

INDEMNITY GIVEN TO MEMBERS BY THE AUTHORITY

1. The Authority has determined to indemnify its Members against certain claims costs and damages against Members in the circumstances and as set out below.

2. **Indemnity**

2.1. In this indemnity :-

- (a) "Act of Default" means any neglect, act, error, or omission including any breach of trust or duty of care of fiduciary or any other duty committed by a Member.
- (b) "Members" means all Members of the Authority who are at the time of the Act, Members of the Authority.
- (c) "Part 3 Proceedings" means any investigation report, reference, adjudication or any other proceeding pursuant to Part 3 of the Local Government Act 2000.

2.2. The Authority will, subject to the exceptions set out in paragraph 2.3, 2.4 and 2.5, indemnify its Members against claims made against them (including, all damages and costs awarded) and will not itself make claims against them for any loss or damage (other than claims falling within the cover provided to its Members under any policy of insurance taken out by the Authority or any motor vehicle insurance policy taken out by the Member) occasioned by an Act of Default :-

- (a) whilst acting within the scope of their employment or authority; or
- (b) where they reasonably believed that they were acting within the scope of their employment or authority (even though they were not in fact acting within the scope of their employment or authority);
- (c) whilst acting for other persons or other bodies of whatsoever nature within the scope of their employment or authority, or where the circumstances in 2.2. (b) above apply; whilst acting for other persons or bodies; or
- (d) comprising the issuing or authorisation of any document by a Member containing any statement as to the powers of the Authority, or any statement that certain steps have been taken or requirements fulfilled and where that Member reasonably believed that the contents of that statement were true.

2.3. This indemnity shall not extend to any Act of Default by an employee which :-

- (a) constitutes a criminal offence, or
- (b) is the result of fraud or other deliberate wrongdoing or recklessness on the part of that Member.

provided that the indemnity shall apply to the costs of defending any criminal proceedings brought against a Member and any civil liability arising as a consequence of any Act of Default which constitutes a criminal offence.

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2.4. This indemnity shall not extend to the making of any claim by a Member in relation to an alleged defamation of that Member, but will extend to the defence by that Member of any allegation of defamation made against the Member.

2.5. Where the Authority has incurred costs by way of indemnity of a Member:-

- (a) In respect of the Members' costs of defending criminal proceedings and that Member is convicted of a criminal offence and that conviction is not overturned following any appeal; or
- (b) In respect of the defence of Part 3 Proceedings and a finding is made in those proceedings that the Member in question has failed to comply with the Code of Conduct, and that finding is not overturned following any appeal or the Member admits that they have failed to comply with the Code of Conduct for Members;

then that Member shall reimburse the Authority for any sums expended by the Authority in relation to those proceedings which shall be recoverable as a civil debt.

3. Wherever possible, all outside bodies upon which Members are presently appointed and any outside bodies upon which Members may in the future be appointed, are requested to purchase and maintain henceforth insurance to cover the Member for any financial liability which might by virtue of any rule of law or otherwise attach to such Member in respect of any Act of Default.