								
Adult and Social Care Precept	60.01	70.01	80.01	90.01	110.01	130.01	150.02	180.02
Mayoral Police and Crime Commissioner Precept (calculated figures)	116.20	135.57	154.93	174.30	213.03	251.77	290.50	348.60
Mayoral General Precept (calculated figures)	45.30	52.85	60.40	67.95	83.05	98.15	113.25	135.90
Aggregate of the Council Tax requirement (including Precepts)								
Tameside Metropolitan Borough Council (excluding Mossley)	1,103.46	1,287.38	1,471.28	1,655.19	2,023.00	2,390.83	2,758.65	3,310.38
VALUATION BANDS - TAMESIDE METROPOLITAN BOROUGH COUNCIL (INCLUDING MOSSLEY PARISH COUNCIL)								
	A	B	C	D	E	F	G	H
	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00	£0.00
Tameside Metropolitan Borough Council	881.95	1,028.95	1,175.94	1,322.93	1,616.91	1,910.90	2,204.88	2,645.86
Precepts								
Adult and Social Care Precept	60.01	70.01	80.01	90.01	110.01	130.01	150.02	180.02
Mossley Parish Council	6.24	7.28	8.32	9.36	11.44	13.52	15.60	18.72
Mayoral Police and Crime Commissioner Precept (calculated figures)	116.20	135.57	154.93	174.30	213.03	251.77	290.50	348.60
Mayoral General Precept (calculated figures)	45.30	52.85	60.40	67.95	83.05	98.15	113.25	135.90
Aggregate of the Council Tax requirement (including Precepts)								
Mossley Parish Council Boundary	1,109.70	1,294.66	1,479.60	1,664.55	2,034.44	2,404.35	2,774.25	3,329.10

63. TREASURY MANAGEMENT STRATEGY

Consideration was given to a report of the Executive Member, Finance and Performance) and the Assistant Executive of Finance detailing the Council's borrowing strategy for 2018/19 and the Annual Investment Strategy, which was required under the Local Government Act 2003.

The Annual Investment Strategy was detailed at Appendix A to the report and details were given with regard to the estimated borrowing requirement for both Tameside and the Greater Manchester Metropolitan Debt Administration Fund and the strategy to be employed in managing the debt position.

It was reported that, as at 31 March 2017, the Council had £164 million of investments which needed to be safeguarded, and £119 million of long term debt, which had been accrued over the years. Members were reminded that the Council was also the lead authority responsible for the administration of the debt of the Greater Manchester County Council on behalf of all ten Greater Manchester Metropolitan Authorities. As at 31 March 2017, this represented a further £94 million

of debt. The significant size of these amounts required careful management to ensure that the Council met its balanced budget requirement under the Local Government Finance Act 1992.

The report included details of the following:

- Codes of Practice;
- Need to Borrow;
- Types and Duration of Loans;
- Sources of Borrowing;
- Rescheduling;
- Current Position 2017/18;
- Tameside MBC's estimated position at 31 March 2018;
- 2018/19 Borrowing Requirement;
- Greater Manchester Metropolitan Debt Administration Fund Requirement;
- Borrowing Strategy;
- Interest Rates;
- Investments; and
- Treasury Management Advisors.

Members were further advised that the Council also carried out treasury management activities on behalf of Greater Manchester Pension Fund (GMPF). GMPF held cash in accordance with its strategic asset allocation as determined by the GMPF Management Panel, which may be increased or decreased on a tactical basis by the external investment managers within risk parameters also set by the Panel. As at 31 December 2017 the Pension Fund cash totalled around £1.116 million.

At the GMPF Management Panel Meeting dated 1 July 2016, approval as given for the GMPF counterparty list to mirror that of Tameside MBC. With the following operating constraints:

- (a) The maximum duration for an investment is one year; and
- (b) The maximum investment per counterparty is £50 million.

In response to increasing levels of GMPF cash, approval was given at Executive Cabinet dated 28 June 2017 to increase the £50 million limit to £75 million.

Along with these limits, further constraints were in place for the different categories of cash. The bulk of the fund managers' allocations must be available at short notice; therefore the following constraints were enforced:

- (a) 35% must be available within one week; and
- (b) 70% must be available within two weeks.

Additionally, the strategic allocation to in-house cash must be kept entirely liquid and immediately available.

RESOLVED

- (i) That the report be noted and the proposed borrowing strategy be supported; and**
- (ii) That the Annual Investment Strategy be approved; and**
- (iii) That the amendments to the Minimum Revenue Provision policy, as detailed in Appendix D to the report, be approved.**

64. MAYORALTY

Nominations were sought for the position of Civic Mayor for 2018/19 and it was moved by Councillor Warrington, seconded by Councillor Taylor and:

RESOLVED

That Councillor Denise Ward be nominated for election as Civic Mayor for the Municipal Year 2018/19 at the Annual Meeting of the Council on Tuesday 22 May 2018.

Nominations were also sought for the position of Deputy Civic Mayor for 2018/19 and it was moved by Councillor Warrington, seconded by Councillor Taylor and:

RESOLVED

That Councillor Leigh Drennan be nominated for election as Deputy Civic Mayor for the Municipal Year for the 2018/19 at the Annual Meeting of the Council on Tuesday 22 May 2018.

65. ARRANGEMENTS FOR ANNUAL COUNCIL

It was noted that the Annual Meeting of the Council (Civic and Business) would commence at 5.00pm on Tuesday, 22 May 2018 and would be held at Dukinfield Town Hall.

66. CALENDAR OF MEETINGS

The Executive Leader announced that there would be some changes to the meeting arrangements for 2018/19 and an updated calendar of meetings would be circulated to Members for consideration in the very near future prior to its agreement at Annual Council.

67. MEMBERSHIP OF COUNCIL BODIES

It was moved by Councillor Warrington and seconded by Councillor Taylor and

RESOLVED

- (i) That Councillor Gwynne replace Councillor Jim Fitzpatrick on the Strategic Planning and Capital Monitoring Panel; and**
- (ii) That Councillor Fairfoull be added to the membership of the Strategic Commissioning Board.**

68. NOTICE OF MOTION

Consideration was given to the following motion received in accordance with Standing Order 16.1, which was proposed by Councillor Warrington and seconded by Councillor Carthey:

'That this Council notes that in Saudi Arabia:

- Without the permission of a male guardian, women cannot:*
 - travel abroad;*
 - get a passport;*
 - get out of prison;*
 - get married.*
- Male relatives can use the courts to force women to divorce;*
- Women can be denied jobs if their male guardians do not want them to work; and*
- Hospitals can refuse women surgery/other medical help if their male guardians do not consent.*

We call upon the Financial Conduct Authority not to adopt a proposed change in the rules that would enable Aramco shares to be listed on the London Stock Exchange in the first place for as long as this denial of basic rights to women in Saudi Arabia persists'.

Following consideration of the Motion is was:

RESOLVED

That this Council notes that in Saudi Arabia:

- **Without the permission of a male guardian, women cannot:**
 - **travel abroad;**
 - **get a passport;**
 - **get out of prison; and**
 - **get married.**
- **Male relatives can use the courts to force women to divorce;**
- **Women can be denied jobs if their male guardians do not want them to work; and**
- **Hospitals can refuse women surgery/other medical help if their male guardians do not consent.**

We call upon the Financial Conduct Authority not to adopt a proposed change in the rules that would enable Aramco shares to be listed on the London Stock Exchange in the first place for as long as this denial of basic rights to women in Saudi Arabia persists'

69. QUESTIONS

The Chair reported no questions had been received in accordance with Standing Order 17.2.

70. URGENT ITEMS

The Chair reported that there were no urgent items of business for consideration at this meeting.

CHAIR

Report to:	COUNCIL
Date:	21 May 2018
Executive Member / Reporting Officer:	Councillor Bill Fairfoull, Executive Member (Performance and Finance) Kathy Roe – Director Of Finance – Tameside MBC and NHS Tameside & Glossop CCG
Subject:	TAMESIDE AND GLOSSOP STRATEGIC COMMISSIONING FINANCIAL PLAN 2018/2019
Report Summary:	This report has been prepared jointly by officers of Tameside Council and NHS Tameside and Glossop Clinical Commissioning Group. It sets out the key principles and value of the single fund (Integrated Commissioning Fund) between the Council and the CCG.
Recommendations:	That the Council agrees : <ol style="list-style-type: none">1. That the Integrated Commissioning Fund 2018/2019 budget allocations as stated in Appendix 1.2. That the management of the associated share of financial risk during 2018/2019 as stated within section 7 of the report.3. That the Council will continue to be the host organisation for the Section 75 pooled fund agreement.
Links To The Corporate Plan:	The Integrated Commissioning Fund aligns with the priorities of the Corporate Plan.
Financial Implications:	This report explains the Integrated Commissioning Fund (ICF) arrangements from 1 April 2018.
(Authorised by the statutory Section 151 Officer & Chief Finance Officer)	It should be noted that the ICF will be bound by the terms within the Section 75 agreement and associated Financial Framework agreement. It should also be noted that the Council agrees to increase the value of Council resources within the ICF by a maximum sum of £5.0 million in 2018/2019, should this be necessary, on the condition that Tameside and Glossop Clinical Commissioning Group agrees a reciprocal arrangement in 2020/21. A key section of the Financial Framework agreement is the revised risk sharing arrangements. The associated variance to the total net budget allocation at the end of each financial year will be financed in proportion to the percentage of the net budget contribution of each organisation to the ICF. However, the variance will be initially adjusted to exclude any CCG net expenditure associated with residents of Glossop as the Council has no legal powers to contribute to such expenditure. Details of the risk sharing arrangements are provided within section 7 of the report and the values are additional to the £5.0 million contribution explained in the previous paragraph.
Legal Implications:	The Council and CCG want to work together in a collective and integrated way to maximise vfm and create the most efficient and
(Authorised by the Borough	

Solicitor)

effective service delivery and best outcomes for residents. This is important to avoid a saving achieved by one organisation becoming a cost for the other. However, it is constrained by the separate legal and financial frameworks in which it works. Whilst this should not be a reason or justification for not delivering or working jointly in order to ensure it meets its legal and regulatory compliance requirements and avoid expensive legal /reputational challenge/risk we must be very clear on what basis we are spending any budget and on whose authority and there must be clear governance to demonstrate this. Accordingly, we need to ensure we have aligned and agreed accountancy rules and principles and we clearly show where the accountability and governance for such spend. This is particularly important given the joint/shared Chief Executive/accountable officer role and the finance/s151 officer to ensure any conflicts are addressed transparently. In particular I have suggested we use a simple colour coding system so we are clear whether Council, CCG or Strategic Commissioning Body have the absolute authority to approve. This is particularly important given the legal restrictions as to what can be in the section 75 agreement and integrated health budgets.

Risk Management:

Associated details are provided within sections 6 and 7 of the report.

Access to Information :

Background papers relating to this report can be inspected by contacting :

Stephen Wilde, Finance Business Partner, Tameside Metropolitan Borough Council



Telephone:0161 342 3726



e-mail: stephen.wilde@tameside.gov.uk

Tracey Simpson, Deputy Chief Finance Officer, NHS Tameside and Glossop Clinical Commissioning Group



Telephone:0161 342 5609



e-mail: tracey.simpson@nhs.net

1. INTRODUCTION

- 1.1. This report has been prepared jointly by officers of the Council and Tameside and Glossop CCG as part of the Care Together Programme and seeks to extend the Integrated Commissioning Fund (ICF), which has been in place since 2016/17.
- 1.2. The Integrated Commissioning Fund reporting arrangements have evolved during the current financial year with a single Health and Social Care economy wide monthly monitoring report presented to the Strategic Commissioning Board. During 2018/19, the monthly report will include the financial details of all Council services, the Tameside and Glossop CCG (both detailed in **Appendix 1**), together with the Tameside and Glossop Integrated Care NHS Foundation Trust.

2. BACKGROUND

- 2.1 The expansion of the ICF to a single integrated commissioning fund, subject to the restrictions of current legislation, aims to include the total annual CCG resource allocation and Council budgets so far as legally possible for all health related services. The creation of a single ICF is expected to bring a number of benefits including:
 - Streamlined governance and decision making
 - Strengthening of cohesive Strategic Commission budget leadership
 - Single Strategic Commission budget resource reporting
 - Single accountable body for the ICF – the Council is currently the lead accountable organisation for the ICF
 - Rationalisation of any existing joint funding arrangements between the Council and CCG
 - Provision of support to strategic place based service provision priorities
 - Alignment to the Strategic Leadership structure
 - All health and Council service resource decisions would be intrinsically linked to the corporate strategic priorities.
- 2.2 It is envisaged that the Strategic Commission would be a national lead in this proposed single fund arrangement. The functions of NHS bodies and Local Authorities are covered by a wide range of legislation and further work will be undertaken to explore any potential issues including the impact on decision making and governance, grant funding and VAT issues, reporting requirements and existing risk share arrangements.

3 STRATEGIC COMMISSION - FINANCIAL CONTEXT

Background

- 3.1. The Council budget of the Strategic Commission is set in the context of reductions in Government funding to all councils.
- 3.2 In 2016 the Government offered any council that wished to take it up, a four year funding settlement to 2019/20, making a commitment to provide minimum funding allocations for each year of the Spending Review period. This offer was subject to the Council choosing to accept the offer and publishing an efficiency plan by October 2016, which the Council chose to comply with.
- 3.3 The four year funding settlement provides the Council with greater certainty over its funding allocations to the end of 2019/20. However, the position beyond 2020 falls outside of this four year settlement and no indicative information is yet available for future periods. Prudent assumptions have therefore been made about assumed further reductions in central government funding, increasing costs and demands for services to 2021/22

- 3.4 The NHS already has two year contracts and improvement priorities set for the period 2017-2019. These were based on the NHS Operational Planning and Contracting Guidance 2017-2019 published in September 2016 and reflected in the March 2017 document “Next Steps on the NHS Five Year Forward View”.
- 3.5 The November 2017 budget announced additional NHS revenue funding to increase funding for emergency and urgent care and elective surgery. In addition, the Department of Health and Social Care reported making additional funds available for other core frontline services such as mental health and primary care. The updated February 2018 guidance builds on the progress made in 2017/18 and protects investment in mental health, cancer services and primary care in recognition of the scale of unmet need in these areas. This means a continued commitment to deliver cancer waiting time standards, achievement of the Mental Health Investment Standard and service expansions set out by the Mental Health Taskforce and General Practice Forward View commitments.
- 3.6 The guidance emphasises the requirement for energies to remain focused on improving quality of care for patients and maintaining financial balance, whilst working in partnership to strengthen the sustainability of services for the future. This will be achieved through transformation.
- 3.7 An additional £1.4 billion of resource has been made available to CCGs nationally, principally to fund realistic levels of emergency activity in plans, the additional elective activity necessary to address waiting lists, universal adherence to the Mental Health Investment Standard and transformation commitments for cancer services and primary care. The additional investment will be made available as follows:
- 3.8 The lifting of the requirement for CCGs to underspend 0.5% of their allocation and to use a further 0.5% of allocation solely for non-recurrent purposes. These previously committed funds can now be used to fund local pressures and transformation priorities in 2018/19. In Tameside and Glossop this represents a £1.9 million improvement.
- 3.9 £600 million additional funds have been added to 2018/19 CCG allocations and distributed in proportion to CCGs’ target allocations which have been updated to reflect latest population estimates and other data. Tameside and Glossop has received an additional £2.8 million.
- 3.10 Members should note the 2018/18 Council budget report is available in further detail on the Tameside Council website via the following web link:

<http://tameside.moderngov.co.uk/documents/s28903/ITEM%207%20-%20Budget%20Report%20FINAL%20for%20Budget%20Council%20FINAL.pdf>

4 MEDIUM TERM FINANCIAL PLAN (MTFP)

- 4.1 The Strategic Commission budget draws together the many service plans and delivery strategies and sets out an overall plan in financial terms. The budget also ensures that resources to deliver services to local people are utilised in line with the agreed priorities of the Strategic Commission and its partners.
- 4.2 In the context of pressures from growing demand, tightening funding and an increasingly complex and uncertain financial environment, the MTFP is an essential tool to assess and underpin financial resilience of the Strategic Commission. The MTFP is designed to support the medium term policy and financial planning processes, and secure financial resilience. Fundamentally the plan is designed to help provide a stable financial base to support service delivery. The plan also fits within a wider system of corporate planning.

Key assumptions

- 4.3 In line with these key principles, the following specific assumptions have been made in the development of the MTFP:
- Government support in accordance with the four year fixed funding agreement for the Council
 - Service specific grant funding in line with known or forecast allocations for 2018/19
 - Local authority pay awards of 2% per annum, following the lifting of the pay cap
 - Local authority employer's pension contribution rate increase of 1.3% for the period 2017-2020 and a further increase of 1.3% from 2020/21;
 - Inflation on running expenses of 2% per annum;
 - Increased allowance for adult services contract costs due to the National Living Wage
 - An average increase of 2.5% on fees and charges unless costs are not being recovered or market conditions require a higher or lower level;
 - Allowance for demographic change in children's social care and adults' services;
 - An average investment return on cash deposits of 0.4%;
 - The Council will remain in an under-borrowed position. A limited amount of new borrowing to take place at an average interest rate of 2.70%;
 - An increase in levies per guidance issue by GM Combined Authority and GM Waste Disposal Authority; and
 - Provision for losses on collection of business rates and council tax based on historical performance and forecast business rates appeals.
- 4.4 The CCG has statutory responsibilities referred to as the business rules with which it must comply. The 2018/19 budgets have been calculated taking the following assumptions and business rules into account:
- The maintenance of expenditure within the revenue resource limit
 - The maintenance of expenditure within the allocated cash limit;
 - The maintenance of capital expenditure within delegated limits;
 - The confirmation that a minimum 0.5% contingency is held;
 - The increase of investment in mental health services each year at a level in line with Mental Health Investment Standard (previously known as Parity of Esteem) guidelines;
 - The confirmation that running costs do not exceed the allocation of £5.147 million;
 - The compliance with the Better Payment Practice Code whereby the CCG ensures it pays all NHS creditors within 30 days of receipt of a valid invoice.
- 4.5 These rules have been incorporated in expenditure plans in the 'do nothing' scenario using the growth assumptions outlined in table 4 (**Appendix 2**):
- 4.6 In addition the following contract assumptions are in place.

2018/19 Contracts with Acute Providers

- 4.7 Two year NHS contracts were signed with providers in 2017/18, refreshed values for 2018/19 at Tameside and Glossop Integrated Care NHS FT (ICFT) and associate providers were agreed in March 2018. The Strategic Commission plans to progress its vision of not funding growth with providers and driving forward transformational Quality, Innovation, Productivity and Prevention (QIPP) schemes to facilitate this. The contract with Tameside and Glossop ICFT has been developed to accelerate at pace and scale the transformation in accordance with our vision for Care Together. This contract will continue to be an outcomes focused block contract in 2018/19 which has been agreed at £166.846 million for the Strategic Commission.

2018/19 Contracts with Mental Health Providers

- 4.8 As with Acute providers, two year NHS contracts were signed with Mental Health providers too. As previously referred to, mental health has been highlighted as a key priority in 2018/19 and additional funding in CCG allocations and additional Mental Health Transformation Funding from Greater Manchester Health and Social Care Partnership (GM H&SCP) will enable the expansion of services and the specific trajectories set for 2018/19

to deliver the Five Year Forward View for Mental Health. Key priorities include meeting the Mental Health Investment Standard and developing mental health services for children and young people, perinatal mental health, Improving Access to Psychological Therapies (IAPT), adult mental health (crisis, community and acute), dementia and suicide reduction

- 4.9 Pennine Care NHS FT is the CCG's main mental health provider and the 2018/19 contract has been rebased to reflect the progress of a Service Line Reporting (SLR) exercise to change the mental health currency from Payment by Results (PbR) Cluster based values to SLR based values and to ensure there is sufficient investment to deliver safe clinical staffing requirements. The CCG is investing an additional £0.4 million in 2018/19 for safer staffing and this is over and above the recurrent £0.2 million invested in 2018/19.
- 4.10 There has been considerable discussion regarding the change in currency but ultimately it is felt that an SLR based contract will better serve integration and as this is the currency in place at Manchester Mental Health FT and there are benefits in having a consistent currency across GM. The SLR data is still very much in its infancy and evolving at Pennine Care and although there are challenges being made to some of the assumptions, it has been agreed to move forwards on this basis with a risk share in place across the Pennine Care footprint commissioners. This means that Tameside and Glossop will contribute £ 0.250 million to the risk share arrangement in 2018/19 as the SLR data portrays Tameside & Glossop as under-funding Pennine Care for our commissioned mental health services. During 2018/19, a deep dive analysis on our commissioned mental health services will be undertaken to both validate the data and address the subsequent findings.

5 SAVINGS & QUALITY, INNOVATION PRODUCTIVITY AND PREVENTION (QIPP) PLANS

- 5.1 Over the past eight years of austerity the Council has removed substantial sums from both back office and service costs. Costs are kept under review and new initiatives for savings are constantly sought. Savings identified as part of the 2018/19 budget process are summarised in table 1 (**Appendix 2**).
- 5.2 Using the 2017/18 month 9 (at 31 December 2017) forecast outturn as a baseline, the following assumptions have been made to derive a 'do nothing' QIPP spend requirement for the CCG resource allocation.
- The application of the planning and growth assumptions;
 - The identification of 2017/18 non recurrent expenditure and impact of 2016/17 cross year benefits;
 - The adjustment for known pressures in 2018/19 (e.g. Continuing Health Care (CHC) & Individualised commissioning, one off planning, commitments, prescribing and new Funded Nursing Care (FNC) rates);
 - The increase to mental health expenditure to ensure Mental Health Investment Standard is met;
 - The allocation of expenditure for delegated co-commissioning primary care and CCG running costs to match the specific allocation received in these areas;
 - Confirmation that all national and GM business planning rules are met;
- 5.3 This 'do nothing' spend figure has then been compared to allocations available to calculate the 2018/19 QIPP target as detailed in table 4 (**Appendix 2**)
- 5.4 The CCG has a QIPP target of £19.8 million for 2018/19.
- 5.5 The QIPP target of £19.8 million is a reduction of £4.1 million from the 2017-18 QIPP target. The areas contributing to the £4.1m movement are outlined in Table 5 (**Appendix 2**)

- 5.6 A list of schemes which would contribute towards delivery of the £19.8 million target is under development and the total values by RAG rating are shown at Table 6 (**Appendix 2**). After the application of optimism bias this demonstrates expected savings of £13.1 million (of which only £6.4 million is recurrent), meaning there is still significant work to progress new schemes and increase certainty around existing schemes in order to fully achieve the target.
- 5.7 In the national return it is assumed that this shortfall in QIPP will be delivered and that the CCG will meet its control totals. The net impact of this on planned expenditure is set out in table 7 (**Appendix 2**).

6 FUTURE CHALLENGES AND RISKS

- 6.1 The Strategic Commission faces a number of significant challenges and uncertainties in 2018/19 and future years. There are a range of initiatives to improve outcomes and deliver vital services for residents under consideration. These challenges and risks include:

- Further significant loss of Government funding and increasing uncertainty.
- Significant changes to local government responsibilities.
- Failure to deliver identified savings in 2018/19.
- Continued increasing demands on Children's services and delays in delivering service improvement.
- Potential for increased costs arising from the impact of Carillion being placed into liquidation.
- Failure to secure the forecast capital receipts from land sales to support the Capital Investment Programme.
- Delays to the Care Together Programme
- Other cost pressures or national policy changes e.g. the impact of an ageing population and pressures within the local health economy, unanticipated increases in demand for services.
- Delays in securing further and significant savings to balance 2019/20 and beyond.
- Volatility of the Business Rates base and 100% rates retention.
- Potential legal judgements and the confirmation of obligations that give rise to new liabilities.
- Management of demand for services
- Positive progress on the CHC Recovery Plan
- Delivery of Mental Health Strategy and compliance with Mental Health Investment Standard and Five Year Forward View
- Pro-active engagement of primary care in driving forward the development of Neighbourhoods and the Care Together Vision
- Compliance with requirements of Transformation Funding and delivery of transformation objectives
- Delivery of savings and QIPP Targets

7 RISK SHARE

- 7.1 Financial risk share arrangements will continue in 2018/19 in proportion to the respective contributions of each constituent organisation to the Integrated Commissioning Fund. This would result in a sharing arrangement of 68% for T&G CCG and 32% for the Council as calculated in table 8 (**Appendix 2**).

- 7.2 The variance to the total net budget allocation at the end of each financial year will be financed in proportion to the percentage of the net budget contribution of each organisation to the ICF (per table 7). However, the variance will be initially adjusted to exclude any CCG net expenditure associated with residents of Glossop (13% of the total CCG variance) as the Council has no legal powers to contribute to such expenditure. The associated adjusted total variance of both the CCG and the Council would then be financed in proportion to the % contributions as stated in table 8 (**Appendix 2**).
- 7.3 In addition it is also proposed that a continuation of the cap introduced in 2017/18 is placed on the shared financial exposure that each organisation would be expected to meet. For 2018/2019 it is proposed that:
- a cap of £ 2.0 million is placed on CCG related risks that the Council will contribute to;
 - a cap of £ 0.5 million is placed on Council related risks that the CCG will contribute to.
- 7.4 Strategic Commissioning Board Members should note that that the Council has agreed to increase the value of Council resources within the ICF by a maximum sum of £ 5.0 million in 2018/2019 on the condition that the T&G CCG agrees a reciprocal arrangement in 2020/21 should this be necessary. This is the second year of this 2 year agreement. For clarity, the risk sharing arrangement applies to the Section 75 pooled fund, the aligned fund and the 'in collaboration' budget as set out in **Appendix 1**. It should be noted that the Council's cap of £ 2.0 million (per section 6.3) is over and above the non-recurrent contribution to the ICF of up to £ 5.0 million in 2018/19 (on the condition that the T&G CCG agrees a reciprocal arrangement in 2020/21 should this be necessary).

8 GM TRANSFORMATION FUNDING

- 8.1 Tameside and Glossop health economy received £ 23.2 million of GM Transformation Funding phased over the course of 3 to 4 years. 2018/19 represents year three of this arrangement where an allocation of £6.381 million is expected to be received. Due to slippage on transformation schemes in 2017/18, £1.464 million was returned to GM in 2017/18 to be re-allocated to the economy at a later date.

9 RECOMMENDATIONS

- 9.1 As detailed on the report cover.

