


Non-Executive Report of the: General Purposes Committee 8 February 2018	 TOWER HAMLETS
Report of: Asmat Hussain, Corporate Director, Governance	Classification: Unrestricted
Review of external appointments - Phase 2	

Originating Officer(s)	Matthew Mannion, Committee Services Manager and Joel West, Senior Committee Officer
Wards affected	(All Wards);

Summary

Further to the initial consideration at the October 2017 meeting, the Committee is invited to consider further detail on each of the outside bodies and to make recommendations to the Mayor on how the current list of outside bodies could be amended or refined to ensure having representation on outside bodies is meeting the Council's objectives.

Recommendations:

The General Purposes Committee is recommended to:

1. Consider the further information concerning the current outside bodies included at Appendix A.
2. Recommend to the Mayor that the Council should no longer nominate representatives to the 12 outside bodies listed as 'Recommend discontinue nominations' in Table 1 of Appendix A.
3. Make any final comments/recommendations about the appropriateness of Council appointments to any outside body for the Mayor's consideration; and
4. Note the revised Guidance for Members Representing the Council on Outside Bodies at Appendix B.

1. REASONS FOR THE DECISIONS

- 1.1 The Council has delegated the function of making appointments to outside bodies, where the activities of those outside bodies relate to Council functions, to the General Purposes Committee.
- 1.2 The Mayor has asked the Committee if it would consent to carry out a review of the organisations and the process for outside body appointments for both executive and Council functions.
- 1.3 At the October 2017 meeting, the Committee made initial observations and comments on the range of outside bodies and asked for further information to inform Phase 2 of the review.

2. ALTERNATIVE OPTIONS

- 2.1 The Committee could refuse the Mayor's request to conduct a review of outside bodies.
- 2.2 The Committee could request further information as it feels necessary on any/all of the outside bodies prior to forming its final recommendations.

3. DETAILS OF REPORT

- 3.1 At the October 2017 meeting, the Committee considered a Phase 1 report on the review of outside bodies. It asked that outside bodies be asked to provide the Council with updated information on their purpose, status and operating structure to inform a Phase 2 of the review, which will seek to develop a picture of the skills and accountabilities needed of appointees to each outside body. The Committee was also informed that the Council has in the past provided guidance for Members representing the Council on outside bodies and that the guidance was being reviewed.
- 3.2 Since the Phase 1 report, the following actions have been completed:
 - i. Outside Bodies have been contacted and asked to provide more details on their purpose, status and operating structure.
 - ii. Officers from Council Directorates have been asked to comment on how they feel each outside body contributes to the Council's objectives and the risks, if any, of not having Council representatives on each.
 - iii. All Councillors have been invited to offer comments on how they feel each outside body contributes to the Council's priorities or the general wellbeing of the Borough and whether it is appropriate for the council to continue to appoint representatives to each.
 - iv. Officers have reviewed and updated the guidance for persons representing the Council on outside bodies.
- 3.3 Information obtained as a result of (i) – (iii) above has been included in Appendix A. The Committee is asked to consider this information and make any comments/recommendations about the appropriateness of Council appointments to each body for the Mayor's consideration.

- 3.4 Some outside bodies did not respond to requests to supply the Council with updated information. This is reflected in Appendix A.
- 3.5 In light of the information obtained, this review recommends that the Committee recommends to the Mayor that Council nominations to 12 current outside bodies are discontinued. These are as noted in Table 1 in Appendix A and have been proposed as in each case either a) or b) below applies. The Committee is asked to give particular consideration to these bodies.
- a)
- i. Officers from service areas have advised they feel there is low, or no risk to the Council choosing not to nominate representatives or have indicated they are unaware of the outside body and the work it does; and
 - ii. no Member comments had been received in support of continuing nominations to the outside body at the time this report was finalised (any comments received subsequently will be reported to the meeting).
- b) The Council has received confirmation that the outside body is no longer operational.
- 3.6 Several outside bodies have been omitted from the review and therefore do not appear in Appendix A. They include London Councils and London Legacy Development Corporation bodies (as was requested by the Mayor) and those bodies owned/controlled by the Council, including the housing delivery companies recently established by the Council.
- 3.7 The updated Guidance for Councillors, Officers and Individuals Appointed or Nominated by the Council to Outside Bodies is included as Appendix B. This guidance will be provided to Members, officers and other individuals who are nominated by the Mayor/Council to represent the Council on outside bodies and will be included in future versions of the Members' Handbook.
- 3.8 In October 2017, the Committee also asked that Phase 2 of the review would develop a picture of the skills and accountabilities needed for each outside body, so they may be matched with potential nominees when future decisions on appointments are made. Information provided on skills and accountabilities by outside bodies is also included in Appendix 1 for the Committee's information and will be made available to the Mayor as and when nominations fall to be made (as reported in Phase 1, the Mayor makes nominations to outside bodies where the activities of the outside body relate to *executive functions* and this includes almost all current outside body appointments).

