

Meeting of the

GENERAL PURPOSES COMMITTEE

Wednesday, 17 June 2009 at 7.30 p.m.

A G E N D A

VENUE

M71, 7th Floor, Town Hall, Mulberry Place, 5 Clove Crescent, London,
E14 2BG

Members:	Deputies (if any):
Chair: Councillor M. Shahid Ali	
Vice-Chair:	
Councillor Lutfa Begum	Councillor Rajib Ahmed, (Designated Deputy representing Councillors Md. Shahid Ali, Lutfa Begum, Clair Hawkins, Waiseul Islam and A. A. Sardar)
Councillor Philip Briscoe	Councillor Peter Golds, (Designated Deputy representing Councillor Philip Briscoe)
Councillor Clair Hawkins	Councillor Carli Harper-Penman, (Designated Deputy representing Councillors Md. Shahid Ali, Lutfa Begum, Clair Hawkins, Waiseul Islam and A. A. Sardar)
Councillor Waiseul Islam	Councillor Abjol Miah, (Designated Deputy representing Councillor M. Mamun Rashid)
Councillor M. Mamun Rashid	Councillor Fozol Miah, (Designated Deputy representing Councillor M. Mamun Rashid)
Councillor A A Sardar	Councillor Abdul Munim, (Designated Deputy representing Councillor M. Mamun Rashid)
	Councillor Salim Ullah, (Designated

Deputy representing Councillors Md. Shahid Ali, Lutfu Begum, Clair Hawkins, Waiseul Islam and A. A. Sardar)

[Note: The quorum for this body is 3 Members].

If you require any further information relating to this meeting, would like to request a large print, Braille or audio version of this document, or would like to discuss access arrangements or any other special requirements, please contact: Nadir Ahmed, Democratic Services, Tel: 020 7364 6961, E-mail: nadir.ahmed@towerhamlets.gov.uk

LONDON BOROUGH OF TOWER HAMLETS

GENERAL PURPOSES COMMITTEE

Wednesday, 17 June 2009

7.30 p.m.

1. APOLOGIES FOR ABSENCE

To receive any apologies for absence.

2. ELECTION OF VICE-CHAIR

Note: At the Annual Council Meeting held on 20 May 2009, Councillor Mohammed Shahid Ali was appointed to serve as Chair of the General Purposes Committee for the municipal year 2009/10.

The Committee is now invited to elect a Vice-Chair to serve for that period.

	PAGE NUMBERS	WARD(S) AFFECTED
3. DECLARATIONS OF INTEREST	1 - 2	
To note any declarations of interest made by Members, including those restricting Members from voting on the questions detailed in Section 106 of the Local Government Finance Act, 1992. See attached note from the Chief Executive.		
4. MINUTES	3 - 6	
To agree as a correct record of the proceedings the minutes of the meeting of the General Purposes Committee held on 25 March 2009.		
5. REPORTS FOR CONSIDERATION		
5.1 General Purposes Committee - Terms of reference, membership and dates of meetings	7 - 10	
5.2 Appointments to external bodies	11 - 46	
5.3 Appointment of members/deputies to casual vacancies on committees/panels (if any)		

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Agenda Item 3

DECLARATIONS OF INTERESTS - NOTE FROM THE CHIEF EXECUTIVE

This note is guidance only. Members should consult the Council's Code of Conduct for further details. Note: Only Members can decide if they have an interest therefore they must make their own decision. If in doubt as to the nature of an interest it is advisable to seek advice **prior** to attending at a meeting.

Declaration of interests for Members

Where Members have a personal interest in any business of the authority as described in paragraph 4 of the Council's Code of Conduct (contained in part 5 of the Council's Constitution) then s/he must disclose this personal interest as in accordance with paragraph 5 of the Code. Members must disclose the existence and nature of the interest at the start of the meeting and certainly no later than the commencement of the item or where the interest becomes apparent.

You have a **personal interest** in any business of your authority where it relates to or is likely to affect:

- (a) An interest that you must **register**
- (b) An interest that is not on the register, but where the well-being or financial position of you, members of your family, or people with whom you have a close association, is likely to be affected by the business of your authority more than it would affect the majority of inhabitants of the ward affected by the decision.

Where a personal interest is declared a Member may stay and take part in the debate and decision on that item.

What constitutes a prejudicial interest? - Please refer to paragraph 6 of the adopted Code of Conduct.

Your personal interest will also be a prejudicial interest in a matter if (a), (b) and either (c) or (d) below apply:-

- (a) A member of the public, who knows the relevant facts, would reasonably think that your personal interests are so significant that it is likely to prejudice your judgment of the public interests; AND
- (b) The matter does not fall within one of the exempt categories of decision listed in paragraph 6.2 of the Code; AND EITHER
- (c) The matter affects your financial position or the financial interest of a body with which you are associated; or
- (d) The matter relates to the determination of a licensing or regulatory application

The key points to remember if you have a prejudicial interest in a matter being discussed at a meeting:-

- i. You must declare that you have a prejudicial interest, and the nature of that interest, as soon as that interest becomes apparent to you; and
- ii. You must leave the room for the duration of consideration and decision on the item and not seek to influence the debate or decision unless (iv) below applies; and

- iii. You must not seek to improperly influence a decision in which you have a prejudicial interest.
- iv. If Members of the public are allowed to speak or make representations at the meeting, give evidence or answer questions about the matter, by statutory right or otherwise (e.g. planning or licensing committees), you can declare your prejudicial interest but make representations. However, you must immediately leave the room once you have finished your representations and answered questions (if any). You cannot remain in the meeting or in the public gallery during the debate or decision on the matter.

LONDON BOROUGH OF TOWER HAMLETS

MINUTES OF THE GENERAL PURPOSES COMMITTEE

HELD AT 7.30 P.M. ON WEDNESDAY, 25 MARCH 2009

**COMMITTEE ROOM, 1ST FLOOR, TOWN HALL, MULBERRY PLACE, 5 CLOVE
CRESCENT, LONDON, E14 2BG**

Members Present:

Councillor M. Shahid Ali (Chair)
Councillor Philip Briscoe
Councillor A A Sardar (Vice-Chair)

Other Councillors Present:

Councillor Peter Golds

Officers Present:

Nadir Ahmed – (Trainee Committee Officer)
John Williams – (Service Head, Democratic Services)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Carli Harper-Penman, Tim O'Flaherty, M. Mamun Rashid and Salim Ullah.

