

FC27. REFERRAL FROM INVESTMENT COMMITTEE – 16 JUNE 2011 – LOCAL GOVERNMENT PENSION SCHEME GOVERNANCE COMPLIANCE STATEMENT

There was submitted (circulated) (a) Report by the Chief Finance Officer presenting a recommendation from the Investment Committee of 16 June 2011 with regard to the number of lay members on the Investment Committee; and (b) Report by the Chief Finance Officer submitted to the said meeting advising of statutory guidance setting out best value principles against which Councils must measure their Local Government Pension Scheme Governance arrangements.

AGREED to consult on the following proposals:-

- (1) to increase the number of Lay members on the Investment Committee from two to three to accommodate a pensioner representative;
- (2) that all lay members on the Investment Committee will have full voting rights on that Committee;
- (3) that in order to facilitate the proposed increase in Lay Members on the Investment Committee from 2 to 3, the number of Falkirk Council Members on the Committee, in terms of Section 57 of the Local Government (Scotland) Act 1973, would require to be increased from its current total of 6 to 9, as Lay Members are only permitted to comprise one third of the total number of places on the Committee. In such circumstances, the principles of political proportionality would be applied;
- (4) that the proposed Investment Panel will meet quarterly, shortly before the Investment Committee; and
- (5) that the proposed Panel will be formally constituted with its membership drawn from the wider Investment Forum to facilitate its effective functioning.