

CHESHIRE EAST COUNCIL

Outside Organisations Sub-Committee

Date of meeting:	27 June 2011
Report of:	Democratic Services and Registration Manager
Title:	Outside Organisations – Various Matters

1.0 Report Summary

The report invites the Sub-Committee to consider two requests for representation, in accordance with the approved criteria; provides an update on matters previously considered by the Sub-Committee; and for completeness, provides a list of appointments made by the Constitution Committee and Cabinet in June 2011.

2.0 Recommendation

- 2.1** There is no recommended decision. It is for the Sub-Committee to decide if the two organisations listed should be recommended for inclusion in the approved list of outside organisations to which the Council appoints.

3.0 Reasons for a Decision

- 3.1** It is important for Cheshire East Council to appoint Members to outside organisations to ensure that it continues to represent the interests of the Authority and the wider community.

4.0 Wards Affected

- 4.1** Not applicable.

5.0 Local Ward Members

- 5.1** Not applicable.

6.0 Policy Implications

- 6.1** None identified.

7.0 Financial Implications

- 7.1** None identified.

8.0 Legal Implications

- 8.1 Whilst membership of outside bodies carries with it the potential for personal liability for elected Members undertaking such roles as ancillary to their status as a Councillor, particularly in respect of trusteeships, Cheshire East Borough Council has already resolved to put in place for elected Members the maximum indemnity which is allowed by law.

9.0 Risk Management

No risks identified other than as referred to in paragraph 8.1 above.

10.0 Background

- 10.1 The Sub-Committee is asked to consider adding Sandbach Town Plan Steering Group and the National Executive of the Federation of Burial and Cremation Authorities to the list of approved outside organisations.

The procedure to be adopted and the criteria to be taken into account are given below in paragraphs 10.4 and 10.5.

In summary, the Sub-Committee is asked to consider in each case –

- (a) if the outside organisation should be added to the list of approved organisations;
- (b) if “yes” to (a), to which category should it be added? (Category 1 – Cabinet appoints: Category 2 – the Constitution Committee appoints); and
- (c) if it is to be recommended as a Category 2, the Sub-Committee may wish to consider making a nomination.

10.2 Sandbach Town Plan Steering Group

At the last Sub-Committee meeting, a request for representation on the Sandbach Town Plan Steering Group was considered and the matter was deferred for further enquiries.

The Chairman of the Steering Group has been asked for further information. At the time of preparation of this report, a response is awaited.

The Sub-Committee is asked to consider adding Sandbach Town Plan Steering Group to the approved list of outside bodies.

10.3 National Executive of the Federation of Burial and Cremation Authorities

Councillor David Marren has suggested that the Sub-Committee may wish to consider adding this organisation to the list of approved outside bodies.

The National Executive represents both local authorities and the private sector. Four of the 16 seats on the National Executive are held by private sector representatives.

If the Sub-Committee agrees to recommend the addition of the organisation to the approved list, a nomination would be submitted to the National Executive which would, in turn, vote on the nomination.

A copy of the constitution will be available at the meeting.

The Sub-Committee is asked to consider adding the National Executive of the Federation of Burial and Cremation Authorities to the approved list of outside bodies.

10.4 Procedure

The following procedure for considering new requests was approved by the Constitution Committee on 24 March 2011.

- (i) **All new requests for representation on an outside organisation are to be considered by the Sub-Committee which will apply the appointments criteria to decide whether or not the organisation should be added to the list of approved organisations.**
- (ii) **If the organisation is considered appropriate for inclusion, the Sub-Committee will then decide which category is the most appropriate, again by applying the approved criteria. (Category 1 comprises those organisations which are regarded as top level strategic bodies to which the Cabinet appoints and Category 2 comprises all other approved outside bodies to which the Constitution Committee appoints.)**
- (iii) **If the Sub-Committee determines that it should be a Category 1 organisation, the matter will be referred to the Cabinet which will (a) decide whether it wishes to add the organisation to the list of Category 1 organisations; (b) if so, determine the Council's representation on the organisation as appropriate; or (c) if not wishing to approve**

its inclusion, the matter will be referred back to the Constitution Committee to consider for inclusion as a Category 2, or for rejection.