2. DECLARATIONS OF INTEREST

None.

3. MINUTES

The minutes of the meeting held on 21 January 2009 were agreed as a correct record.

4. REPORTS FOR CONSIDERATION

4.1 Appointments to External Bodies

John Williams, Service Head, Democratic Services, introduced the report which sought the appointment of Members, officer or other nominees as appropriate to represent the Council on external bodies.

He drew Members' attention to the nominations contained in Paragraph 7 of the report as well as in the additional paper that had been tabled.

The following further nominations were made at the meeting:

Organisation	Nominations	Nominated by
Cultural Industries Development Agency	Cllr. Peter Golds	Cllr. Philip Briscoe
East London Nursing Society Trust	Cllr. Dr. Emma Jones	Cllr. Philip Briscoe
North East London Valuation Tribunal	Cllr. Rupert Eckhardt	Cllr. Philip Briscoe
Norton Folgate Almhouses Charity	Ms Claire Palmer	Cllr. Philip Briscoe
Parmiters Bethnal Green Education Trust	Cllr. Peter Golds	Cllr. Philip Briscoe
Stepney Relief In Need Charity	Cllr. Ahmed Hussain	Cllr. Philip Briscoe

In response to a request for clarification from Councillor Briscoe, Mr Williams explained that a nominee who had not confirmed their willingness to be appointed could still be appointed subject to their agreement and if they then declined the appointment, another appointment could be made at the next appropriate meeting.

The Committee considered the nominations for appointments to external bodies in the order they were received from the political groups, and

RESOLVED

- 1) On a vote of 2 to 1 that Councillor Salim Ullah be appointed to the Cultural Industries Development Agency;
- 2) On a vote of 2 to 1 that Councillor Lutfa Begum be appointed to the East London Nursing Society Trust;
- 3) On a vote of 2 to 1 that Councillor Rachael Saunders be appointed to the East London Nursing Society Trust;
- 4) On a vote of 2 to 1 that Ms Belle Harris be appointed to the East London Nursing Society Trust, subject to her agreement;
- 5) On a unanimous vote that Councillor Rupert Eckhardt be appointed to the North East London Valuation Tribunal;
- 6) On a vote of 2 to 1 that Chris Weavers be appointed to the Norton Folgate Almhouses Charity, subject to his agreement;
- 7) On a vote of 2 to 1 that Councillor Sirajul Islam be appointed to the Parmiters Bethnal Green Education Trust; and
- 8) On a vote of 2 to 1 that Councillor Oliur Rahman be appointed to the Stepney Relief In Need Charity.

4.2 Charity of Thomas Dickinson: Proposed winding-up

Mr Williams introduced the report which sought the Committee's view on the proposed winding-up of the Charity of Thomas Dickinson.

In response to questions from Members, Mr Williams confirmed that the assets the charity still had would be given to other charities which provided similar benefits in the same area and the reason for the winding-up of the charity was because the trustees had not met for a number of years and it had therefore become inactive.

RESOLVED

- 1) That no objection be made to the proposed winding-up of the Charity of Thomas Dickinson, on the condition that the assets are divided between the three parishes as proposed, to be given to charities that operate in the same area and for similar purposes; and
- 2) That the Clerk to the Trustees be informed and asked to report back in due course to the Assistant Chief Executive (Legal Services) on the outcome of the winding-up and the transfer of the charity's assets including the beneficiaries.

The meeting ended at 7.42 p.m.

Chair, Councillor M. Shahid Ali
General Purposes Committee

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Agenda Item 5.1

Committee General Purposes Committee	Date 17 June, 2009	Classification Unrestricted	Report No.	Agenda Item No.
Report of: Service Head Democratic Services Originating Officer(s): Amanda Thompson		Title: General Purposes Committee – Terms of Reference, Membership and Dates of meetings Ward(s) affected: ALL		

1. SUMMARY

- 1.1 This report sets out for Members' information the Committee's Terms of Reference, membership and schedule of meeting dates for the municipal year 2009/10.

2. RECOMMENDATION

- 2.1 That the report be noted.

LOCAL GOVERNMENT ACT, 2000 (SECTION 97)

LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of "background paper"

None

Name and telephone number of holder
and address where open to inspection

3. BACKGROUND

- 3.1 This report sets out for Members' information the Committee's terms of reference, the schedule of dates for future meetings together with details of the membership of the Committee.

4. TERMS OF REFERENCE

- 4.1 The Committee's terms of reference, as set out in the Council's Constitution, are detailed below:-

- (i) Elections: To exercise powers in relation to the holding of elections and the maintenance of the electoral register including:-
- the provision of assistance at European Parliamentary elections;
 - power to make submissions to the Local Government Commission in relation to the boundaries of the borough or ward boundaries;
 - the appointment of a proper officer for the purposes of giving various notices in relation to elections and referenda (e.g. in relation to the verification number for petitions for a referendum under LGA 2000).
- (ii) Appointments of officers or Members to external bodies including the Tower Hamlets Housing Board.
- (iii) To recommend to Council the introduction, amendment or revocation of by-laws.
- (iv) Responsibility for the appointment and revocation of local authority school governors in cases of competing nominations or where officer delegations cannot be exercised.
- (v) Any other functions which under the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, may not be the responsibility of the Cabinet and which are not delegated elsewhere under this Constitution.
- (vi) To make changes to the membership and substitute membership of committees appointed by the Council and their subordinate bodies, consistent with the proportionality rules.
- (vii) To make non material changes to the Constitution upon the recommendation of the Monitoring Officer.

Quorum

3 Members of the Committee

5. MEMBERSHIP

5.1 The Annual Council Meeting held on Wednesday 20 May 2009 appointed the following Councillors to serve on the General Purposes Committee for the remainder of the 2008/09 municipal year:-

- Councillor Mohammed Shahid Ali (Chair)
- Councillor Lutfa Begum
- Councillor Clair Hawkins
- Councillor Waiseul Islam
- Councillor A. A. Sardar (Deputies:- Councillors Carli Harper-Penman, Rajib Ahmed and Salim Ullah)
- Councillor Mohammed Mamun Rashid (Deputies - Councillors Abjol Miah, Fozol Miah and Md. Abdul Munim)
- Councillor Philip Briscoe (Deputies – Councillor Peter Golds)

6. DATES OF MEETINGS

6.1 Council, at its meeting held on Wednesday 22 April 2009, agreed the programme of meetings for principal committees/panels etc for the forthcoming municipal year. Further meetings of the General Purposes Committee have been scheduled for the following dates (start time 7.30 p.m. in each case):-

- Wednesday 30 September 2009
- Wednesday 16 December 2009
- Wednesday 16 March 2009

It may be necessary to convene additional meetings of the Committee should urgent business arise. Officers will keep the position under review and consult with the Chair and other Members as appropriate.