APPENDIX 1

Service	2018/2019		
	Section 75		
	Gross Expenditure	Gross Income	Net Expenditure
	£'000	£'000	£'000
Acute	104,589	0	104,589
Mental Health	32,621	0	32,621
Primary Care	10,112	0	10,112
Continuing Care	15,025	0	15,025
Community Health	27,324	0	27,324
Other	26,590	0	26,590
QIPP	(11,440)	0	(11,440)
Corporate	5,147	0	5,147
Adult Services	81,343	(41,839)	39,504
Capital and Financing	0	0	0
Children's Social Care	0	0	0
Contingency	0	0	0
Corporate Costs	0	0	0
Digital Tameside	0	0	0
Education	0	0	0
Exchequer	0	0	0
Finance	0	0	0
Governance	0	0	0
Individual Schools Budget	0	0	0
Operations and Neighbourhoods	0	0	0
People and Workforce Development	0	0	0
Place	0	0	0
Population Health	16,640	(146)	16,494
Quality and Safeguarding	0	0	0
Grand Total	307,951	(41,985)	265,966

Service	2018/19		
	Aligned		
	Gross Expenditure	Gross Income	Net Expenditure
	£'000	£'000	£'000
Acute	103,551	0	103,551
Mental Health	0	0	0
Primary Care	42,800	0	42,800
Continuing Care	0	0	0
Community Health	0	0	0
Other	11,124	0	11,124
QIPP	(8,360)	0	(8,360)
Corporate	0	0	0
Adult Services	1,088	(100)	988
Capital and Financing	0	0	0
Children's Social Care	46,253	(2,835)	43,418
Contingency	4,163	(6,823)	(2,660)
Corporate Costs	10,698	(6,857)	3,841
Digital Tameside	2,481	(482)	1,999
Education	6,047	(2,452)	3,596
Exchequer	4,855	(3,421)	1,434
Finance	3,163	(645)	2,518
Governance	5,507	(355)	5,152
Individual Schools Budget	0	0	0
Operations and Neighbourhoods	45,439	(25,317)	20,122
People and Workforce Development	3,258	(970)	2,288
Place	18,990	(11,208)	7,782
Population Health	0	0	0
Quality and Safeguarding	355	(288)	67
Grand Total	301,412	(61,753)	239,660

Service	2018/19		
	In Collaboration		
	Gross Expenditure	Gross Income	Net Expenditure
	£'000	£'000	£'000
Acute	0	0	0
Mental Health	0	0	0
Primary Care	33,272	0	33,272
Continuing Care	0	0	0
Community Health	438	0	438
Other	1,037	0	1,037
QIPP	0	0	0
Corporate	0	0	0
Adult Services	0	0	0
Capital and Financing	10,998	(1,360)	9,638
Children's Social Care	181	(181)	0
Contingency	0	0	0
Corporate Costs	0	0	0
Digital Tameside	0	0	0
Education	13,369	(13,369)	0
Exchequer	83,671	(83,671)	0
Finance	0	0	0
Governance	0	0	0
Individual Schools Budget	127,944	(127,944)	0
Operations and Neighbourhoods	30,257	0	30,257
People and Workforce Development	0	0	0
Place	76	0	76
Population Health	0	0	0
Quality and Safeguarding	0	0	0
Grand Total	301,243	(226,525)	74,718

Service	2018/19		
	Total		
	Gross Expenditure	Gross Income	Net Expenditure
	£'000	£'000	£'000
Acute	208,140	0	208,140
Mental Health	32,621	0	32,621
Primary Care	86,184	0	86,184
Continuing Care	15,025	0	15,025
Community Health	27,762	0	27,762
Other	38,751	0	38,751
QIPP	(19,800)	0	(19,800)
Corporate	5,147	0	5,147
Adult Services	82,431	(41,939)	40,492
Capital and Financing	10,998	(1,360)	9,638
Children's Social Care	46,434	(3,017)	43,418
Contingency	4,163	(6,823)	(2,660)
Corporate Costs	10,698	(6,857)	3,841
Digital Tameside	2,481	(482)	1,999
Education	19,416	(15,820)	3,596
Exchequer	88,526	(87,092)	1,434
Finance	3,163	(645)	2,518
Governance	5,507	(355)	5,152
Individual Schools Budget	127,944	(127,944)	0
Operations and Neighbourhoods	75,696	(25,317)	50,379
People and Workforce Development	3,258	(970)	2,288
Place	19,066	(11,208)	7,858
Population Health	16,640	(146)	16,494
Quality and Safeguarding	355	(288)	67
Grand Total	910,607	(330,263)	580,344

APPENDIX 2

Table 1 – Council Savings by Directorate

Summary	Saving	
	2018/19 £'000	2019/20 £'000
Adults Services	697	0
Population Health	204	70
Learning	90	0
Operations & Neighbourhoods	580	100
Place	338	648
Governance	689	850
Total	2,598	1,668

Table 2 – 2018/19 Council Budget Gap

	Total £000
Previous Year's Net Budget	177,396
Service Cost Pressures	
Inflation	3,062
Legislative & Grant Changes	1,936
Demographic	10,412
Service Improvement/New Services	2,514
Total New Cost Pressures	17,924
Savings to be Delivered by Management <i>(Identified in previous years)</i>	(521)
Savings to be Delivered by Management <i>(Identified in 2018/19 budget process)</i>	(2,598)
Additional Non-recurrent funding (iBCF / GM Transformation funds)	(5,687)
Total New Cost Reductions	(8,806)

Net Budgetary Effect of Service Proposals	9,118
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Proposed Total Budget	186,514
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	Total £000
Previous Year's Resource Base	(177,396)
Business Rates Baseline	(2,150)
Business Rates Top Up Grant	7,042
Collection Fund Surplus	1,500
Use of Reserves	(9,902)
Resources before Council Tax Increase	(180,906)

Budget gap before Council Tax Increase of 4.99%	5,608
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Table 3: CCG 2018/19 Allocation

	£'000	
Core	-355,545	
Primary Care	-33,041	
Running Cost	-5,147	
Non Recurrent Allocation	-97	Paramedic re-banding, HSCN & market rents
Opening In-Year allocation	-393,830	
Historic surplus b/f	-9,347	Made up of mandated contributions to national risk share up to 16/17 and 1% surplus delivered in 17/18 (£7.174 million). The CCG must ensure that this historic surplus is maintained during 18/19. Guidance around national risk pool in 17/18 and changes to guidance around Cat M prescribing have recently been issued and resulted in a mandated increase in the 17/18 surplus of £2.173 million. This will increase further the surplus carried forward into 18/19.
Total In-Year allocation	-403,177	

Table 4: CCG Planned Expenditure - Do Nothing Scenario

	£'000	
Acute	208,139	ICFT and associate contract contracts were signed in March 2018. More general assumption of 0.1% cost increase, 1.7% activity growth for other acute contracts has been made.
Community Health Services	27,762	Reflects signed ICFT contract. More general assumption of 0.1% cost increase, 1.7% activity growth for other community contracts has been made.
Continuing Care	15,025	Based on 2017-18 outturn, so incorporates the significant pressures encountered over last 12 months. Impact of joint care home pricing strategy is included in prices and further demographic growth of 2.75% has been assumed before QIPP. In light of the risk around this area a CHC reserve has also been created.
Corporate	5,147	Budget set at level of allocation as per guidance. We are not allowed to exceed this level of spend, but based on experience in 2017-18, will be able to achieve around £1m of QIPP against this forecast. Pay increments are included and NI contributions have been updated, but in line with guidance we have not planned for any pay award. A reserve is in place which would cover 1%, but nothing is provided for beyond this.
Mental Health	32,621	Meets MHIS, but does not include additional funding required to meet 5 year forward view or address provider sustainability issues, which could present a significant pressure in 2018-19 (£2.5m and over the long term £4m). Money is held in reserve in relation to these pressures.
Other	38,751	BCF & Reserves the largest values included in this value. The reserves value is based on an analysis of anticipated non-recurrent contributions and known pressures. Other lines are based on 'do nothing' demographic growth of 2%.
Primary Care - CCG	53,143	Incorporates NCSO (No cheaper stock obtainable) pressures which emerged in 2017-18. Further growth of 2.75% has been applied, which incorporates both financial and demographic factors.
Primary Care - Delegated	33,041	Core GMS/PMS contracts which are co-commissioned with NHS England. Overall increase of 3.01% expected versus 2017-18 budgets. Budget set at level of allocation as indicated in guidance, NHSE will provide a more detailed forecast of this total in due course.
Total Expenditure	413,630	All expenditure is based on a 'do nothing' scenario of continuing growth over and above 2017-18 outturn. Recurrent impact of 2017-18 QIPP is factored in, but further schemes are required as a result of the emerging pressure in CHC and Prescribing and to offset demographic growth
QIPP	-19,800	QIPP required to balance net position above and deliver mandated surplus.
2018/19 Planned Surplus	-9,347	Mandated by the planning guidance.

Table 5: CCG QIPP Movement from 2017-18 to 2018-19

	£ million
2017-18 QIPP Target	23.9
2017-18 QIPP Delivered Recurrently	-12.3
Increase in Allocation	-2.8
Removal of 0.5% Requirement	-1.9
Unfunded CHC pressure in 2017-18	5
Mental Health Five Year Forward View	2.5
Non recurrent re-profiling adjustment	1.1
Go To Doc refund	0.4
Healthier Together	0.4
Neuro Rehab	0.2
Glossop Spot Bed Purchase (linked to intermediate care consultation)	0.2
Respiratory Prescribing Audit	0.2
Contingency for additional demand in associate contracts	2.9
Total	19.8

Table 6: CCG 2018/19 QIPP Schemes

Red £'000	Amber £'000	Green £'000	Planned Savings £'000	Expected Savings £'000
2,350	5,823	9,979	18,152	13,125

Table 7: CCG 2018/19 Post QIPP Expenditure

Revenue Resource Limit	2017/18 Outturn £'000	2018/19 Budget £'000
Recurrent	381,628	393,733
Non-Recurrent	8,403	97
Total In-Year allocation	390,031	393,830

Income and Expenditure

Acute	206,642	202,017
Mental Health	30,200	32,621
Community	27,581	27,698
Continuing Care	17,880	13,699
Primary Care	51,347	51,143
Other Programme	20,378	27,495
Primary Care Co-Commissioning	30,806	33,041
Total Programme Costs	384,834	387,714
Running Costs	5,197	4,147
Contingency	-	1,969
Total Costs	390,031	393,830

Table 8 – Net Budgets Per Appendix 1

Strategic Commission	18/19 Total Net Budget	ICF Contributions
	£'000	%
Tameside and Glossop CCG	393,830	68
Tameside MBC	186,514	32
Total	580,344	100

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Report To:	COUNCIL
Date:	21 May 2018
Executive Member/ Reporting Officer:	Councillor Brenda Warrington – Executive Leader Sandra Stewart – Director (Governance and Pensions)
Subject:	AMENDMENTS TO CONSTITUTION
Report Summary:	<p>The report sets out proposals for the replacement of Town Councils with Strategic Neighbourhood Forums to provide a new, more strategic way of area based working.</p> <p>The report also outlines, for Members information, revised Executive Member portfolio arrangements.</p>
Recommendations:	<ul style="list-style-type: none">(i) That the nine Town Councils be disbanded;(ii) That four Strategic Neighbourhood Forums be created as set out in section 1 of the report;(iii) That the following Member posts be created:<ul style="list-style-type: none">• Four Strategic Neighbourhood Forum Chairs; and• Four Strategic Neighbourhood Forum Deputy Chairs.(iv) That the following Member posts be disbanded:<p style="margin-left: 40px;">Town Council Co-ordinator; East Area Neighbourhood Co-ordinator; West Area Neighbourhood Co-ordinator; East Area Assistant Neighbourhood Co-ordinator; and West Area Assistant Neighbourhood Co-ordinator.</p>(v) That the Chairs and Vice-Chairs of the Strategic Neighbourhood Forums meet at the earliest opportunity to agree the operating arrangements for the Forums.(vi) That the revised Executive Member portfolio arrangements be noted;(vii) That the Constitution be amended to reflect the changes.
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	There are no policy implications.
Financial Implications: (Authorised by the Section 151 Officer)	The work of the Strategic Neighbourhood Forums will be funded from existing resources. The changes to Executive Member portfolios will see a reduction from 8 to 7 Cabinet Members which more than offsets the cost of changes to Strategic Neighbourhood Forums.
Legal Implications: (Authorised by the Borough Solicitor)	<p>It is important that Elected Members formal engagement arrangements with its community to ensure arrangements are appropriate for the changing environment.</p> <p>Any changes will need to be reflected in the Constitution.</p>

Risk Management:

The operational arrangements for the Strategic Neighbourhood Forums will need to be clearly set out in the Council Constitution to ensure that proper governance is followed.

Access to Information:

The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by:



phone: 0161 342 2146



e-mail: robert.landon@tameside.gov.uk

1. STRATEGIC NEIGHBOURHOOD FORUMS

- 1.1 At its meeting on 12 July 2016 Council agreed to the replacement of the six District Assemblies with nine Town Councils. At the time of the creation of the Town Councils it was determined that they could most effectively operate outside of the formal Council meeting arrangement to allow for greater flexibility of approach. This approach also meant that there was no formal officer support provided to the Town Councils.
- 1.2 Having operated for nearly two years it has been apparent that whilst the approach adopted in 2016 has a number of benefits, there would be greater benefits if the approach to area based working for Members was more strategic in nature; better reflected the arrangements adopted by key partners such as health and police and were better linked into the Council's formal decision-making arrangements. With this in mind it is therefore proposed that future area based Member working arrangements should be based on the following areas which are the same, or very similar to, the neighbourhood areas for health and police matters.:

Area	Wards
North	Ashton Hurst, Ashton St Michael's, Ashton Waterloo and St Peters
South	Hyde Godley, Hyde Newton, Hyde Werneth and Longdendale
East	Dukinfield, Mossley, Stalybridge North and Stalybridge South
West	Audenshaw, Denton North East, Denton South, Denton West, Droylsden East and Droylsden West

- 1.3 The new Strategic Neighbourhood Forums will focus on local input into the decision-making process with the Forums being primary consultees on amongst other things:
- (i) **Highways Matters:** to identify and propose traffic calming schemes; to monitor road safety issues ; to make proposals within the area of the Forum relating to non-strategic highways matters;
 - (ii) **Highways Maintenance:** to be consulted on and receive updates relating to the maintenance of principal roads, to propose additions and amendments to the approved programme for the maintenance of local roads, footpaths and street lights and the provision of street furniture;
 - (iii) **Grounds Maintenance:** to be consulted on, receive update relating to and to make proposals relating to grounds maintenance activities;
 - (iv) **Parks, Gardens and Open Space:** to be consulted on, receive updates on and to make proposals regarding the maintenance and management of parks, gardens and open space;
 - (v) **Street Cleansing:** to be consulted on, receive updates and to make proposals concerning the operation of street cleansing activities, including mechanical sweeping routes;
 - (vi) **Young People:** to make proposals and receive updates on the provision of facilities and services for young people other than education and Social Services;
 - (vii) **Community Safety:** To make proposals concerning community safety initiatives;
 - (viii) **Ward Scheme:** To allocate monies through ward budgets in accordance with ward monies scheme,
 - (ix) **Complaints:** to monitor and refer complaints regarding services in the local area;
 - (x) **Environmental Improvements:** to be consulted on environmental improvement schemes
 - (xi) **Street Naming:** to be consulted on and have the facilities to make alternative suggestions in respect of the naming of streets.
 - (xii) **Entertainment and Events:** to be consulted on activities in the local area and the provision of entertainment and support of the arts.
 - (xiii) **Regeneration Initiatives:** to be consulted with regard to regeneration initiatives as appropriate; and
 - (xiv) **Markets:** to be consulted on the operation, management, development and other markets issues;
 - (xv) **Land Use –** to be consulted on, to receive updates on the proposals about the use of Council land and buildings in the area.

- 1.3 In order to facilitate the work of the Strategic Neighbourhood Forums the meetings will be supported by officers from Democratic Services and officers from other Directorates, in particular Growth and Neighbourhoods and Operations, will be expected to attend Strategic Neighbourhood Forum meetings on a regular basis and to support the work of the Forums.
- 1.4 Given the role of the Strategic Neighbourhood Forums in influencing Council wide decisions it is intended to look, where possible, for a balance in terms of the representation of Strategic Neighbourhood Forums across the Council decision making meetings.

2. EXECUTIVE MEMBER PORTFOLIOS

- 2.1 Set out below for Members information are the revised Executive Member portfolios put in place by the Executive Leader:

Executive Member	Portfolio Outline
Executive Leader	Strategic Oversight; to represent the Council externally; Principal political spokesperson; oversight of the annual budget; Portfolio for Adult Social Care and Wellbeing; Chair of Greater Manchester Pension Fund; Member of Greater Manchester Combined Authority; development and implementation of Integrated Care Organisation.
Deputy Executive Leader	Deputise of Executive Leader as and when required; to lead on capital and revenue budget preparation and monitoring; to lead on performance management; to lead on corporate services, information technology; land disposals; and communication
Children and Families	Children's Social Care; Safeguarding (incl. Tameside Safeguarding Children Board); Youth Provision; Children with disabilities; Early Help and Troubled Families; Support services (incl. early intervention, behaviour, respite, communication, sensory & autism); Looked after children - Corporate Parenting; Children's Centres; Health as it relates to Children's Services;
Economic Growth and Housing	Strategic economic development; investment and enterprise; employment initiatives; regeneration; housing matters; economic growth activities; inward investment;
Lifelong Learning, Skills and Employment	Early years learning and school readiness; education attainment and achievement; school development and support; schools capital programme; special educational needs; skills and training.
Neighbourhood Services	Waste Collection, disposal and recycling; Carbon Reduction; Environmental Health and Public Protection (incl. Licensing and Trading Standards); Engineering operations and Highway development; Transportation, fleet management and Parking; To lead on the functions of the Council as highways authority; highway maintenance and improvement works; planning and all enforcement matters
Strategic Development and	Strategic transport matters include matters such as Tameside Interchange and Longdendale bypass; strategic

Transport	and major development matters; regional and sub-regional transport and development matters
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3.0 RECOMMENDATIONS

3.1 As set out on the front of the report.

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Report To:	COUNCIL
Date:	21 May 2018
Reporting Officer:	Councillor Brenda Warrington – Executive Leader & Chair of the Greater Manchester Pension Fund Sandra Stewart – Director (Governance & Pensions)
Subject:	NORTHERN PENSION POOL CONSTITUTIONAL ARRANGEMENTS
Report Summary:	<p>This report explains proposals for pooling investments across the LGPS in England and Wales, and in particular the recent activities of the LGPS Funds forming the Northern Pool and seeks approval to go forward on the basis set out in the report as recommended by the Greater Manchester Pension Management Panel, who have considered this matter at least quarterly since 2016.</p>
Recommendations:	<p>That Council agrees and adopts the recommendations made by the Greater Manchester Pension Management Panel and in particular:</p> <ol style="list-style-type: none">1) Agrees that the proposed structure and operation of the Northern Pool will meet the pooling criteria; guidance and regulations as currently drafted;2) Approves the inter-authority agreement, known as the Northern Pool Operating Agreement, appended at 12 to this report, which will form part of the formal establishment of the Northern Pool Joint Committee and define its terms of reference; and authorise the Director of Governance and Pensions to amend as expedient or necessary in consultation with the Chair of the Pension Fund to meet the LGPS Investment Reform Criteria and Guidance was issued by DCLG in November 2015 and Revised LGPS Investment Regulations issued in 2016 and put in place any ancillary documentation;3) Agree that Tameside MBC will be the host authority for the Joint Committee and notes the agreement sets out in detail the responsibilities of the host authority and how it will interact with the administering authorities of the other funds in the Pool; and4) Agree that the Chair of the Greater Manchester Pension Fund, Cllr Brenda Warrington and the Vice Deputy Chair, Cllr Gerald Cooney, are the representatives for the Administering Authority and the Fund, noting that for the forthcoming Municipal Year, Cllr Ian Greenwood of the West Yorkshire Fund will be the Chair of the Northern Pool.
Policy Implications:	To meet the requirements of legislation.
Financial Implications: (Authorised by the Section 151 Officer)	The aim of pooling of assets is to improve net investment returns in the long term. The funds in the Northern Pool are designing a framework to make

pooled investments which facilitate this aim.

Legal Implications:

(Authorised by the Solicitor to the Fund)

Revised LGPS Investment Regulations were issued in 2016. The revisions are in part designed to facilitate the pooling of assets between LGPS funds and improve access to infrastructure investments. From a regulatory perspective, LGPS funds are required to pool their assets in order to meet Regulation 7(2)(d) of the 2016 LGPS Investment Regulations. This regulation requires administering authorities to set out their 'approach to pooling investments, including the use of collective investment vehicles and shared services' in their Investment Strategy Statement. The accompanying statutory guidance to the 2016 Investment Regulations states that:

"All authorities must commit to a suitable pool to achieve benefits of scale. Administering authorities must confirm their chosen investment pool meets the investment reform criteria and guidance published in November 2015, or to the extent that it does not, that Government is content for it to continue."

The LGPS Investment Reform Criteria and Guidance was issued by DCLG in November 2015. The 4 high-level criteria are:

- a) Scale (pools should be in excess of £25bn at 31 March 2015)
- b) Strong governance and decision making
- c) Reduced costs and excellent value for money
- d) Improved capacity to invest in infrastructure

Risk Management:

The Funds in the Northern Pool have been seeking legal advice where required on their pooling options and the structure and operations of investments vehicles.

Background & Referenced Papers:

The report refers to the following appendices throughout – the documents can be obtained from the web or a paper copy can be produced on request to Democratic Services.

Appendix 1:	full criteria and guidance for pooling is available via the link below https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479925/criteria_and_guidance_for_investment_reform.pdf
Appendix 2:	February 2016 progress update https://www.gmpf.org.uk/documents/pool/22february2016.pdf
Appendix 3:	Minister's response https://www.gmpf.org.uk/documents/pool/february2016.pdf
Appendix 4:	Minister wrote to the ACCESS pool, which was also copied to other pools
Appendix 5:	Pooling Proposal July 2016 submission http://www.gmpf.org.uk/documents/policies/pooling/northernpool.pdf http://www.gmpf.org.uk/documents/policies/pooling/northernpoolsubmission.pdf
Appendix 6:	Letter from Minister to July 2016 submission https://www.gmpf.org.uk/documents/pool/jan2017.pdf
Appendix 7:	Spring 2017 update report https://www.gmpf.org.uk/documents/pool/25april2017.pdf https://www.gmpf.org.uk/documents/pool/april2017.pdf

Appendix 8	Letter from Minister August 2017 https://www.gmpf.org.uk/documents/pool/august2017.pdf
Appendix 9	Autumn 2017 update report https://www.gmpf.org.uk/documents/pool/october2017.pdf
Appendix 10	Minister response to Autumn 2017 update report – March 2018 https://www.gmpf.org.uk/documents/pool/march2018.pdf
Appendix 11	https://www.gmpf.org.uk/documents/pool/april2018.pdf
Appendix 12	Northern Pool Operating Agreement

The background papers relating to this report can be inspected by contacting Sandra Stewart Director of the Fund or Euan Miller, Assistant Executive Director, Greater Manchester Pension Fund.



