

**PROTOCOL ON PARTNERSHIPS
AND OTHER EXTERNAL ORGANISATIONS**

**Adopted by Epping Forest District
Council on 13.12.05
Revised on 18.12.07**

PROTOCOL - PARTNERSHIPS AND EXTERNAL ORGANISATIONS

1. Purpose of Protocol

- 1.1 To provide a framework of advice for the conduct of members and officers when representing the Council on external partnerships and other organisations.
- 1.2 To provide specific guidelines on questions relating to:
 - (a) member and officer liabilities;
 - (b) indemnities;
 - (c) reporting back to the Council;
 - (d) annual reports; and
 - (e) training.
- 1.3 This protocol is limited to appointments made in connection with the Council's powers, duties and general activities. It does not apply to membership of outside organisations held on a personal basis (i.e., independently of the Council). In such cases the member or officer concerned has a personal responsibility to consider issues such as indemnities, potential conflicts of interest and declarations of interest (see paragraphs 6.4 and 6.5 of this protocol).

2. Council involvement with External Partnerships and Organisations

- 2.1 The Council is routinely invited to appoint representatives to external bodies. Such invitations usually arise in one of the following ways:
 - (a) by virtue of a statutory duty or other legal requirement;
 - (b) by virtue of a specific decision or policy adopted by the Council;
 - (c) by virtue of invitations deriving from the Council's community leadership/consultative role; and
 - (d) by virtue of professional contacts among officers or through liaison arrangements delegated to them.
- 2.2 This protocol is intended to regularise the arrangements operating in any such case.

3. Appointments - Members of the Council

- 3.1 Member appointments are usually consolidated in May each year **by the Leader of the Council (in the case of executive functions) and** at the Annual Council meeting **(in respect of Council functions)**. **The Leader of the Council and the Council itself** sometimes deals with appointments, usually in relation to casual vacancies or new bodies **at other times of the year**. All bodies **are** reviewed annually.
- 3.2 Member appointments are subject to separate protocols in the Council's Constitution covering:
 - (a) allocation of places between the political groups; and
 - (b) allocation of places on outside organisations to Portfolio Holders where Cabinet functions are directly involved.

3.3 Reference to those separate rules is necessary on all questions of appointment procedure. No appointment of a member to an outside body or partnership can be made without decision **by the Council or the Leader who will satisfy themselves** that this involvement is relevant to the powers and duties of the Council or is otherwise desirable.

3.5 When taking up their appointments, Councillors will be provided with a copy of this protocol and past annual reports so that they are fully briefed on the organisation concerned.

4. Appointments - Officers of the Council

4.1 Officers serve on outside bodies in 3 main capacities:

(a) when appointed by the Council, in lieu of a member representative or where both a member and an officer is desirable;

These appointments under 4.1 (a) above are subject to the same rules as applied to members.

(b) by virtue of the post occupied or professional background/development requirements;

These are agreed by Heads of Service. For more junior positions, Heads of Service give approval, except where consultation with members or Management Board is desirable.

(c) by virtue of a special invitation outside the normal terms of an officer's employment.

4.2 These appointments require approval by the Management Board and the Council in the case of Senior Officers. **Less senior** staff are dealt with by Heads of Service. The Council's staffing policies stipulate the correct method of making these appointments.

5. Appointments – Non-Councillors

5.1 Sometimes the Council appoints representatives who are neither Councillors nor officers. Such representatives are subject to the provisions of this protocol except in so far as they may not be able to report back in the manner prescribed for elected members and officers. In the latter circumstances, they should contact the relevant Head of Service or the Portfolio Holder concerned for advice.

6. Representatives on Outside Partnerships and Organisations - Policy Aspects

6.1 Where any external organisations are involved in any matter which directly or indirectly affects the policies, responsibilities and powers of the Council, representatives must be aware at all times that the Council's policy is paramount. No undertakings should be given which in any way compromise the legal requirements applying to Council operations or which compromise the policy of the Authority.

6.2 Representatives should report back to the Council on any matters affecting the Council and seek information with which to advise an external organisation or

partnership. In reporting back, a representative may wish to request the relevant decision maker (e.g. the Cabinet or a Portfolio Holder) to consider any recommendations from the organisation concerned. No undertakings should be given on the outcome.