7. COMMENTS OF THE CHIEF FINANCIAL OFFICER

7.1 There are no significant financial implications arising from the recommendations in this report.

8. CONCURRENT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

8.1 There are no immediate legal implications arising from this report.

9. ONE TOWER HAMLETS CONSIDERATIONS

9.1 There are no immediate anti-poverty or equal opportunity implications arising from this report.

10. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

10.1 There are no immediate SAGE implications arising from this report.

11. RISK MANAGEMENT IMPLICATIONS

11.1 There are no immediate risk management implications arising from this report.

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Agenda Item 5.2

Committee General Purposes Committee	Date 17th June, 2009	Classification Unrestricted	Report No.	Agenda Item No. 5.2
Report of: Service Head, Democratic Services Originating Officer(s): John S. Williams		Title: APPOINTMENTS TO EXTERNAL BODIES Ward(s) affected: All		

SUMMARY

1. The Committee is requested to consider nominations from the political groups and agree the Council's appointments to external bodies for the municipal year 2009/10.
2. Attached at Appendix A is the schedule of appointments to be made. This has been revised to show, for each organisation, the nominees who have served during 2008/2009; the number of appointments required in 2009/2010; and any nominations received prior to printing of this report. Any further nominations received subsequently from the political groups will be tabled at the meeting.
3. It should be noted that appointments to London Councils Committees and Forums were made by Council on 20th May 2009 because London Councils required nominations by 1st June.

RECOMMENDATIONS

4. (i) That appointments be made to external bodies for the Municipal Year 2009/2010 as listed in Appendix A to the report;
- (ii) That the appointments to London Councils Committees and Forums made by Council on 20th May 2009, as listed in Appendix A to the report, be noted; and
- (iii) That the 'Guidance for Members representing the Council on external bodies' at Appendix B be noted.

BACKGROUND

5. The General Purposes Committee has been established by Council to enable the swift determination of non-executive matters, including appointments to external bodies. A report elsewhere on the agenda provides details of the Committee's terms of reference, membership and quorum.
6. The Committee is requested to consider the nominations for appointment to External Bodies, which have been received from the political groups on the Council.
7. The schedule of appointments (attached at Appendix A) to external bodies has been revised to show the appointments made in 2008/2009, those required in 2009/2010 and any nominations received. Appointments are made for one municipal year unless otherwise indicated.

ROLE OF MEMBERS

8. Participating in the work of external bodies is an important part of the role of elected members but is different in nature from other aspects such as being a member of a local authority executive or sitting on regulatory committees. In some cases it will involve actively representing and defending the authority's interests on local authority associations. In others it will involve becoming a trustee of a charity or a director of a company limited by guarantee. In this case members have a duty to act in the best interests of the organisation to which they have been appointed rather than exclusively pursue the authority's interests. There are potential tensions in carrying out this role effectively. To this end the guidance in Appendix B has been formulated to assist members. The Committee is invited to note the guidance which has been circulated to all members of the Council and posted on the members' intranet.
9. A key part of this role is ensuring that information about the activities of external bodies is communicated to the Council. Much of this may take place through day to day contact with colleagues or with officers responsible for that area of work, but there is provision where necessary for Members appointed by the Council to external bodies to report to the Council or General Purposes Committee on the work of the organisation and any implications for the Council.

CONSULTATION

10. The political groups on the Council have been consulted prior to finalising the schedule at Appendix A and have been invited to submit nominations for the positions listed.

COMMENTS OF THE CHIEF FINANCIAL OFFICER

11. There are no direct financial implications arising from this report.

CONCURRENT REPORT OF THE ASSISTANT CHIEF EXECUTIVE (LEGAL)

12. There are no legal implications arising directly from this report. The legal issues and duties relating to Council nominees on external bodies are addressed in the Guidance to Representatives attached at Appendix B.

IMPLICATIONS FOR ONE TOWER HAMLETS

13. There are no immediate implications for One Tower Hamlets arising from this report.

SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT (SAGE)

14. There are no immediate SAGE implications arising from this report.

RISK ASSESSMENT

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

LOCAL GOVERNMENT ACT, 2000 (SECTION 97) LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF THIS REPORT

Brief description of "background paper"

Name and telephone number of holder
and address where open to inspection

External Bodies File

John S. Williams
020 7364 4204

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LONDON BOROUGH OF TOWER HAMLETS

APPOINTMENTS TO EXTERNAL BODIES **2009-2010**

For any additional information or advice about appointments to External Bodies please contact:

Benilda Baiden
Democratic Services
Town Hall,
Mulberry Place,
5 Clove Crescent,
London, E14 2BG

Telephone No: 020 7364 4667
Fax No: 020 7364 3232
Email: bennie.baiden@towerhamlets.gov.uk

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Arts Council for England ACE	2		Cllr Denise Jones Cllr Rofique Ahmed (Appointed at GPC 18 th June 2008)				
Action for Bow	1		Cllr Ann Jackson (Appointed at GPC 18 th June, 2008)				
Aldgate & All Hallows Exhibition Foundation Term of Office: 3 years	1	Cllr Sirajul Islam (Appointed at GPC 13 th June, 2007 – to serve until 15.3.2010)		No appointment required this year			
Bethnal Green The Museum of Childhood	2		Cllr Denise Jones Cllr Clair Hawkins (Appointed at GPC 18 th June 2008)				

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Bethnal Green & Victoria Park Housing Association	1		Cllr Joshua Peck (Appointed at GPC 18 th June, 2008				
Bromley By Bow Centre	1		Cllr A.A Sardar (Appointed at GPC 18 th June, 2008				
City Fringe	1		Cllr Ohid Ahmed (Appointed at GPC 18 th June, 2008	Partnership is closing at the end of July 2009			
Central London Waste Disposal Joint Committee (Term of Office: 4 years)	3		Cllr Abdal Ullah Cllr Waiseul Islam Cllr Shirley Houghton (Appointed at GPC 13 th June, 2007 until June 2011	No appointment required this year			