Telephone: 0161 301 7141



e-mail: euan.miller@tameside.gov.uk

EXECUTIVE SUMMARY

Background

- Collective asset pool for the Greater Manchester, Merseyside and West Yorkshire Pension Funds
- £46 billion of funds under management – around 1/5th of total Local Government Pension Scheme assets
- 180% above the £25 billion scale target set by Government
- Participating funds have a long history of excellent investment returns and low costs
- Oversight by elected representatives and employee representatives

Strategic Objectives

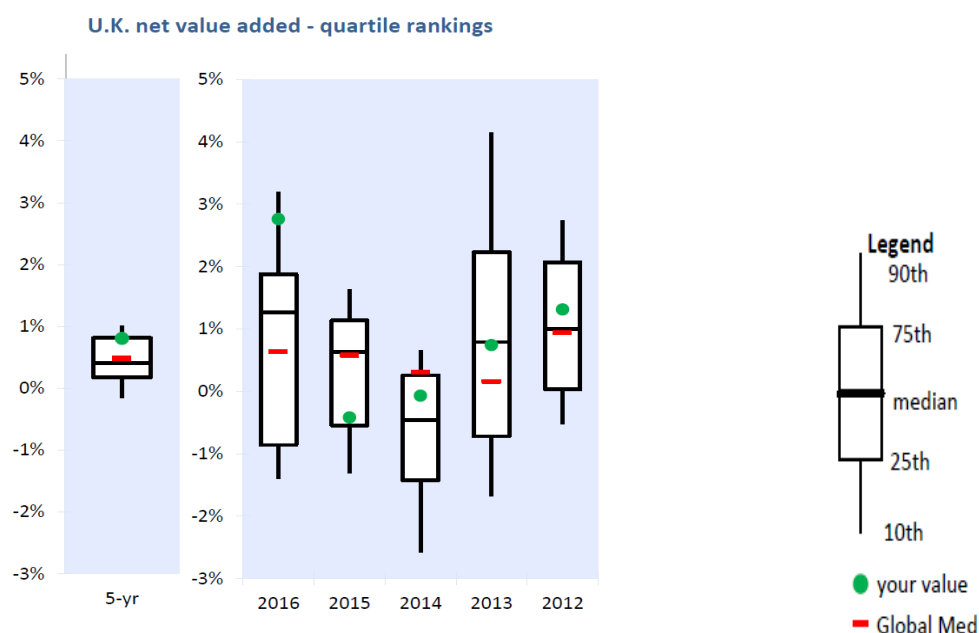
- Improve net investment returns of the funds in the Pool, whilst remaining highly cost effective
- Facilitate increased investment in UK infrastructure
- ensuring continued compliance with the LGPS Investment Regulations and the Pooling Guidance

Major progress milestones

- Northern Trust appointed as **FCA-regulated custodian** for the pool – ensuring all listed assets held within a single, FCA-regulated entity
- **Established £1.3 billion infrastructure vehicle**, GLIL - £765 million invested in both greenfield and brownfield direct UK infrastructure assets to date
- **Established a collective PE investment vehicle**, NPEP – commitments of c£1 billion to PE funds in 2018/19 and 2019/20

Delivering returns

- 5 year net total return is 10.6% (UK median 10.5%, Global media 8.3%)
- 5 year net value-add for Pool is 0.8% p.a. – roughly equivalent to £1.5 billion



Investing in communities

- **Long history of making significant direct local infrastructure investments**
Matrix Homes initiative referenced in the Government's Pooling Criteria, unlocked difficult brownfield sites to build hundreds of much needed houses
- **Target of financing the construction of 10,000 new homes over the next three years.**
- **Significant progress has been made**
 - Up to 30 September 2017, 500 completed homes have been delivered
 - a further 2,000 under construction
 - Due diligence is currently being undertaken on further pipeline projects, which would deliver another 5,000 homes.
 - Scaling the Matrix Homes model via joint ventures with other Funds in the Pool across the geography of the Northern Pool
 - FCA regulated operator for GLIL 2.0 will allow **funds and pools without scale and/or expertise to participate passively**
 - LPP as AIFM will save time and costs for new investors – **lowering costs for participating pools and for the general benefit of taxpayers**

Governance and regulation

- **Developed simple democratic governance arrangements**, which deliver Government's aims of **accountability for the tax payer**
 - Oversight board established
 - Joint committee of six elected members – two from each fund, plus 3 scheme member representatives
- **Established a common proxy voting policy for its listed equity holdings**, delivered by an FCA-regulated voting advisory service provider
- Demonstrated that we are committed to robust and transparent governance, **currently ACS model will unacceptably increase costs without providing increased oversight or delivering better returns**
- **We will continue to review this position**

Meeting Government's criteria:

- ✓ Asset pool(s) that achieve the benefits of scale
 - Currently managing around 1/5th of total LGPS assets
- ✓ Strong governance and decision making
 - Oversight board, FCA regulated custodian appointed
- ✓ Reduced costs and excellent value for money
 - CEM benchmarking shows average costs significantly below global peer group, 5 year net value add is 0.8% or £1.5 billion
- ✓ An improved capacity to invest in infrastructure
 - GLIL vehicle is a proven success, target of 10,000 new homes over next three years

1. INTRODUCTION

- 1.1 The Local Government Pension Scheme ('LGPS') across England and Wales consists of around 90 regional funds with total assets of approximately £265 billion as at 31 March 2018. The average size of a regional fund is around £2bn, but there is wide variation between the largest funds (Greater Manchester, West Midlands and West Yorkshire), which have assets of well over £10bn, and the smaller funds, such as those operated by each of the London Boroughs, many of which have assets of approximately a £1bn.
- 1.2 The Department of Communities and Local Government, HM Treasury and the Cabinet Office have for some time been looking at options to reduce investment management costs and improve investment returns across the LGPS as a whole for a number of years. A recent example was consideration being given to the case for all LGPS funds to adopt a passive investment management approach to reduce investment management costs. A formal consultation on this was issued in the summer of 2014. The case for having fewer funds has also been considered in the past.
- 1.3 The then Chancellor, George Osborne, announced in the 2015 summer budget that he would be seeking proposals for pooling of assets by funds. The Budget statement was as follows:
"The government will work with Local Government Pension Scheme administering authorities to ensure that they pool investments to significantly reduce costs, while maintaining overall investment performance. The government will invite local authorities to come forward with their own proposals to meet common criteria for delivering savings. A consultation to be published later this year will set out those detailed criteria as well as backstop legislation which will ensure that those administering authorities that do not come forward with sufficiently ambitious proposals are required to pool investments."
- 1.4 At the Conservative Party Conference on 5 October 2015, the Chancellor provided a further statement, which read as follows:
"At the moment, we have 89 different local government pension funds with 89 sets of fees and costs. It's expensive and they invest little or nothing in our infrastructure. So I can tell you today we're going to work with councils to create instead half a dozen British Wealth Funds spread across the country. It will save hundreds of millions in costs, and crucially they'll invest billions in the infrastructure of their regions."
- 1.5 Further reference to these British Wealth Funds was made within the Government's Four-point infrastructure plan issued in Autumn 2015:
"The 89 local authority pension funds are to be pooled into half a dozen British Wealth Funds. This will reduce costs, saving the beneficiaries of the schemes millions of pounds every year. It will also change the way pension savings are invested. The funds will follow international norms for investment, meaning larger sums being invested in infrastructure."
Currently, small local pension funds lack the expertise to invest in infrastructure. Overall, across £180 billion of assets, only 0.5% is invested in such projects. In countries with larger pooled public pension funds up to 8% of assets are infrastructure and 17% are housing and infrastructure."
- 1.6 Subsequent to these announcements DCLG issued a letter to all LGPS funds providing reassurance that the Chancellor's comments were not a departure from the original proposals and the outcome of the process is not a 'fait accompli'. However, there was a strong suggestion that Government saw the outcome as groups of funds working together

across all asset classes and that the ability to invest in large scale infrastructure would be one of the criteria upon which proposals will be assessed.

2. LGPS INVESTMENT REFORM CRITERIA AND GUIDANCE

2.1 After several months of informal consultation, Government published its pooling criteria on 25 November 2015. The primary criteria are for pools, which create improvements in the following four areas:

(i) Scale

- Up to 6 pools, with at least £25bn in each
- All new investments to be made on a pooled basis
- Existing illiquid investments allowed to run-off

(ii) Value for money

- Pool costs to be benchmarked to 2013 levels
- Savings to be estimated over the next 15 years
- Active management should be used on where value can be evidenced
- Report performance vs passive management

(iii) Governance

- Pools should have the necessary resources and skills
- Administering authorities must be able to hold the pool to account
- Strategic asset allocation remains with the administering authorities pension committees'
- Manager selection to be carried out by the pool

(iv) Facilitating infrastructure investment

- Improved capacity and capability to invest in infrastructure
- Pools to state proportion invested in infrastructure now and future ambition

2.2 All pools were required to be operational by 1 April 2018. Funds were required to provide Government with an update of progress on their pooling plans by 19 February 2016, with full details of their pool's intended operation being submitted to Government by 15 July 2016.

2.3 A cross-department group consisting of HMT, Cabinet Office and DCLG would assess each proposal shortly after the February 2016 progress updates are received (which effectively required each fund to determine their pooling partners by February 2016) and provide feedback to the pools.

2.4 The criteria and guidance for pooling is available on the link below and referred to as **Appendix 1**:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/479925/criteria_and_guidance_for_investment_reform.pdf

2.5 At the same time as issuing the pooling criteria and guidance, Government issued its formal response to the 2014 consultation on increased use of passive investment.

2.6 Also released for consultation at this time were the new LGPS Investment Regulations that would introduce (via references to the pooling criteria and guidance) the formal requirements for administering authorities to pool assets and set out the action that Government could take should any authority not comply. Such action includes the ability for the Secretary of State (following consultation with relevant stakeholders) to direct how a

fund invests its assets. This consultation was completed on the 19 February 2016 and the new investment regulations came into force on 1 November 2016.

2.7 From a regulatory perspective, LGPS funds are required to pool their assets in order to meet Regulation 7(2)(d) of the 2016 LGPS Investment Regulations. This regulation requires administering authorities to set out their 'approach to pooling investments, including the use of collective investment vehicles and shared services' in their Investment Strategy Statement.

2.8 The accompanying statutory guidance to the 2016 Investment Regulations states that:

"All authorities must commit to a suitable pool to achieve benefits of scale. Administering authorities must confirm their chosen investment pool meets the investment reform criteria and guidance published in November 2015, or to the extent that it does not, that Government is content for it to continue."

2.9 Consequently, it is clear from this that it is up to administering authorities, rather than Government, to determine that they meet the investment reform criteria and guidance.

2.10 Subsequent letters from Government have sought to clarify the criteria, in particular that Government expects a 'single legal entity' at the heart of each of the pools and that all pools should have a FCA regulated operator. However, these requirements are not explicitly stated either in the Criteria and Guidance nor the subsequent regulations. It should also be noted that what does or does not constitute 'pooling' or 'a pool' is also not clearly defined.

3. CURRENT INVESTMENT MANAGEMENT ARRANGEMENT IN THE LGPS

3.1 At present, local authorities, which are also LGPS administering authorities typically delegate their decision making in respect of their LGPS fund to a pensions committee established under Section 101 of the Local Government Act 1972. In turn these pensions committees typically delegate powers to officers in order to effectively implement the committee's agreed strategy.

3.2 The committees and officers receive expert advice from advisers as appropriate and often there are sub-committees and in the case of Greater Manchester Pension Fund referred to as Working Groups formed to analyse specific aspects of a fund's strategy or operation in greater detail, particularly in relation to investment matters.

3.3 Broadly speaking, the key investment decisions for any LGPS fund are the allocation of fund assets between various assets classes, such as equities, bonds and property and the selection of managers to make the investments in the chosen asset classes. In some LGPS funds certain asset classes are managed by an in-house team rather than by appointing an external manager. Where external managers are appointed or removed, this decision has to date been taken by the pensions committee or, as is the case with some LGPS funds, delegated to a lead officer.

3.4 Assets typically take the form of:

- directly held securities or property, for example shares or bonds in listed companies or direct ownership of commercial property such as offices, warehouses or retail premises, or;
- units in collective investment vehicles where the LGPS fund invests alongside other institutional investors.

3.5 Examples of collective investment vehicles commonly used are:

- pooled funds for investing in equities, bonds and property (typically operated by an investment manager regulated by the Financial Conduct Authority);

- general/limited partnership structures for private market investments (such as private equity, debt and infrastructure) and;
- 'fund of funds' arrangements whereby a regulated investment manager manages a collective investment vehicle which has holdings in a range of underlying vehicles. This is designed to minimise the risk of an individual manager underperforming but is likely to increase the overall costs.

- 3.6 Given the range of options available there are a vast number of investment mandates in the LGPS, with a wide range of managers. There will be many instances of several LGPS funds having identical or almost identical mandates, each of which will be paying fees based on its own level of assets under management.
- 3.7 LGPS administering authorities have a fiduciary duty to manage their funds' assets in a cost effective manner and will regularly review their investment strategy, including the types of assets held and the management arrangements, to ensure this duty continues to be met.
- 3.8 Where in-house investment management is used there is currently no requirement for administering authorities to seek authorisation from the Financial Conduct Authority ('FCA'), as from a legal perspective, the authority is managing its own money. However, were an administering authority to manage another authority's assets without obtaining the appropriate permissions from the FCA, it would be committing a criminal offence.
- 3.9 In advance of the pooling agenda, some administering authorities had been seeking approval from the FCA to manage other authorities' assets in certain circumstances. In addition, LGPS funds have previously made collective investments via joint ventures, which are not deemed to be unauthorised collective investment schemes if it can be demonstrated that each participating fund is taking an active role in the investment management. Clearly, this is only practical if there are a relatively small number of investors or administering authorities.

4. IMPACT OF POOLING ON INVESTMENT GOVERNANCE

- 4.1 For the majority of LGPS funds, in order to attempt to meet the Scale and Value for Money criteria they will be required to work with other funds to combine their existing mandates into larger mandates, which achieve economies of scale via the use of collective investment vehicles such as those described in paragraph 3.5 above.
- 4.2 Given the size of typical mandates for all but the largest LGPS funds, such as ourselves, this cannot be practically achieved via the use of joint ventures and as such many funds will be looking to create collective investment vehicles which require authorisation by the Financial Conduct Authority.
- 4.3 To obtain FCA authorisation the applicant would need to submit a regulatory business plan for approval which would demonstrate how it intends to meet the various criteria set by FCA. In practice, in order to meet these criteria and to invest collectively in many of the asset classes currently used by the LGPS the participating LGPS funds would need to create a regulated fund manager (typically a limited company) under the Alternative Investment Fund Manager ('AIFM') directive. Once established this AIFM manager would manage the collective investment vehicles in which the individual LGPS funds' invest.
- 4.4 Each of the participating administering authorities would typically hold shares in the AIFM manager, which would be run on a not-for-profit basis. Whilst there would be certain 'reserved matters' for shareholders, such as the ability to appoint and remove directors and to approve any changes to governance arrangements, many key decisions, such as the ability to appoint or remove the investment managers of the pooled vehicles would ultimately rest with the AIFM manager.

- 4.5 One of the governance challenges for many LGPS funds to overcome is how they can effectively hold these AIFM managers to account.
- 4.6 Clearly, creating and operating an FCA regulated fund manager is not without cost. The key individuals involved in the operation of the manager have personal liability and this is often used to justify salaries, which can be significantly in excess of those currently seen within the LGPS. There is also significant investment in systems and strengthening of processes required in order to continue to meet FCA requirements. Managers are also required to hold 'regulatory capital', which typically takes the form of a loan from the shareholders (i.e. the administering authorities).
- 4.7 Other costs exist depending on the type of collective investment vehicles operated by the AIFM manager. The vehicle widely expected to be used to hold listed securities is known as an 'Authorised Contractual Scheme' ('ACS'). An ACS requires the appointment of a depositary (typically a custodian bank), which amongst other things, undertakes a reconciliation of the vehicle's assets and unit price on a daily basis.
- 4.8 Where a pool continues to use external management of its assets it is clear that there is likely to be some duplication of cost as the external managers will themselves be FCA regulated.
- 4.9 Since the initial announcement of the pooling agenda it has been argued by many that significant cost savings can be achieved via a relatively simple joint-procurement of managers by LGPS funds. Using a joint-procurement approach would avoid the costs of establishing and operating FCA regulated managers. However, Government has been clear that it does not consider a joint-procurement approach acceptable.
- 4.10 The Chairman of the Essex Pension Fund put forward a case that creating regulated Collective Investment Vehicles is unnecessary in order to achieve the objectives of pooling and asks the Government to instead give funds 2 years to demonstrate that they have achieved the desired outcomes.
- 4.11 The Secretary of State for Communities and Local Government, Sajid Javid MP response argues that the reduction in fees that many funds have recently achieved are as a direct result of the pressure exerted on the investment management industry by the pooling programme and that scheme members and the local taxpayers have a right to expect the high level of assurance which is provided by FCA authorisation.

5. FORMING POOLS

- 5.1 In advance of the pooling agenda, the 33 London Boroughs were in collaboration to form the London Collective Investment Vehicle ('London CIV'). This was designed to generate economies of scale in order to reduce costs and improve net investment returns across the LGPS in London.
- 5.2 Following this the London Pensions Fund Authority and Lancashire Pension Fund announced plans to create the Local Pensions Partnership ('LPP'), which would pool both investment management and member administration. LPP and London CIV would both applied to the Financial Conduct Authority ('FCA') for approval to create a regulated fund manager under the Alternative Investment Fund Manager ('AIFM') directive.
- 5.3 During the autumn of 2015 and early 2016 discussions regarding potential collaboration took place across the remaining LGPS funds in England and Wales. In order to determine 'like-minded' funds with which they could form an asset pool it was necessary for funds to consider investment beliefs, investment management arrangements, key strengths and the 'red-lines', which would prevent a fund being party to any agreement.

- 5.4 Most funds were looking to enter a pool on a 'one-member one vote' basis, leading to many funds joining up with other funds of a broadly similar size. There were also existing regional and political links which formed a starting point for further discussion.
- 5.5 Whilst opinions vary and objective assessment is difficult, there is general acknowledgement that diseconomies of scale start to emerge when asset pools become very large. This is largely due to the impact on market pricing of trading in significant volumes and the difficulties of creating and maintaining a diversified portfolio. Very broadly, the upper bound for pool size in order to maximise efficiencies may be in the region of £60bn - £70bn.
- 5.6 There are currently, 8 pools, which virtually mirror the initial relationships formed in 2015/6 and are made up as follows:
- Northern Pool – Greater Manchester, Merseyside and West Yorkshire
 - London CIV (the 33 London Boroughs)
 - Brunel – Mainly South Western funds + Environment Agency
 - 'ACCESS' - Most of the South Eastern County Council funds
 - Central Pool – Most of the Midlands funds
 - 'Border to Coast' - The remaining northern funds + a small number of others
 - Wales
 - Local Pensions Partnership – 'LPP' – LPFA, Lancashire + Berkshire
- 5.7 Government had previously stated that it was looking for around 6 pools, each of at least £25 billion. The Wales and LPFA/Lancashire pools do not meet the Government's scale criteria. However, the Welsh pool was granted an exemption from the scale criteria, presumably to avoid complicating any future Welsh devolution.
- 5.8 Since 2015, the Northern Pool has had links with the pool of LPFA and Lancashire via Greater Manchester Pension Fund's joint infrastructure vehicle with LPFA known as GLIL. As a result the Northern Pool has been working alongside LPP on direct infrastructure investment.

6. NORTHERN POOL

- 6.1 Prior to the submission of the February 2016 progress update (**Appendix 2** <https://www.gmpf.org.uk/documents/pool/22february2016.pdf> **refers**) , Greater Manchester Pension Fund, Merseyside Pension Fund and West Yorkshire Pension Fund developed a Memorandum of Understanding setting out the operation of the "Northern Pool" and the proposed steps in its formation.
- 6.2 The 3 funds had combined assets of around £35 billion at 31 March 2015, therefore clearly meeting the scale criteria (Government was looking for pools in excess of £25 billion at that date) and as at 31 March 2018, were at £45 billion.
- 6.3 A shadow joint committee was formed to oversee the creation of the pool, with each of the funds represented by their chair or vice-chair. This shadow joint committee has continued to meet regularly and this report seeks to formally establish the joint committee with Tameside MBC, the administering authority of the Greater Manchester Pension Fund as host authority.
- 6.4 Once formally established, there will also be scheme member representation on the joint committee and it is intended that the union representatives will be appointed by the trade unions with significant membership within the LGPS and the unions should ensure that the appointees:

- a) have the appropriate technical skills and knowledge to represent scheme members' interests in investment matters;
- b) should represent the interests of members from the Greater Manchester, Merseyside and West Yorkshire regions, with an appropriate balance of representatives from each region; and
- c) diversity including gender balance.

6.5 As would be expected from the larger LGPS funds, collectively the 3 funds in the Northern Pool are relatively low cost, which was evidenced by a benchmarking exercise which all LGPS funds in England and Wales participated in as part of the pooling process. An implication of this is that significant additional cost savings (one of the pooling criteria) may be harder to achieve and the most effective structure for the Northern Pool may differ from that of other pools which consist of a larger number of funds.

7. OVERVIEW OF FUNDS IN THE NORTHERN POOL

7.1 Scale and cost savings achieved from pooling are to be assessed primarily against March 2015 data. An overview of the 3 funds in the Northern Pool is provided below. All 3 funds have strong long-term investment performance and at 31 March 2015 were ranked in the top quartile of LGPS funds on a 20-year basis and remain in this position some 3 years on. More importantly, independent analysis shows that when compared net of investment costs the relative performance will be stronger still due to the relatively low investment management costs of the funds.

Greater Manchester Pension Fund ('GMPF')

7.2 GMPF is the UK's largest LGPS fund. The Fund has assets of £22.5bn at 31 March 2018 (nearly at scale of a pool in its own right) up from £17.6bn at 31 March 2015, with over 340,000 members across more than 400 contributing employers. Listed-securities are generally managed externally via large low-cost multi-asset mandates. Private market assets, with the exception of property, are generally managed internally. GMPF employs approximately 16 designated investment staff plus legal and accounting support. GMPF has for many years made direct local infrastructure investments and more recently has experience of investing in collaboration with others funds (such as the infrastructure partnership with LPFA).

Merseyside Pension Fund ('MPF')

7.3 Merseyside Pension Fund has assets of £8.5bn at 31 March 2018 up from £6.5bn at 31 March 2015 and provides the Local Government Pension Scheme for the Merseyside region, delivering pensions' administration, investment and accounting on behalf of the 5 Merseyside District Councils, 145 other employers and over 128,000 scheme members. The Fund has a ten strong experienced and professionally qualified internal investment team which has delivered consistently good performance by employing a combination of internal and external management and active and passive strategies. This has been achieved with lower risk than the typical LGPS fund. The Fund has a long track record of investing in Alternatives, including infrastructure and has a substantial direct property portfolio.

West Yorkshire Pension Fund ('WYPF')

7.4 WYPF is the UK's 4th largest LGPS fund. The Fund has assets of £14.0bn at 31 March 2018 up from £11.3bn at 31 March 2015, with over 260,000 members across more than 400 contributing employers. WYPF is almost entirely in-house managed. The active, long term, low risk, low turnover approach has been central to the achievement of low cost outperformance, and high funding levels compared to the average LGPS fund. The team of 14 investment professionals actively manage equity portfolios in virtually all countries where markets are investable. Bond portfolios covering domestic and overseas government and corporate bonds are actively managed. In addition a diverse portfolio of alternative assets

including infrastructure, property, and private equity are managed by way of unitised investments. The WYPF also invests directly in property. The investment team is stable and investment managers typically have 20 years investment experience. Particular strength is found in the long term stock selection performance vs the market in several equity and bond portfolios whilst maintaining low risk.

8. FEBRUARY 2016 PROGRESS UPDATE

8.1 The February 2016 progress update built on the high-level principles set out in the Memorandum of Understanding and provided a summary of the Pool's expected operation.

8.2 The key points were as follows.

- The long-term vision of the Pool is to provide participating funds with access to a range of internal and external investment management at low cost. The proportion of assets in the Pool that are internally managed is expected to increase over time.
- The pension committees of the participating funds will retain responsibility for meeting the funds' liabilities and setting the strategic asset allocation of their fund.
- Subject to continuing to meet best practice and mandates being of sufficient size to ensure low cost, participating funds will also retain the ability to select asset class (equity, bonds, property etc...including multi-asset), territory (UK, Europe, US etc.. or global) style (value, growth etc...) and whether managed actively or passively. For an initial period, participating funds will have the discretion to determine whether a mandate is managed internally by the Pool – as the Pool contains significant capacity and experience in this area, or by an external manager. This will enable participating funds that have not previously used internal management to gain comfort of its operation and vice versa.

9. STRUCTURE AND GOVERNANCE

9.1 The proposed governance structure for the Pool is to form an oversight board, consisting primarily of elected representatives of the participating funds' pension committees, together with Trade Union employee representatives, which will define key strategic objectives. The oversight board will work closely with independent advisors.

9.2 It is intended that the oversight body will be a joint committee, with equal representation from each participating fund.

9.3 The flexibility of the joint committee approach will allow speedy implementation of the Pools' investment objectives, such as further investment into infrastructure and will allow collaboration with other pools or national initiatives.

9.4 The relative simplicity and familiarity with the joint committee approach will enable focus on the areas of pooled working which can deliver material financial benefits, primarily the management of alternative/illiquid assets.

9.5 Discussions with Government during the process suggest that Government had expected pools to use a legal vehicle known as an Authorised Contractual Scheme ('ACS') to pool assets. The ACS appears an appropriate vehicle for consolidating a number of relatively small investment mandates in order to generate scale and reduce fees and is expected to be used by most of the other pools.

9.6 However, due to the existing scale and simplicity of management arrangements, the funds in the Northern Pensions Pool already deliver low-cost management of listed securities either via internal management or via large external mandates (WYPF manages

approximately £11bn of listed securities internally and GMPF's largest external mandate is c£9bn – these mandates are significantly larger than any other LGPS pool will realistically achieve in the short to medium term). Very broadly, it is generally acknowledged that economies of scale are exhausted at mandates above around £2.5bn.

- 9.7 Whilst there may be some scope although so far very limited via pooling to reduce these costs further and potentially harness an additional governance dividend, it is expected and we are advised that the biggest benefits from pooling for the funds in the Northern Pool will be in the management of alternative/illiquid assets such as property, private equity and infrastructure (including local investments) and the ability to increase allocations to these asset classes via further developing capacity and capability. It should be noted that 50% of our costs relate to 10% of our assets. These costs will only increase as we seek to diversify from public equities to alternative assets such as private equity, property, and infrastructure as the Fund matures (more pensioners than actives) and we need to derisk the Fund.
- 9.8 Alternative/illiquid assets can be held more effectively outside of an Authorised Contractual Scheme ('ACS') structure (for example via limited partnerships), primarily due to their illiquid nature.

10. COSTS AND SAVINGS

- 10.1 Due to the scale of the participating funds and the simplicity of arrangements, the Northern Pool will likely have the lowest costs of any of the LGPS Pools at the outset and the independent cost information comparing us not only with other LGPS funds but also globally would indicate this to be the case. Given this, the scope for further savings, particularly in the management of liquid securities is limited and there will be a focus on saving costs in alternative assets.
- 10.2 Significant savings can be made in the management of alternative/illiquid assets by using improved in-house capability and the skills of the Pool to undertake more co-investment and direct investment.

11. COMMITMENT TO INFRASTRUCTURE INVESTMENT

- 11.1 The Funds in the Northern Pool are in broad agreement that:
- Infrastructure assets that are most attractive to pension funds are established infrastructure projects delivering steady income streams that rise with price inflation (since LGPS pension payments increase with inflation). There will also be demand for some higher risk-return assets as reflected in existing portfolios held by the funds in the pool.
 - Improved access and lower cost is most likely to be achieved through a national platform accessible to all the LGPS asset pools.
 - Further work is required to determine how the national platform should be established and whether it builds on or runs alongside any existing arrangements. Government can assist the investment in infrastructure by ensuring that there is a pipeline of projects that are suitable for investment by the LGPS.
- 11.2 The Northern Pool envisages that in addition to commitments to the national pool, there would be some investment by LGPS pools alongside the national pool, either as co-investment opportunities or separately, where appropriate due to location, scale, local knowledge, existing relationships or other factors, but with the national pool providing a clear lead.

- 11.3 Ahead of the pooling agenda, GMPF, which has a long track record of investing in infrastructure funds, developed the capacity to invest in direct infrastructure opportunities through its joint venture (known as 'GLIL') with the London Pension Fund Authority ('LPFA').
- 11.4 This vehicle was designed to be extended to accommodate other funds and could form part of the national solution. The intention of the Northern Pool and its existing collaborative partners is to promote the concept of an LGPS owned entity with both direct investment capacity and to facilitate the clearing house concept.
- 11.5 The starting point being that if the number of parties investing in GLIL became such that it is impractical for all parties to be actively involved in the decision making process then the vehicle will seek the appropriate level of FCA authorisation, which it has now recently undertaken.
- 11.6 The funds in the Northern Pool are open to further investment in infrastructure and will look to achieve an allocation of 10% of fund value in the medium term subject to identification of investment opportunities that meet the required risk adjusted returns to meet their liabilities.

