



**General Purposes Committee**  
30<sup>th</sup> June 2009

**Report from the  
Borough Solicitor**

Wards Affected: None

**Brent Council's Representation on Outside Bodies**

**1.0 Summary**

- 1.1 This report concludes a review of appointments made by the Council to outside bodies. As a result of the review there are recommendations to introduce new arrangements to assess requests for Council appointments to outside bodies and a process for members to report back on the activities of the outside body.

**2.0 Recommendations**

That members:

- 2.1 Note the findings of the review of appointments to outside bodies.
- 2.2 Note that as a result of the review the Council no longer appoints representatives to a number of outside bodies which are set out in appendix 2.
- 2.3 Agree to adopt the process for assessing new requests for appointments to outside bodies as set out in paragraph 3.10 of this report.
- 2.4 Note that updated guidance for members appointed to outside bodies will be circulated to members following consideration of the guidance by the Standards Committee.
- 2.5 Agree to introduce the annual reporting procedure set out in paras 3.15-3.16 of this report with effect for the 2009/10 municipal year.
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### 3.0 Detail

- 3.1 Each year the Council nominates or appoints members to be Council representatives on external organisations or outside bodies. The number of outside bodies to which the Council makes appointments is large and there is a wide variety of organisations. In some cases the Council is required by statute or Trust Deed to make a nomination or appointment but in others the organisation has simply requested that the Council make an appointment.
- 3.2 A review of the appointment of members to outside bodies has been underway for some time. Members who hold positions on outside bodies have been consulted, representatives of the organisations that the Council nominates to have also been consulted as well as the Corporate Management Team and relevant lead members. The appointment of members as school governors was not part of this review as these appointments are made by the Director of Children and Families under a policy and procedure that was recently reviewed by the Executive.
- 3.3 There were four aspects to the review;
- a) To carry out a review of the list of outside bodies to which appointments and nominations were being made at the time to ensure that all appointments were necessary and appropriate.
  - b) To develop a standard form and process for assessing the merits of appointing or nominating members to new outside bodies
  - c) To publish an updated guidance for members who are appointed to outside bodies about the rights, responsibilities and duties that arise with an appointment or nomination.
  - d) To develop a comprehensive database of the outside bodies to which the Council makes appointments or nominations and relevant information on the organisation i.e. trust deeds or constitutions.
- 3.4 This report sets out the findings and/or results of each part of the review. Members are asked to agree new arrangements to assess requests for Council appointments to outside bodies and a process for members to report back on the activities of the outside body.

#### *Review of outside bodies to which appointments were being made*

- 3.5 When the review began the Council had a list of 59 bodies to which 103 appointments were made. This total is higher than the number of members as some members were appointed to more than one outside body and a small number of appointments of non-members are also made. As a result of the interim findings of the review and as part of the annual appointments process the Council agreed to cease making appointments to 12 outside bodies in May 2008 and a further 4 bodies in May 2009.
- 3.6 In some cases the recommendation that appointments to these bodies be ceased was because the organisation no longer needed a Council nominee i.e. the organisation had disbanded. In other cases the recommendations was because the organisation failed to answer any enquires from the Council about the purpose and need for an appointment and the member appointed to the outside body did not support continuing with the appointment. Where a
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member or the body itself considered the appointment worthwhile then officers recommended that the Council continue to make an appointment.

- 3.7 In May 2009 the Council made appointments to 46 outside bodies and a full list of all the appointments is set out in appendix 1. A list of the bodies which the Council has now ceased making appointments to is set out as appendix 2.

#### *New requests for appointments*

- 3.8 The review set out to establish a consistent approach to considering new requests for appointments or nominations to outside bodies. Officers have therefore drafted a set of questions which requests administrative information about the body but also information about the aims and objectives of the organisation and the benefits to the Council and community from any appointment (Appendix 3). This information is similar to the information that was requested from existing outside bodies during the review.
- 3.9 Such requests will then be considered by the Council or the General Purpose Committee. It is not considered possible to have set criteria against which to assess whether an appointment should be made as the organisations vary considerably and judging whether an appointment should be made will depend on each situation.
- 3.10 In future if an organisation would like a member of the Council to be appointed to their organisation they would be required to submit a completed form to the Council. The relevant Service Area or Corporate Director would then submit a report indicating support (or otherwise) for the appointment to either the Council or the General Purposes Committee for members to decide whether to make the appointment

#### *Guidance for members on outside bodies*

- 3.11 Officers have prepared guidance for members appointed to outside bodies explaining the different rights, responsibilities and duties of members appointed to each type of organisation i.e. limited company, trust, charitable organisation.
- 3.12 The guidance will be presented to the Standards Committee for approval at their meeting on 8 July 2009 as the guidance deals with personal and prejudicial interests as well as touching on other matters of ethics and probity. The guidance will then be issued to all members who are nominated or appointed to an outside body or who may be nominated or appointed.