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Cultural Industries Development Agency (NB: Nominees must be Councillors)	2		Cllr Denise Jones (Appointed at GPC 18 th June 08) Cllr Salim Ullah (Appointed at GPC 25 th March 09)				
Docklands Sailing Water Sports Centre	1		Cllr Md Shahid Ali (Appointed 18 th June 2008)				
East London Line Group	2		Cllr Abdal Ullah Cllr Salim Ullah (Appointed at GPC 18 th June 2008)				
East London Nursing Society Trust Term of Office: 4 years Doesn't have to be Councillor	3		Cllr Lutfa Begum (Appointed at GPC 25 th March 09 until March 2013) Cllr Rachael Saunders (Appointed at GPC 25 th March 09 until March 2013) Ms Belle Harris (Appointed at GPC 25 th March 09 until March 2013, subject to her agreement)				

No appointment required this year

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
English Heritage – Historic Environment Champion	1		Cllr Denise Jones (Appointed at GPC 18 th June 2008)				
East End Homes	2		Cllr Denise Jones Cllr Motin Uz-Zaman (Appointed at GPC 18 th June 2008)				
East London & The City University Mental Health NHS Trust NB: Nominee may not be a member of the Health Scrutiny Panel	1		Cllr Bill Turner (Appointed at GPC 18 th June 2008)				
Future Charitable Trust (Rotation of Boroughs, no appointments needed until Jan 2010).	1						
Globe Town Trust	1		Cllr Bill Turner (Appointed at GPC 18 th June 2008)				
Greenwich + Docklands Festivals	1		Former Cllr Rupert Bawden (resigned)				
Green Candle Dance Company	1		None – New Appointment				

No appointments required

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Greater London Enterprise	2		Cllr Ahmed Omer Cllr Peter Golds (Appointed at GPC 18 th June, 2008)				
Island Sports Trust – Management Committee	1		Cllr Peter Golds (Appointed at GPC 18 th June 2008)				
Island Health Charities Trust	1		Cllr Md. Shahid Ali (Appointed at GPC 18 th June 2008)				
Isle of Dogs Community Foundation	2		Cllr Shiria Khatun Cllr Tim Archer (Appointed at GPC 18 th June 2008)				
Jagonari	1		Cllr Denise Jones (Appointed at GPC 18 th June 2008)				
London Canals Committee	1+1dep		Cllr Marc Francis Cllr Peter Golds (deputy) (Appointed at GPC 18 th June, 2008)				

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Leaside Regeneration Company Ltd	2		Cllr Ahmed Omer Cllr Marc Francis (Appointed at GPC 18 th June, 2008)				
LGA Urban Commission	2		Cllr Ohid Ahmed Cllr Marc Francis (Appointed at GPC 18 th June 2008)				
Limehouse Youth Club – Management Committee	3		Cllr Waiseul Islam Cllr Md. Shahid Ali Cllr Ohid Ahmed (Appointed at GPC 18 th June 2008)			Cllr Dulal Uddin	
London Accident Prevention Council	1 + deputy		Cllr Rupert Bawden – resigned Oct 08 Cllr Dr Emma Jones (Deputy) (Appointed at GPC 18 th June, 2008)				

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Lee Valley Regional Park Authority Term of office: 4 years	1+dep Nominations sought to serve for 4 years from 1 July 2009		Cllr Oliur Rahman (Appointed at GPC 22 nd Oct 08) Cllr Rajib Ahmed (Deputy) (Appointed at GPC 13 th June, 2007)				
London City Airport Consultative Committee Term of Office: 3 years	1		Cllr Ann Jackson (Appointed at GPC 10 th December, 2007 until 2010)	No appointment required this year			
LGA General Assembly	4		Cllr Alibor Choudhury Cllr Abdal Ullah Cllr Carli Harper- Penman Cllr Peter Golds (Appointed at GPC 18 th June 2008)				

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London Housing Consortium	2		Cllr Marc Francis (Appointed at GPC 18.06.08) Cllr Waiseul Islam (Appointed at GPC 22 nd Oct 08)				
London Rivers Association	1		Cllr Joshua Peck (Appointed at GPC 18 th June 2008)				
London Youth Games Limited	2		Cllr Waiseul Islam Cllr Tim O'Flaherty (Appointed at GPC 18 th June 2008)				
London Thames Gateway Development Corporation Term of Office: to 31.7.09 NB: Appt made by LTGDC and subject to ministerial approval	1	Cllr Ohid Ahmed – Board Member appointed to 31 st July 2009	Cllr Ohid Ahmed (Board Member)	No appointment required until 31 July 2009			

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Mudchute Association	1		Cllr Md. Shahid Ali (Appointed at GPC 18 th June 2008)				
Merchant Navy Welfare Board	1		Cllr Ahmed Omer (Appointed at GPC 18 th June 2008)				
Mile End Park Partnership Company	2		Cllr Denise Jones Cllr Joshua Peck (Appointed at GPC 18 th June, 2008)				
Montefiore Centre (Formerly Bethnal Green Training Centre)	2		Cllr Ahmed Omer Cllr Muhammad Abdullah Salique (Appointed at GPC 18 th June 2008)				

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Norton Folgate Almhouse Charities Term of office: 4 years Doesn't have to be Councillor or officer	3		Cllr Bill Turner (Appointed at GPC 14 th June 2006 until 2010) Ms. Rachel Blake (Appointed at GPC 18 th June 2008 until 2012) Mr Chris Weavers (Appointed at GPC 25.03.09 until March 2013, subject to his agreement)			No nomination required this year	
North East London Valuation Tribunal Term of Office: 6 years Doesn't have to be Councillor	3	Mr Martin Young (Appointed at Council 21 st April 2004 until 31 st Dec. 2009) Mr Jeffrey Pelta (Appointed June 2003 until 31 st Dec. 2009) Cllr Rupert Eckhardt (Appointed at GPC 25 TH March 2009 until 2015)				No nomination required this year. NB update: As from 1 October 2009 the local valuation tribunals will be succeeded by a new body, the Valuation Tribunal for England, whose members will be appointed by the Judicial Appointments Commission	