6.3 Some external partnerships have a basis in statutory powers whereby a number of partner bodies work together to achieve joint objectives. Although representatives are already able to participate in the proceedings of such partnerships, they should bear in mind at all times:

- (a) that the Council may have established policies and procedures which may be affected by those decisions; and
- (b) that implementation of partnership objectives may still require decisions by the Council in terms of staffing, finance and other resourcing matters.

6.4 In relation to Trusts, it is likely that if a Council representative accepts a position of trustee, this will create a legal duty to work for objectives of the Trust instead of the Council. In such circumstances serving Councillors acting as representatives must be mindful of conflicts of interest, which may be created, and act in accordance with the Council's code of conduct. (See Section 12 below.)

7. Representatives on Outside Organisations and Partnerships - Insurance and Indemnities

7.1 Local Authorities are unable to provide all embracing indemnities or incur costs for all activities on all outside bodies. The Council's insurers can provide an indemnity to individual members and employees in limited circumstances only.

7.2 The circumstances in which the Council's insurers (currently Zurich) advise an indemnity can be provided are:

- (a) where an individual acts solely on behalf of his or her authority, within the terms of reference laid down by the authority, and solely in pursuance of the local authority's statutory powers;
- (b) where the individual acts solely in an advisory capacity in connection with the local authority's functions;
- (c) where the individual occupies an observer role on the board or committee of an outside organisation, representing the local authority's interests (rather than in a decision-making capacity);
- (d) where the individual acts on behalf of a joint committee established by two or more local authorities.

7.3 The authority is not able to provide an indemnity in respect of those activities where the individual acts:

- (a) solely on behalf of an outside body; or
- (b) outside his or her delegated powers; or
- (c) outside the authority's statutory powers.

- 7.4 Members and officers of the Council can therefore participate on outside organisations as observers or facilitators in the exchange of views or information as an extension of their position as local authority Councillors, but they may not make any decisions which are binding on the local authority.
- 7.5 Members are also not indemnified if they serve in an executive capacity on an outside body. A Member's status as a local authority councillor does not prevent the Member serving on an outside body in a personal capacity (i.e. not as a Council representative), provided that this does not create a conflict with his or her duties as a local authority member. Outside bodies must provide cover in either of these situations and local authority Members and employees should ensure that adequate cover for them is in place before agreeing to being appointed.
- 7.6 The same principles apply to officers as are set out in paragraph 6.4 **Trusts** above.

8. Written Agreements

8.1 The Local Government Association, in conjunction with the National Council for Voluntary Organisations, has produced a Code of Practice, a key recommendation of which is a formal written agreement between external organisations and the Council. This protocol therefore requires such an agreement to be compiled in each case covering the following:

- (a) the relationship between the local authority and the organisation e.g. funder, partner;
- (b) the formal role and responsibilities of the authority, employee or Member, e.g. director, trustee, adviser, observer;
- (c) a general statement regarding what is expected from the local authority Member or employee;
- (d) the responsibilities and liabilities of members where board membership of the outside organisation is involved in terms of legislation, regulation and accounting standards;
- (e) confirmation that, where the outside organisation is a charity, a Member or employee who is acting as a trustee must act in the interests of the charity rather than the authority when serving in that capacity;
- (f) the role of observers, including receipt or withholding of confidential papers, attendance or exclusion from meetings and any speaking or voting rights;
- (g) the arrangements made by the outside organisation to indemnify their members against the risk of personal liability where board or trustee membership is involved; and
- (h) the arrangements made by the authority to cover their Members and employees whilst serving on outside organisations.

8.2 The Council will maintain up-to-date records of the approved involvement of the authority and its members and employees who serve on outside organisations including:

- (a) regular reviews of all placements and categorisations;

- (b) the establishment of a register to be used as the basis for central record;
- (c) specific terms of reference being given to each individual involved with an outside body;
- (d) confirmation of the extent to which the authority's indemnity does apply, emphasising the consequences for the individual if his or her terms of reference are exceeded;
- (e) a clear statement that the authority's indemnity will not be available where the individual is:
 - a director on the board of a limited company; or
 - a trustee of a trust or charity; or
 - a voting member of the management committee of an unincorporated association;

and is not exercising a local authority function;

- (f) the position of an individual member on the Board or Committee of a grant-aided organisation to be amended to observer only; and
- (g) written confirmation to all Members and employees that personal or social memberships (i.e. those not connected with the Council) are not covered by the authority's indemnity.