#### *Reporting back to the Council*

- 3.13 Feedback from the members appointed to outside bodies is considered important as, for example, it will enable the Council to monitor the aims and objectives of the outside body to ensure that they stay consistent with the Council's corporate objectives and to ensure the time commitment required is appropriate. The information will also assist members who are newly appointed to outside bodies, officers and members of the public understand the role of the outside body and the Council's role on that body.
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- 3.14 Regular information about the activities of the organisation will help the Council monitor the continued need for an appointment to be made.
- 3.15 Officers therefore recommend the introduction of an annual report from members on the activities of the outside body. The information in the annual report would mirror the matters covered in the form that outside bodies will now complete when making a request for a Council nomination i.e. aims and objectives of the organisations, time commitment, benefit to the Council and community (Appendix 4).
- 3.16 The form would be completed early in the year in time to form part of an annual review of outside bodies in March. This would then assist with decisions on appointments to outside bodies at the May Council meeting. Members are asked to agree that an annual report be introduced for the 2009/10 year. The first annual reports would therefore be due in early 2010.

#### *Developing a Database*

- 3.17 Democratic Services now have a complete database of information on the outside bodies to which members are appointed including the basis of any appointment, legal structure of the organisation, purpose of the organisation, whether an allowance is payable and the time commitment required. Legal Services hold copies of the relevant trust deeds and Constitutions.
- 3.18 Officers have identified the relevant service area within which each organisation falls and a link officer has been appointed for each outside body. That service area and the link officer will be responsible for liaising with the organisation. For example where the member is appointed as a trustee or director they will ensure that appropriate insurance arrangements are in place.
- 3.19 The annual returns discussed above will provide information about any changes to the organisation and help maintain this database as an accurate record.

### **4.0 Financial Implications**

- 4.1 There are no financial implications from this report.

### **5.0 Legal Implications**

- 5.1 The Local Democracy and Economic Development Bill will introduce a new duty on the Council to promote democracy. This duty has two facets; one is to publicise and promote democracy in the sense of what the Council does and the other is to promote democracy in the sense of what connected authorities such as GLA, NHS Trusts and the Police Authority do. Obtaining and using the feedback from members that represent the Council on outside bodies will help the Council satisfy this new duty as it will improve the information that the Council has on connected bodies.
- 5.2 The Local Democracy and Economic Development Bill also makes provision for the Audit Commission to audit a company, limited liability partnership, or industrial and provident society where it appears that the entity is or likely to
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be connected with a council and some of the outside bodies may be covered by this. Councils must notify the Audit Commission when an entity becomes or ceases to be connected to the council and the information obtained from the annual reports will assist the Council in meeting this new duty.

- 5.3 Members who are appointed to outside bodies take on particular rights, responsibilities and duties associated with that position. In some cases, such as when a member is appointed as a director or trustee this could result in situations where the member is held personally liable for actions of the organisation. It is therefore important that members are aware of the situations in which this can occur (through the guidance) and that as far as possible members are covered by insurance.

## **6.0 Diversity Implications**

- 6.1 Officers believe that there are no diversity implications.

## **7.0 Background Information**

- 7.1 None

### **Contact Officer:**

Anybody wishing to inspect this document should contact:

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**Terry Osborne**  
**Borough Solicitor**

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Appendix 1 – List of outside bodies to which the Council makes appointments  
(as at May 2009)