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Ocean Regeneration Trust Interim Board	2		Clr Rofique Ahmed Clr Alibor Choudhury (Appointed at GPC 18 th June 2008)				
Olympic Delivery Authority – Planning Committee	1 (NB: appointed by ODA Board)	Clr Rofique U. Ahmed - to September 2010		No nomination required until September 2010			
Greater Peoples' Member Champion	1		Clr Ann Jackson (Appointed at GPC 18 th June 2008)				
Oxford House	1		Clr Carli Harper-Penman (Appointed at GPC 18 th June, 2008)				
Parmiters Bethnal Green Education Trust	1		Clr Sirajul Islam (Appointed at GPC 25 th March, 2009)				

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Poplar HARCA Boards Councillor now invited to serve on each of 4 new Boards (Poplar Harca; Places; Services and Finance & Audit)	4		Cllr Motin Uz-Zaman Cllr A. A. Sardar (Appointed at GPC 18 th June, 2008) Cllr Rania Khan Cllr Shiria Khatun (Appointed at GPC 22 nd Oct 08)				
Reserve Forces & Cadets Association for Greater London	1		Cllr Stephanie Eaton (Appointed at GPC 18 th June, 2008)				
Rich Mix Cultural Foundation	2		Cllr Rofique Ahmed Cllr Carli Harper-Penman (Appointed at GPC 18 th June 2008)				
St Hilda's Community Centre Management Committee	1		Cllr Fazlul Haque (Appointed at GPC 18 th June 2008)				

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Spitalfields Market Community Trust	3		Cllr Hejal Abbas Cllr Lutfur Rahman Cllr Sirajul Islam (Appointed at GPC 18 th June 2008)				
S. S. Robin Trust	1		Cllr Denise Jones (Appointed at GPC 18 th June 2008)				
St Katharine's & Shadwell Trust	2+2 Dep		Cllr Denise Jones Cllr Shafiqul Haque Deputies: Cllr Abdul Asad Mr. Abdus Shukur (Appointed at GPC 18 th June 2008)				
Stepney Relief In Need Charity Term of Office: 4 years Doesn't have to be Councillor or officer	3 (NB only 1 vacancy)	Cllr Bill Turner (Appointed at GPC 18 th June 2008 until June 2012) Cllr Oliur Rahman (Appointed at GPC 25 th March 2009 until March 2013)	Cllr Rofique U Ahmed (Appointed at GPC 16 th June, 2005 - Until 16/06/09)				

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Thames Gateway London Partnership	1		Cllr Ohid Ahmed (Appointed at GPC 18 th June, 2008)				
Thames' Regions Flood Defence Committee (Sub-of National Rivers Authority) (Tower Hamlets, Bexley, Greenwich, Lewisham & Newham)	1			Appointment made by London Councils T.E.C Committee from group of boroughs as listed Currently Cllr R Sidhu (Greenwich)			
Term of Office: 4 years Thomas Dickinson Charity	3		No appointments made.	No appointments required as Charity is being wound up following recommendation to GPC 25 th March 09			

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Tower Hamlets/ Canary Wharf Further Education Trust	2		Clr Abdal Ullah Clr Clair Hawkins (Appointed at GPC 18 th June 2008)				
The Henderson Charity	1		Clr Ahmed Omer (Appointed at GPC 18 th June, 2008)				
Tower Hamlets College Term of Office: 3 years	2		Clr Clair Hawkins; Ms Carmel Littleton (Appointed at GPC 18 th June, 2008 until June 2011)			No appointment required this year	
Tower Hamlets Community Transport	1		Clr Tim O' Flaherty (Appointed at GPC 22 nd Oct 08)			Clr Abjol Miah	

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Tower Hamlets Sports Council	7		<p><u>(1)</u> Cllr Waiseul Islam</p> <p><u>(2)</u> Cllr Ohid Ahmed</p> <p><u>(3)</u> Cllr Shiria Khatun</p> <p><u>(4)</u> Cllr Ahmed Omer</p> <p><u>(5)</u> Cllr Rupert Eckhart</p> <p><u>(6)</u> Cllr Stephanie Eaton</p> <p>(Appointed at GPC 18th June 2008)</p> <p><u>(7)</u> Cllr Rofique U Ahmed</p> <p>(Appointed at GPC 22nd Oct 08)</p>			Cllr Abjol Miah	

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Tower Hamlets Primary Care Trust (PCT have advised that the appointment falls to the Lead Member responsible for Older People and Health)	1		Clr Anwara Ali (Appointed at GPC 18 th June 2008)				
Tower Hamlets Community Housing (THCH)	4		Clr Waiseul Islam Clr Helal Abbas Clr Shafiqul Haque Clr Sirajul Islam (Appointed at GPC 18 th June 2008)				

ORGANISATION	NUMBER OF REPS. TO BE APPOINTED	ON-GOING APPOINTMENTS	APPOINTEES DURING 2008/09	LABOUR GROUP NOMINATION(S) 2009/2010	CONSERVATIVE GROUP NOMINATION(S) 2009/2010	RESPECT GROUP NOMINATION(S) 2009/2010	LIBERAL DEMOCRAT GROUP NOMINATION(S) 2009/2010
Tower Hamlets Homes Board	5		Clr Alex Heslop Clr Denise Jones Clr Shafiqul Haque Clr Ohid Ahmed Clr Fazlul Haque (Appointed at GPC 18 th June 2008)				
Tower Project	1		Clr Ann Jackson (Appointed at GPC 18 th June, 2008)				
Whitechapel Art Gallery	1		Clr Denise Jones (Appointed at GPC 18 th June, 2008)				
Women's Library Council	1		Clr Denise Jones (Appointed at GPC 18 th June, 2008)				
Women's Environmental Network NB: Nominee should be a woman.	1		New appointment				