4. COMMENTS OF THE CHIEF FINANCE OFFICER

- 4.1 The report concerns Council representation, through the appointment of Council members and Officers, on the boards of external organisations within the borough. There are no direct financial commitments arising from the contents of this report.

5. LEGAL COMMENTS

- 5.1 Pursuant to Part 3.2.2 of the Constitution, the appointment and removal of Councillors and others to outside bodies is an Executive decision when the appointment relates to executive functions. Where it is non-executive then that function is delegated to General Purposes Committee as per Part 3.3.1(8) of the Constitution.
- 5.2 There are 3 types of external bodies:
- Formal joint Committees or joint working groups set up with other authorities. Councillors and/or officers serve on them as Council Members or officers;
 - Advisory or consultative bodies and appointees have a representative function rather than an executive one. The purpose of the appointment is to speak on behalf of the Council and represent the Council's interests; and
 - Bodies that are independent outside bodies and the appointees are placed there to act as Trustees, members of the Management Committee, officer of a Company, or some similar role. In such cases, the Councillor and/or officer is not there to act as Council representative but to use their judgement in the best interests of the outside body. In most cases, while acting on the outside body, the Councillor and/or officer will be under a positive legal duty to act in its best interests rather than those of the Council.
- 5.3 Due to the differing roles on external bodies, appointments should be time limited and regularly reviewed to ensure that the correct person has been appointed. Where the Councillor and/or officer's role is representative and speaking on behalf of the Council then it is important that there is regular feedback from the Council representative attending to ensure that the Council's interests are being best represented.
- 5.4 To assist Members and officers sitting on outside bodies such as companies, charities and unincorporated associations updated Guidance has been prepared by Legal Services and which is at Appendix B. This guidance is specific to appointments to bodies that are independent and is not intended to apply to outside bodies where the appointee may legitimately promote the Council's own interests, e.g. at meetings of London Councils.
- 5.5 In its consideration of this Report and its recommendations, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). There is some information in the report relevant to these considerations in paragraph 6 below.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 The appointment of representatives to outside bodies enables the Council to strengthen links with the community. The appointment of representatives also contributes to the Council's leadership role in the community.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 Clarifying procedures and roles for the outside body appointment process should improve efficiency by maximising the limited Member and officer capacity to support outside appointments. By ensuring the Council focusses its efforts on outside bodies that support its objectives, this review should increase the effectiveness of the Council's outside body appointments.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 8.1 It is not considered that there are any environmental implications.

9. RISK MANAGEMENT IMPLICATIONS

- 9.1 Participating in the work of outside bodies in an effective, consistent and structured way reduces potential risk to the Council's reputation.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 There are no crime and disorder reductions implications.

Linked Reports, Appendices and Background Documents

Linked Report

Review of external appointments – Phase 1. General Purposes Committee 12 October 2017.

Appendices

- Appendix A – Details of Outside Bodies
- Appendix B – Guidance for Persons Representing the Council on Outside Bodies.

Local Government Act, 1972 Section 100D (As amended) List of “Background Papers” used in the preparation of this report

- Returned ‘Outside Bodies Details forms’ (from those outside bodies listed in Appendix A, except where indicated).

Officer contact details for documents:

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