Age Concern London  
Brent Housing Partnership (BHP) Board  
Brent Learning Disabilities Partnership Board  
Brent Sports Council  
Central and North West London NHS Foundation Trust  
Chalkhill Community Centre  
Chalkhill Community Trust Fund  
Edward Harvist Trust  
Energy Solutions (North West London)  
Environmental Protection UK  
Fortunegate Community Housing (sub of parent body Catalyst)  
Greater London Enterprise Board Ltd  
Hillside Housing Trust  
Historic Environment Champion (English Heritage)  
LHC - Building Components & Services  
Local Government Association General Assembly  
Local Government Information Unit (Management Committee)  
London Accident Prevention Council  
London Council Children, Young People and Families Forum  
London Councils (Ltd)  
London Councils Crime & Public Protection Forum  
London Councils Culture, Tourism & 2012 Forum  
London Councils Economic Development Forum  
London Councils Greater London Employment Forum  
London Councils Health & Social Care Forum  
London Councils Housing Forum  
London Youth Games Ltd Committee  
Museums Association  
North West London Valuation Tribunal  
Park Royal Partnership Limited  
Partners for Brent (Local Strategic Partnership)  
Queen's Park Joint Consultative Group  
Reserve Forces and Cadets Association for Greater London  
Shepherd's Bush Housing Association  
South Kilburn Neighbourhood Partnership Board  
South Kilburn Project Steering Group  
Stadium Housing Association Ltd Management Committee  
Standing Advisory Council for Religious Education (SACRE)  
Tricycle Theatre  
Wembley Educational Foundation  
Wembley Eleemosynary Charities  
West London Alliance  
West London Partnership  
West London Waste Authority  
Willesden Consolidated Charities  
Willow Housing Board

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## Appendix 2 – Bodies which the Council has ceased making appointments to

### **Ceased making appointment as of May 2008**

The Arts Council England	Nomination no longer requested
Chalkhill Joint Development Board	Dissolved
Community Legal Services Partnership	No longer active
Corporation of the College of North West London	No longer required by law to have Council appointee
Health Harlesden Partnership	Wound up
Kingsbury Charities	Nomination no longer required after change in trust deed
Local Authority Aircraft Noise Council	Now an officer lead group
National Children's Bureau	Nomination no longer required
Refugees into Jobs Board	Nomination no longer requested
Stonebridge House Action trust	Dissolved
Thames Regional Flood Defence Committee	Nomination now made by London Councils
Wembley Football and Athletic Club	Ceased to exist

### **Ceased making appointment as of May 2009**

Heritage of London Trust	No response and continued appointment not supported
London Home and Water Safety Council	No response and continued appointment not supported
London Archaeological Forum	No response and continued appointment not supported
North West London Chamber	No response and continued appointment not supported

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### Appendix 3 – Requests for a new appointment of a member to an outside body

1. What is the name of your organisation?
  2. How many Council representatives would you like to be appointed?
  3. What is the role that you would like the member appointed to your organisation to perform i.e. trustee, director?
  4. Is the appointment of a member of the Council required by law, trust deed or other Constitutional document?
  5. What is the estimated time commitment involved (hours per month)?
  6. What geographical area and/or Council wards does your organisation cover?
  7. Does your organisation seek to support or represent certain sections of the community?
  8. What other organisations are already represented on your organisation?
  9. What are the aims and objectives of your organisation?
  10. What do you feel are the benefits for the Council from having a member of the Council appointed to your organisation?
  11. What do you feel are the benefits for your organisation from having a member of the Council appointed to your organisation?
  12. Are there any cost and/or resource implications for the Council from the appointment?
  13. Are there allowances payable to the member appointed (including travel or reimbursement of other expenses)? If so please list them
  14. What risks are there to a member who is appointed to your organisation? i.e. a potential liability arising from being a trustee or company director. If so, what insurance arrangements are in place to indemnify the member from claims against them personally?
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## Appendix 4 – Members Annual report on the activities of an outside body

Members Name:

Outside Body:

1. What is your role on the outside body i.e. trustee, director?
  2. How much time over the last year has the appointment required from you (hours per month)?
  3. What has the organisation done to achieve its aims and objectives over the last year?
  4. What benefits do you think the organisation has gained from your appointment over the last year?
  5. What benefits do you feel the Council has derived from your appointment over the last year?
  6. Were there any cost and/or resource implications for the Council from your appointment in the last year?
  7. Were you paid an allowance, expenses or reimbursement for your appointment over the last year?
  8. Are you aware of any potential claims against you that have arisen during the last year from actions taken while acting in the course of your appointment? i.e. as a trustee or company director.
  9. Have there been any changes to the organisation relevant to your appointment in the last year? i.e. a change of name or legal structure
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