

## 5.6 MEMBER AND OFFICER INDEMNITY

### Terms of Indemnity

1. The Authority will, subject to the exceptions set out below, indemnify each of its members and employees against loss or damage suffered by the member or officer arising from his/her action or failure to act in his/her capacity as a member or officer of the authority.
2. 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 member or officer;
  - (b) any act or failure to act by the member or employee otherwise than in his/her capacity as a member or officer of the authority, or
  - (c) failure by the member to comply with the authority's Code of Conduct for Members.
3. For the purpose of this indemnity, loss or damage shall be deemed to have arisen to the member or officer "in his/her capacity as a member or officer of the authority" where:
  - (a) The act or failure to act was outside the powers of the authority, or outside the powers of the member or officer, but the member or officer reasonably believed that the act or failure to act was within the powers of the authority or within the powers of the member 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 not in the discharge of the functions of the member or officer as a member or officer of the authority but in their capacity as a member or employee of another organisation, where the member or officer is, at the time of the action or failure to act, a member or employee of that organisation either –
    - i. in consequence of his/her appointment as such member or officer of that organisation by the authority; or
    - ii. in consequence of his/her nomination for appointment as such member or officer of that organisation by the authority; or
    - iii. where the authority has specifically approved such appointment as such a member or employee of that organisation for the purpose of this indemnity.

4. The authority undertake not to sue (or join in action as co-defendant) an officer of the authority in respect of any negligent act or failure to act by the officer in his/her capacity as an officer of the authority, subject to the following exceptions:
  - (a) **Any criminal offence, fraud or other deliberate wrongdoing or recklessness on the part of the officer; or**
  - (b) **Any act or failure to act by the officer otherwise than in his/her capacity as a member or officer of the authority.**
5. This indemnity and undertaking will not apply if a member of officer, without the express permission of the Authority or of the appropriate officer of the authority, admits liability or negotiates or attempts to negotiate a settlement of any claim falling within the scope of the resolution.
6. This indemnity and undertaking are without prejudice to the rights of the authority to take disciplinary action against an officer in respect of any act or failure to act.
7. This indemnity and undertaking apply retrospectively for a maximum period of one year in relation to any act or failure to act which may have occurred before this date and shall continue to apply after the member or officer has ceased to be a member or officer of the authority as well as during his/her membership of or employment by the authority.
8. The Council's total potential financial commitment under this indemnity within any one financial year for which a contract of insurance is not in place will be limited to £100,000.
9. For the avoidance of doubt this indemnity does not apply to:
  - (a) costs arising to an officer or member in defending (or an officer pursuing) an action for defamation
  - (b) costs arising to an officer or member in defending a case before the Council's Standards Committee or the Case Tribunal of the Standards Board for England.
10. Nothing in this indemnity prevents the Council from considering the merits of an individual matter where it was satisfied that there is a clear public interest in so doing.