



## Indemnity for Councillors and Officers appointed to Outside Bodies, including the Council's wholly owned companies

### Definitions

In this indemnity, the following terms shall mean:

**Cabinet:** the executive of the Council in accordance with section 9C of the Local Government Act 2000

**Council:** the Borough Council of King's Lynn and West Norfolk

**Councillor:** current and former elected members of the Council

**Monitoring Officer:** the officer appointed by the Council in accordance with section 5 of the Local Government and Housing Act 1989

**Officer:** current and former employees of the Council, including officers seconded from other authorities, those engaged on a self-employed basis including through a company, those engaged through an agency and consultants acting on behalf of the Council

**Outside Body:** means the Council's wholly owned companies and any external organisation, group, board or body, whether incorporated or not, to which the Council has made an appointment of a Councillor and/or Officer by way of a decision of a Council body included within the Council's constitution, a cabinet member or officer delegated decision or by way of a decision under the Council's scheme of delegation within its constitution.

### Indemnity

1. The Council will, subject to the conditions and limitations below, indemnify all Councillors and Officers of the Council against any loss, damages, costs or legal expenses which any such Councillor or Officer may be ordered to pay or may reasonably incur or has incurred arising from their action or failure to act during the course of their appointment to an Outside Body.
2. The Council will, subject to the conditions and limitations below, not itself make any claim against a Councillor or Officer for any loss, damage, costs or legal expenses, directly or indirectly arising from any neglect, act, error or omission committed by a Councillor or Officer during the course of their appointment to an Outside Body.
3. This indemnity shall apply retrospectively to any act or failure to act which may have occurred before the date this indemnity was approved by Cabinet and it shall continue to apply after the appointment of a Councillor or Officer to the relevant Outside Body has ceased with respect to any action or failure to act during the course of that appointment.



## Conditions and Limitations

4. This indemnity will only be provided in relation to any action of, or failure to act, by the Councillor or Officer, which—
  - (a) is or has been authorised by the Council; or
  - (b) forms part of, or arises from, any powers conferred, or duties placed, upon that Councillor or Officer, as a consequence of their appointment to an Outside Body

For example, if a Councillor is appointed as an observer to a body, and subsequently occasioned loss is caused because the Councillor acted as a member of that body, then that loss would not be covered by this indemnity, because the Council only authorised the Councillor to be an observer.
5. This indemnity will not be provided where the loss, damages, costs or legal expenses has been directly or indirectly caused by or arises from:
  - (a) Fraud, dishonesty, deliberate wrongdoing or recklessness, or a convicted criminal offence on the part of the Councillor or Officer
  - (b) Any action, neglect, error or omission by the Councillor or Officer otherwise than in the course of their appointment to an Outside Body.
  - (c) A complaint raised against a Councillor for failure to comply with the Councillor Code of Conduct
  - (d) A complaint raised against an Officer for failure to comply with the Officer Code of Conduct
6. This indemnity will apply to a Councillor or Officer's costs of defending any criminal proceedings brought against them where such proceedings meet the conditions and limitations of this indemnity. However, if a Councillor or Officer is convicted of that criminal offence and that conviction is not overturned on appeal, the Councillor or Officer in question shall reimburse the Council (or the Council's insurer as the case may be) for any sums expended by the Council or the insurer in relation to those proceedings.
7. The Councillor or Officer must have acted in good faith and reasonably believed that, where relevant, the act or omission complained of was within their power and remit as the Council's appointee to the Outside Body.
8. The indemnity shall only extend to actual loss, damages, costs or legal expenses incurred. The indemnity does not cover any loss, damages, costs or legal expenses incurred for which the Councillor or Officer can obtain re-imburement from any other source, including insurance, whether taken out by the Council, councillor or Officer, or by any other person or organisation.



9. The indemnity is subject to the employee or member notifying the Monitoring Officer as soon as reasonably practicable of any claim or liability being made or intimated against them, and of any reasonably apparent circumstances arising which may give rise to a claim.
10. The loss, damages, costs or legal expenses incurred at the volition of the Councillor or Officer must be directly connected to the alleged liability, foreseeable and reasonable to the alleged liability in order to be covered by this indemnity. For example, if a claim is being made that a Councillor or Officer must personally satisfy a financial guarantee of £1,000 given by an Outside Body, the indemnity would not cover the Councillor or Officer taking mortgage advice on their own property.
11. This indemnity will not apply if a Councillor or Officer, without the express permission of the Council or the Monitoring Officer, admits liability or negotiates or attempts to negotiate a settlement of any claim or liability falling within the scope of the indemnity.
12. The indemnity shall not extend to any loss, damages, costs or legal expenses directly or indirectly arising from any motor vehicle claims when the Councillor or Officer is using their own private vehicle whilst on business for the Outside Body.
13. The indemnified Councillor or Officer must agree to the Council or its insurer being added as a defendant or interested party to any proceedings brought against the Councillor or Officer, unless an express provision of the law or Court Order prohibits this.
14. This indemnity is subject to the Councillor or Officer agreeing that in the event of a payment being made by the Council or its insurer under this indemnity, the Council or its insurer shall be subrogated all rights and remedies of the indemnified Councillor or Officer against any third party in respect of the loss, damages, costs or legal expenses to the extent of the amount paid by the Council or its insurer. The indemnified Councillor or Officer shall assist the Council or its insurer as may be reasonably required in the enforcement of such rights and remedies.
15. This indemnity is without prejudice to the rights of the Council to take disciplinary action against an Officer in respect of any act or failure to act.
16. The Councillor or Officer shall be required to co-operate with and assist the Council in the conduct of any legal proceedings to which the indemnity relates including, where required, giving evidence.