12. GOVERNMENT FEEDBACK ON FEBRUARY 2016 PROGRESS UPDATE

- 12.1 In late March 2016, all pools received a response from Government to their February progress updates. The Northern Pool's response can be seen at <https://www.gmpf.org.uk/documents/pool/february2016.pdf> **Appendix 3 refers**. This was very similar to the responses received by several other pools.
- 12.2 The response confirmed that the Northern Pool clearly meets the scale criteria.
- 12.3 All pools received the same paragraph in their responses in relation to the infrastructure criteria. The Minister stated that he wished to see more detail of how pools intend to invest in infrastructure in the July submissions and for each fund to state their proposed allocation to infrastructure investment. This response was disappointing given that the Northern Pool provided much more detail than other pools and provided a clear objective for infrastructure investment.
- 12.4 In his letter, the Minister clearly states his preference for pools to create a new entity with responsibility for employing staff and selecting and contracting with managers, rather than pools using a 'shared-service' arrangement structure, similar to that outlined by the Northern Pool in its February 2016 progress update.
- 12.5 This view was strengthened further in a letter which the Minister wrote to the ACCESS pool, which was also copied to other pools. **Appendix 4 refers**. In this letter the Minister states that the Government's thinking has advanced considerably since the publication of the pooling criteria in November 2015. In particular, the letter gives a clear indication that the Government expects the pool to be regulated by the Financial Conduct Authority ('FCA').
- 12.6 Each pool was asked to present to a Government assessment panel on their progress towards completing the July 2016 submission. The Northern Pool's presentation took place on 16 June 2016.

13. NORTHERN POOL SUBMISSION TO GOVERNMENT - JULY 2016

- 13.1 After consideration of the feedback from Government and associated correspondence, the Northern Pool submitted its pooling proposal to Government on 15 July 2016. The submission and the covering letter have been published on each of the funds' websites and can be accessed via the links below at **Appendix 5**:
<http://www.gmpf.org.uk/documents/policies/pooling/northernpool.pdf>
<http://www.gmpf.org.uk/documents/policies/pooling/northernpoolsubmission.pdf>
- 13.2 One of the key features of the July 2016 submission was the creation of an investment management company, which would be wholly owned by the 3 funds and comply with Alternative Investment Fund Manager ('AIFM') Directive. This AIFM manager would be regulated by the Financial Conduct Authority ('FCA') and would manage segregated accounts for each of the administering authorities in respect of listed assets, but would have the ability to manage pooled funds in alternative asset classes as required.
- 13.3 This is a similar structure to those being implemented by the Borders to Coast and Central pools and the structures currently in place at the London CIV and Local Pensions Partnership. The Wales and ACCESS pools are proposing to procure an external operator to satisfy regulatory requirements.
- 13.4 However, one important difference between the Northern Pool's submission and those of the other pools is that the Northern Pool would be maintaining segregated accounts for listed assets rather than transferring these to a pooled vehicle such as an Authorised Contractual Scheme ('ACS'). Due to the current scale and low costs of the Northern Pool, there is not the scope to recoup the transition costs involved in such a change.
- 13.5 The Northern Pool reconfirmed its commitment to infrastructure investment in the July 2016 submission.
- 13.6 In October 2016, DCLG civil servants made contact with each of the pools in order to arrange meetings between DCLG Minister Marcus Jones MP and representatives of each of the pools. The purpose of the meetings was for the Minister to respond to each pool's final proposals and to set out his expectations for the rest of the pooling programme. The Northern Pool's meeting took place on 19 December 2016.

14. FEEDBACK FROM GOVERNMENT ON THE JULY 2016 SUBMISSION

- 14.1 Following the meeting with Government, the Northern Pool received a letter from the Secretary of State on 19 January 2017. This can be seen referenced at <https://www.gmpf.org.uk/documents/pool/jan2017.pdf> **Appendix 6 refers.**
- 14.2 The letter states that:
- The Minister has acknowledged that pooling is likely to increase costs in the early years.
 - All assets should be invested via the pool unless there is a 'strong value for money case for delay'.
 - The Minister has no plans to extend the deadline for pools to become operational in April 2018.
 - The Minister will be reviewing progress of all the pools in spring and autumn 2017 and will expect to see a core team in place in spring 2017 and an application for FCA authorisation (if not submitted already).
- 14.3 It is understood that these comments were also made of many of the other pools (some of whom shared their letters). It is the 3rd paragraph of the Northern Pool's letter, which differs from some of the other pools' letters. The Minister notes:

- his approval of the substantial funds committed to the GLIL partnership and the existing low investment costs of the funds in the Pool;
- that he expects the Pool to establish an investment management company authorised by the Financial Conduct Authority ('FCA') to 'manage all pool assets'.
- that he also expects the Pool to set out plans to achieve further savings building on the Pool's existing strength, including through increased internal management, and to demonstrate that you are continually testing the potential to achieve greater net savings over the short and longer term.'
- That, on the basis of the comments noted above, he is content for the pool to proceed as set out in its July 2016 proposal.

14.4 It is noticeable that there is no reference to an Authorised Contractual Scheme ('ACS') in the letter, which suggests that Government accepts the case made in the Northern Pool's July 2016 submission that an ACS would not add value for the funds in the Northern Pool.

15. ESTABLISHING THE NORTHERN POOL

15.1 One of the key features of the July 2016 submission is the creation of an investment management company, which would be wholly owned by the 3 funds and comply with Alternative Investment Fund Manager ('AIFM') Directive. This AIFM manager would be regulated by the Financial Conduct Authority ('FCA') and would manage segregated accounts in respect of listed assets, but would have the ability to manage pooled funds in alternative asset classes as required.

15.2 Government was slower than anticipated in responding to the proposals and as a result, many pools had been reluctant to commit to further significant spend in respect of progressing implementation of the proposals. It is generally accepted that a timescale of 15 to 18 months is required in order to create an AIFM investment management company and obtain FCA approval with the deadline of the 1 April 2018 remaining unchanged.

16.3 In order to make significant progress in advance of the April 2018 deadline, a decision was required in early 2017 regarding whether the July 2016 submission should be implemented as it was drafted or whether a further review of the proposals should be undertaken.

15.4 Before making any further decisions on the operation of the Pool, the Shadow Joint Committee agreed to receive further information on the implications of FCA authorisation via a 'work-shop' facilitated by the Pool's legal advisors Squire Patton Boggs and PwC, who had provided some financial analysis for the February and July submissions and had been working closely with some other pools. It was also agreed to extend the invite to this to include other key individuals involved in the operation of each fund, such as the funds' independent advisors, who role is to ensure that the fiduciary duty of the Funds are met.

15.5 A half-day event was arranged for 28 March 2017 and was attended by the chairs, vice-chairs and independent advisors of each of the funds in the Northern Pool. The purpose of the meeting was to consider in detail the Government's pooling requirements and how the funds can operate most effectively in this environment which meeting its legal duties including its fiduciary duty and the requirement to deliver value for money for employers and taxpayers alike.

15.6 The group received a report setting out the progress of the Northern Pool to date and enclosing DCLG's pooling criteria and guidance and all of the submissions made to Government since the inception of the pooling process.

15.7 Squire Patton Boggs delivered a presentation setting out the current legislative framework for LGPS investments and their understanding of the requirements imposed by the new LGPS Investment Regulations, pooling guidance and the related letters issued by DCLG

- Ministers. An overview of Financial Services legislation and relevant exemptions was also provided.
- 15.8 The presentation covered the potential risks of adopting alternative structures to establishing an Alternative Investment Fund Manager ('AIFM') to manage all pool assets. Both regulatory and financial risks were considered and discussed by the group.
- 15.9 PwC delivered a presentation covering the implications of FCA authorisation on the investment operations of large LGPS funds and in particular the steps required to establish an AIFM and achieve FCA authorisation. Governance and staffing requirements, costs and timescales were key issues discussed by the group. It was noted that the estimated costs of establishing and operating an AIFM are significant compared to the current costs of the 3 funds. Concerns were also expressed by members and advisors on how an AIFM could be adequately held to account by relevant stakeholders.
- 15.10 It was agreed that the Pool objectives were as follows:
- To maintain strong performance and low cost
 - Simplicity
 - Accountability
 - Commitment to infrastructure investment
- 15.11 It was also agreed that there are several differences between the Northern Pool and the other LGPS pools, which distinguished it. In particular:
- The Pool consists of 3 large funds with relatively simple and distinct management arrangements, which means that the scope for generating further economies of scale in respect of the management of listed assets is limited.
 - On the basis of the independent legal and financial advice received, the number of participants in the Pool is small enough to allow collective investments to be made in alternative assets via joint ventures, as each fund can be directly involved in the investment decision making process (this approach has worked well to date on the GLIL infrastructure partnership) without breaching the law;
- 15.12 The majority of the benefits of pooling for the funds in the Northern Pool are in respect of alternative assets where there is greatest scope to generate further economies of scale and to combine resources to make increasingly direct investments. In order to best meet the cost criteria set by Government, it therefore makes sense for the Northern Pool to continue focusing resource in this area rather than establishing an AIFM as a pool operator in the short term.
- 15.13 The Scale and Governance criteria can be met by appointing an FCA regulated common custodian for the Pool. Pooled vehicles for alternative assets can be established as individual FCA regulated entities as and when required. It is intended that internal processes within the pool should be of a comparable standard to that required by the FCA.
- 15.14 It was noted that if other funds or pools were to seek to join the GLIL infrastructure vehicle then this would need to be FCA regulated in order to avoid the risk of being deemed to be operating a unauthorised collective investment scheme. As such, legal advice will be obtained by GLIL on how it can procure an FCA regulated operator and the implications of this on its activities.
- 15.15 This approach was agreed by the management Panel, who have agreed each steps at every Panel meeting.

16. SPRING 2017 PROGRESS REVIEW

16.1 Soon after a progress update was submitted to Government in April 2017, which set out the main ongoing areas of work in the Pool. These were as follows:

- Developing a vehicle to make private equity investments on a collective basis. The governance of this vehicle is expected to operate in a similar manner to the GLIL infrastructure vehicle.
- Procurement of a FCA regulated custodian for the Pool.
- Preliminary work being underway to procure an FCA regulated operator for the GLIL infrastructure vehicle, which would allow other pools to join.

The response can be found at **Appendix 7** and at:

<https://www.gmpf.org.uk/documents/pool/25april2017.pdf>

<https://www.gmpf.org.uk/documents/pool/april2017.pdf>

16.2 The Pool's progress update reiterated to Government how the current vision for the Northern Pool meets the Government's objectives in terms of maximising savings and providing value for money. It was clear that the Northern Pool continues to lead the way in the LGPS regarding direct infrastructure investment.

16.3 On 1 June 2017 officers of the Northern Pool participated in a conference call with DCLG civil servants. The main purpose of the call was for DCLG to obtain further details in relation to the progress update submitted by the Pool in April. In general the civil servants seemed very satisfied with the responses given.

16.4 Officers provided a verbal summary of progress on:

- the development of the collective private equity vehicle and expected timescales for completion;
- formally establishing the joint oversight committee and scheme member representation on this joint committee
- pool custodian procurement.

16.5 The officials from DCLG were very interested in how the pool was investing in housing and suggested that 'housing colleagues' at DCLG would also be interested. The Pool's invite for the Minister to visit some of the pool's completed and in-progress local investment and housing projects was reiterated and it appears likely to be of interest.

16.6 Throughout the development of the Northern Pool, representatives of the participating funds' pension committees have been meeting to provide strategic oversight and direction. These meetings have taken the form of a Shadow Joint Committee, with secretariat services provided by Tameside MBC.

16.7 At the Shadow Joint Committee meeting in July 2017, the Chairs of West Yorkshire and Merseyside pension funds agreed to formally nominate Councillor K Quinn as Chair of the Northern Pool Oversight Board (and for him to chair the Shadow Joint Committee prior to its establishment). It was suggested that this appointment be for a 1 year period initially. The Management Panel of GMPF agreed to this approach

16.8 On 22 August 2017, all pools received a letter from DCLG, which was also signed by the Chief Secretary to the Treasury and the Cabinet Office. This is referred to at **Appendix 8**. and can be found here: <https://www.gmpf.org.uk/documents/pool/august2017.pdf> The letter reiterates the Government's previously stated objectives and confirms that pools will be asked to submit progress reports in October covering the period up to the end of September.

17. AUTUMN PROGRESS 2017 REVIEW

- 17.1 The Northern Pool's progress report and supporting documents can be found at <https://www.gmpf.org.uk/documents/pool/october2017.pdf> and referred to as **Appendix 9**. These documents summarise the Northern Pool's progress in meeting each of the Government's 4 headline pooling criteria.
- 17.2 The main ongoing work streams for the Northern Pool were progressing well and in particular:
- Developing a vehicle to make private equity investments on a collective basis. The governance of this vehicle is expected to operate in a similar manner to the GLIL infrastructure vehicle.
 - Procurement of a FCA regulated custodian for the pool to ensure all listed assets of the pool (i.e. internally and externally managed equities and bonds) are held within a single permanent FCA regulated entity. The shortlist was down to 3 bidders with site visits taking place in the first week of November. The custodian will also manage the calls and distributions in the Northern Pool private equity vehicle.
 - Work was underway to procure an FCA regulated operator for the GLIL infrastructure vehicle. This would allow other pools to join. GLIL currently has commitments of £1.3bn to direct infrastructure in the UK, with investments of almost £300m made to date. There is currently little evidence of other pools having made significant progress on developing the capacity for direct infrastructure investment.
 - The democratic services functions of each of the administering authorities are progressing the creation of the Pool joint committee, with Tameside MBC acting as lead authority. This joint committee will oversee the Pool and provide a democratic link back to the individual funds. The legal agreements setting out the governance framework of the Pool are not yet finalised as work is being undertaken to ensure that they are aligned with the governance framework of the private equity vehicle.
- 17.3 In this progress update the pools were asked to split out costs between:
- a) costs incurred to date;
 - b) expected costs between now and the date of implementation, and;
 - c) expected costs after implementation.
- Northern Pool costs to date were approximately £200,000 compared to the original estimate of implementation costs of £1.8m.
- 17.4 Details of GMPF's housing investments were included in the infrastructure section of the response to demonstrate progress against the Pool's target of building 10,000 homes. Up to 30 September, GMPF has financed 284 completed homes, with a further 236 under construction. Due diligence is currently being undertaken on 9 further projects which would deliver another 3,863 homes. It is hoped that the rate of delivery can be increased via joint ventures with other funds in the Pool.
- 17.5 Following discussion with DCLG civil servants and Jeff Houston of the LGA (who attended part of the 24 October meeting of the Northern Pool Shadow Joint Committee), the progress update provided further clarity for Government on how the plans for the Northern Pool have evolved since the July 2016 submission was made to Government as we did not intend to set up an expensive AFIM structure and how, in the opinion of the participating funds, the pooling Criteria and Guidance are met.

18. MEETING THE POOLING CRITERIA

- 18.1 From a regulatory perspective, LGPS funds are required to pool their assets in order to meet Regulation 7(2)(d) of the 2016 LGPS Investment Regulations. This regulation requires administering authorities to set out their 'approach to pooling investments, including the use of collective investment vehicles and shared services' in their Investment Strategy Statement.
- 18.2 The accompanying statutory guidance to the 2016 Investment Regulations states that:
- "All authorities must commit to a suitable pool to achieve benefits of scale. Administering authorities must confirm their chosen investment pool meets the investment reform criteria and guidance published in November 2015, or to the extent that it does not, that Government is content for it to continue."*
- 18.3 This would appear to provide that it is up to administering authorities, rather than Government to determine that they meet the investment reform criteria and guidance. The Northern Pool administering authorities will be asked to confirm that they believe the criteria and guidance has been met when formalising the governing documentation of the pool.
- 18.4 The LGPS Investment Reform Criteria and Guidance was issued by DCLG in November 2015. The 4 high-level criteria are:
- a) Scale (pools should be in excess of £25bn at 31 March 2015)
 - b) Strong governance and decision making
 - c) Reduced costs and excellent value for money
 - d) Improved capacity to invest in infrastructure
- 18.5 The full criteria and guidance for pooling is available at **Appendix A**.
- 18.6 Subsequent letters from Government have sought to clarify the criteria, in particular that Government expects a 'single legal entity' at the heart of each of the pools and that all pools should have a FCA regulated operator. However, these requirements are not explicitly stated in the Criteria and Guidance. It should also be noted that what does or does not constitute 'pooling' or 'a pool' is not clearly defined either.
- 18.7 The vast majority of the benefits of pooling for the funds in the Northern Pool are in respect of alternative assets where there is greatest scope to generate further economies of scale and to combine resources to make increasingly direct investments. Following detailed discussions with each of the fund's advisors and the professional advisors to the pool, it was agreed in March 2017 that in order to best meet the **Reduced Costs and Excellent Value for Money** criteria set by Government, the Northern Pool should focus resource on making collective investments in alternative assets (which will commence and start generating material cost savings from April 2018) rather than establishing an Investment Management Company established under the Alternative Investment Fund Managers Directive ('AIFM') as a pool operator in the short term.
- 18.8 The **Scale** and **Strong Governance and Decision Making** criteria can be met by appointing an FCA regulated common custodian for the Pool, which will have custody of all the pool's listed assets (i.e. internally and externally managed equities and bonds). Pooled vehicles for alternative assets will operate via joint-ventures, as per the current operation of the GLIL infrastructure vehicle, but are being designed in such a way that they can be converted to operate as FCA regulated entities as and when required.
- 18.9 Strategic asset allocation will be set by each fund's pension committee with the selection of individual investments and investment managers carried out by appropriately qualified and

experienced individuals, operating under the legal framework of specialist investment vehicles where appropriate (i.e. GLIL, Northern Pool private equity).

- 18.10 It is clear that the Northern Pool and LPP via the GLIL vehicle continue to lead the way in the LGPS regarding direct infrastructure investment. It should therefore be relatively straightforward for the participating administering authorities to determine that the **improved capacity to invest in infrastructure** criterion is met.
- 18.11 Regulation 8 of the 2016 LGPS Investment Regulations sets out the action that Government could take should any authority not comply with the regulations and associated guidance. Such action includes the ability for the Secretary of State (following consultation with relevant stakeholders) to direct how a fund invests its assets.

19. RESPONSE TO AUTUMN PROGRESS REVIEW

- 19.1 Rishi Sunak MP provided a response to the Northern Pool's autumn progress update which can be found at <https://www.gmpf.org.uk/documents/pool/march2018.pdf> **Appendix 10**.
- 19.2 The Minister has expressed his desire to meet with members of the Northern Pool Shadow Joint Committee to discuss plans for implementation. It is also understood that the Minister wishes to see increased investment in housing from the LGPS and has reiterated his desire to visit some of the Northern Pool's housing developments in his letter.

20. SPRING 2018 UPDATE

- 20.1 All LGPS pools have been asked to submit a further progress report to Government, covering the period up to 13 April. As was the case for previous progress reports, MHCLG have issued a template for pools to complete. The template for this update is more detailed than the ones issued for previous submissions. The template is broken down into 4 sections corresponding to the pooling criteria set by Government, namely:
- (i) Scale
 - (ii) Value for money
 - (iii) Governance
 - (iv) Facilitating infrastructure investment
- 20.2 The progress update from the Northern Pool can be found herewith at: <https://www.gmpf.org.uk/documents/pool/april2018.pdf> as **Appendix 11** to this report and summarises the Northern Pool's progress in meeting each of the Government's 4 headline pooling criteria.
- 20.3 The Minister has expressed his desire to meet with members of the Northern Pool Shadow Joint Committee to discuss plans for implementation. This meeting is due to take place in Westminster on Wednesday 23 May. Reference is likely to be made to the progress update, and key points which the Minister is likely to want to discuss at the meeting include, where the responsibility for selecting fund managers lies, the role of the Northern Pool custodian and the evidence obtained via the CEM benchmarking reports of the Northern Pool's low costs compared to its peer group.
- 20.4 It is also understood that the Minister wishes to see increased investment in housing from the LGPS and has reiterated his desire to visit some of the Northern Pool's housing developments in his letter.

21. LGPS POOLING NATIONAL DEVELOPMENTS

21.1 There are eight pools across the LGPS, which are made up as follows:-

- Northern Pool
- London CIV (the 33 London Boroughs)
- South West Funds + Environment Agency (“Brunel Pensions Partnership”)
- ‘ACCESS’ (Most of the South-East County Council funds)
- Central Pool (most of the ‘midlands’ LGPS funds)
- ‘Border to Coast’ (The remaining northern funds + a small number of others)
- Wales
- LPFA/Lancashire (‘the Local Pensions Partnership – LPP’) + Berkshire

21.2 The eight pools are at different stages of development. Two of the pools, the London CIV and LPP, are currently operational and are in the process of transitioning assets into the pools. The London CIV has not yet pooled any alternative assets, has seen lower than expected levels of assets transfer from participating funds and is in the process of reviewing its governance structure following the recent changes of leadership including the Chief Executive and Chief Investment Officer.

21.3 The Welsh LGPS Pool and the ACCESS Pool have both procured Link Fund Solutions Ltd to act as their pool’s FCA regulated operating company. The other pools under development are typically ‘building’ their own operator.

21.4 All pools are required to be fully operational by 1 April 2018 and the Secretary of State has been clear that all assets should be invested via the pool unless there is a ‘strong value for money case for delay’, however it is understood that some pools will not meet this deadline.

21.5 The Borders to Coast pool is expected to start pooling internally-managed listed assets with effect from June 2018 with externally managed assets being pooled from a later date.

21.6 With the exception of the Northern Pool and LPP, all of the other pools have at least 8 participating funds and therefore require their mandates for listed assets to be amalgamated in order to meet the scale criteria and for collective investments to be managed by a FCA regulated operating company in order to avoid being deemed to be operating an unauthorised collective investment scheme.

21.7 The number of participants in the Northern Pool is small enough to allow collective investments to be made in alternative assets via joint ventures, as each fund can be directly involved in the investment decision making process (this approach has worked well to date on the GLIL infrastructure partnership);

22. FORMATION OF NORTHERN POOL JOINT COMMITTEE

22.1 Attached at **Appendix 12** to this report is a draft of the inter-authority agreement, known as the Northern Pool Operating Agreement, which will form part of the formal establishment of the Northern Pool Joint Committee and define its terms of reference.

22.2 Tameside MBC will be the host authority for the Joint Committee and the agreement sets out in detail the responsibilities of the host authority and how it will interact with the administering authorities of the other funds in the Pool.

22.3 The Council as Administering Authority is requested to approve the terms of reference of the Joint Committee and procedure for Joint Governance Committee meetings and to authorise the Director of Governance and Pensions to amend as expedient or necessary in

consultation with the Chair of the Pension Fund to meeting the LGPS Investment Reform Criteria and Guidance was issued by DCLG in November 2015 and Revised LGPS Investment Regulations were issued in 2016.

- 22.4 Agree that the Chair of the Greater Manchester Pension Fund, Cllr Brenda Warrington and the Vice Deputy Chair, Cllr Gerald Cooney, are the representatives for the Administering Authority and the Fund, noting that for the forthcoming Municipal Year, Cllr Ian Greenwood of the West Yorkshire Fund will be the Chair of the Northern Pool.

23. RECOMMENDATIONS

- 23.1 As set out at the front of the report.

Dated _____ 2018

DRAFT

Northern Pool Operating Agreement between

Tameside Metropolitan Borough (1)

Council

City of Bradford Metropolitan (2)

Borough Council

Wirral Metropolitan Borough (3)

Council

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THIS DEED is made on

2018

BY

- (1) **TAMESIDE METROPOLITAN BOROUGH COUNCIL** of Guardsman Tony Downes House, 5 Manchester Road, Droylsden, Manchester M43 6SF ("**Tameside**");
- (2) **CITY OF BRADFORD METROPOLITAN BOROUGH COUNCIL** of Aldermanbury House, 4 Godwin street, Bradford, BD1 2ST ("**Bradford**"); and
- (3) **WIRRAL METROPOLITAN BOROUGH COUNCIL** of Castle Chambers, 43 Castle Street, Liverpool L2 9SH ("**Wirral**")

(together referred to as the "**Pooling Partners**" and individually as a "**Pooling Partner**")

BACKGROUND

- (A) The Pooling Partners are all councils responsible for the administration of local government pensions within their areas as set out in the Local Government Act 1972.
- (B) The Pooling Partners are each required by Regulation 7(1) of the Investment Regulations to have formulated an investment strategy in accordance with guidance issued by the Secretary of State for Communities and Local Government or such replacement department which has responsibility for the LGPS as issued from time to time. At the date of this agreement the relevant guidance consists of the "*Local Government Pension Scheme: Investment Reform Criteria and Guidance*" ("**November 2015 Guidance**") and the "*Local Government Pension Scheme: Guidance on Preparing and Maintaining an Investment Strategy Statement*", issued in September 2016 but as amended in July 2017 ("**July 2017 Guidance**").
- (C) Regulation 7(2)(d) of the Investment Regulations requires in particular that each LGPS Administering Authority sets out its "*approach to pooling investments, including the use of collective investment vehicles and shared services*" in its investment strategy statement. [do we want to include copies of these as a schedule at the back of the document?]
- (D) Having regard to their obligations under the Investment Regulations, the Pooling Partners have therefore agreed to establish and participate in a formal joint committee the "*Northern Pool Joint Committee*", pursuant to section 101 and section 102 of the Local Government Act 1972.
- (E) The Pooling Partners shall carry on the Pooling Collaboration (as defined below) under the terms of this Agreement with the Northern Pool Joint Committee overseeing its governance.

-
- (F) Neither the execution of this Agreement nor the carrying on of activities under it is intended by the Pooling Partners to constitute the carrying on of any “*regulated activity*” under section 19 of the Financial Services and Markets Act 2000 (“FSMA”). In particular, the Northern Pool Joint Committee shall not constitute the establishment or operation of a Collective Investment Scheme under s235 of FSMA.

AGREED TERMS

1 INTERPRETATION

- 1.1 The following definitions and rules of interpretation apply in this Agreement.

Business Day means a day other than a Saturday, a Sunday or a public holiday in England when banks in London are open for business.

CIPFA Guidance means the guidance published in October 2016 by the Chartered Institute of Public Finance and Accountancy entitled *investment pooling governance principles for LGPS Administering Authorities*.

Commencement Date means [] 2018.

Pooling Partners means the parties to this Agreement, and all other administering authorities within the LGPS who are or become parties to this Agreement at any time.

Financial Year means in the case of the first Financial Year, the period from the Commencement Date to (and including) the following 31 March. For subsequent Financial Years the period between 1 April and 31 March (inclusive) and for the last Financial Year any lesser period necessary.

Host Council means the Pooling Partner appointed in accordance with clause 6 and whose duties are described within that clause.

Investment Regulations means the Local Government Pension Scheme (Management and Investment of Funds) Regulations 2016 (SI 2016/946).

Joint Governance Committee means the joint committee formed by this Agreement.

LGPS means the Local Government Pension Scheme established pursuant to regulations made by the Secretary of State in exercise of powers under section 7 and 12 of the Superannuation Act 1972 and the provisions of the PSPA 2013.

Member in this Agreement means a member of the Joint Governance Committee appointed in accordance with clause 3.3.

Monitoring Officer means the person designated by each Pooling Partner for the purposes of section 5 of the Local Government and Housing Act 1989.