8.3 A form of agreement document is attached as Appendix 2.

9. Representatives on External Organisations/Partnerships - Directorships

9.1 Memberships of some organisations confer executive responsibilities on Council representatives. Cases in point are trustees of charities, directorships and membership of other statutory authorities.

9.2 There is a general presumption against such positions being held by representatives of this Council. This reflects conflicts of interest which can arise between the aims and objectives of the Council and those of the organisation concerned.

9.3 In cases where representatives hold such positions they must ensure:

- (a) that they have been duly appointed by the Council **or the Leader** (in the case of members) or the Management Board (in the case of officers);
- (b) that their duties on behalf of the organisation do not conflict with their role as Councillor or officer; and
- (c) that they maintain a clear distinction of responsibilities by declaring interests and not participating in Council meetings or discussions where there is a direct conflict of interest as defined by the Code of Conduct, **such conflicts are restricted to situations where the external partnership or Trust is seeking any regulatory decision, approval or statutory order from the Council (e.g. planning**

permission, licensing approvals etc. or where the body in question is in negotiation with the Council regarding its financial interests.

9.4 Representatives should seek timely advice on their position under the Code of Conduct for Members and Officers and any advice issued by the Standards Board for England and the Epping Forest District Standards Committee.

10. Reporting Arrangements - Members of the Council

10.1 A prime responsibility for members and non members who serve on outside organisations and partnerships is to keep the Authority informed of the work of those bodies. Such reports can also provide useful information by which the Council can judge whether continued involvement is of benefit to the Council. The Council will seek to receive copies of minutes of organisations but the reports by the representative may still be required.

10.2 Such reports should cover:

- (a) reports to the Cabinet on specific matters actually or potentially affecting the Council or on urgent matters; and
- (b) annual reports (even if these are produced separately by the organisation concerned).

10.3 Reports under 10.2(b) should be made in cases where an organisation does not produce its own annual report. A prescribed format (attached Appendix 3) should be used. A relevant timescale will be prescribed for this leading to the Annual Council meeting each year. Copies of these reports will be provided to all political groups on the Council.

10.4 Where a representative is not a Councillor, reports under 9.2(a) above should be directed to the Head of Service concerned or the appropriate portfolio holder.

11. Reporting Arrangements - Officers of the Council

11.1 Officers serving on outside organisations or partnerships as representatives of the Council shall keep their line manager(s) or Head of Service informed about the work of the body concerned. Heads of Service shall determine whether any information should be referred to the Management Board/Portfolio Holder.

11.2 Where officers serve on such bodies either as Council representatives or independently they must include those appointments in their declarations of interest under the Officer Code of Conduct.

12. Effect of the Code of Conduct – Elected Members

12.1 The Council's Code of Conduct states that a Councillor has a **non pecuniary** interest in any business of the Authority where it relates to or is likely to affect any external body to which they are appointed or nominated by the Council as its representative. However, that interest need only be disclosed at a meeting if the Councillor speaks on the matter concerned.

12.2 Such interests **for representatives on external organisations** may, if those interests affect the financial position **or any regulatory approval** for any such body on which they are represented including such matters as granting of any consent,

approval, licence or registration. In these circumstances the Councillor must declare **an** interest and leave any meeting for the duration of the discussion. Regulatory decisions and the need to declare interests may apply to grant aid applications for organisations on which Councillors are representatives and property matters involving the Council, are cases where Councillors **also** need to exercise care not to breach the Code

12.3 In cases where a body is not in negotiation with the Council or seeking a regulatory decision, membership of that organisation alone should not be regarded as preventing a representative from reporting to the Council on that body. It is important that the Council is kept informed about the work of all organisations on which it is represented.

12.4 Where a Councillor is a member of an external organisation but not as a representative of Epping Forest District Council, the Code of Conduct will apply to any interests which arise and members should follow the advice given in 12.1 -12.3 above to determine when involvement in a Council decision is inappropriate.

13. Review of Protocol

13.1 The protocol shall be subject to review on a regular basis or according to specific circumstances.

LIST OF APPENDICES

- Appendix 1 - Statement of Indemnities/Insurance in respect of outside bodies**
- Appendix 2 - Agreement Document**
- Appendix 3 - Annual Report Format**

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APPENDIX 1

INSURANCE AND INDEMNITY STATEMENT

1. Circumstances in which indemnities that can be provided by the Council's Insurers in respect of member or officer involvement in external partnerships and organisations:

- (a) Where an individual acts solely on behalf of his or her authority, within the terms of reference laid down by the authority, and solely in pursuance of the local authority's statutory powers;
- (b) Where the individual acts solely in an advisory capacity in connection with the local authority's functions;
- (c) Where the individual occupies an observer role on the board or committee of an outside organisation, representing the local authority's interests (rather than in a decision-making capacity);
- (d) Where the individual acts on behalf of a joint committee established by two or more local authorities.