ORGANISATION London Councils	NUMBER OF REPS. TO BE APPOINTED	APPOINTED AT COUNCIL ON 20th MAY, 2009 TO SERVE FOR 2009/10
Leaders' Committee and London Councils Limited	1 + up to 2 deputies	Councillor Lutfur Rahman Councillor Joshua Peck (Deputy)
Transport & Environment Committee	1 + up to 4 deputies	Councillor Abdal Ullah
Grants Committee	1 + up to 4 deputies	Councillor Ohid Ahmed
Culture, Tourism and 2012 Forum	1 + 1 deputy	Councillor Rofique Ahmed Councillor Waiseul Islam (Deputy)
Greater London Employment Forum	1 + 1 deputy	Councillor Oliur Rahman Councillor Alibor Choudhury (Deputy)
Health & Adult Services Forum	1 + 1 deputy	Councillor Dr Anwara Ali Councillor Ahmed Omer (Deputy)
Housing Forum	1 + 1 deputy	Councillor Marc Francis Councillor Shiria Khatun (Deputy)
Crime & Public Protection Forum	1 + 1 deputy	Councillor Abdal Ullah Councillor Motin Uz-Zaman (Deputy)
Economic Development Forum	1 + 1 deputy	Councillor Ohid Ahmed Councillor Rania Khan (Deputy)
Children & Young People Forum	1 + 1 deputy	Councillor Abdul Asad Councillor Bill Turner (Deputy)
BME Councillors' Network	Open to all Black & Minority Ethnic Councillors who wish to be invited	
Women Councillors' Network	Open to all Women Councillors who wish to be invited	
London Irish Councillors Network	Open to all Councillors of Irish origin or background who wish to be invited	



APPENDIX B

LONDON BOROUGH OF TOWER HAMLETS

GUIDANCE FOR MEMBERS REPRESENTING THE COUNCIL ON EXTERNAL BODIES

GUIDANCE FOR MEMBERS/OFFICERS REPRESENTING THE COUNCIL ON EXTERNAL BODIES

1. The Council has nomination/appointment rights to a large number of different external bodies and organisations. These may be joint committees, public, private and voluntary organisations operating in the Borough and statutory bodies. All nominations to outside bodies are published on the Council's website.
2. The Council may nominate or appoint members or officers to these bodies. Rules concerning who may be nominated or appointed and the term of office may be set out in the constitutional arrangements of each of the individual organisations.
3. Generally the Council will nominate elected members as its representative(s); however this guidance applies to both members and officers alike.
4. In carrying out such roles councillors and officers act both as individuals and as representatives of the Council. The role requires the appointed person to:-
 - act according to the rules, constitution and framework set by the outside body;
 - make independent and personal judgements in line with their duty of care to the outside body;
 - report to the Council and lead member or relevant committee as requested or necessary. Accordingly the council representatives shall keep the relevant lead member appropriately informed of all business to be or conducted by the external body;
 - behave ethically and follow as far as applicable the Council's Code of Conduct for Members;
 - take an active and informed role in the management of the outside body's affairs.
5. Such roles can be time consuming and require a commitment different from the political role of councillors or empowerment role of officers working within the Council. Membership on outside bodies does not entail representing the political party to which councillors owe their political loyalty, or to the Council by which the officer is employed. Representatives on such bodies will not be able to "avoid" taking part in the outside body's discussions and will be required to take a fully participative role. They will not be expected to look at things simply from the Council's perspective, nor to be there in name only.

6. The role of councillors or officers on outside bodies may give rise to occasional uncertainty and perhaps to conflicts of interest. The attached Annex offers a guide to the responsibilities of councillors and officers. Councillors and officers should read the guide before taking up any representational role and if there are issues arising from their particular situation at any time to contact the Assistant Chief Executive (Legal Services) or the Service Head, Democratic Services for advice.
7. Councillors and officers are under a specific obligation as a result of the 1995 Local Authorities (Companies) Order to report back to the Council on their involvement in *outside companies* to which they have been nominated by the Council. That obligation can be met by a six monthly report to the full Council. The Cabinet, scrutiny committees or political groups may request more regular feedback in general or on specific issues. The representative must provide such information as is requested unless they have concerns that the information requested maybe confidential to the company or affect its business activity. In which case they should seek advice from the Assistant Chief Executive (Legal Services). While the law now makes this a requirement for involvement in outside companies, it is self-evident that the requirement to report back should apply to involvement in all outside bodies. Accordingly the requirement to report six monthly to Council shall apply to all representatives on external bodies.
8. Councillors will appreciate that the guide and also the Code of Conduct for Members address some of the issues around the possibility of conflicts of interests. If the outside body comes into conflict with the Council and the councillor or officer is on the management committee of the outside body, it is likely that the councillor or officer will have an interest which they will have to declare which if it is prejudicial will prevent them from participating in the Council decision-making affecting the outside body to which he or she has been appointed.
9. If there is a major dispute between the Council and the outside body, then the councillor or officer may be placed in an untenable situation. Before taking precipitate action, the councillor or officer should seek the advice of the Chief Executive or the Assistant Chief Executive (Legal Services).
10. The councillor or officer may find s/he is unable adequately to carry out their responsibilities properly, both as a councillor or officer and as a member or director of the outside body. That would be an exception, and should not deflect councillors or officers generally from being prepared to participate in the management and running of outside organisations.
11. The Council publishes a full list of its representatives on external bodies on its website.

ANNEX

A GUIDE TO THE LAW FOR COUNCILLORS AND OFFICERS ON EXTERNAL BODIES

This advice is for councillors and officers who represent the Council on organisations outside the Council, whether as a company director, the trustee of a charity or a representative on a management committee. It sets out some of the most important responsibilities. It is not meant to be a comprehensive guide. If Councillors or officers have queries then the Assistant Chief Executive (Legal Services) or the Service Head, Democratic Services should be consulted.

GENERAL

1. There are some general provisions which apply to councillors and officers who act in the role of company director, trustee or member of an incorporated body, or on the committee of management of an unincorporated voluntary organisation.
2. Members are under a duty to exercise independent judgement in the interest of the organisation in which they are involved. Whilst it is recognised that councillors and officers may have a commitment to representing the Council on the outside organisation, they must be aware that it is their responsibility to decide what view to take on any question before that organisation. Where a councillor or officer is participating in an outside organisation in a representative capacity, s/he must declare that fact to the organisation. There will be a fine line to tread between his/her duty to the organisation and to the Council.
3. In the final analysis, the councillor or officer in acting as a director/trustee or member of a management committee of an organisation must act in accordance with the interests of that organisation. A mandate from the Council to vote one way or the other would put the councillor or officer in breach of the duty to the organisation. It is permissible to take account of the Council's wishes, but not to vote simply in accordance with them. **The overriding duty in considering an item before the outside organisation is to vote in accordance with the interests of that organisation.**
4. Councillors and officers must also ensure that avoidable loss is not incurred in managing the organisation. They cannot avoid this responsibility by not reading the papers or failing to ask for appropriate reports. They will be expected to seek professional advice where appropriate.