Northern Pool means the collaboration by the Pooling Partners in respect of their pooling of investments and use of collective investment vehicles and shared services.

Pension Board means a local pension board or a joint local pension board within the meaning given to each phrase by regulation 106 of the Local Government Pension Scheme Regulations 2013 (SI 2013/2356) and section 5 of the PSPA 2013.

Pool Custodian means the FCA regulated entity appointed to act as ‘master record keeper’ for all assets of the LGPS funds administered by the Pooling Partners and to provide additional services to the Northern Pool and the Pooling Partners as set out in the relevant contracts.

Pooling Collaboration means the arrangements for asset pooling under the Northern Pool. The creation of a framework of strong internal governance to achieve improved net investment returns and facilitate increased investment in infrastructure carried on by the Pooling Partners as described by this Agreement.

Pooling Contribution means as defined in clause 8.1.

PSPA 2013 means the Public Service Pensions Act 2013.

S151 officer means the person appointed by each Pooling Partner for the purposes of section 151 of the Local Government Act 1972.

Secretary of State means the Department for Communities and Local Government or such replacement department which has responsibility for the LGPS.

Shared Objectives has the meaning given by clause 5.

Terms of Reference means the governing framework document concerning the functions and operations of the Joint Governance Committee as set out in Schedule 3.

TUPE means the Transfer of Undertakings (Protection of Employment) Regulations 2006.

- 1.2 Clause, schedule and paragraph headings shall not affect the interpretation of this agreement.
- 1.3 A **person** includes a natural person, corporate or unincorporated body (whether or not having a separate legal personality).
- 1.4 The schedules form part of this agreement and shall have effect as if set out in full in the body of this agreement. Any reference to this agreement includes the schedules.
- 1.5 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.6 Unless the context otherwise requires, words in the singular include the plural and in the

plural include the singular.

- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time and includes any subordinate legislation made from time to time under it.
- 1.9 A reference to **writing** or **written** includes faxes and email.
- 1.10 Documents in **agreed form** are documents in the form agreed by the parties and initialed by them or on their behalf for identification.
- 1.11 References to clauses and schedules are to the clauses and schedules of this Agreement; references to paragraphs are to paragraphs of the relevant schedule.
- 1.12 Any words following the terms **include, including, in particular** or **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding them.
- 1.13 Any obligation in this agreement on a person not to do something includes an obligation not to agree or allow that thing to be done.
- 1.14 Any reference to the title of an officer or any of the Pooling Partners shall include any person holding such office from time to time by the same or any title substituted thereafter or such other officer of the relevant Pooling Partner as that Pooling Partner may from time to time appoint to carry out the duties of the officer referred to.

2 COMMENCEMENT AND CESSATION OF THE MEMORANDUM OF UNDERSTANDING

2.1 The Agreement shall commence on the Commencement Date. For the avoidance of doubt, this Agreement is only effective when each Pooling Partner has executed it and each Pooling Partner shall be of equal status with equal rights except where expressly stated otherwise and shall continue on the terms of this Agreement until the earlier of the following:

- (a) all Pooling Partners agree in writing to its termination; or
- (b) there is only one remaining Constituent Authority who has not exited this Agreement in accordance with clauses 19 or 20.

3 FORMATION OF THE JOINT GOVERNANCE COMMITTEE

3.1 The Pooling Partners by this Agreement hereby form the Joint Governance Committee pursuant to section 101(5) and 102(1) of the Local Government Act 1972 for the purposes of overseeing and reporting on the performance of the Northern Pool. The Joint Governance Committee shall not be responsible for formulating or revising the investment strategy described by regulation 7 of the Investment Regulations in respect of each or any of the Pooling Partners.

3.2 Meetings of the Joint Governance Committee are subject to the provisions of the Local Government Act 1972 including the provisions on access to information and meetings held in public.

3.3 Unless agreed otherwise, the membership of the Joint Governance Committee shall be the chair and deputy-chair of each of the Pooling Partners. In addition there shall be three trade union representatives who shall have the appropriate technical skills to represent scheme members' interests in investment matters and should represent the interests of members from the Greater Manchester, Merseyside and West Yorkshire regions.

3.4 The Joint Governance Committee shall undertake its role and act in accordance with the Terms of Reference set out in Schedule 3 and undertake the matters set out in Schedule 2 and shall seek and have regard to the advice of officers and any professional advisors appointed in carrying out its functions under this Agreement.

3.5 Every meeting shall be governed by the procedure and requirements set out in Schedule 4.

3.6 A programme of training will be provided to Members having regard to CIPFA Guidance and the training provided to Members in their roles on their respective Pooling Partner

pension committees. Any failure to undertake the required training shall be a matter for consideration by the Joint Governance Committee.

4 DECISION MAKING

4.1 The Pooling Partners have identified the following two categories of decisions together with the means by which they will be taken:

- (a) **"Joint Governance Committee Matter"**: means a matter, identified in Schedule 2 which is to be decided upon at a quorate meeting of the Joint Governance Committee by those present and entitled to vote and any such decision will be binding on all of the Pooling Partners;
- (b) **"Matters Reserved to the Pooling Partners"**: means a matter identified in Schedule 1, which will have to be referred to each Pooling Partner for decision (having regard to any recommendation to be made thereon by the Joint Governance Committee). Such matter requiring a decision shall not be dealt with by the Joint Governance Committee until the matter has been determined by all of the Pooling Partners. If the Constituent Authorities fail to reach a unanimous decision in respect of such matter then the matter shall be referred under clause 33 (Alternative Dispute Resolution) as a dispute for resolution.

5 SHARED OBJECTIVES

5.1 The Shared Objectives of the Joint Governance Committee are to:

- (a) improve the risk-adjusted net investment returns of the Pooling Partners;
- (b) enhance stakeholder engagement activities;
- (c) facilitate increased investment in UK infrastructure;
- (d) assist the Pooling Partners in ensuring continued compliance with the LGPS Investment Regulations and the Pooling Criteria and Guidance issued in November 2015.

5.2 The Shared Objectives will be reviewed by the Joint Governance Committee and the Pooling Partners annually. Where any revisions are agreed by the Joint Governance Committee the revised Shared Objectives shall be sent to all Pooling Partners for their approval.

6 HOST COUNCIL

6.1 The Pooling Partners (acting severally) have agreed, with effect from the Commencement Date, that Tameside Metropolitan Borough Council will be the Host Council for the Pooling Collaboration which shall be carried out for and on behalf of itself and the Pooling Partners and Tameside Metropolitan Borough Council agrees to

act in that capacity subject to and in accordance with and to the extent provided for by the terms of this Agreement. For the avoidance of doubt the role of Host Council, unless otherwise agreed by the Joint Governance Committee, includes:-

- (a) to act as the employing authority for any staff engaged in the discharge of the Pooling Collaboration's functions (appointing, employing or accepting the secondment of staff) in accordance with this Agreement;
- (b) being the point of contact for the purposes of managing the Pooling Collaboration;
- (c) providing such administrative resources and facilities that may be necessary for the purpose of discharging the Pooling Collaboration and hold all Pooling Contributions;
- (d) providing such governance and administrative services that may be necessary for the purpose of supporting the Pooling Collaboration including arranging and clerking of meetings;
- (e) providing training for Members to support their role on the Joint Governance Committee in line with the training plan and in accordance with clause 3.7.
- (f) for the purposes of the Pooling Collaboration require their Section 151 Officer and Monitoring Officer (or in their absence their deputies) to undertake oversight and review of the operation of the Pooling Collaboration and decisions of the Joint Governance Committee on behalf of all of the Pooling Partners;
- (g) power to enter into contracts for supplies and services as required for the purposes of the Pooling Collaboration;

6.2 For the avoidance of doubt the duties and responsibilities of the Host Council pursuant to this Agreement shall only bind the Host Council to the extent that they have been resourced by the Pooling Partners through this Agreement.

6.3 Save and except where otherwise required by law all staff employed by the Host Council pursuant to this Agreement shall be employed on the Host Council's relevant terms and conditions of employment and related staff policies including salary structures.

6.4 A replacement Host Council may be appointed by a majority decision of the Pooling Partners provided that the replacement Host Council agrees.

6.5 If the Host Council withdraws from the Pooling Collaboration pursuant to clause 19 (Voluntary Exit) or clause 20 (Compulsory Exit) then a replacement Host Council will be appointed by a majority decision of the Constituent Authorities provided that the replacement Host Council agrees. The withdrawing Host Council will not have the right to vote in regard to any such appointment.

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- 6.6 Where a replacement Host Council is appointed pursuant to Clause 6.4 or 6.5 above, any reference to Tameside Metropolitan Borough Council (in its capacity as the initial Host Council) shall be read with reference to the replacement Host Council from the effective date of the replacement.
- 6.7 Where TUPE applies in connection with the appointment of any replacement Host Council, then the Pooling Partners shall comply with the provisions of Schedule 5.
- 6.8 For the duration of this Agreement, the Host Council shall act diligently and in good faith in all its dealings with the other Pooling Partners.
- 6.9 For the duration of this Agreement, the Pooling Partners shall act diligently and in good faith in all their dealings with the Host Council and shall use their reasonable endeavours to assist the Host Council to support the Pooling Collaboration.

7 LIABILITIES AND INDEMNITIES FOR THE HOST COUNCIL

- 7.1 Nothing in this Agreement will make the Host Council liable in respect of anything done or omitted to be done by a Pooling Partner up to the Commencement Date.
- 7.2 The Host Council shall be indemnified from and against all liabilities, costs, expenses, damages and losses (including but not limited to any direct, indirect or consequential loss, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable costs and expenses) arising from the performance of its functions authorised pursuant to clause 6 save in the case of its willful default or fraud.

8 COMMITMENT OF THE POOLING PARTNERS AND CONTRIBUTIONS

- 8.1 Subject to clause 8.2, the Pooling Partners agree to pay the contributions, which shall be calculated equally, of the estimated governance, procurement and administration costs.
- 8.2 The Pooling Partners shall meet the costs of ad hoc projects to which they are a party equally between the Pooling Partners.
- 8.3 The Pooling Partners agree to pay the Pooling Contributions to the Host Council on such dates, and at such frequency, as is agreed or otherwise annually as demanded.
- 8.4 All Pooling Contributions shall be made by way of payment to the bank account notified to the Pooling Partners by the Host Council for the purposes of the Pooling Collaboration. The Host Council shall maintain a separate account or accounts as appropriate for all monies received or expended in connection with the Pooling Collaboration in a manner which complies with their accounting arrangements.
- 8.5 Following the termination of this Agreement, once the costs of the Host Council have been met, the sum standing to the credit of the account or accounts in which Pooling

Collaboration funds are held shall be returned to the then remaining Pooling Partners on an equal basis.

8.6 Following the termination of this Agreement, where any further contribution is required, or repayments are to be made, the Pooling Partners shall decide the following:

- (a) the total amount;
- (b) the apportionment of such contribution or repayment between the Pooling Partners; and
- (c) the form of such contribution or repayment.

In the absence of any agreement to the contrary, such contributions or repayments shall be by or to all of the Pooling Partners equally.

8.7 For the avoidance of doubt, any charges incurred in respect of investment management of the Northern Pool shall be attributed to each Pooling Partner by reference to the assets under management for that Pooling Partner and the investment management charges applicable are not determined by this Agreement.

9 ACCOUNTS

9.1 The Host Council shall keep proper books of account (which expression shall include any computerised accounting system for the time being used by the Pooling Collaboration) and shall be responsible for ensuring that full and proper entries of all receipts and payments are promptly recorded in them. The books of account shall be kept at the premises of the Host Council and be made available for inspection by all of the Pooling Partners (who may also take copies). The Host Council shall make available on reasonable request such information as is required by any Pooling Partner to prepare their own accounts or respond to any internal or external audit.

9.2 The Host Council shall ensure that the contributions and payments made by each Pooling Partner shall be held in an account in the name of the Host Council which does not breach regulation 6 of the Investment Regulations.

9.3 The Host Council shall prepare annual accounts in relation to each Financial Year for the Pooling Collaboration in accordance with the appropriate code of practice on accounting and the regulations which relate to accounting and audit as applicable to local authorities by no later than 31 May in the following Financial Year.

9.4 The Host Council shall be responsible for ensuring that the accounts relating to the Pooling Collaboration are audited where and when required by law or other competent authority and shall make copies of the audited accounts available to all of the Pooling Partners

9.5 The Joint Governance Committee may hold a reserve of funds for the purposes of

meeting the costs of the Pooling Collaboration. Where the reserve exceeds 40% of the budget for the forthcoming year then the amount by which the reserve exceeds that sum may be repaid to the Pooling Partners and such repayment shall be in proportion to the total amount contributed (including any interest applicable) by each unless the Joint Governance Committee decides to the contrary.

10 INVESTMENT MANAGEMENT COSTS

- 10.1 In accordance with clause 8.1, each Pooling Partner shall bear its own costs in respect of investment management they incur or expect to incur in the Pooling Collaboration which shall include all transition costs for the investment and disinvestment of assets.

11 INTELLECTUAL PROPERTY

- 11.1 Any intellectual property developed by any Pooling Partner for the purposes of the Pooling Collaboration shall be retained by the Pooling Partners and each Pooling Partner will grant all of the other Pooling Partners a non-exclusive, perpetual, non-transferable and royalty free licence to use, modify amend and develop it for the purpose of the Pooling Collaboration whether or not the Pooling Partner granting the licence remains a party to this Agreement. All costs and expenses relating to such intellectual property shall be borne by the Pooling Partners and the other Pooling Partners shall indemnify the Pooling Partner or Pooling Partners in whom such property is vested against all liabilities that may arise directly or indirectly in respect of the use of it.

12 REPORTS

- 12.1 The Joint Governance Committee shall oversee the Pooling Collaboration and ensure that the Strategic Objectives are met.
- 12.2 On a quarterly basis the Pool Custodian will provide the Joint Governance Committee via the Host Council with a consolidated report of the assets of the LGPS funds administered by the Pooling Partners.
- 12.3 To ensure that the Pooling Partners are kept up-to-date with the performance of the Pooling Collaboration, the Joint Governance Committee shall provide all reports and minutes of Joint Committee meetings to the Pooling Partners.

13 INSURANCE

- 13.1 Where the operation of the Pooling Collaboration is not covered by any existing insurance of the Pooling Partners, the Host Council shall effect and at all times keep in force (for the benefit of the Members of the Joint Governance Committee) such policies of insurance for such amounts as it shall decide. Such policies shall be maintained at the expense of the Pooling Partners and shall be an administration cost of this Pooling

14 DUTIES AND POWER

14.1 Each Pooling Partner shall at all times:

- (a) use its reasonable skills and endeavours to promote and carry on the Pooling Collaboration for the benefit of the Pooling Partners, and conduct itself in a proper and responsible manner;
- (b) devote such time and attention as the Pooling Partners may decide in writing to be necessary and appropriate to the Pooling Collaboration;
- (c) comply with all legislation, regulations, professional standards and other provisions as may govern the conduct of the Pooling Collaboration, or be determined by the Pooling Partners as standards to be voluntarily applied to the Pooling Collaboration;
- (d) show the utmost good faith to the other Pooling Partners in all transactions relating to the Pooling Collaboration and give them a true account of, and full information about, all things affecting the Pooling Collaboration;
- (e) inform the Pooling Partners without delay on becoming party to any legal proceedings in connection with the Pooling Collaboration;
- (f) punctually pay and discharge its present and future debts and financial obligations;
- (g) shall not do or fail to do anything which shall bring any of the other Pooling Partners, or itself, into disrepute;
- (h) obtain all necessary consents sufficient to carry on their duties to the Pooling Collaboration.

14.2 No action which would otherwise be a breach of this clause shall constitute a breach where the Pooling Partner was required to carry out that action in compliance with a statutory duty or order of any court, tribunal or ombudsman.

15 DELEGATION

15.1 Prior to the commencement of the Pooling Collaboration the Pooling Partners shall put in place such authorisations as are required within their internal governance arrangements to:

- (a) delegate the making of the decisions set out in Schedule 2 (Joint Governance Committee Matters) to the Joint Governance Committee;
- (b) delegate any other matter which is required to comply with the obligations of this

Pooling Collaboration, including delegations to its own officers and to the Host Council where required.

- 15.2 The Pooling Partners shall review and where necessary amend their delegations throughout the duration of the Pooling Collaboration to ensure that they can comply with the provisions of this Agreement.
- 15.3 The Joint Governance Committee may appoint contractors or agents to undertake tasks, advise on or support the implementation of its functions.
- 15.4 For the avoidance of doubt, strategic asset allocation will be set by each of the Pooling Partners with the selection of individual investments and investment managers carried out by appropriately qualified and experienced individuals, operating under the legal framework of specialist investment vehicles where appropriate.

16 OBLIGATIONS ON POOLING PARTNERS

- 16.1 Without prejudice to the terms of this Agreement, the Pooling Partners, on an individual basis, commit to the implementation of the Pooling Collaboration within the appropriate legal framework and to use their reasonable endeavours to ensure the success of the Pooling Collaboration.
- 16.2 Nothing in this Agreement shall fetter the discretion of each Pooling Partner to formulate and revise an investment strategy appropriate for their fund within the LGPS pursuant to regulation 7 of the Investment Regulations.

17 INDEMNITY

- 17.1 Any Pooling Partner who is in material breach of any of the provisions of this Agreement shall indemnify the other Pooling Partners from and against all liabilities, costs, expenses, damages and losses, (including but not limited to any direct, indirect or consequential loss, loss of profit, loss of reputation and all interest, penalties and legal costs (calculated on a full indemnity basis) and all other reasonable costs and expenses) resulting from that breach, without prejudice to any other right or remedy of the other Pooling Partners howsoever arising.

18 POLICIES AND PROCEDURES

- 18.1 The Host Authority shall prepare any necessary policies and procedures which the Joint Governance Committee decides are appropriate, in accordance with applicable law and regulation, competent authority, and CIPFA Guidance, and having had regard to applicable guidance specific to local government management of funds or accounting and auditing requirements.
- 18.2 Where any policy or procedure provided for under this Agreement requires the Pooling Partners to address or copy any communication or similar to any contract

management or co-ordination function the Joint Governance Committee will advise the Pooling Partners of that requirement in writing. As of the date of receipt of an advisory under this clause the Pooling Partners shall address or copy any communication as advised.

19 VOLUNTARY EXIT

19.1 Any Pooling Partner (the "**VE Authority**") may exit from the Pooling Collaboration by giving not less than 18 (eighteen) months' written notice to the Host Council of its intention to exit the Pooling Collaboration and the date of expiration of that notice is the 31 March which next falls after or is coincident with the end of the 18 (eighteen) month notice period provided that the Pooling Partners may agree with the VE Authority that a different notice period applies (the "**Exit Date**").

19.2 A VE Authority may exit the Pooling Collaboration and be released from its obligations under this Agreement (other than clause 21) provided that:

- (a) it has satisfied all of its obligations up to the Exit Date;
- (b) it has satisfied its share of the costs and expenses up to the Exit Date, as well as any necessary costs and expenses to facilitate the exit whether or not incurred after the Exit Date;
- (c) it redeems or transitions (subject to liquidity constraints and meeting relevant contractual requirements) its investments from the Northern Pool as agreed appropriate by the Joint Governance Committee;
- (d) its representatives on the Joint Governance Committee resign on or before the Exit Date.

19.3 With effect from the date of the notice given by the VE Authority pursuant to clause 19.1 the Member nominated by the VE Authority for the purposes of clause 3.3 shall cease to have any voting rights for the purposes of the Joint Governance Committee and the VE Authority shall cease to be a Pooling Partner.

19.4 For the avoidance of doubt, the VE Authority shall remain liable to make the Pooling Contributions which are due prior to the Exit Date.

20 COMPULSORY EXIT

20.1 The Pooling Partners (other than the CE Authority) may by majority decision compulsorily require any Pooling Partner (the "**CE Authority**") to leave the Pooling Collaboration, by the Host Council (or in the case of the Host Council being the CE Authority, any other Pooling Partner) giving the CE Authority written notice if the CE Authority:

- (a) commits any serious breach or persistent breaches of this Agreement;

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- (b) fails to pay any money owing by it to the Host Council within 28 (twenty-eight) days of a written request for payment from the Host Council;
 - (c) fails to account for, or pay over or refund any money received and belonging to the Pooling Partners within 28 (twenty-eight) days after being so required by notice from the Host Council;
 - (d) wilfully neglects, refuses or omits to perform its duties, obligations and responsibilities under this Agreement; or
 - (e) is guilty of conduct which, in the reasonable opinion of the other Pooling Partners, is likely to have a serious adverse effect on the Pooling Collaboration;

provided that in each case the CE Authority is first given 28 days following receipt of the written notice to remedy the breach or issue described in paragraphs (a) to (e) and the CE Authority has failed to remedy such breach or issue or to take reasonable steps to do so.

20.2 The effective date of the CE Authority being required to leave the Pooling Collaboration is the 31 March which next falls after or is coincident with the period of 18 (eighteen) month after the notice given in clause 20.1 above provided that the other Pooling Partners may notify the CE Authority that a different notice period applies (the "**Compulsory Exit Date**").

20.3 The CE Authority shall exit the Pooling Collaboration from the Compulsory Exit Date and must prior to the Compulsory Exit Date:

- (a) have satisfied all of its obligations up to the Compulsory Exit Date;
- (b) have satisfied its share of the costs and expenses up to the Compulsory Exit Date, as well as any necessary costs and expenses to facilitate the exit whether or not incurred after the Compulsory Exit Date.
- (c) have redeemed or transitioned (subject to liquidity constraints and meeting relevant contractual requirements) its investments from the Northern Pool as agreed appropriate by the Joint Governance Committee;
- (d) have ensured that its representatives on the Joint Governance Committee have resigned on or before the Compulsory Exit Date.

20.4 With effect from the date of the notice given by the Host Council to the CE Authority pursuant to clause 20.1 the Member (and any nominated deputy for the purposes of clause 3.4) nominated by the CE Authority for the purposes of clause 3.3 shall cease to have any voting rights for the purposes of the Joint Governance Committee and shall cease to be a Pooling Partner.

20.5 For the avoidance of doubt, the CE Authority shall remain liable to make the Pooling

Contributions which are due prior to the Compulsory Exit Date and liable to the continuing liability provisions of clause 21.1.

21 FURTHER PROVISIONS RELATING TO A VE AUTHORITY OR A CE AUTHORITY

Continuing liability

- 21.1 Where any Pooling Partner exits from this Agreement in accordance with Clause 19 or 20 they shall remain liable to the extent they would have been were they still party to this Agreement for any acts, omissions, costs and expenses arising from acts taken or decisions made during the period in which that Pooling Partner was a party to this Agreement.
- 21.2 Any Pooling Partner who enters this Agreement after the Commencement Date shall have liability for any acts, omissions, costs and expenses arising from acts taken or decisions made from the date of their entry only.

22 NEW POOLING PARTNER

- 22.1 The Pooling Partners shall consider applications from other administering authorities of funds within the LGPS to join the Pooling Collaboration (a "**New Member Application**").
- 22.2 A New Member Application will be considered on the merits of its business case and the conditions which the Pooling Partners consider appropriate from time to time.
- 22.3 A New Member Application will only be approved by the Pooling Partners at their absolute discretion and, subject to regulation 8 of the Investment Regulations, there shall be no obligation under the terms of this Agreement for a New Member Application to be accepted.

23 CONFIDENTIALITY

- 23.1 For the purposes of this Agreement, **Confidential Information** means, any information which has been certified as exempt information in accordance with Section 100(i) of the Local Government Act 1972 and all confidential information (however recorded or preserved) disclosed by a Pooling Partner or its representatives or advisers to another Pooling Partner and his representatives or advisers (except where by law the information cannot be retained as confidential) concerning:
- (a) any information relating to the prospective business, technical processes, computer software or intellectual property rights of the Pooling Collaboration;
 - (b) all documents, papers and property that may have been made or prepared by, or at the request of, any Pooling Partner and which are marked as being exempt information or confidential and which come into any Pooling Partner's possession or under its control in the course of the Pooling Collaboration;

and

- (c) compilations of two or more items of such information and all information that has been, or may be, derived or obtained from any such information which, at any time, comes into any Pooling Partner's possession or under its control in the course of the Pooling Collaboration and which the Pooling Collaboration regards or could reasonably be expected to regard as confidential, whether or not such information is, in itself, confidential, marked as "confidential" or reduced to tangible form.

23.2 Save as provided otherwise in this agreement either expressly or by implication, each Pooling Partner undertakes that it shall not, at any time, disclose to any person any Confidential Information of the other Pooling Partners and shall use its reasonable endeavours to keep all Confidential Information of the other Pooling Partners confidential (whether it is marked as such or not) except as permitted by clause 23.3.

23.3 Each Pooling Partner may disclose the other Pooling Partner's Confidential Information:

- (a) to its representatives or advisers who need to know such information for the purposes of carrying out the Pooling Partner's obligations under or in connection with this Agreement. Each Pooling Partner shall ensure that its representatives or advisers to whom it discloses the other Pooling Partner's Confidential Information comply with this clause.
- (b) as may be required by law, a court of competent jurisdiction or any governmental or regulatory authority including an ombudsman.

24 FREEDOM OF INFORMATION

24.1 Each Pooling Partner acknowledges that the other Pooling Partners and the Joint Governance Committee are subject to the requirements of the Freedom of Information Act 2000 ("FoIA") and each Pooling Partner shall where reasonable assist and co-operate with the other Pooling Partners (at their own expense) to enable the other Pooling Partners to comply with these information disclosure obligations.

24.2 Where a Pooling Partner receives a request for information under the FoIA in relation to information which it is holding on behalf of any of the other Pooling Partners in relation to the Pooling Collaboration, it shall:

- (a) transfer the request for information to the other Pooling Partners as soon as practicable after receipt and in any event within 2 (two) Business Days of receiving a request for information;
- (b) provide the other Pooling Partners with a copy of all information in its possession or power in the form that the Pooling Partners reasonably

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- require within 10 (ten) Business Days (or such longer period as the Pooling Partners may specify) of the Pooling Partner requesting that information; and
- (c) provide all necessary assistance as reasonably requested by the other Pooling Partners to enable the Pooling Partner to respond to a request for information within the time for compliance set out in the FoIA.
- 24.3 Where a Pooling Partner receives a request for information under the FoIA which relates to this Agreement or the Pooling Collaboration it shall;
- (a) advise the person making the request that the information is held by another public authority being the Joint Governance Committee and that the request has been passed to that public authority to respond;
- (b) transfer the request for information to the Host Council on behalf of the Joint Governance Committee as soon as practicable after receipt and in any event within 2 (two) Business Days of receiving a request for information;
- (c) provide the Host Council with a copy of all information in its possession or power in the form that the Host Council reasonably require within 10 (ten) Business Days (or such longer period as the Pooling Partners may specify) of the Pooling Partner requesting that information; and
- (d) provide all necessary assistance as reasonably requested by the Host Council to enable the Host Council to respond to a request for information on behalf of the Joint Governance Committee within the time for compliance set out in the FoIA.
- 24.4 The Pooling Partners or the Host Council shall be responsible for determining in their absolute discretion whether any information requested under the FoIA:
- (a) is exempt from disclosure under the FoIA;
- (b) is to be disclosed in response to a request for information.
- 24.5 Each Pooling Partner acknowledges that the other Pooling Partners and the Joint Governance Committee may be obliged under the FoIA to disclose information:
- (a) without consulting with the other Pooling Partners where it has not been practicable to achieve such consultation; or
- (b) following consultation with the other Pooling Partners and having taken their views into account.

