

THE LOCAL AUTHORITIES (INDEMNITIES FOR MEMBERS AND OFFICERS) ORDER 2004

Indemnity Policy

Terms of Indemnity

- 1 The Council will, subject to the exceptions set out below, indemnify each of its councillors and officers against any loss or damage suffered by the councillor or officer arising from his/her action or failure to act in his/her capacity as City Mayor, Councillor or officer of the authority.

This indemnity will not extend to loss or damage directly or indirectly caused by or arising from:
 - a) any criminal offence, fraud or other deliberate wrongdoing or recklessness on the part of the councillor or officer.
 - b) any act or failure to act by the City Mayor, Councillor or employee otherwise than in his/her capacity as a councillor or officer of the authority, or
 - c) failure by the City Mayor or Councillor to comply with the authority's Code of Conduct for Councillors.

- 2 The Council will, subject to the exceptions set out below, indemnify the City Mayor and each of its councillors and officers against the reasonable costs which he/she may incur in securing appropriate legal advice and representation in respect of any civil or criminal proceedings or Part 3 proceedings (see below) to which he/she is subject.
 - a) "Criminal proceedings" includes any interview or investigation by the Police, and any proceedings before a criminal court, in the United Kingdom.
 - b) "Part 3 proceedings" means any investigation or hearing in respect of an alleged failure to comply with the authority's Code of Conduct for Councillors under Part 3 of the Local Government Act 2000 (potential liability to suspension/disqualification).
 - c) This indemnity will not extend to Part 3 proceedings where the allegation has been referred to the Monitoring Officer for local investigation and/or determination by the Standards Committee.
 - d) This indemnity shall not extend to any advice or representation in respect of any claim or threatened claim in defamation by the councillor or officer.
 - e) The City Mayor, Councillor or officer must have acted in good faith.

3. Where the City Mayor, Councillor or officer avails him/herself of this indemnity in respect of defending him/herself against any criminal or civil proceedings or Part 3 proceedings, the indemnity is subject to a condition that if, in respect of the matter in relation to which the councillor or officer has made use of this indemnity –
 - a) the City Mayor, Councillor or officer is convicted of a criminal offence in consequence of such proceedings; or
 - b) a Case Tribunal or the Standards Committee determine that the councillor has failed to comply with the Code of Conduct for Councillors or the City Mayor or councillor admits that he/she failed to comply with the Code,
 - c) and in either of the above cases the conviction or determination is not overturned on appeal, the City Mayor, Councillor or officer shall reimburse the authority for any sums expended by the authority pursuant to the indemnity.
 - d) Where the Council arranges insurance to cover its liability under this indemnity; the requirement to reimburse in Paragraph 3.2 shall apply as if references to the authority were references to the insurer.

4. For the purpose of these indemnities, a loss or damage shall be deemed to have arisen to the councillor or officer “in his/her capacity as a councillor or officer of the authority” where:
 - a) The act or failure to act was outside the powers of the Council, or outside the powers of the councillor or officer, but the councillor or officer reasonably believed that the act or failure to act was within the powers of the authority or within the powers of the councillor or officer (as appropriate) at the time that he/she acted or failed to act, as the case may be;
 - b) The act or failure to act occurred in the discharge of the functions of the City Mayor, Councillor or officer of the Council and/or in their capacity as a councillor or employee of another organisation, where the councillor or officer is, at the time of the action or failure to act, a councillor or employee of that organisation either –
 - i. in consequence of his/her appointment as such City Mayor, councillor or officer of that organisation by the Council; or
 - ii. in consequence of his/her nomination for appointment as such City Mayor, Councillor or officer of that organisation by the Council; or
 - iii. where the Council has specifically approved such appointment as such a City Mayor, Councillor or employee of that organisation for the purpose of these indemnities.
5. The Council undertakes not to sue (or join in action as co-defendant) a councillor or an officer of the Council in respect of any negligent act or failure to act by the councillor or officer in his/her capacity as a councillor or an officer of the Council, subject to the following exceptions:
 - a) Any criminal offence, fraud or other deliberate wrongdoing or recklessness on the part of the councillor or officer; or
 - b) Any act or failure to act by the councillor or officer otherwise than in his/her capacity as a councillor or officer of the authority.
6. These indemnities and undertaking will not apply if a City Mayor, Councillor or officer, without the express permission of the Council or of the appropriate officer of the Council, admits liability or negotiates or attempts to negotiate a settlement of any claim falling within the scope of this indemnity.
7. These indemnities and undertaking are without prejudice to the rights of the Council to take disciplinary action against an officer in respect of any act or failure to act.
8. These indemnities and undertaking shall apply retrospectively to any act or failure which may have occurred before 21st September, 2011 and shall continue to apply after the councillor or officer has ceased to be a councillor or officer of the authority as well as during his/her term of office or employment by the authority.
9. The City Mayor, Councillor or officer shall have a duty to inform the Council’s Monitoring Officer immediately he/she becomes aware of any claim or potential claim against the Council or any circumstances likely to result in any financial loss to the Council, and will follow the advice of the Monitoring Officer and the City Treasurer.
10. The City Mayor, Councillor or officer shall also be under a duty 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.
11. The indemnity shall not apply to cover acts or omissions carried out by a City Mayor, Councillor as a result of him/her obtaining a position on an outside body in a personal capacity without the Council making the appointment.
12. The indemnity does not extend to any fine imposed upon a councillor personally by any court or any award made against a City Mayor, Councillor personally by a Court or a Tribunal.