

Trustees' Sub-Committee

26 March 2024



Reading
Borough Council
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Title	Review of Outside Body Appointments
Purpose of the report	To make a recommendation to another Committee
Report status	Public report
Report author	Mike Graham
Lead Councillor	Councillor Brock, Leader of the Council & Councillor Hornsby-Smith, Chair of Trustees Sub-Committee
Corporate priority	Thriving Communities
Recommendations	<ol style="list-style-type: none">1. That Policy Committee be recommended to:<ol style="list-style-type: none">1.1. Take the proposed actions to continue or discontinue outside body appointments as set out in Appendix 1.1.2. Authorise the Monitoring Officer, in consultation with the Leader of the Council, to consider any requests to continue or reinstate appointments and to make mid-year appointments as required.1.3. Agree that representatives be requested to report back annually to ensure that information on appointments is kept up to date and provide reassurance that relationships with outside bodies continue to promote the Corporate Plan priorities and are of benefit to both the Council and the external body.2. That officers be authorised to seek further information from outside bodies as set out in Appendix 1 and to update the recommendations to Policy Committee based on the responses.3. That the Outside Bodies Guidance be refreshed for submission with the annual Outside Bodies report to Policy Committee and that a briefing be offered to the appointed representatives.

1. Executive Summary

- 1.1. This report sets out a review of appointments and nominations to outside bodies. The review aims to clarify the purpose and benefits of the Council's appointments and nominations to a range of outside bodies, with a focus on the Voluntary and Community Sector and other independent local organisations. The Policy Committee commissioned the Trustees Sub-Committee to conduct the review and make recommendations (see the separate report on this agenda for further background and context).

2. Policy Context

- 2.1. Appointing the Council's representatives on outside bodies is a Key Decision reserved to Policy Committee under Part 2 Article 13.3 and Part 3 Section 2(5) of the Council's Constitution. The Monitoring Officer has a delegation to appoint to vacancies arising mid-year in consultation with the Leader of the Council.

3. The Proposal

- 3.1. The Council makes appointments to a large number of outside bodies mainly on an annual basis in June each year. Most appointees are serving councillors and this is often a requirement of the organisation.
- 3.2. The outside bodies that the Council appoints to are [listed on the Council's website](#) under a number of categories: Joint Committees, Council-owned Companies, Other Companies, National and Regional Membership Organisations, Partnership Bodies, NHS Partner Organisations and Voluntary & Community Sector and Other Local Organisations. This review concentrates on the latter category of VCS and local organisations.
- 3.3. The Council's representatives on VCS/local organisations have a variety of different duties, obligations and liabilities depending upon the type of organisation and the role appointed to. These can bring challenges for the representative and the organisation particularly where there is a formal role as Trustee/Director and/or a funding or contractual relationship between the Council and the Outside Body.
- 3.4. The review seeks to establish a clearer and more consistent approach to appointments and nominations to outside bodies, ensure that appointees have access to appropriate advice and support for their role, and provide reassurance that there is a contribution to the Council's priorities set out in the Corporate Plan and a benefit to both the Council and the organisation.
- 3.5. Councillor representatives on outside bodies were asked to complete a questionnaire on their involvement in the outside bodies to which they have been appointed. The questions covered the nature of the role and organisation, the information/training provided to support the role, and the provision of insurance where required.
- 3.6. The questionnaire also sought Councillors' views on the benefits to the Council and organisation of their appointment and whether there were other ways the Council could provide support, which did not involve direct appointment.
- 3.7. The responses to the questionnaire and some additional desktop research have been used to make recommendations on whether to continue or discontinue each of the appointments included in the review. A summary of the findings and the recommendations are set out in Appendix 1.
- 3.8. For some appointments it is proposed that officers seek further information or discuss specific matters with the organisation. Subject to receiving timely responses this can be completed in time to make recommendations to Policy Committee at the annual round of appointments in June.
- 3.9. Where organisations have not been in contact with the Council's current appointee/nominee, or councillors have suggested that direct membership is no longer required, the recommendation is not to continue making appointments. However it is recognised that organisations might seek to continue the arrangement and may be willing to adjust the role to meet any concerns expressed. It is recommended that a delegation to the Monitoring Officer be agreed to consider any such representations in consultation with the Leader of the Council and make appointments mid-year if appropriate.
- 3.10. The review highlighted that councillors are rightly concerned about issues such as conflicts of interest and personal liability. Where there is a formal role such as Trustee Outside Bodies will be asked to confirm insurance arrangements for representatives upon appointment and councillors advised to seek advice if they have any concerns about this or other aspects of their role. The 'Guidance for Council Representatives on Outside Bodies' which includes discussion of these issues will be updated and re-issued to all representatives.
- 3.11. It is also proposed to improve some of the other procedures around outside body appointments including:

- 3.11.1. Councillors to receive briefings on outside Body appointments as part of the new councillor induction and a member training session after the appointments have been made.
- 3.11.2. Improved communication when there is a change of representative, to help ensure that the formal appointment of the outgoing representative as a Trustee or Director (i.e. registering with the Charity Commission or Companies House) is terminated by the external organisation, and that the incoming representative receives the information required to carry out their role, in a timely fashion.
- 3.11.3. Introducing an efficient process for representatives to report back on an annual basis to monitor that the organisation is still active and that the arrangements continue to be of benefit to both the organisation and the Council.

4. Contribution to Strategic Aims

- 4.1. Representation on outside bodies gives the Council an opportunity, through its representatives, to work with partner organisations to achieve the priorities set out in the Corporate Plan under the themes of:
 - Healthy Environment
 - Thriving Communities
 - Inclusive Economy
- 4.2. Full details of the Council's Corporate Plan and the projects which will deliver these priorities are published on the [Council's website](#). These priorities and the Corporate Plan demonstrate how the Council meets its legal obligation to be efficient, effective and economical.

5. Environmental and Climate Implications

- 5.1. There are no environmental or climate implications arising from the decision to make appointments to outside bodies.

6. Community Engagement

- 6.1. Representation on outside bodies gives the Council an opportunity, through its representatives, to engage with the community on matters that affect the Borough.

7. Equality Implications

- 7.1. Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 7.2. An Equality Impact Assessment (EIA) is not relevant at this stage of the review of appointments to outside bodies. It will be considered again as and when any potential changes are considered by Policy Committee.

8. Legal Implications

- 8.1. The Council cannot legally provide personal liability cover for representatives serving on outside bodies (*Burgoine v Waltham LBC 1996*) and it is the responsibility of the outside body to secure the appropriate insurance and personal liability cover for people on it. Local authorities do not have a legal power to extend their insurance policies to cover the liabilities of third parties.

- 8.2. All Councillors, officers and other people appointed by Reading – and any other local authority – are therefore advised of the need to check directly with the outside body about its insurance cover, and how far it protects them.

9. Financial Implications

- 9.1. Attendance by Councillors appointed to outside bodies will be an approved duty for the purposes of the Council's scheme made in accordance with the provisions of the Local Authorities (Members' Allowances) Regulations 1991. This means that travel and subsistence claims may be made in respect of expenses incurred in attending meetings. Non-Councillors who are appointed to represent the Borough on outside bodies may claim financial loss allowance and travel and subsistence, if applicable.

10. Other Relevant Considerations

- 10.1. There are no other significant issues which are relevant to this report.

11. Timetable for Implementation

- 11.1. Recommendations made by the Sub-Committee will be taken into account by the Policy Committee in the annual consideration of Outside Body appointments in June 2024. Where further information is requested it is intended to report the findings to Policy Committee subject to receiving timely responses from the relevant organisations.

12. Background Papers

- 12.1. There are none.

Appendices

1. **Review of Outside Bodies – summary of findings and recommendations**