COMPANIES

5. On incorporation a company becomes a separate legal entity which can hold property in its own right, enter into contracts and sue and be sued in its own name. The company is distinct from its shareholders and members. In the case of a limited liability company, the liability of members of the company is

limited to the amount they paid or agreed to pay when they joined the company. This can be as little as £1.

6. Companies limited by shares are those which have a share capital (e.g. 1000 shares of £1 each). Each Member holds shares and receives a share in the profits made by the company according to the value of the shares held. Shares can be sold. Companies limited by guarantee are those where there is no shareholding. Instead each Member agrees that in the event of the company being wound up they will agree to pay a certain amount. This may also be as little as £1. This form of company is the most usual in the public and voluntary sector particularly where charitable status is sought.
7. The management of a company is generally the responsibility of a board of directors. The powers of the directors are usually set out in the company's Articles of Association (the rules each company has to govern its internal management). Sometimes even though a company has been incorporated the directors may be referred to as members of the committee of management, governors or even trustees. However this does not change their status as directors. Conversely, sometimes officials are called directors but they are not members of the board. Again their status will not be affected. Directors are those who are appointed by the company to act in that capacity.

Directors' Duties

8. A director is an agent of the company. His/her prime duties are as follows:-
 - (1) **A fiduciary duty** to the company (not individual shareholders) to act honestly and in good faith and in the best interests of the company as a whole. Directors are therefore in the position of "quasi trustees" who must take proper care of the assets of the company. The fiduciary duty of a director towards the company is very similar to the fiduciary duty of Councillors to the Council Tax payers.
 - (2) **A general duty of care and skill** to the company. So long as the Company remains solvent, a director requires no greater skill than might reasonably be expected of someone of that individual's particular knowledge and experience. A director is not deemed to be an expert, but is expected to use due diligence and to obtain expert advice if necessary. But note that if the Company becomes insolvent, the Court may expect that the director brings an appropriate level of skill, competence and experience to the job.
 - (3) Like a Councillor in respect of Council decisions, the director is under a duty **to exercise independent judgment**, though it is permissible for him/her to take account of the interests of a third party which he/she represents. In such a case the director must disclose that position and treads a fine line between the interests of the company and the party represented (in this case the Council). The director cannot vote simply in accordance with the Council mandate. To do so would be a breach of duty.

- (4) **No conflict.** There may be actual or potential conflicts between the interests of the Council and the interests of the company. In such circumstances the only proper way for the conflict to be resolved is for the Councillor or officer to resign either from the company or from the Council.
- (5) Directors are **not allowed to make a private profit** from their position. They must therefore disclose any interests they or their family may have in relation to the company's contracts. Whether they are then allowed to vote will depend on the Articles of Association.
- (6) Directors must **ensure compliance with the Companies Acts** in relation to the keeping of accounts, and that the relevant returns are made to the Registrar of Companies. Failure to do so incurs fines and persistent default can lead to disqualification as a director.

Directors' Liabilities

9. The following liabilities apply to directors:

- (1) The company's identity must clearly be shown on its stationery. The company number, place of registration, registered office address and if any of the directors' names are shown then they must all appear. Non-compliance is an offence and the directors and company officers can be fined.
- (2) A company can only act within the scope set out in its Memorandum of Association (the document which sets out the objects of the company). Those directors knowingly causing the company to act beyond the activities set out in the Memorandum will be liable personally. In very limited circumstances it is possible for the actions of the directors to be ratified by the Members of the company.
- (3) A director may also be liable for breach of trust, if he/she misapplies the money or property of the company. Directors may also be liable if they fail to take action to prevent the breach of a co-director of which they are aware.
- (4) In the event of failure to act in accordance with the best interests of the company, or if a director uses his/her powers improperly or makes a personal profit from his/her position as director, then the director may be personally liable for loss to the company and may be required to give to the company the personal profit made.
- (5) If the level of skill and care shown by a director falls below that which could be reasonably expected and the company suffers loss, the director will be liable for the loss incurred. However if it believes the director acted honestly and reasonably, a Court may excuse the director the liability.

- (6) If a director knows or ought to know that there is no reasonable prospect of the company avoiding liquidation, a Court may require that director to contribute to the company's assets on liquidation if the company continues to trade. This is known as wrongful trading. No such order will be made if the Court is satisfied that the director took all reasonable steps to minimise the loss to the creditors. If a director has concerns about the company's financial position he/she could be well advised to inform the other directors and seek advice from the company auditors. He/she should try to ensure that further debts are not incurred.
- (7) A director will also be liable if to his/her knowledge the company carries on business with intent to defraud creditors or any other person, or for any other fraudulent purpose. Fraudulent trading can also lead to disqualification from acting as a director.
- (8) All cheques and similar documents which purport to be signed on behalf of the company must bear the company name. Where they do not, the director signing on behalf of the company may be liable to a fine and may also be liable to the payee if the company fails to honour the cheque. It is therefore wise for directors to make sure that all documents they sign on behalf of the company state very clearly that they act as agent for the company, (e.g. Director, for and on behalf of).
- (9) A third party who enters into a contract on the assumption that a director has power to bind the company, may be able to claim damages against the director if it subsequently transpires that the director had no such power. Directors would be well advised to ensure that contracts are approved by the board and that the authority to enter into any contract has been properly delegated before signing it.
- (10) Though company liability ceases on dissolution the liability of the directors (if any) may still be enforced after dissolution.

Indemnities

10. The following arrangements apply:

- (1) Councillors who are directors cannot be indemnified by the company against liability arising out of negligence, default, or breach of duty or trust. However the company's Articles of Association may allow for directors to be indemnified by the company in respect of the cost of defending such proceedings if the director is granted relief by the Court or acquitted. Equally, in making the appointment, the Council can offer an indemnity against losses which the councillor may suffer through acting conscientiously as a director. **But note that it is lawful for companies to purchase insurance to protect its directors against claims of negligence, breach of duty, trust, default. Directors**

would be well advised to ensure that such a policy of insurance is maintained at all times.

- (2) Under the Local Government Act 2000¹, it is now possible for the Council to provide indemnities for councillors or officers when appointing them to act as directors and to buy insurance to cover any losses which they may suffer through acting conscientiously as a director. However, the first recourse would be to ensure that the company had provided such insurance.

