

## **Lancashire County Council**

### **DRAFT Protocol on County Council Appointments to Outside Bodies**

#### **1. Overview**

- 1.1 There are a number of organisations which are independent from Lancashire County Council, but which have connections with its communities and service areas.
- 1.2 In order that the county council can maintain effective partnerships and as part of county councillors' roles as community leaders, members may be appointed to represent the county council on outside bodies.

#### **2. Definition of an Outside Body**

- 2.1 For the purpose of this protocol, an outside body is a corporate or unincorporated body which is not part of Lancashire County Council's own governance structure but whose work supports the county council's own responsibilities and priorities and/or improves the lives of Lancashire's residents.
- 2.2 The term 'outside body' embraces a diverse range of organisations purposes and structures, but for the purpose of this policy are categorised as either strategic, ward-based, or general.

#### **3. Criteria for Appointing Members**

- 3.1 Formal member appointments to outside bodies are made by Cabinet (or in some cases, Full Council) and only agreed if there are clear benefits from this arrangement for either the county council or local communities, and in line with the criteria below.
- 3.2 Cabinet or Full Council may agree to appoint a county council officer to any outside body as it considers appropriate, providing the outside body's own membership criteria are met by such an appointment. Officers appointed to outside bodies must ensure they are acting in accordance with the Code of Conduct for Employees and any other obligations on them as a county council employee.
- 3.3 *Strategic*
  - 3.3.1 An outside body whose functions make a substantial contribution to the achievement of the county council's overall responsibilities and priorities, as set out in its approved policies, plans and strategies, and to the delivery of essential local services;

3.3.2 An organisation which directly or indirectly represents local government (or aspects of its work) at a local, regional or national level, and whose membership comprises representatives of some or all local authorities;

3.3.3 An organisation to which the county council is required by statute to make appointments to and where not doing so would affect the county council's ability to properly discharge its functions and responsibilities.

#### 3.4 *Ward-based*

3.4.1 A local organisation, group or charity falling within one or more electoral division boundaries, which seeks the county council's assistance in meeting local needs;

#### 3.5 *General*

3.5.1 A voluntary or community organisation which receives funding from the county council and member representation will provide a valuable mechanism for the exchange of information and views;

3.5.2 An organisation or group when member representation will in some other way provide clear 'added value' to either the county council or Lancashire's residents.

### **4. The Role of Members Appointed to Outside Bodies**

4.1 The capacity in which members serve on outside bodies will depend on the organisation's legal status, whether the appointment is to the main body or to a committee or sub-committee, and whether the member is acting as a voting or non-voting member.

4.2 It should be remembered that the outside body has approached the council for a nomination; it is not a personal appointment, and the councillor is likely to be expected to represent the views and position of the council on the body, rather than personal views. However, councillors must take into account any requirements on them due to the nature of the organisation in question – for example, in the case of appointment as a company director, there are legal duties for the director to act in the best interests of the company, regardless of the council's collective view.

4.3 Members may serve on an outside body as either:

- A board, executive or management committee member (voting);
- A committee or sub-committee members (voting);
- An ordinary member (voting only at the AGM);
- A company director (voting);

- A charity trustee (voting)
- An observer (non-voting); or
- A member of a discussion or liaison forum (voting does not apply).

4.4 When a member is appointed to an outside body as an observer, they are not a member of the body but are instead invited to attend in order to give the benefit of the county council's views and to keep the county council informed of the body's actions.

4.5 When a member is appointed to an outside body as a director of a company, advice must be sought from Legal and Democratic Services. Democratic Services will provide guidance on the member's obligations under company law and the potential for conflict of interest with their role as a county councillor. Clear protocols for dealing with conflicts of interest will need to be agreed and documented with the company and appointed member.

4.6 The capacity in which members appointed to outside bodies serve will depend on the organisation's responsibilities and priorities, and therefore this will determine members' exact responsibilities related to their appointment.

## **5. Members' Responsibilities**

5.1 Although nominated by the county council, members appointed to outside bodies serve in accordance with the constitution, articles of association or similar governing document of that outside body. Members must abide by the outside body's own governance, code or constitution and must understand the responsibilities that they take on.

5.2 The county council's Members' and Co-opted Members' Code of Conduct also applies to members appointed to outside bodies as representatives of the county council. As well as the general duty placed upon members to promote and support high standards of conduct, the following sections of the Code of Conduct are particularly relevant in this context:

- You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate;
- You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties;
- When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit;
- You must declare any disclosable pecuniary or non-pecuniary interests that relate to your public duties and must take steps to resolve conflicts arising in

a way that protects the public interest, including registering and declaring interest in a manner confirming with the county council's procedures; and

- You must always treat people with respect, including the organisations and public you engage with and those you work alongside.

5.3 Members may be asked to report back to Cabinet on the work of the outside body and how it supports the county council's responsibilities and priorities. Members must provide the information requested, as directed by either the relevant Cabinet Member or the Monitoring Officer, in a timely and accurate manner. However, it is important the members appointed to outside bodies respect and maintain the confidentiality of any information shared with them as part of their appointment to that body.

## **6. Support for Members**

6.1 Democratic Services will provide councillors appointed to outside bodies with information and contact details about the organisation to which they are appointed.

6.2 As set out at 4.5 above, when a member is appointed to an outside body as a director of a company, Democratic Services will provide guidance on the member's obligations under company law and the potential for conflict of interest with their role as a county councillor.

6.3 In most cases, Democratic Services are not responsible for outside body meetings or associated paperwork and councillors should contact the organisation directly for this information.

## **7. Indemnity and Insurance**

7.1 Lancashire County Council's liability and personal accident insurance arrangements provide appropriate cover in respect of the actions of councillors whilst acting on county council business, as set out at Annex 5, Appendix I to the Constitution (Members' Allowance Scheme).

7.2 Lancashire County Council does not generally provide any specific indemnity or insurance to members appointed to outside bodies. In most cases, the nature of an outside body's activities are low risk and indemnity ought not to be necessary. Members should ensure the outside body has appropriate indemnities in place upon taking up their appointment.

## **8. Individual or Personal Appointments**

8.1 This protocol relates only to formal appointments made by Lancashire County Council. They do not relate to any other roles or positions held by councillors in an individual capacity. For example, councillors may be directly invited to join the

management board of a local community group, either because of their position as the local elected representative or because of other personal skills or experience.

- 8.2 In cases where the appointment is direct or personal, the councillor would not necessarily be representing the whole council, although the Members' and Co-opted Members' Code of Conduct still applies in any case where an elected member is acting, or purporting to be acting, as a councillor.

## **9. Further Advice**

- 9.1 In all cases where there is potential for a conflict of interest between the county council and an outside body, or where there is a question regarding indemnity, members should seek advice from the Monitoring Officer.