2. Activities for which the Council is unable to provide indemnities

Activities where the individual member or officer acts:

- (a) solely on behalf of an outside body; or
- (b) outside his or her delegated powers; or
- (c) outside the authority's statutory powers.

Notes:

- 1. This statement derives from the indemnity provisions and exclusions from the Council's Public Liability Policy held with Zurich Municipal.
- 2. This statement will be reproduced as part of the agreement with each outside organisation. (See Appendix 2)

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APPENDIX 2

**STANDARD FORM OF AGREEMENT
BETWEEN EPPING FOREST DISTRICT COUNCIL AND _____**

A. STATEMENT OF PARTICULARS _____

NAME OF ORGANISATION/ PARTNERSHIP (1)	
ADDRESS FOR CORRESPONDENCE (2)	
E-Mail (3)	
Telephone No (4)	
Fax No (5)	
AIMS AND OBJECTIVES OF ORGANISATION (Supply copy of Constitution, governing instrument or trust deed) (6)	
MEETING/AGENDA ARRANGEMENTS (Please describe) (7)	
WHAT STATUS/ROLE WILL THE COUNCIL REPRESENTATIVE FULFIL? (viz observer, voting committee member, trustee, director etc) (Please state any restrictions including any on confidential information) (8)	

DOES PUBLIC LIABILITY INSURANCE EXIST FOR THE WORK OF THE ORGANISATION? (Give name of insurer and policy number) (9)	
IS THE ORGANISATION A REGISTERED CHARITY? (Give registration number) (10)	

B. FINANCIAL INFORMATION

Does this organisation receive grant aid or similar financial support from Epping Forest District Council? (Give details) (11)	
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C. STATEMENT OF PARTICULARS - EPPING FOREST DISTRICT COUNCIL

REPRESENTATIVES OF EPPING FOREST DISTRICT COUNCIL	
STATUS (OFFICER/MEMBER) (12)	
TERM OF APPOINTMENT (13)	
CONTACT DETAILS (Address, telephone, fax, e-mail) (14)	

D. TERMS OF AGREEMENT - [Organisation]

The _____ agrees to:

- (a) provide details of all relevant documentation and access to all meetings to the representatives of Epping Forest District Council;
- (b) provide details of meeting venues, times of meetings;
- (c) acknowledge that no Council representative may make decisions or give commitment on behalf of the Council in respect of any matter affecting the organisation;
- (d) acknowledge that no Council representative may commit the Council to any action or policy affecting the organisation;
- (e) acknowledge that a Council representative may be required to declare a personal interest in terms of his or her representation on the organisation and in some circumstances, may have a prejudicial interest which will require withdrawal from any District Council body considering a matter concerning that organisation;
- (f) note that Council representatives will only be indemnified as set out in the enclosed statement;
- (g) assist the Council representative in submitting regular reports to Epping Forest District Council on matters affecting the organisation;
- (h) agrees to provide separate copies of agenda, minutes, reports, statements of accounts, annual reports to Epping Forest District Council in addition to those provided under 1(a) above;
- (i) where appropriate, agrees to the attendance at meetings of nominated deputies when the representative is absent.

E. TERMS OF AGREEMENT - EPPING FOREST DISTRICT COUNCIL

The Epping Forest District Council agrees as follows:

- (a) to appoint representatives and deputy representatives in accordance with the organisation's requirements;
- (b) to keep the organisation informed of relevant Council decisions via its representative(s);
- (c) to indemnify its representatives but only in accordance with the statement attached;
- (d) that it expects Council representatives to attend meetings and participate in any training deemed necessary by the organisation;
- (e) to advise representatives on any matters relating to interests as they arise.

F. SIGNATURES

(a) For _____ [Organisation]

On behalf of the above-named organisation, I agree to the conditions attaching to the appointment of representative(s) by Epping Forest District Council

Signed _____
Name _____
Position _____
Date _____

(b) For Epping Forest District Council

On behalf of Epping Forest District Council, I confirm the conditions and undertakings attaching to Council representation on the above-named organisation.

Signed _____
Name _____
Position _____
Date _____