25 DATA PROTECTION

- 25.1 The Pooling Partners shall comply with the Data Protection Act 1998.

26 DISSOLUTION

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- 26.1 No Constituent Authority shall be capable of dissolving the Pooling Collaboration unilaterally by means of a notice.
- 26.2 The Pooling Collaboration and this Agreement shall be terminated upon the unanimous agreement of all of the Pooling Partners.
- 26.3 Each Constituent Authority shall act in good faith in the wind up of the Pooling Collaboration following the unanimous decision to dissolve as soon as reasonably practicable thereafter, and all costs and expenses shall be borne equally by the Pooling Partners.

27 ENTIRE AGREEMENT

- 27.1 This Agreement constitutes the entire agreement between the parties and supersedes and extinguishes all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to its subject matter.
- 27.2 Each Pooling Partner acknowledges that, in entering into this Agreement it does not rely on, and shall have no remedies in respect of, any statement, representation, assurance or warranty (whether made innocently or negligently) that is not set out in this agreement.
- 27.3 Each Pooling Partner agrees that it shall have no claim for innocent or negligent misrepresentation (or negligent misstatement) based on any statement in this agreement.
- 27.4 Nothing in this clause shall limit or exclude any liability for fraud.

28 NOTICES

- 28.1 Any notice, demand or communication in connection with this Agreement will be in writing and may be delivered by hand, post, facsimile or email addressed in writing in accordance with this clause as an address to which notices, invoices and other documents may be sent. The notice, demand or communication will be deemed to have been duly served:
- (a) if delivered by hand during business hours, at the time of delivery;
 - (b) if delivered by post, 48 hours after being posted (excluding Saturdays, Sundays and public holidays);
 - (c) if delivered by facsimile during business hours, at the time of transmission, provided that a confirming copy is sent by first class post to the other party within 24 hours after transmission; or
 - (d) if delivered by email or other electronic form of communication during business

hours, at the time of transmission provided that a confirming copy is sent by first class post to the other party within 24 hours after transmission.

- 28.2 Where notice is served by hand, facsimile or email outside business hours, it will be deemed to have been served on the next business day.

29 CONTRACTS (THIRD PARTY RIGHTS)

- 29.1 The Pooling Partners as parties to this Agreement do not wish that any of its terms to be enforceable by virtue of the Contract (Rights of Third Parties) Act 1999 by any person not a party to this Agreement.

30 SEVERANCE

- 30.1 If any provision or part-provision of this Agreement is or becomes invalid, illegal or unenforceable, it shall be modified to the minimum extent necessary to make it valid, legal and enforceable. If such modification is not possible, the relevant provision or part-provision shall be deemed deleted. Any modification to or deletion of a provision of part-provision under this clause shall not affect the validity and enforceability of the rest of this Agreement.
- 30.2 If one Pooling Partner gives notice to the other Pooling Partners of the possibility that any provision or part-provision of this Agreement is invalid, illegal or unenforceable, the Pooling Partners shall negotiate in good faith to amend such provision so that, as amended, it is legal, valid and enforceable, and, to the greatest extent possible, achieves the intended result of the original provision.

31 AMENDMENTS

- 31.1 No amendment to this Agreement shall be binding unless it is in writing and signed by a duly authorised representative of each of the Pooling Partners and expressed to be for the purpose of such amendment.

32 GOVERNING LAW AND JURISDICTION

- 32.1 This agreement and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.
- 32.2 Each party irrevocably agrees that the courts of England and Wales have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this agreement, its subject matter or formation.

33 ALTERNATIVE DISPUTE RESOLUTION

- 33.1 The Pooling Partners agree:

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- (a) to pursue a positive approach towards dispute resolution with an objective of reaching a consensus without formal dispute resolution and/or legal proceedings and maintaining a strong working relationship between the Pooling Partners;
 - (b) that any dispute between the Pooling Partners in relation to matters covered by this Agreement will be referred to in the first instance to the Chief Executives of the Pooling Partners who may, at their sole discretion, delegate the dispute to the appropriate senior officer within 10 Business Days of written notice of the dispute;
 - (c) that if the Chief Executives or their delegates are not able to resolve the dispute within 5 Business Days of meeting or there is disagreement over a Member matter, then any Member may refer the matter to a mediation facilitated by the Local Government Association or to a suitably qualified and independent person, as recommended by the Chief Executives and the Pooling Partners agree;
 - (d) that where any dispute is agreed to be of a legal or technical nature the parties to the dispute may (but not must) jointly take the opinion of an appropriate expert including opinion of senior legal counsel where appropriate. Such expert opinion must be instructed within 10 days of referral to Chief Executives under sub-clause (b) following which the opinion should be delivered within a further 10 days unless the nature and/or details of the dispute or opinion dictate that an alternative timeframe needs to be followed.
 - (e) that, if after exhausting other methods of dispute resolution, one of the Pooling Partners commences legal proceedings then this will be subject to the exclusive jurisdiction of the Courts of England and Wales.

All costs are borne equally between the Pooling Partners which are party to the dispute unless agreed otherwise by the Joint Governance Committee or ordered by the Courts.

This document has been executed as a deed and is delivered and takes effect on the date stated at the beginning of it.

Schedule 1

Matters Reserved to the Pooling Partners

- 1 Appointment, termination or replacement of the Pool Custodian following the making of a recommendation by the Joint Governance Committee.
- 2 Formulation, approval or revisions of each respective Pooling Partner's investment strategy for the purposes of regulation 7 of the Investment Regulations.
- 3 Admitting a new administering authority within the LGPS to the Northern Pool as a Pooling Partner (pursuant to clause 22).
- 4 Amendment of this Agreement (pursuant to clause 31).
- 5 Termination of this Agreement (pursuant to clause 26).
- 6 Approval of the initial Strategic Objectives and any subsequent amendment.
- 7 Determination of the timing of the transition of the assets held by the LGPS fund for which they are an administering authority into the Pooling Collaboration.
- 8 Setting of policy on how social, environmental and corporate governance considerations are taken into account in the selection, non-selection, retention and realisation of investments.

Schedule 2

Joint Governance Committee Matters

Subject to the terms of the Agreement, the Joint Governance Committee shall undertake those matters which are not Matters Reserved to the Pooling Partners which shall include (without prejudice to the generality of the foregoing):

- 1 Monitoring and benchmarking performance and costs and reporting back to Pooling Partners.
- 2 Making a recommendation on the appointment, replacement or termination of the Pool Custodian to the Pooling Partners.
- 3 Oversight of Responsible Investment activities of the Pooling Partners.
- 4 Engagement with the Pooling Partners to help drive efficiencies.
- 5 Nominating representatives to national structures as appropriate (for example any cross-pool forum or national infrastructure board).
- 6 Overseeing staffing requirements of the Northern Pool investment vehicles.
- 7 Delegation of tasks to officers, including the preparation of reports and draft documents and the undertaking of consultations.
- 8 Development of Northern Pool investment vehicles and opportunities for collaborative working with other investors (including other LGPS pools).
- 9 Appointing and replacing service providers and advisers to the Joint Governance Committee
- 10 Preparing a plan relating to the overall transition of assets in accordance with each Pooling Partner's asset transition plan.
- 11 Dealing with the necessary general management of the Pooling Collaboration.
- 12 Liaison with Pension Boards as appropriate in line with CIPFA Guidance, guidance issued by the Pensions Regulator and other applicable legislation or regulatory guidance.

Schedule 3

Joint Governance Committee - Terms of Reference

The Joint Governance Committee responsibilities are:

1. Delivery of the Pooling Collaboration Strategic Objectives;
2. Report to the Pooling Partners quarterly (and at any other time when the Joint Governance Committee considers it to be necessary) on the matters within their remit including but not limited to the performance of the pooled investment vehicles and the ongoing progress towards meeting the Strategic Objectives;
3. Ensuring that there are an appropriate range of investment vehicles available in order to allow the Pooling Partners to meet their strategic investment aims.
4. From time to time, to review the appropriateness of the existing pooled investment vehicles and to make recommendations to the Pooling Partners;
5. Monitoring the investment performance of the Northern Pool against the agreed set of key performance indicators;
6. Reporting on the performance of the Northern Pool, its costs and other activities, but not limited to, the Pooling Partners, government, the Scheme Advisory Board and the general public;
7. Making recommendations to the Pooling Partners on the termination of the Pool Custodian contract where the performance of the Pool Custodian is considered unacceptable;
8. From time to time reviewing policies in respect of ethical, social and governance matters and voting rights and where appropriate make recommendations to the Pooling Partners as to any changes deemed necessary;
9. Applying any processes or policies that are assigned to it within this Agreement;
10. Monitoring the implementation and effectiveness of the Northern Pool policies and procedures and initiating reviews of these with the Host Authority where required;
11. Providing any analysis or commentary on annual accounts to the Pooling Partners;
12. Approving responses from the Pooling Collaboration in relation to consultations or other matters considered appropriate;
13. Seeking advice from officers and professional advisers where necessary;

Schedule 4

Joint Governance Committee Procedure

1 MEMBERSHIP

- 1.1 The membership of the Joint Governance Committee shall consist of the chair and deputy-chair of each of the Pooling Partners. In addition there shall be three trade union representatives who shall have the appropriate technical skills to represent scheme members' interests in investment matters and should represent the interests of members from the Greater Manchester, Merseyside and West Yorkshire regions.
- 1.2 No substitutes shall be allowed.
- 1.3 The Joint Governance Committee shall not include any non-voting or co-opted members.

2 MEETINGS

- 2.1 Meetings shall be held a minimum of four times per municipal year (being May to May). The anticipated schedule of meetings and the locations in which they will be held will be agreed in advance.
- 2.2 A meeting may be held at such time and place as the Chair of the Joint Governance Committee thinks fit.
- 2.3 A meeting of the Joint Governance Committee may be called by a proper officer of the Host Council on the request of the Chair. Members must declare any conflict of interest in respect of any business being conducted at the meeting which would likely to be regarded to prejudice the exercise of a person's function as a participant in the meeting.
- 2.4 The Chair is responsible for the running of meetings. The Chair shall invite Members expressing a desire to speak in turn. All discussion and debate shall be held through the Chair and the Chair may draw a discussion to a vote at any time where they consider that every Member has been given a fair opportunity to speak.
- 2.5 Members may participate in meetings via telephone subject to the agreement of The Chair.
- 2.6 Minutes will be kept of all meetings. The Chair will sign the minutes of the proceedings at the next suitable meeting.
- 2.7 Notice of meetings
 - (a) A notice of meeting specifying the place, date and time of the meeting and containing a statement of the matters to be discussed at the meeting, shall be served on all of the Members of the Joint Governance Committee by the appropriate governance officer of the Host Council;

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- (b) Subject to clause 2.7(c), notice of each meeting, copies of the agenda and any reports to be presented at the meeting, shall be given to all Pooling Partners by the Host Council no later than 7 clear days before the date of the meeting. The Pooling Partners shall ensure that a minimum of five clear days' notice of all meetings is given in accordance with their normal procedures for notification of Council meetings and all papers made available at all of the Pooling Partners head offices for inspection for those five days unless certified as confidential in which case agendas and any non-certified items are made available only.
 - (c) If a meeting is required to be held with less than 5 days' notice, the Chair must agree it is required urgently, approve the shortened notice period and allow as much notice as possible to be given. Notice should be given in the same manner, and the documents should be made available to all of the Pooling Partners for as many days as practicable before the meeting.

2.8 Exclusion of the public and press

- (a) Where any item to be discussed forms exempt information the Chair shall move that the public and press are excluded from the meeting for the duration of the discussion and voting on that item. Motions to exclude the press and public do not require to be seconded and shall be determined by simple majority vote of the Members present.
- (b) Where the press and public are excluded under (a) above the Chair may invite any person to remain in the meeting where they consider it to be necessary or appropriate to do so and any officers of the Pooling Partners present shall be presumed to be invited to remain unless the Chair specifies otherwise.
- (c) Any person may be excluded from a meeting or required to leave a meeting where in the opinion of the Chair they are causing a disturbance to the running of the meeting and have not desisted from doing following a request; or where any person is so disruptive that their conduct if allowed to remain would prevent the meeting from proceeding in a fair and acceptable manner.

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

2.10 Officers presenting reports to the Joint Governance Committee may be asked questions following such presentation.

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

3 QUORUM

- 3.1 The quorum shall be five Members including at least one Member from each of the Pooling Partners.
- 3.2 Where a quorum is not present within 15 minutes of the start of the meeting and the Chair has not been notified that one or more Members have been delayed but will be attending, the meeting shall not be held and the Host Council will be ask to schedule and give notice of a replacement meeting.
- 3.3 Where, during any meeting there is no quorum present, then the meeting will adjourn immediately. If the Chair has been unable to ascertain within 15 minutes that the quorum can be restored the remaining business will be considered at another time and date fixed by the Chair.

4 CHAIR AND VICE CHAIR(S).

- 4.1 The Chair shall be a Member and shall be appointed by vote for a term of 12 calendar months.
- 4.2 Two Deputy Chairs shall be appointed by vote for a term of 12 calendar months. The Deputy Chairs shall be representatives of different Pooling Partners to each other and to that of the Chair.
- 4.3 In the absence of the Chair, either or both Deputy Chairs (by agreement) shall be entitled to exercise all of the functions of the Chair.
- 4.4 The decision of the Chair of the meeting on all points of procedure and order and the Chair's interpretation of any rule in this schedule shall be final and no debate may ensue thereon. The Chair shall be entitled to take the advice of a governance officer in interpreting any rule or objection on procedure.
- 4.5 The Chair may be assisted during meetings by a governance officer on procedural matters and such administrative officers as the Chair considers appropriate. Such governance and secretarial officers shall be entitled to remain in the meeting where the public and press are excluded.

5 AGENDA

- 5.1 An agenda shall be produced in advance for each meeting by the Host Council following consultation with the Chair.
- 5.2 The agenda for each meeting shall contain as the first substantive item the approval of the minutes of the previous meeting. The Chair will move that the minutes of the previous meeting be signed as a correct record. The only part of the previous minutes that can be discussed is their accuracy and any matters arising from those previous minutes shall be

regarded as new items on the agenda of the current meeting.

- 5.3 The Pooling Partners may ask the Chair to include any matter on the agenda which they consider should be discussed by the Joint Governance Committee.
- 5.4 The decision on whether to allow discussion on any other matter not on the agenda of a meeting at that meeting shall be made by the Chair.

6 MOTIONS

- 6.1 Any Member may propose a motion. All motions must be seconded. Motions which are opposed shall be put to a vote in accordance with the voting provisions of this schedule.
- 6.2 A Member may raise a point of order at any time. The Chair will hear them immediately. A point of order may only relate to an alleged breach of the provisions of this Schedule, or the law or other competent authority. The Member must indicate the provision or law or regulation and the way in which he/she considers it has been broken. The ruling of the Chair on the matter will be final. The Chair may take advice on the point of order from the appropriate officer.

7 VOTING

- 7.1 The Chair shall seek consensus wherever possible however where a vote is required the provisions of this section shall apply.
- 7.2 Each Member present will have one vote and voting will be by means of a show of hands. In the event of a tied vote, the Chair shall have a second or casting vote.
- 7.3 All decisions will be determined by simple majority.
- 7.4 In the event that a vote is taken, the voting positions and any abstentions of members will be recorded in the minutes.

8 SUB-COMMITTEES AND WORKING GROUPS

- 8.1 The Joint Governance Committee shall form such sub-committees and working groups as it considers expedient to performing its function. The Joint Governance Committee shall at the time of forming sub-committees or working groups set out the remit of the sub-committees or working groups, what the sub-committees or working groups are required to deliver and the timescale for that delivery.
- 8.2 Sub-committees and working groups shall be entailed to request the input and support of officers in the same manner as the Joint Governance Committee.
- 8.3 Each sub-committee and working group shall appoint a chair for that sub-committee or working group, who is to be one of the Members of the sub-committee or working group.

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- 8.4 Working groups may invite any person who is not a Member to join the group in order to assist in carrying out its function.
- 8.5 The Chairs of sub-committees and working groups shall report to Joint Governance Committee at each meeting of that committee on the process of the matters within their remit.
- 8.6 Sub-committees and working groups may be disbanded at any time on the vote of the Joint Governance Committee.
- 8.7 The provisions of paragraphs 5-7 (Agenda, Motions and Voting) of this Schedule shall apply to any sub-committee and working group meetings.

9 REMUNERATION

- 9.1 The Host Authority and/or Pooling Parties shall arrange for the appointment of an independent remuneration panel to advise them on appropriate levels of special responsibility allowances to be payable to their Members of the Joint Governance Committee in respect of duties and responsibilities undertaken as Members of the Joint Governance Committee. A commensurate allowance will be payable to all non-elected Members of the Joint Governance Committee in the interests of fairness and consistency.

Schedule 5

TUPE

1 DEFINITIONS

1.1 The following definitions shall apply in this Schedule:

Data Protection Legislation means the Data Protection Act 1998, the Data Protection Directive (95/46/EC), the Regulation of Investigatory Powers Act 2000, the Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000, the Electronic Communications Data Protection Directive (2002/58/EC), the Privacy and Electronic Communications (EC Directive) Regulations 2003 and all applicable laws and regulations relating to the processing of personal data and privacy, including where applicable the guidance and codes of practice issued by the Information Commissioner.

Expected Transferring Employees means those Host Council Personnel who are reasonably expected by the Host Council to be a Transferring Employee.

Future Host Council means any relevant Pooling Partner who provides services which are identical or substantially similar to any of the Host Council Services (directly or indirectly) following the termination or expiry of this Agreement or the termination of the provision of any of the Host Council Services by the Host Council.

Host Council Personnel means the individuals employed or engaged by the Host Council or any other person in the provision of the Host Council Services under this Agreement from time to time.

Host Council Services means the services to be provided by the Host Council under this Agreement as more particularly described at clause 7.

Redundancy Costs means any notice pay (including payment in lieu of notice), holiday pay and statutory and/or contractual redundancy payments.

Sub-Contractor means any person to whom the provision of any of the Host Council Services may be sub-contracted by the Host Council.

Subsequent Transfer Date means the date on which responsibility for the provision of the Host Council Services, or any part of the Host Council Services, transfers from the Host Council to the Future Host Council.

Transferring Employee means an individual whose contract of employment has effect from and after the Subsequent Transfer Date, by virtue of the operation of TUPE, as if originally made between such person and the Future Host Council.

2 NO TRANSFER ON COMMENCEMENT

- 2.1 The Pooling Partners agree that the neither the commencement of this Agreement nor the implementation of any of the arrangements contemplated within it shall give rise to a "relevant transfer" within the meaning of TUPE on or around the Commencement Date.

3 EMPLOYEE INFORMATION ON TERMINATION

- 3.1 Subject to the Data Protection Legislation, during the period of twelve months preceding the expiry of this Agreement, or at any time after the Host Council has given notice to withdraw from the Pooling Collaboration or at any time after the Host Council has actually ceased to provide any of the Host Council Services:

- (a) the Host Council shall within 28 days of the reasonable request by any Future Host Council disclose to that Future Host Council details of the number, age and terms and conditions of employment, in relation to any Host Council Personnel assigned to the provision of the Host Council Services or any relevant part of the Host Council Services;
- (b) the Host Council shall not and, if relevant, shall procure that any Sub-Contractor shall not, save in the ordinary course of business, materially vary the terms and conditions of employment or engagement of any Host Council Personnel or redeploy, replace or dismiss any Host Council Personnel, or employ or engage any additional individual in the provision of the Host Council Services, without the prior written consent of the Future Host Council (such consent not to be unreasonably withheld or delayed).

4 EMOLUMENTS

All wages, salaries, bonus and commission payments, contributions to pension schemes, entitlement to holiday pay and any other emoluments (whether monetary or otherwise), tax and national insurance contributions relating to the Transferring Employees shall be paid or borne by the Host Council (or Sub-Contractor) in relation to the period before the Subsequent Transfer Date (and the Host Council shall procure such payment by any Sub-Contractor) and by the relevant Future Host Council thereafter (and the Pooling Partners shall procure such payment by any Future Host Council), and all necessary apportionments shall be made.

5 COMPLIANCE AND INDEMNITIES

- 5.1 The Host Council shall and/or, if relevant, shall procure that any Sub-Contractor shall:
- (a) comply with its or their obligations to inform and consult the Expected Transferring Employees pursuant to Regulation 13 of TUPE;

-
- (b) use reasonable endeavours to agree with the Future Service Provider, and deliver to the Expected Transferring Employees prior to the Subsequent Transfer Date, a suitable joint statement regarding the proposed transfer of their employment to the Future Host Council on the Subsequent Transfer Date; and
 - (c) give employees of the Future Host Council such access to the Expected Transferring Employees prior to the Subsequent Transfer Date as the Future Host Council may reasonably require for the purposes of consultation or of effecting an efficient transfer of the Host Council Services and Transferring Employees with effect from the Subsequent Transfer Date.

5.2 The Host Council shall indemnify and keep indemnified the Future Host Council against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought against the Future Host Council in relation to:

- (a) the employment or termination of employment of any Transferring Employee during the period before the Subsequent Transfer Date; or
- (b) the Host Council's failure or alleged failure to comply with its obligations under Regulation 13 of TUPE, save to the extent that any such failure or alleged failure is as a result of or in consequence of a failure by the Future Host Council to comply with its obligations under Regulation 13(4) of TUPE.

5.3 If a claim or allegation is made by any person who is not a Transferring Employee (a **"Non-Disclosed Transferring Employee"**) that his contract of employment has or should have effect as if originally made between himself and the Future Host Council by virtue of the operation or alleged operation of TUPE:

- (a) the Future Host Council shall notify the Host Council in writing as soon as reasonably practicable of any such claim or allegation and the Future Host Council shall then allow the Host Council (or any relevant Sub-Contractor) a period of 10 working days to consult with any such Non-Disclosed Transferring Employee concerning his claim or allegation;
- (b) the Future Host Council shall give to the Host Council (or any relevant Sub-Contractor) such co-operation or assistance as the Host Council (or relevant Sub-Contractor) may reasonably require;
- (c) if, following the period of 10 working days referred to in paragraph 4.3(a) above, any Non-Disclosed Transferring Employee continues to assert that his contract of employment has or should have effect as if originally made between himself and Future Host Council, the Future Host Council may, within a further period of 20 working days (or such other period as may be agreed in writing between the

Host Council and Future Host Council), serve notice to terminate the employment or alleged employment of such Non-Disclosed Transferring Employee with immediate effect; and

- (d) subject to the Future Host Council's compliance with this paragraph 5.3, the Host Council shall indemnify and keep indemnified the Future Host Council against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought by any such Non-Disclosed Transferring Employee in relation to any sums paid or payable to such Non-Disclosed Transferring Employee up to the date of the termination of such Non-Disclosed Transferring Employee's employment or alleged employment, and in relation to such termination.

5.4 The Future Host Council shall indemnify and keep indemnified the Host Council (for itself and any Sub-Contractor) against all and any costs, expenses, liabilities, damages and losses arising out of or in connection with any claim, demand, action or proceeding which is made or brought:

- (a) by any Transferring Employee in relation to any act or omission of the Future Host Council on or after the Subsequent Transfer Date and/or in relation to any events or circumstances relating to the employment or termination of employment of any Transferring Employee occurring or arising on or after the Subsequent Transfer Date;
- (b) in relation to any failure or alleged failure of the Future Host Council to comply with their obligations under Regulation 13 of TUPE; or
- (c) in relation to any substantial change made or proposed by the Future Host Council in the working conditions of any of the Transferring Employees, or any individual who would have been a Transferring Employee but whose employment terminated prior to the Subsequent Transfer Date, where that change is to the detriment of such Transferring Employee(s) or such individual(s).

6 REDUNDANCY COSTS

6.1 The Pooling Partners shall indemnify and keep indemnified on a joint and several basis the Host Council (for itself and any Sub-Contractor) against all and any Redundancy Costs arising out of or in connection with any claim, demand, action or proceeding which is made or brought against the Host Council (or Sub-Contractor) arising out of or in connection with the termination or alleged termination of employment of any Host Council Personnel by reason of redundancy within 6 months of the Subsequent Transfer Date, where the employment such Host Council Personnel does not transfer to a Future Host Council (under TUPE or otherwise) on the cessation of the provision of any or all of the

Host Council Services, provided that the Host Council shall, or shall procure that any Sub-Contractor shall, use reasonable endeavours to:

- (a) mitigate the amount of any such Redundancy Costs;
- (b) search for and, if available, offer alternative employment within the Host Council's or the Pooling Partners' (or, as the case may be, the Sub-Contractor's) organisation to any Host Council Personnel at risk of redundancy and shall give that Host Council Personnel a reasonable opportunity to accept any such offer of alternative employment before terminating that Host Council Personnel's employment; and
- (c) comply with any applicable statutory obligations.