- (iv) If the Sub-Committee determines that it should be a Category 2 organisation, the Sub-Committee will recommend the organisation's inclusion on the list of approved organisations and will submit nominations to the Constitution Committee.

10.5 Criteria

The following are the approved criteria for consideration when adding organisations to the approved list and when making appointments to those organisations.

(a) The Appointment is a Statutory Requirement

There will be a limited number of bodies to which the Authority is required to appoint but “statutory requirement” should be included as a criterion. Examples include the Police Authority and Fire Authority.

(b) Appointment Allows the Authority to Influence Policy at National or Regional Level

This will apply to those organisations which give the Authority a voice at national or regional level and enables it to influence high-level policy decisions. Examples will include the Local Government Association and the North-West Employers Organisation.

(c) Appointment Assists the Authority to Deliver its Strategic Objectives and Priorities

This is a key part of any appointment system, where it can be demonstrated that the appointment will make a direct or significant contribution to the Authority's strategic objectives, in particular the Corporate Plan.

(d) Appointment is to an Organisation which Receives Major Funding from the Authority or Provides Key Public Services

Representation will ensure that the organisation uses its funding properly and develops in a way which the Authority considers appropriate.

Those organisations which provide key public services, for example Housing Trusts, are often created by a local authority which reserves the right to place Members on the organisation's Board.

(e) Where an approved organisation is ward-specific, the Member appointed should be an appropriate Ward Member.

In Wards where there is more than one Member, it will be for those Ward Members themselves to agree on the nomination. In the event of no agreement being reached, the Constitution Committee will make the decision.

ii. Criteria for Declining to make Appointment

In rare cases, it may not be appropriate to appoint to an outside organisation; for example, where there are significant cost or resource implications for the Authority when balanced against the benefits. These will be determined as and when the situation arises.

iii. Issues for Consideration in Making Appointments

In addition to adopting the approved criteria, the following should be taken into account -

○ Political Proportionality

When making appointments to outside organisations, there is no requirement to adopt the rules of proportionality, but there are some organisations where it is appropriate for the leading political group to take the places. These will, for the most part, be those organisations identified as Category 1.

Political proportionality is used as a starting point only by the Outside Organisations Sub-Committee to enable a fair distribution of places.

○ Continuity/Members' Interests

Continuity of representation can be important to outside organisations. Even where the organisation's constitution stipulates a term of office of 12 months only, the representative can build up expertise and experience which can be a loss to that organisation if a new representative is appointed after expiry of the term of office. For this reason, where possible, and provided the representative is willing to continue to serve, consideration should be given to re-appointing the same Member, if appropriate. This could depend on, for example, where elections may change the political balance or it may be appropriate to provide opportunities for newly-elected councillors to serve on organisations which reflect their interests.

Note: Following the elections in May 2011, all appointments are for the life of the Council.

○ **Potential Conflict**

Members will need to consider, when being appointed, that in taking up a formal position within an incorporated body - as director or trustee – the Member will be under a legal duty to act in the best interests of that outside body, notwithstanding the fact that he/she is there as a representative of the Authority. That duty will override a Member's duties to the Authority or the Council-tax payers it serves. It is also worth noting that where a matter is raised by the outside organisation relating to its relationship with the Authority, it is likely to give rise to a conflict of interest for the Member representative who will usually be required to absent him/herself from the meeting during the discussion. A dual-mandated role may therefore be problematic and out-weigh any perceived benefits for either the organisation or the Authority. In these circumstances, the Member may take the view that he/she should not take up the appointment. As this would apply to any councillor appointed in these circumstances, a review of representation, for that particular organisation, would need to be undertaken.

10.6 Approved Schedules of Appointments to Outside Organisations 2011-2015

For information, the approved list of appointments to outside organisations is attached. Members are reminded that, other than for casual vacancies, the appointments remain until after the elections in 2015.

11.0 Access to Information

The background reports can be inspected by contacting the report Author:

Contact Officer:	Carol Jones
Designation:	Democratic Services Officer
Tel:	01270 686471
E-mail:	carol.jones@cheshireeast.gov.uk