Local Authorities (Companies) Order 1995

11. These arrangements apply to local authority companies:

- (1) This Order, made under the Secretary of State's powers contained in Part V Local Government and Housing Act 1989, sets out rules concerning local authorities' involvement in "regulated companies" which are subject to extensive controls, and their involvement in other companies where a number of rules apply.
- (2) "Regulated companies" are so defined if they are controlled or influenced by the local authority. "Influenced companies", under the effective control of the local authority, will be subject to capital finance régime and special proprietary controls. In broad terms, the test as to whether companies are local authority influenced is whether the local authority has the right to or in fact does exercise a dominant influence over the company in question.
- (3) The original concept of controlled, influenced and minority interests in companies were introduced by the 1989 Act. "Influenced" means at least 20% local authority interest plus a business relationship with the company accounting for over 50% of the company's turnover and/or the company was located on local authority land leased or sold for less than best consideration. "Controlled" means over 50% local authority interests, and "minority" less than 20% interest. The concept in the 1989 Act stands, but the Order introduces the term "regulated".
- (4) Councillors or officers who are directors of outside companies to which they have been nominated by the Council are under the following obligations:-
 - (a) (Councillors only) that the remuneration they receive from the company should not exceed that received from a local authority, and should be declared;
(Officers only) that they shall not receive any fee or reward other than their Council salary, unless so agreed with the Council;

¹ The Local Authorities (Indemnities for Members and Officers) Order 2004 made under sections 101 & 105.

- (b) to give information to councillors about their activities as required by the local authority (save for confidential information); and
- (c) to cease to be a director immediately upon disqualification as a Councillor or termination of their employment by the Council.

CHARITIES

12. To be a charity an organisation must operate for a charitable purpose. There are four such charitable purposes:
 - (i) the relief of poverty and human suffering
 - (ii) the advancement of education
 - (iii) the advancement of religion
 - (iv) another purpose for the benefit of the community.
13. It must operate for the public benefit and have exclusively charitable purposes. An organisation which operates for political purposes will not qualify for charitable status.
14. To register as a charity the organisation must submit its completed constitution (usually Certificate of Incorporation and the Memorandum and Articles of Association of a company limited by guarantee) to the Charity Commissioners for approval. If they are satisfied that the organisation is charitable it will be registered as such.
15. Those who are responsible for the control and administration of a charity are referred to as its trustees, even where the organisation is a company limited by guarantee even though they are not strictly trustees. Trustees of a charity retain personal liability, and can only delegate to the extent that the constitution authorises them so to do.

Trustees' Duties

16. Trustees have the following duties:
 - (1) Trustees must take care to act in accordance with the constitution and to protect the charity's assets. They are also responsible for compliance with the Charities Acts, and should note the particular requirements of the Acts in respect of land transactions.
 - (2) Trustees must not make a private profit from their position. They cannot receive remuneration without the sanction of the Charity Commission. They must also perform their duty with the standard of care which an ordinary, prudent business person would show. Higher standards are required of professionals, and in relation to investment matters.

- (3) Charitable trustees must ensure that the information relating to the charity and trustees is registered with the Charity Commissioners and that annual accounts, reports and returns are completed and sent.
- (4) If charitable income exceeds £10,000, the letters, adverts, cheques etc. must bear a statement that the organisation is a registered charity.
- (5) Trustees are under a duty to ensure compliance with all relevant legislation (e.g. in relation to tax and land matters).

Trustees' Personal Liability

17. Liabilities may arise in the following ways:

- (1) If in doubt, always consult the Charity Commissioners. A trustee who does so can avoid personal liability for breach of trust if he/she acts in accordance with the advice given.
- (2) Generally though, a trustee incurs personal liability if he/she:-
 - acts outside the scope of the trust deed
 - falls below the required standard of care
 - acts otherwise than in the best interests of the charity, in a way which causes loss to the charity fund
 - makes a personal profit from the trust assets
- (3) In such circumstances the trustee will incur personal liability for losses incurred.
- (4) Trustees of a trust can be liable personally to third parties because unlike a company, a trust has no separate identity from the trustees. The constitution will normally provide for trustees to be given an indemnity from the trust assets, provided they act properly in incurring the liability. Trustees remain personally liable for their own acts and defaults once they have retired. If they have entered into any ongoing contracts on behalf of the trust they should seek an indemnity from their successors. If the charity is a company, the trustees will be protected from liabilities incurred in the day-to-day running of the charity in the normal course, but will be personally liable if they commit a breach of trust (see (2) above).
- (5) Trustees may be liable to fines if they do not comply with the duty to make returns etc.

Indemnities

18. An indemnity can be given from the trust fund provided the trustee has acted properly and within his/her powers. Trustees may take out insurance to

protect themselves against personal liability but not for criminal acts, fraud etc. There will be no problem if the trustees themselves pay the premiums but if they are paid out of the charitable funds the trustees will need the consent of the Charity Commissioners first, unless the trust deed allows it.

COMMITTEES OF MANAGEMENT

Unincorporated Associations

19. Groups which are not charitable trusts or limited companies are “unincorporated associations” and have no separate legal identity from their members. The rules governing the members’ duties and liability will be set out in a constitution, which is simply an agreement between the members as to how the organisation will operate. Usually the constitution will provide for a management committee to be responsible for the everyday running of the organisation. An unincorporated organisation may be charitable and may register as a charity.
20. Property will have to be held by individuals as the organisation has no existence of its own.

Duties

21. Broadly, Management Committee members must act within the constitution, and must take reasonable care in exercising their powers.

Liabilities

22. The following liabilities may arise:
 - (1) Generally, the Management Committee members are liable for the acts of the organisation, but are entitled to an indemnity from the funds of the organisation if they have acted properly. If there are not enough funds, the Committee members are personally liable for the shortfall.
 - (2) If one person is appointed by the constitution to act as the agent of the organisation for certain purposes, then that person acts as the agent of all the members, who have joint liability for the agent’s actions.
 - (3) Members of the Committee of Management will have personal liability if they act outside the authority given to them or if they do not comply with statute e.g. the payment of employees’ tax etc.

Indemnities

23. Members will be entitled to an indemnity if they act in accordance with the Constitution and are not at fault. It is possible to obtain insurance but if the organisation is to pay the premium it must be permitted by the constitution.

Acknowledgements

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With thanks to Colchester Borough Council upon whose guide this text is based.