[Execution clauses to be inserted]

[The Common Seal of Tameside Metropolitan Borough Council was hereunto affixed in the presence of Authorised Signatory]

[The Common Seal of the City of Bradford Metropolitan Council was hereunto affixed in the presence of Authorised Signatory]

[The Common Seal of Wirral Metropolitan Borough Council was hereunto affixed in the presence of Authorised Signatory]

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Report To:	COUNCIL
Date:	May 2017
Member/Reporting Officer:	Political Group Leaders Steven Pleasant – Chief Executive as Proper Officer
Subject:	APPOINTMENT OF EXECUTIVE CABINET, PANELS, STANDARDS COMMITTEE, OUTSIDE BODIES AND OPPOSITION SPOKESPERSONS FOR 2016/2017
Report Summary:	<p>To consider and approve the appointment of the persons nominated by the various groups in accordance with the political balance rules to serve on the various bodies in the attached schedule for the 2018/19 Municipal Year.</p> <p>The list of outside bodies contains only those outside bodies where information is required by the other statutory Greater Manchester bodies. Other outside body appointments will be made by the Executive Leader following recommendations by the relevant Executive Member.</p>
Recommendations:	That approval be given to the appointments to the Executive Cabinet, Panels, Standards Committee, Outside Bodies and Opposition Spokespersons tabled at the meeting in the form shown set out in the attached document
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	There are no policy implications.
Financial Implications: (Authorised by the Section 151 Officer)	There are no budgetary implications.
Legal Implications: (Authorised by the Borough Solicitor)	Accords with Procedural Standing Orders 6.4 (g); (h); (i); (j) and (k).
Risk Management:	Allows for transparent and democratic decision making.
Access to Information	<p>The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by:</p> <p> phone: 0161 342 2146</p> <p> e-mail: Robert.landon@tameside.gov.uk</p>

ANNUAL BUSINESS MEETING OF THE COUNCIL – 21 MAY 2018

APPOINTMENT OF EXECUTIVE CABINET, PANELS, DISTRICT ASSEMBLIES, STANDARDS COMMITTEE, INDEPENDENT REMUNERATION PANEL AND OPPOSITION SPOKESPERSON FOR 2018/2019

THE CABINET

Executive Leader	Councillor Warrington
Deputy Executive Leader	Councillor Fairfoull
<u>Executive Members</u>	
Children and Families	Councillor Ryan
Economic Growth and Wellbeing	Councillor Cooney
Lifelong Learning, Skills and Employment	Councillor Feeley
Neighbourhood Services	Councillor Gwynne
Strategic Development and Transport	Councillor Bray
<u>Lead Member</u>	
Chair of Council Business	Councillor Kitchen
Assistant Executive Members	
Assistant to the Leader	Councillor Cartey
Assistant to the Leader	Councillor D Lane
Deputy Executive Leader	Councillor Newton
Children and Families	Councillor Wills
Economic Growth and Housing	Councillor Quinn
Lifelong Learning, Skills and Employment	Councillor M Smith
Neighbourhood Services	Councillor B Holland
Strategic Development and Transport	Councillor Reid

OPPOSITION SPOKESPERSONS

<u>Shadow Brief</u>	<u>Spokesperson</u>
Executive Leader	Councillor Bell
Deputy Executive Leader	Councillor Dickinson
Children and Families	Councillor Welsh
Economic Growth and Wellbeing	Councillor Billington
Lifelong Learning, Skills and Employment	Councillor Patrick
Neighbourhood Services	Councillor Chadwick
Strategic Development and Transport	Councillor Dickinson

Strategic Neighbourhood Forums	
<u>North</u> (Ashton Hurst, Ashton St Michael's, Ashton Waterloo, St Peters)	Councilor Bowerman (Chair); Councillor Sidebottom (Vice-Chair); Councillors Bray; Cartey; Choksi; Drennan; Fairfoull; Glover; Lewis; McNally; Piddington and Whitehead
<u>South</u> (Hyde Godley, Hyde Newton, Hyde Werneth, Longdendale)	Councillor Buglass (Chair); Councillor Robinson (Vice-Chair) Councillors Affleck; Bell; Bowden; Chadwick; Cooper; J Fitzpatrick; P Fitzpatrick; Kitchen; Peet; and Welsh

East (Dukinfield, Dukinfield/Stalybridge, Mossley, Stalybridge North, Stalybridge South)	Councillor Pearce (Chair); Councillor Sweeton (Vice-Chair); Councillors Billington; Dickinson; Feeley; Gosling; J Homer; S Homer; Jackson; J Lane; Patrick; Sharif; Taylor; Wild and Wills
West Audenshaw, Denton North East, Denton South, Denton West, Droylsden East, Droylsden West	Councillor Ward (Chair); Councillor A Holland (Vice-Chair) Councillors Bailey; Boyle; Cooney; Fowler; Gwynne; B Holland; D Lane; Mills; Newton; Quinn; Reid; Ricci; Ryan; M Smith; T Smith and Warrington

SPEAKERS PANEL (PLANNING)

13 Members (Labour 12: Conservative 1)

Labour	
1.	Councillor McNally (Chair)
2.	Councillor Wild (Deputy)
3.	Councillor Glover
4.	Councillor Gosling
5.	Councillor D. Lane
6.	Councillor Pearce
7.	Councillor Quinn
8.	Councillor Reid
9.	Councillor Ricci
10.	Councillor Sharif
11.	Councillor Ward
12.	Councillor Wills
Conservative	
13.	Councillor Dickinson

SPEAKERS PANEL (LIQUOR LICENSING)

12 Members (Labour 11: Conservative 1)

Labour	
1.	Councillor Sweeton (Chair)
2.	Councillor Bowden (Deputy)
3.	Councillor Affleck
4.	Councillor Bailey
5.	Councillor Drennan
6.	Councillor Fowler
7.	Councillor A. Holland
8.	Councillor J Homer
9.	Councillor J Lane
10.	Councillor S. Quinn
11.	Councillor Wills
Conservative	
12.	Councillor Welsh

SPEAKERS PANEL (LICENSING)

13 Members (Labour 12: Conservative 1)

Labour	
1.	Councillor Drennan (Chair)
2.	Councillor Jackson (Deputy)
3.	Councillor Buglass
4.	Councillor Fowler
5.	Councillor Gosling
6.	Councillor J Lane
7.	Councillor D. Lane
8.	Councillor Lewis
9.	Councillor Newton
10.	Councillor Sharif
11.	Councillor Sidebottom
12.	Councillor Wild
Conservative	
13.	Councillor Chadwick

SPEAKERS PANEL (EMPLOYMENT APPEALS)

5 Members (Labour 4: Conservative 1)

Labour	
1.	Chair of Council
2.	Relevant Executive Member for employee
3.	Deputy Executive Leader
4.	Assistant Executive Member Economic Growth and Housing
Conservative	
5.	Councillor Dickinson

OVERVIEW (AUDIT) PANEL

12 Members (Labour 11: Conservative 1)

Labour	
1.	Councillor Ricci (Chair)
2.	Councillor J Homer (Deputy)
3.	Councillor Bailey
4.	Councillor Buglass
5.	Councillor Fairfoull
6.	Councillor Glover
7.	Councillor Kitchen
8.	Councillor Pearce
9.	Councillor Peet
10.	Councillor T Smith
11.	Councillor Warrington
Conservative	
12.	Councillor Bell

CARBON AND WASTE REDUCTION PANEL

9 Members (Labour 8: Conservative 1)

Labour	
1.	Councillor Fowler (Chair)
2.	Councillor Cooper
3.	Councillor Buglass
4.	Councillor Mills
5.	Councillor Pearce
6.	Councillor Peet
7.	Councillor Taylor
8.	Councillor Whitehead
Conservative	
9.	Councillor Patrick

AUDIT PANEL

8 Members (Labour 7: Conservative 1)

Labour	
1.	Councillor Ricci (Chair)
2.	Councillor J Homer (Deputy)
3.	Councillor Bailey
4.	Councillor Fairfoull
5.	Councillor J. Fitzpatrick
6.	Councillor Kitchen
7.	Councillor Peet
Conservative	
8.	Councillor Bell

STRATEGIC PLANNING AND CAPITAL MONITORING PANEL

9 Members (Labour 8: Conservative 1)

Labour	
1.	Councillor Warrington (Chair)
2.	Councillor Cooney
3.	Councillor Fairfoull
4.	Councillor Gwynne
5.	Councillor B Holland
6.	Councillor McNally
7.	Councillor Newton
8.	Councillor Robinson
Conservative	
9.	Councillor Dickinson

DEMOCRATIC PROCESSES WORKING GROUP

9 Members (Labour 8: Conservative 1)

Labour	
1.	Councillor Cooney (Chair)
2.	Councillor Fairfoull
3.	Councillor J. Fitzpatrick
4.	Councillor Kitchen
5.	Councillor Ryan
6.	Councillor M Smith
7.	Councillor Ward
8.	Councillor Warrington
Conservative	
9.	Councillor Billington

HEALTH AND WELLBEING BOARD

4 Executive Members

Labour	
1.	Executive Leader (Chair)
2.	Executive Member (Children and Families)
3.	Executive Member (Economic Growth and Housing)
4.	Assistant Executive Member (Adult Social Care and Wellbeing)

EDUCATION**IMPROVEMENT BOARD**

7 Members (Labour 6: Conservative 1)

Labour	
1.	Councillor Feeley (Chair)
2.	Councillor Boyle
3.	Councillor Peet
4.	Councillor Robinson
5.	Councillor Ryan
6.	Councillor M Smith
Conservative	
7.	Councillor Welsh

STRATEGIC COMMISSIONING BOARD

7 Executive Members

Labour	
1.	Executive Leader (Chair)
2.	Deputy Executive Leader
3.	Executive Member (Children and Families)
4.	Executive Member (Economic Growth and Housing)
5.	Executive Member (Lifelong Learning, Skills and Employment)
6.	Executive Member (Neighbourhood Services)
7.	Executive Member (Strategic Development and Transport)

PLACE AND EXTERNAL RELATIONS SCRUTINY PANEL

20 Members (Labour 18: Conservative 2)

Labour	
1.	Councillor Glover (Chair)
2.	Councillor Bailey (Deputy)
3.	Councillor Bowden
4.	Councillor Bowerman
5.	Councillor Boyle
6.	Councillor Choksi
7.	Councillor J Fitzpatrick
8.	Councillor Gosling
9.	Councillor A Holland
10.	Councillor S Homer
11.	Councillor J Lane
12.	Councillor Lewis
13.	Councillor Pearce
14.	Councillor Sharif
15.	Councillor Sidebottom
16.	Councillor Sweeton
17.	Councillor Taylor
18.	Councillor Whitehead
Conservative	
19.	Councillor Patrick
20.	Councillor Chadwick

INTEGRATED CARE AND WELLBEING SCRUTINY PANEL

18 Members (Labour 16: Conservative 2)

Labour	
1.	Councillor Peet (Chair)
2.	Councillor T Smith (Deputy)
3.	Councillor Affleck
4.	Councillor Bowden
5.	Councillor Boyle
6.	Councillor Buglass
7.	Councillor Cartey
8.	Councillor S Homer
9.	Councillor Cooper
10.	Councillor P Fitzpatrick
11.	Councillor Gosling
12.	Councillor Jackson
13.	Councillor Mills
14.	Councillor Taylor
15.	Councillor Whitehead
16.	Councillor Wild
Conservative	
17.	Councillor Welsh
18.	Councillor Billington

STANDARDS COMMITTEE

Chair

Valerie Bracken (Independent)

Mrs J Barnes (Independent) together with Councillors Bell, Kitchen, J Lane, S Quinn and M Smith and Parish Councillor Brett (substitute Parish Councillor Bill) .

INDEPENDENT REMUNERATION PANEL

Sir Rodney Brook, Mr Peter Saunders and Mr Peter Welsh.

OUTSIDE BODY APPOINTMENTS

Other than the following bodies any other appointment will be made by the Executive Leader following a recommendation by the relevant Executive Member for example: Citizens Advice Bureau, Ring & Ride Steering Group

GM Combined Authority	Executive Leader
	Substitute: Deputy Executive Leader
AGMA Executive Board	Executive Leader
	Substitute: Deputy Executive Leader
	Substitute: Councillor Feeley
Police, Crime and Fire Panel	Executive Member
GM Planning and Housing Commission	Executive Member (Economic Growth and Housing)
Combined Authority Scrutiny Committee	Councillor Peet Councillor Glover Councillor Cartey Councillor Pearce
	Councillor Bell Councillor Welsh
GM Health Scrutiny Panel	Councillor Peet Substitute: Councillor T Smith
GM Health and Social Care Strategic Partnership Board	Executive Leader Deputy Executive Leader (substitute)
GM Reform Committee	Deputy Executive Leader
Greater Manchester Pension Fund	Councillor Warrington (Chair)
	Councillor Cooney(Vice - Deputy Chair)
	Councillor Mike Smith (Deputy Chair)
	Councillor Drennan
	Councillor J Fitzpatrick
	Councillor J. Lane
	Councillor Patrick
	Councillor Quinn
	Councillor Ricci
	Councillor Taylor
	Councillor Ward
Local Pensions Board	Employer Reps:
	Councillor Fairfoull (Chair)
	R Paver
	J Hammond
	Councillor Cooper
	P Taylor
	Scheme Member Reps:
	M Rayner
	D Schofield
	C Lloyd
	C Goodwin
	P Catterall
Transport for Greater Manchester Committee	Councillor Bray
	Councillor Dickinson
	Councillor Robinson
Greater Manchester Waste Disposal Authority	Councillor Gwynne
	Councillor Piddington
AGMA Statutory Functions Committee	Relevant Executive Member or nominee

Report To:	COUNCIL
Date:	21 May 2018
Reporting Officer:	Steven Pleasant – Chief Executive and Proper Officer
Subject:	STANDING LIST OF CONFERENCES FOR THE MUNICIPAL YEAR 2018/2019
Report Summary:	To approve the list of Standing Conferences for the 2018/2019 Municipal Year for which travel allowances and subsistence will be paid if attended.
Recommendations:	That approval be given to the standing list of conferences which may be attended for the Municipal Year 2018/2019 as detailed in the report.
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	There are no policy implications.
Financial Implications: (Authorised by the Section 151 Officer)	That the cost of such attendance will be met from the Members Training budget or in respect of Officer attendance from within the Service budget.
Legal Implications: (Authorised by the Borough Solicitor)	Ensures that Public Funds are used efficiently and effectively and that Members and Officers only attend those approved conferences which Council have determined are in the interests of improving service delivery and good governance by the dissemination of good practice. It should be noted that not all the conferences are attended although they are the conferences which councils and their representatives are expected to attend.
Risk Management:	Maintains Member and Chief Officer development in the interests of service delivery.
Access to Information:	The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by:



phone: 0161 342 2146



e-mail: robert.landon@tameside.gov.uk

ANNUAL MEETING OF THE COUNCIL – 21 May 2018

STANDING LIST OF CONFERENCES

Part A – Member and Officer attendance

CONFERENCE (by Service Area)	REPRESENTATION
Chief Executive	
Local Government Association	One Member and the Chief Executive
iNetwork	Chief Executive and the Director (Finance) or nominee
SOLACE	Chief Executive
Director (Governance and Pensions)	
Institute of Revenues, Rating and Valuation	One Member and the Director (Governance and Pensions) or nominee
Institute of Revenues, Rating and Valuation (Recovery)	One Member and the Director (Governance and Pensions) or nominee
Institute of Revenues, Rating and Valuation (Benefits)	One Member and the Director (Governance and Pensions) or nominee
CIPFA Benefits	One Member and the Director (Governance and Pensions) or nominee
Public Sector People Managers' Association	One Member and the Director (Governance and Pensions) or nominee
Chartered Institute of Personnel Development	One Member and the Director (Governance and Pensions) or nominee
Northern Personnel Briefing (Employers' Organisation)	One Member and the Director (Governance and Pensions) or nominee
Centre for Public Scrutiny Annual Conference	Members of the Scrutiny Panels and the Director (Governance and Pensions) or nominee
National Association of Pension Fund Conferences	One Member and the Director (Governance and Pensions) (or nominee - relevant Service Unit Manager)
Local Government Chronicle Investment Conference	One Member and the Director (Governance and Pensions) (or nominee - relevant Service Unit Manager)
Local Authority Pension Fund Forum Conference	Members of the Panel and the Director (Governance and Resources) (or nominee - relevant Service Unit Manager)
Director (Finance)	
Chartered Institute of Public Finance and Accountancy	One Member and the Director (Finance) or nominee
Special Interest Group of Metropolitan Authorities (SIGOMA)	One Member and the Director (Finance) or nominee
Society of Computer Information Technology Managers	One Member and the Director (Finance) or nominee.
Director (Adults)	
Annual Social Services Conference	One Member and the Director (Adults) or nominee

Director (Children)	
Local Government Association (Education Section)	One Member and the Director (Children) or nominee
North of England Education Conference	One Member and Director (Children) or nominee
Director (Growth)	
Local Government Association (Planning and Economic Development)	One Member and Director (Growth) or nominee
Local Government Association – Housing Conference	One Member and the Director (Growth) or nominee
Director (Neighbourhoods and Operations)	
National Association of British Market Authorities	One Member and the Director (Neighbourhoods and Operations) or nominee
Chairs of Transport Conference	One Member and the Director (Neighbourhoods and Operations) or nominee
Institute of Waste Management	One Member and the Director (Neighbourhoods and Operations) or nominee
Environmental Health Congress	One Member and the Director (Neighbourhoods and Operations) or nominee
Institute of Trading Standards	One Member and Director (Neighbourhoods and Operations) or nominee
Institute of Licensing	One Member and Director (Neighbourhoods and Operations) or nominee
National Society for Clean Air	One Member and the Director (Neighbourhoods and Operations) or nominee
Institute of Cemetery & Crematorium Management Operations	One Member and the Director (Neighbourhoods and Operations) or nominee
Health and Safety	One Member and the Director (Neighbourhoods and Operations) or nominee
The Museums Association	One Member and the Director (Neighbourhoods and Operations) or nominee
The Public Library Authorities	One Member and the Executive Director (People) or nominee
Local Government Association – Culture, Tourism and Sport Conference	One Member and the Director (Neighbourhoods and Operations) or nominee
Director of Population Health	
Local Government Association – Public Health	One Member and Director of Population Health or nominee and one consultant
Public Health England	One Member and Director of Population Health or nominee and 3 officers
Faculty of Public Health	One Member and Director of Population Health or nominee and one consultant

(NOTE: In most instances the elected Member attending conferences would normally be the appropriate Executive Member. In those instances where they cannot attend then an appointee shall be decided following consultation with the Executive Member).

Part B - Officer only Attendance

Chief Executive

Society of Local Authority Chief Executives – Conference and Seminars

Director (Governance & Pensions)

Association of Council Secretaries and Solicitors

Law Society Local Government Group Conference and Seminars

CIPFA Pensions Conference

Director (Finance)

CIPFA Audit Conference

CIPFA Capital Conference

CIPFA Treasury Management Conference

ALARM Conference

Society of Metropolitan Treasurers

CIPFA IT, Audit and Security Update

Director (Growth)

Education Building and Development Officers Group Conference

Association of Greater Manchester Estate Officers and Surveyors

Association of Chief Estates Surveyors and Property Managers in Local Government, North West Area and National Conference

Director (Neighbourhoods and Environment)

Highways and Utilities

Encams – People and Places

Director (Adults)

Association of Directors of Social Services Annual Spring Seminar

Director (Children)

Association of Director of Children's Services (Conferences and Seminars)

North West Directors of Children's Services (Conferences and Seminars)

Director of Population Health

Greater Manchester Public Health Network – Conferences and Seminars

Association of Directors of Public Health – Conferences and Seminars

Annual Festival of Public Health

(NOTE: The appointment of officer representatives in both sections A and B will be determined by the Chief Executive or Executive Director).

Report To:	COUNCIL
Date:	21 May 2018
Executive Member / Reporting Officer:	Cllr Brenda Warrington, Executive Leader Steven Pleasant, Chief Executive
Subject:	CALENDAR OF MEETINGS 2018/2019
Report Summary:	Attached is the final calendar of meetings for the 2018/2019 and 2019/2020 Municipal Year. The calendar has been produced for a two year period to give Members more advance notification of meetings and each year the two year rolling programme will be updated at Annual Council.
Recommendations:	That Members note the draft Calendar of Meetings for the 2018/2019 Municipal Year.
Links to Community Strategy:	The Constitution and democratic framework provides an effective framework for implementing the Community Strategy.
Policy Implications:	There are no policy implications.
Financial Implications: (Authorised by the Section 151 Officer)	There are no budgetary implications.
Legal Implications: (Authorised by the Borough Solicitor)	Achieves compliance with Procedural Standing Orders.
Risk Management:	Publication of the Meetings Calendar allows for transparent and inclusive decision-making and complies with the Freedom of Information Act 2000.
Access to Information	<p>The background papers relating to this report can be inspected by contacting Robert Landon, Head of Democratic Services by:</p> <p> phone: 0161 342 2146</p> <p> e-mail: robert.landon@tameside.gov.uk</p>

MEETINGS	DATE/TIME						
Council	Tuesday 5.00pm	21 May 2018 (Monday)	24 July 2018	9 October 2018	4 December 2018		26 February 2019
		21 May 2019	23 July 2019	8 October 2019	3 December 2019		25 February 2020
Board	Wednesday 10.00am	6 June 2018	11 July 2018	1 August 2018	5 September 2018 2pm	3 October 2018	7 November 2018
		5 December 2018	9 January 2019	6 February 2019	6 March 2019	3 April 2019	5 June 2019
		3 July 2019	7 August 2019	4 September 2019	2 October 2019	6 November 2019	4 December 2019
		8 January 2020	5 February 2020	4 March 2020	1 April 2020		
Executive Cabinet	Wednesday 3.00pm	20 June 2018	25 July 2018	29 August 2018	19 September 2018	24 October 2018	28 November 2018
		12 December 2018 (Jt meeting with Audit Panel)	23 January 2019	13 February 2019 (Jt meeting with Overview (Audit) Panel)	27 March 2019	24 April 2019	26 June 2019
		24 July 2019	28 August 2019	25 September 2019	23 October 2019	27 November 2019	18 December 2019
		22 January 2020	12 February 2020	25 March 2020	22 April 2020		
Strategic Commissioning Board	Wednesday 1.00pm	20 June 2018	25 July 2018	29 August 2018	19 September 2018	24 October 2018	28 November 2018
		12 December 2018	23 January 2019	13 February 2019	27 March 2019	24 April 2019	26 June 2019
		24 July 2019	28 August 2019	25 September 2019	23 October 2019	27 November 2019	18 December 2019
		22 January 2020	12 February 2020	25 March 2020	22 April 2020		
Overview (Audit) Panel	Monday 2.00pm	30 July 2018	10 September 2018	12 November 2018	13 February 2019 (Jt meeting with Executive Cabinet)		
		29 July 2018	9 September 2018	18 November 2018	12 February 2019 (Jt meeting with Executive Cabinet)		
Audit Panel	Tuesday 2.00pm	29 May 2018	23 October 2018	12 December 2018 (Jt meeting with Executive Cabinet)	12 March 2019		
		28 May 2019	22 October 2019	11 December 2018 (Jt meeting with Executive Cabinet)	10 March 2020		
Planning Committee	Wednesday 10.00am	23 May 2018	20 June 2018	25 July 2018	5 September 2018	3 October 2018	14 November 2018
		12 December 2018	16 January 2019	13 February 2019	20 March 2019	24 April 2019	22 May 2019
		19 June 2019	24 July 2019	4 September 2019	2 October 2019	13 November 2019	11 December 2019
		15 January 2020	12 February 2020	18 March 2020	22 April 2020		

Liquor Licensing Panel	Monday 10.00am	4 June 2018	2 July 2018	6 August 2018	3 September 2018	1 October 2018	5 November 2018
		3 December 2019	14 January 2019	4 February 2019	4 March 2019	8 April 2019	
		3 June 2019	1 July 2019	5 August 2019	2 September 2019	7 October 2019	4 November 2019
		2 December 2019	13 January 2020	3 February 2020	2 March 2020	6 April 2020	
Licensing Panel	Tuesday 10.00am	19 June 2018	31 July 2018	18 September 2018	20 November 2018	22 January 2019	19 March 2019
		18 June 2019	30 July 2019	17 September 2019	19 November 2018	21 January 2020	17 March 2019
Scrutiny Panels:							
Place and External Relations	Tuesday at 6.00pm	12 June 2018	31 July 2018	11 September 2018	6 November 2018	8 January 2019	12 March 2019
		11 June 2019	30 July 2019	10 September 2019	5 November 2019	7 January 2020	10 March 2020
Integrated Care and Wellbeing	Thursday at 6.00pm	14 June 2018	26 July 2018	3 September 2018	8 November 2018	10 January 2019	14 March 2019
		13 June 2019	25 July 2019	2 September 2019	7 November 2019	9 January 2020	12 March 2020
Other Panels and Working Groups:							
Standards Committee	Tuesday 4.00pm		4 September 2018	6 November 2018	2 April 2019		
			2 September 2018	4 November 2018	31 March 2019		
Strategic Planning and Capital Monitoring Panel	Monday 2.00pm	9 July 2018	3 September 2018	26 November 2018	11 March 2019		
		8 July 2019	2 September 2020	25 November 2019	9 March 2020		
Enforcement Co-ordination Panel	Wednesday 10.30am	25 July 2018	24 October 2018	23 January 2019	27 March 2019		
		24 July 2019	23 October 2019	22 January 2020	25 March 2020		
Democratic Processes Working Group	Monday 4.00pm	9 July 2018	1 October 2018	10 December 2018	18 February 2019		
		8 July 2019	30 September 2019	9 December 2019	17 February 2020		
Carbon and Waste Reduction Panel	Thursday 10.00am	28 June 2018	6 September 2018	29 November 2018	14 March 2019		
		27 June 2019	5 September 2019	28 November 2019	12 March 2020		
Health and Wellbeing Board	Thursday at 10.00am	28 June 2018	20 September 2018	15 November 2018	24 January 2019	7 March 2019	
		27 June 2019	19 September 2019	14 November 2019	23 January 2020	5 March 2020	
Education Attainment Board	Tuesday at 3.30pm	26 June 2018	23 October 2018	15 January 2019	26 March 2019		
		25 June 2019	22 October 2019	14 January 2020	24 March 2020		

STRATEGIC NEIGHBOURHOOD FORUMS							
NORTH (Ashton)	Tuesday at 6.30pm	26 June 2018	16 October 2018	26 February 2019			
		25 June 2019	15 October 2019	24 February 2020			
SOUTH (Hyde/Longdendale)	Monday at 6.30pm	2 July 2018	15 October 2018	4 March 2019			
		1 July 2019	14 October 2019	2 March 2020			
EAST (Dukinfield/Mossley /Stalybridge)	Wednesday at 6.30pm	27 June 2018	17 October 2018	6 March 2019			
		12 June 2019	16 October 2019	4 March 2020			
WEST (Audenshaw/Denton Droylsden)	Thursday at 6.30pm	28 June 2018	18 October 2018	28 February 2019			
		13 June 2019	17 October 2019	26 February 2020			

Pension Fund and Working Groups:							
Pension Fund	Friday 10.00am	20 July 2018	21 September 2018 (AGM)	23 November 2018	8 March 2019		
		19 July 2019	20 September 2019 (AGM)	22 November 2019	6 March 2020		
Policy and Development	Thursday 11am	14 June 2018	25 October 2018	7 February 2019	21 March 2019		
		13 June 2019	24 October 2019	6 February 2020	19 March 2020		
Pension Administration	Friday 9.00am	27 July 2018	19 October 2018	25 January 2019	12 April 2019		
		26 July 2019	18 October 2019	31 January 2020	10 April 2020		
Investment Monitoring and ESG	Friday 10.00am	27 July 2018	19 October 2018	25 January 2019	5 April 2019		
		26 July 2019	18 October 2019	24 January 2020	3 April 2020		
Alternative Investments	Thursday 9.30am	2 August 2018	25 October 2018	31 January 2019	11 April 2019		
		1 August 2019	24 October 2019	30 January 2020	9 April 2020		
Property	Friday 9.00am	3 August 2018	26 October 2018	1 February 2019	12 April 2019		
		2 August 2019	25 October 2019	31 January 2020	17 April 2020		
Employer Funding Viability	Friday 10.30am	3 August 2018	26 October 2018	1 February 2019	12 April 2019		
		2 August 2019	25 October 2019	31 January 2020	17 April 2020		
Local Pensions Board	Thursday 3.00pm	9 August 2018	12 October 2018	13 December 2018	28 March 2019		
		8 August 2019	11 October 2019	12 December 2019	26 March 2020		
Northern Pool	Tuesday 11am	29 May 2018	10 July 2018	21 August 2018	2 October 2018	20 November 2018	15 January 2019
		26 February 2019	9 April 2019				
		14 May 2019	9 July 2019	20 August 2019	1 October 2019	19 November 2019	14 January 2020
		25 February 2020	7 April 2020				
Investments Committee	Monday 9am	18 June 2018	16 July 2018	13 August 2018	10 September 2018	8 October 2018	12 November 2018
		10 December 2018	14 January 2019	11 February 2019	18 March 2019	15 April 2019	13 May 2019
		17 June 2019	15 July 2019	12 August 2019	9 September 2019	7 October 2019	11 November 2019
		9 December 2019	13 January 2020	10 February 2020	16 March 2020	6 April 2020	11 May 2020

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EXECUTIVE CABINET

21 MARCH 2018

Commenced: 2.00pm

Terminated: 3.10pm

Present: Councillor Warrington (in the Chair)
Councillors Cooney, Fairfoull, J Fitzpatrick Gwynne, Robinson and L Travis

Apologies for Absence: Councillors Kitchen and Taylor
Chief Executive

In Attendance:	Sandra Stewart	Director (Governance & Pensions)
	Robin Monk	Director (Place)
	Ian Saxon	Director (Operations & Neighbourhoods)
	Tom Wilkinson	Assistant Director (Finance)
	Sandra Whitehead	Assistant Director (Adult Services)
	Emma Varnam	Assistant Director (Operations and Neighbourhoods)

55. DECLARATIONS OF INTEREST

There were no declarations of interest submitted for this meeting.

