

Report To: Corporate Governance Committee

Date of Meeting: 6th November 2013

Lead Member / Officer: Gary Williams, Head of Legal and Democratic Services

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Title: Protocol and Guidance for Elected Members Appointed to Outside Bodies

1 What is the report about?

- 1.1 The Committee has previously requested a report on the guidance to Members relating to their position when representing the Council on outside bodies, in particular with regard to the need for such Members to report back to the Council on their activities with that body

2 What is the reason for making this report?

- 2.1 To ask the Committee to consider the issues relating to Members' reports on their activities with outside bodies.

3 What are the Recommendations?

- 3.1 That the Committee consider the issues relating to Members' reports on their activities with outside bodies.

4 Report details.

- 4.1 Alongside their involvement in the Council itself, it is possible for Members to be involved in a wide range of outside bodies including community organisations, charitable trusts, sports and recreation clubs, housing associations and companies. Sometimes Members will be appointed to sit on these organisations by the Council itself or in other cases, the Member may be appointed independently of any Council involvement.
- 4.2 This is an important distinction. Members who are appointed to sit on outside bodies by the Council are treated differently under the Code of Conduct to those who are appointed independently of any Council involvement insofar as declarations of interest are concerned.
- 4.3 In addition, Members who are appointed to an outside body by the Council may have the benefit of an indemnity in certain circumstances by the Council which they would not have if they had been appointed independently of any Council involvement.

- 4.4 The distinction is also important in respect of Members' attendance at a meeting of an outside body to which a Member has been appointed by the Council can be counted as an attendance by the Member for the purposes of the Local Government Act 1972 in determining whether a Member is disqualified for non attendance.
- 4.5 The role of a Member in relation to an outside body will vary depending on the body. Some Members will become directors of companies, trustees of charitable trusts, members of management committees in a decision making capacity or may merely be non decision observers or representatives. Each of these different roles carries different legal obligations and may attract different levels of indemnity cover.
- 4.6 Members have an important role in representing the Council on outside bodies and the Council can gain a number of benefits from Members being involved in such bodies:
- To provide knowledge, skills and expertise which may not otherwise be available.
 - To provide local accountability or democratic legitimacy to the appointment of an elected representative.
 - To ensure that good relationships can be maintained with the body.
 - To deliver a partnership project that requires the input of other organisations or community groups.
 - To protect the Council's investment or asset, i.e. if the Council provided grant funding or provides funding for service delivery.
 - To lever in external funding which would not be available to the Council on its own.
- 4.7 In order to ensure that Council representation on an outside body remains relevant and provides the benefits listed above it is important that anyone that is appointed to an outside body provides information and reports periodically to the Council on what that organisation is doing.
- 4.8 It is also important that where the Council is funding the outside body to any extent, Members are aware of the use that is being made of that funding.
- 4.9 There are a number of ways in which such reporting back could take place. In some authorities Members are invited to report back on the activities of outside bodies on which they represent the Council through regular briefing notes/members' newsletters in order that other Members of the Council are aware of and understand the work being done by those outside bodies. In other authorities Members report back to the Council through more formal means either by reports to Cabinet, Scrutiny, Council or Informal Council. It is suggested that a one size fits all approach is not appropriate. Clearly some outside bodies have a more significant impact on the Council's resources and policy priorities than others.

- 4.10 The list of outside bodies to which the Council has appointed Members is attached at Appendix 1 to this report. There is a wide range of bodies to which Members have been appointed. Clearly some of these bodies will have a greater impact on the Council's priorities and communities than others. Some bodies will be in receipt of substantial financial support from the Council and others will have less or none.
- 4.11 In considering what reporting requirements to place on Members of outside bodies the committee may wish to consider the most appropriate frequency and forum for such reports.
- 4.12 The practice of other authorities appears to vary. Many authorities do not have any formal mechanism for Members to report on their activities. Some authorities require Members on outside bodies to complete template proforma reports which are circulated for information to the other Councillors or placed in a single location to which Councillors have access.
- 4.13 There are some authorities that categorise the outside bodies to which they appoint Members and have different reporting requirements depending on the category in which the particular outside body has been placed.
- 4.14 Examples of categories that have been used elsewhere are:
- Bodies which set a precept that the Council collects
 - Bodies to which the Council pays a subscription to be a member
 - Bodies which receive a grant or other financial assistance from the Council
 - All other outside bodies
- 4.15 It may be that all representatives on outside bodies are required to complete annual proforma reports which could be the subject of a corporate report to Cabinet when it is considering appointments to outside bodies. Where the Council has more than one representative on a body a single agreed report could be made.
- 4.16 Members may wish to require additional, more detailed reports for some bodies or categories of bodies and identify a forum for such reports e.g. Scrutiny, Cabinet, Council etc.
- 4.17 Members should be aware that the Council is required to have in place arrangements for Members to submit annual reports on their activities as Councillors. It is not mandatory in law for such reports to be completed. A proforma report is provided for those reports. Members may wish to have an annual report on outside bodies proforma circulated at the same time as the Councillors' Annual Reports in order that these be completed at the same time.
- 4.18 Members should also be aware that representatives on outside bodies are not necessarily appointed to act solely in the interests of the Council. Trustees and Directors will owe duties in law to the body to which they are appointed. Members appointed to such bodies may be bound by obligations of

confidentiality to the outside body which may mean that some aspects of the body's business may not be included in any report.

- 4.19 The Committee is requested to consider the issues set out in this report and indicate their preferences in order that a fuller consultation take place with all elected Members.

5 How does the decision contribute to the Corporate Priorities?

- 5.1 The work of outside bodies can contribute to the delivery of the Council's priorities and regular information on their activities may assist the Council in planning future activity.

6 What will it cost and how will it affect other services?

- 6.1 There will be some additional staff time incurred in administrating the reporting process. This should be contained within existing budget.

7 What consultations have been carried out and has an Equality Impact Assessment Screening been undertaken?

- 7.1 This report is the beginning of a consultation with Members. There is no need for an Equality Impact Assessment.

8 Chief Finance Officer Statement

- 8.1 The recommendations of this report do not appear to have any financial consequences.

9 What risks are there and is there anything we can do to reduce them?

- 9.1 The risk of not receiving regular reports is that Members continue to be appointed to outside bodies that cease to be relevant to the Council's objectives and take up Members' time unnecessarily.

10 Power to make the Decision

- 10.1 Section 111 Local Government Act 1972.