56. MINUTES

a) Joint Meeting of Executive Cabinet and Overview (Audit) Panel

Consideration was given to the Minutes of the Joint Meeting of Executive Cabinet and Overview (Audit) Panel held on 7 February 2018.

RESOLVED

That the Minutes of the Joint Meeting of Executive Cabinet and Overview (Audit) Panel held on 7 February 2018 be taken as read and signed by the Chair as a correct record.

b) Strategic Planning and Capital Monitoring Panel

Consideration was given to the Minutes of the Strategic Planning and Capital Monitoring Panel held on 12 March 2018.

RESOLVED

That the Minutes of the Strategic Planning and Capital Monitoring Panel held on 12 March 2018 be received.

c) Strategic Commissioning Board

Consideration was given to the Minutes of the Strategic Commissioning Board held on 20 February 2018.

RESOLVED

That the Minutes of the Strategic Commissioning Board held on 20 February 2018 be received.

d) AGMA Executive Board Meetings / Greater Manchester Combined Authority

Consideration was given to a report of the Executive Leader and Chief Executive, which informed Members of the issues considered at the Greater Manchester Combined Authority on 23 February 2018 and the Forward Plan of Strategic Decisions of the Greater Manchester Combined Authority and AGMA Executive Board.

RESOLVED

That the content of the report be noted.

57. REVENUE MONITORING

Consideration was given to a report of Executive Member (Performance and Finance) / Assistant Director (Finance), which showed that at Period 10 the overall forecast outturn position for the Council was a net position of £2.607m under budget. This was a movement of £1.869m from the quarter 2 monitoring report, which reported a forecast outturn position of £0.738m under budget. This improved position was due primarily to a combination of one-off additional dividend income, the release of bad debt contingencies and savings on borrowing costs.

It was explained that this overall position reflected the prudent planning taken when setting the 2017/18 budget, but also masked a number of pressures and savings challenges across the Directorates, including:

- The Director of Children forecast outturn was £7.813m in excess of budget due to demand on service provision in Children's Social Care. Specific mention of the management of this budget is included in section 4 the report.
- The Director of Governance was forecasting expenditure would be within budget by £1.205m due to the effect of staff turnover, restrictions in spending and the bringing forward of savings in light of the service pressures being felt elsewhere within the Council.
- The Director of Finance and IT was forecasting expenditure would be within budget by £1.018m due to delays in recruitment and other restrictions in spending.
- The budget for corporate costs was currently forecast to be £7.894m under budget for 2017/18. This was due to a combination of the release of operational contingencies, which would be used to partially offset pressures in Children's Services, and receipt of one off additional grant income and additional Manchester Airport Dividend in excess of budget.

Members were informed that the pressures within Children's Services in particular threatened the financial sustainability of future year's budgets, and whilst these had been absorbed through prudent contingency planning and proactive restrictions on spending elsewhere, further funding cuts and inflationary pressures in 2018/19 and beyond eroded the financial base and the Council's ability to sustain pressures of this size.

Given these significant pressures, which had been mitigated by mainly one-off measures, strong budget management was required across the Council to ensure that its financial plans were achieved, and to ensure that the Council was able to control budgetary pressures and deliver the required savings over the medium term.

RESOLVED:

- (i) **That the forecast revenue outturn position be noted.**
- (ii) **That the detail for each service area be noted and that Directors be required to identify measures to ensure expenditure is maintained with the approved budget for the year.**

- (iii) That the position on the Integrated Commissioning Fund, including the transaction of the risk share be noted.
- (iv) That the emerging risks and financial pressures be noted.
- (v) That a payment of £1.65m to the Tameside and Glossop Integrated Care NHS Foundation Trust be approved to support the additional financial liabilities incurred by the Trust during 2017/2018 as a result of delayed transfers across the health and social care economy together with transition costs associated with local transformation schemes.

58. CAPITAL MONITORING

Consideration was given to a report of Executive Member (Performance and Finance) / Assistant Director (Finance), which summarised the capital monitoring position at 31 January 2018 based on information provided by project managers, which showed that the current forecast was for service areas to spend £53.550m on capital investment by March 2018. This was significantly less than the original budgeted capital investment for 2017/2018 which was in part due to project delays that were being experienced following the liquidation of Carillion. It was proposed, therefore, that the capital investment programme be re-profiled to reflect current information and the re-phasing of £15.584m into the next financial year identified within the individual service areas as detailed in the report.

The projected outturn capital expenditure by service area was detailed and explanations were provided for capital projects with a projected variation of £0.100m or above over the life of the project. Schemes with an in-year variation in excess of £0.100m were highlighted and approval was being sought to re-profile the capital expenditure of these project.

RESOLVED:

- (i) That the reprofiling to reflect up to date investment profiles be approved;
- (ii) That the changes to the Capital Programme set out in the report be approved;
- (iii) That the updated Prudential Indicator position be agreed;
- (iv) That the following be noted:
 - (a) The current capital budget monitoring position;
 - (b) The resources currently available to fund the Capital Programme;
 - (c) The updated capital receipts position;
 - (d) The timescales for review of the Council's three year capital programme.

59. CONTINUITY OF SERVICE

Consideration was given to a report of the Deputy Executive Leader / Assistant Director (People and Workforce Development), which provided an update on the progress made and implementation plans in relation to the Greater Manchester wide Continuity of Service Protocol. It was explained that the protocol would enable recognition of service where an individual voluntarily changed employer between Local Authorities and NHS employers within Greater Manchester.

Members were informed that the Protocol extended to include all staff employed by:

- a GM CCG organisations;
- a GM NHS body;
- a GM Council (but initially excluding staff employed by schools);
- GM Combined Authority and its constituent bodies;
- Greater Manchester Health & Social Care Partnership.

It was recognised that flexibility of employment across public services was an ambition shared by the organisations and recognised trade unions. Portability of accrued service was a key consideration for employees and needed to be addressed to secure such flexibility.

It was explained that it would be necessary to keep under review to ensure that any financial / equality issues were considered appropriately managed.

RESOLVED:

- (i) That the adoption and implementation of the Protocol from April 2018 be approved except in relation to redundancy, and subject to any changes subsequently agreed by the Director of Governance and Pensions;**
- (ii) That an update to the GM Workforce Engagement Board (WEB) and WLT be provided in April 2018 outlining the implementation and adoption progress across all organisations;**
- (iii) That given that a financial analysis of the proposals has not yet been possible, it is also not possible to fully assess whether public law duties under best value, Wednesbury reasonableness or the fiduciary duty to the public purse have been met nor is it possible until there is evidence of demand and therefore important scheme kept under review and regularly assessed on triannual basis and/or before any major staffing review.**

60. CARE HOMES NEW CONTRACT AND CHANGES OF POLICY

Consideration was given to a report of the Executive Leader / Director of Adult Services, which sought approval to change the current policy around contractual arrangements with care homes which had been in operation since 2012. It was explained that commissioners had been contracting with the sector on an On/Off Framework arrangement since August 2012. The On/Off arrangement carried slightly different contract terms and conditions for On and Off Framework providers, as well as different fee levels. It was stated that this arrangement was no longer fit for purpose and that all care homes should start from the same basis with the same contract, be paid the same fees for the service and have the same opportunity to apply for the enhanced payment.

The proposed change in contracting with the care home providers was based on the changing market conditions and the impact of regulatory changes made by the Care Quality Commission. Following consultation the majority of respondents had no objection to the removal of the on/off framework arrangements, with the exception of those who would be financially disadvantaged. It was explained that, as this change in policy would be to assist the care homes market any disadvantage to service users currently contracted with the Council and care homes should be picked up by the Council.

RESOLVED:

- (i) That approval be given to change the current contractual policy arrangements so that all care homes in Tameside are contracted on the same basis;**
- (ii) That the NHS Standard Contract (shorter form version) be used to enter into any contract with care homes;**
- (iii) That current service users should not be disadvantaged by the change in contractual policy arrangements and any financial difference will be met;**
- (iv) That the criteria for the Enhanced Payment and the transitional arrangements proposed as set out in paragraph 7.19 and appendix C of the report be approved;**
- (v) That approval be given to continue with the contractual arrangements on third party top-ups which are restricted to environmental factors that service users may choose prior to residing in the care home.**

61. INTERPRETATION SERVICE

Consideration was given to a report of the Executive Leader / Assistant Director (Adults Services) advising that translation services for both verbal and non-verbal languages were provided via a mixture of different arrangements within Tameside and Glossop Integrated Care Foundation Trust and Tameside Council. There was an 'in-house' verbal language interpretation service in the

Integrated Care Foundation Trust supplemented by additional purchased telephone interpretation and face to face interpretation and an 'in-house' non-verbal service within the Council supplemented by the use of freelance interpreters for both verbal and non-verbal language interpretation.

It was explained that the service was fragmented and heavily dependent upon business support to organise and manage. The integration of Acute, Primary, Community and Social Care in an Integrated Care Organisation offered the opportunity to rationalise and improve this provision to ensure the needs of the local population were met whilst being more cost effective.

The report identified options for providing interpretation services within the Tameside and Glossop health and social care economy and the wider Council so that an appropriate, high quality and best value service could be commissioned to meet these requirements. A joint working group had been formed between the Clinical Commissioning Group, Council and Foundation Trust to produce an implement any approved proposals.

The procurement approach was outlined and it was proposed that the contract should sit within and be procured by the Integrated Care Foundation Trust and this decision had been based upon the advantages of a comprehensive fully managed service across the health and social care economy plus the advantages of maintaining the close links the sensory team had with social care.

The Integrated Care Foundation Trust was predicting a significant recurrent budget reduction of £175,000 on interpretation services if a new model was adopted. This was based partially on a service review within their interpretation service and also an assumption of a large percentage of interpretation moving from face to face to online services. For the Council there might not be the same cashable savings. However, there would be time saved in the administration of current ad hoc services but these were distributed across the Council. A procured service should provide a better rate compared to the current off contract activity and be more efficient from an administrative point of view with improved quality that could be monitored and complying with standing orders.

RESOLVED:

That the approach outlined in the report be noted and that Option 2c be approved and adopted to include the residual services of the Council.

62. INVESTING IN CHILDREN'S PLAYGROUNDS

Consideration was given to a report of the Executive Member (Healthy and Working) / Assistant Director (Operations and Neighbourhoods), which set out details of the investments required towards the improvements of children's playgrounds together with the approximate costing, project plan and on-going cyclic maintenance programme.

This report set out the improvements required to children's play areas together with the approximate costs, project plan and a regular cyclic maintenance programme.

It was stated that improvements to children's play areas would contribute towards giving all children in Tameside a healthy start in life. The improved play areas would encourage young people and their families to get outside, to be active and to spend time together. All the play areas were free to attend and are open every day therefore there are no economic barriers to access as there are with commercial indoor soft play areas.

The existing play areas had not had significant investment for around 10 years and were designed and installed at a time when most parks were staffed and there was a greater maintenance budget. Therefore some of the play areas include features such as sand and equipment which is high maintenance.

This project would improve the 35 play areas across Tameside. It would ensure that there were good quality play areas which young people can enjoy. There will be additional benefits such as reducing the resources required for maintenance through replacing sand with wetpour on most sites and reducing the risk of personal injury claims against the Council which may result from accidents on poor quality play equipment.

RESOLVED:

That the proposal set out in the report be taken to the next stage and that further work is undertaken to produce detailed business case for investment up to £600K providing fully specified and costed scheme together with implementation plan setting out how the current revenue expenditure will be reduced as a consequence of this investment.

63. REPLACEMENT OF CREMATORS

Consideration was given to a report of the Executive Member (Clean and Green) / Assistant Director (Operations and Neighbourhoods), which provided information on replacing the current cremators and auxiliary equipment at Dukinfield Crematorium in order to meet its statutory requirements.

It was explained that three current cremators had been installed in 1998. The life expectancy of cremators, based on the capacity they were being used at Dukinfield, was between 15 and 20 years and were now at the end of their working life.

The report outlined the work required and likely timeline and it was stated that whilst £1.5m had been identified for the project a further report would be required once more accurate figures were available.

RESOLVED:

- (i) That the proposal be taken to the next stage and that further work is undertaken to produce detailed business case for investment providing fully specified and costed scheme together with implementation plan setting out how the current revenue expenditure will be reduced as a consequence of this investment.**
- (ii) That the appointment of a technical advisor be approved to develop a schedule of works and a detailed specification of all the councils requirements for the project in order to develop a full detailed business case, covering both the proposed capital investment and ongoing revenue operations to enable capital investment being fully approved.**

64. REPAIR AND RESTORATION OF CEMETERY BOUNDARY WALLS

Consideration was given to a report of the Executive Member (Clean and Green) / Assistant Director (Operations and Neighbourhoods), which provided information on the condition of the boundary walls within the Local Authority Cemeteries and demonstrated a programme to bring them back into a pleasing and safe condition.

Following the long term concerns for the condition of the Local Authority Cemeteries boundary walls within the borough, capital funding had been set aside to enable some of the most urgent repairs to be undertaken. All of the eight Cemeteries have been jointly inspected

Of the eight cemeteries inspected, it was decided that the boundary walls at Ashton (Hurst), Dukinfield, Hyde, Mossley and Mottram cemeteries were in need of the most significant repairs.

It was felt that Audenshaw, Denton and Droylsden cemeteries had limited masonry defects or alternative boundary protection such as metal railings/fencing.

For each of the 5 Cemeteries highlighted as the most in need of work being required, detailed defects have been noted and marked on location plans for each site.

RESOLVED:

That the programme of works set out in Appendix A to the report to carry out the necessary repairs to the boundary walls be approved in principle subject to a more detailed business case to be produced for approval setting out the procurement and delivery methods to be used, together with a plan and timescales for completion of the project with a view to undertaking the high priority work first.

65. ENGINEERING CAPITAL PROGRAMME 2018/19 AND 2017-18 UPDATE

Consideration was given to a report of the Executive Member (Clean and Green) / Assistant Director (Operations and Neighbourhoods), which set out initial details of the 2018/19 Engineering Capital Programme for Engineering Services and sources of funding with specific reference to the Highways Structural Maintenance Programme and capital funding made available by the Council for both the Tameside Asset Management Plan (TAMP) for highways and flood prevention and repair of consequential flooding damage.

The purpose of the report is to seek approval for the proposed allocation of the 2018/19 DfT allocation and specifically for the allocation amongst Tameside's principal and non-principal roads (£1.69m), together with the profiled TAMP programme (£5.00m).

Highway Structural Maintenance was fundamental to extending the life of existing highways and making the best use of the Council's assets. The proposed 2018/19 highways programme was detailed in Appendix 2 to the report.

RESOLVED:

That approval be given to the Engineering Maintenance Block Allocation with specific reference to the Highways Structural Maintenance Programme for 2017/18 and the additional capital investment via the TAMP, noting the planned profiled spend, and for flood prevention and repairs SUBJECT to a clear schedule of works, project costs, profile of spend and timetable for completion to enable monitoring by Strategic Planning and Capital Monitoring Panel who need.

66. IMPROVING THE BOROUGH GATEWAYS

Consideration was given to a report of the Executive Member (Clean and Green) / Assistant Director (Stronger Communities), which set out details of the improvements required to the Borough Gateways, together with the approximate costing, project plan and on-going cyclic maintenance programme.

It was explained that currently the gateway signs differed in design and format across the Borough and the Communications Team have provided some alternative designs for further discussion and approval by the Executive Cabinet.

The internal signage from Town to Town will also be replaced to ensure a consistent approach is adopted throughout the borough. Any supporting posts will either be re-painted or replaced and the immediate area cleaned.

RESOLVED:

- (i) That the proposal is taken to the next stage and that further work is undertaken to produce detailed business case for investment up to £300K providing fully specified and costed scheme together with implementation plan the exact nature of works**

- proposed at each site and how these works will be prioritised within the available funding.
- (ii) That the existing cyclical maintenance programme will incorporate the new borough gateways and this work will be managed within the existing revenue budget; and
 - (iii) That the style and format of the new Gateway signs be approved.

67. LED STREET LIGHTING

Consideration was given to a report Executive Member (Clean and Green) / Assistant Director (Operations and Neighbourhoods), which reminded Members that a report was presented at the Council's Strategic Planning & Capital Monitoring Panel in December 2014 seeking permission to consider the way forward for the Council's street lighting assets, including energy costs. It was recommended that a wholesale LED lantern replacement scheme for residential streets should be undertaken. Also recommended was an assessment on the viability of an LED lantern replacement for the main roads to be undertaken after 3 years (2018).

IT IS RECOMMENDED TO COUNCIL that a wholesale LED lantern replacement programme should be approved **IN PRINCIPLE** for the remaining main road traffic routes over two years with an initial allocation of £3.6M subject to any expenditure or financial commitment being **SUBJECT** to a detailed business case being considered by Members, setting out key assumptions, specified works and costs, and a more detailed plan for delivery. It is intended that this scheme should deliver revenue savings of £282,328 per year based on current prices.

68. CROWDED PLACES

Consideration was given to a report of the Executive Member (Clean and Green) / Assistant Director (Stronger Communities), which explored the options available and proposals to improve safety in and around crowded places, where large groups of pedestrians congregated, particularly around schools and places of worship. The report also utilised methodology and principles identified as part of a wider review, with partners from Greater Manchester Police, to explore improving safety at locations, which may be at risk by deliberate actions by drivers as a terrorist activity.

RESOLVED:

- (i) That the estimated 250 areas that cover all the schools and places of worship within the borough be surveyed according to the assessment criteria framework identified in Appendix A;
- (ii) That a further report is brought back to members setting out the results of the surveys and options for safety improvements setting out the results of the risk assessment and prioritisation process, and to assess whether this level of resource is appropriate and to enable work to progress.

69. 4C COMMUNITY CENTRE ASHTON - CAPITAL INVESTMENT PROGRAMME

Consideration was given to a report of the Executive Leader / Director of Adults Services, which provided an overview of the developments and plans in relation to the delivery of the new community development in Ashton, working in partnership with Christ Church Community Developments Charitable Organisation (CCCD). The report proposed the allocation of £150,000 capital grant, which together with the £51,583 match funding to be provided by CCCD, would provide a high quality community facility in the centre of Ashton.

RESOLVED:

That approval be given to a capital grant of £150,000 to the Christ Church Community Developments Charitable Organisation.

70. REVIEW OF LEARNING DISABILITY DAY SERVICES - OXFORD PARK DEVELOPMENT

Consideration was given to a report of the Executive Leader / Director of Adults Services, which reminded Members that on 27 November 2017 the Oxford Park development (£0.455 million) was provisionally agreed by the Strategic Planning and Capital Monitoring Panel (see Appendix 1 to the report for business case) pending a response to a two part question requesting from Active Tameside assurance that the project was deliverable and that it would not adversely impact on Active Tameside's revenue generating activities as this may effect the contribution sought from the Council through the leisure management contract.

Active Tameside have provided this assurance within Appendix 2, and verbally as part of the project management group.

The report also provided a brief overview of the project governance going forward including:

- Identified project lead
- Project group formation
- Development of a service level agreement (SLA) to formally agree utilisation of site / service
- Identification of improved Better Care Funding (iBCF) funding to support revenue funding during transition of new service
- A group of performance indicators for on-going performance management of the project

Once final agreement to funding was given then planning permission could be sought and construction can commence. The current estimated completion date is January / February 2019

RESOLVED:

That the assurance provided in Appendix 2 to the report from Active Tameside in response to minute 32 of the Strategic Planning and Capital Monitoring Panel meeting of 27 November 2017 approved by the Executive Cabinet on 13 December 2017 be acknowledged.

71. ACTIVE HYDE POOL EXTENSION SCHEME

Consideration was given to a report of the Executive Member (Healthy and Working) / Director of Place, which sought approval to increase the capital budget for the Hyde Pool scheme by £88,280.72 or 2.85% to cover the costs associated with unavoidable inflationary increases and ground condition risk.

Executive Cabinet approved a £20.4m leisure facility investment budget on 24 March 2016 which included £2m for the Active Hyde pool extension scheme. Since then the cost of the scheme had increased by £1.096m to £3.096m.

The original budget estimate for the scheme had been based on limited building survey information which made a number of assumptions about the feasibility of extending the existing mechanical, electrical and pool filtration systems at the existing facility. When establishing the likely cost of the scheme it was envisaged that much of the existing mechanical, electrical and pool filtration infrastructure could be adapted to support the new conventional pool installation keeping costs to a minimum.

Extensive surveys of the existing systems, commissioned since the Executive Cabinet report, had confirmed that services could not be integrated as planned due to positioning, capacity and

condition issues. This directly resulted in the cost increase of £1.096m. The additional investment to finance the increase was approved by the Executive Cabinet on 30 August 2017.

Tenders were received by the LEP on 2 May 2017, with Aspect Construction Group Limited (Aspect) being selected as the preferred contractor subject to Council approval. The Council's Strategic Planning and Capital Monitoring Panel (SPCMP) recommended award of a contract to Aspect and a budget of £3.096m on 10 July 2017, which was subsequently approved at Executive Cabinet.

Following the approval by Executive Cabinet, a head contract was issued by the Council on 10 October 2017, based on the standard Design and Build Contract agreed between the LEP and the Council in 2009. The head contract for the Hyde Pool Extension was agreed by the Council and the LEP in late October 2017.

The LEP issued a copy of the sub contract to Aspect on 23 October 2017. The sub contract effectively steps down all of the terms and conditions in the head contract to the sub-contractor. Aspect was uncomfortable with a number of clauses within the sub-contract.

The report sought approval to increase the capital budget for the Hyde Pool scheme by £88,280.72 or 2.85% to cover the costs associated with unavoidable inflationary increases and ground condition risk. The Council could not change the terms of the head contract and therefore the step in provision amendment proposed by Aspect could not be achieved. Aspect had indicated that they were willing to enter in to contract, without amendment to step-in provision, if the additional budget requirement is met by the Council.

RESOLVED:

That the increased capital budget by £88,280.72 to £3,185,000 for 2018-2019 be approved, which will allow works to start on site in May 2018.

72. EXCLUSION OF PUBLIC AND PRESS

RESOLVED:

That under Section 100A of the Local Government Act 1972 (as amended) the public and press be excluded for the following items of business on the grounds that they involve the likely disclosure of exempt information as defined in paragraph 3 of Schedule 12A to the Local Government Act 1972. Information relating to the financial or business affairs of the parties (including the Council) had been provided to the Council in commercial confidence and its release into the public domain could result in adverse implications for the parties involved. Disclosure would be likely to prejudice the Council's position in negotiations and this outweighs the public interest in disclosure.

73. REVIEW OF LEARNING DISABILITY DAY SERVICES - OXFORD PARK DEVELOPMENT

Consideration was given to a report of the Executive Leader/Chief Executive which advised Members on the new governance arrangements and the implications for the Council following New Charter Housing Trust making a decision to merge with Adactus and form a new group company to be known as Jigsaw.

RESOLVED:

That the Council will only consent to the transition from NCHT to a Community Benefit Society and the subsequent merger with Adactus if it has guaranteed representation of its choosing on the Group Board and where this is not achieved the Chief Executive to take all necessary steps to maintain an objection to the merger including involving the regulator

where necessary to ensure that ‘community interests’ of the borough and tenants are represented and protected.

74. MANCHESTER AIRPORT – CONCESSION OPPORTUNITY

Consideration was given to a report of the Executive Leader / Chief Executive, which explained that Greater Manchester Boroughs were being consulted in relation to the submission of a second screening bid by a Manchester Airport Group consortium in relation to the concession opportunity.

It was stated that in the event that the bid was successful this would require a restructure of the arrangements to govern the future relationship between shareholders in Manchester Airport Holdings Limited.

RESOLVED:

- (i) That the submission of the bid;**
- (ii) That the principles of revised governance be supported acknowledging that there will be the opportunity to work through the detail in the legal documentation;**
- (iii) That it be noted that further consultation will be required before Manchester City Council votes on any shareholder decisions which are reserved matters**

CHAIR

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