



Council policy

Policy Title: Indemnification of Members of City Council
Policy Number: CC010
Report Number: 1977 August 08 Commissioner's Report to Legislation Committee
Approved by/Date: Council/1977 August 22
Effective Date: 1977 August 22
Last Amended: 2016 March 14
Policy Owner: Law Department

BACKGROUND

The City of Calgary agrees to hold harmless Members of City Council and pay on their behalf all sums members may be obligated to pay by reason of the liability imposed by law upon them arising out of:

1. damages because of bodily injury, including death of any other person; and, or
2. physical damage of, or destruction of property, not owned by the members; and, or
3. any other form of civil legal liability arising out of the good faith performance or the intended performance of the member's duties;

provided always that the legal liability for damages arises out of any act, error or omission during the performance of a member's duties which are, or which the member believes in good faith to be, within the scope of his duty as a Member of Council.

The City further agrees to reimburse or indemnify Members of Council for any losses or expenses which they incur as a result of any public inquiry or administrative proceeding relating to their duties as Members of Council of The City of Calgary. Provided, however, that if such expenses include fees for services rendered by a lawyer, The City shall have the right to have the account taxed as provided for in the Alberta Rules of Court.

This policy further extends to cover members after they leave the City Council of The City of Calgary, provided the incident out of which a claim or demand or damage arose, actually occurred during the time the member was a Member of City Council.

PURPOSE

This policy provides the conditions under which indemnification for Members of Council are subject to follow.



POLICY

1. The City of Calgary reserves the right to defend in the name of, and on behalf of, the member, and make such investigation, negotiation and settlement of any claim as may be deemed necessary or expedient by The City. In the event The City decides not to defend any action brought against a member, The City shall nevertheless pay on behalf of the member such damages as are awarded against him but shall have the right to limit the amount it shall pay to the member for reimbursement of legal fees and costs;
2. The City of Calgary shall not be required to pay any members' fines or penalties levied or imposed against the member by reason of the member being charged with any violation of any statute or by-law;
3. Any member or former Member of City Council to whom this policy applies upon being notified that any legal action is being commenced against shall immediately notify the City Clerk;
4. Due to the varied activities in which the members are involved, the burden of proof that such member was on the business of The City will rest with that member;
5. This policy shall take effect on the day it is approved by City Council and shall not be applied retroactively.

PROCEDURE

1. In situations in which the City Solicitor has determined that Council members or Council citizen appointees to Council established Boards, Commissions, Authorities and Committees should receive the benefit of these policies, if external legal fees and disbursements are incurred, the City Solicitor has the authority to pay external legal fees and disbursements which, in the sole discretion of the City Solicitor, are reasonable; and
2. Notwithstanding the *Gifts and Benefits Policy for Members of Council (CC043)*:
 - a. in the event that The City becomes responsible for the payment of external legal fees and disbursements for a member of Council as a result of paragraph 1, that Council member may solicit donations to The City of Calgary to defray those amounts; and
 - b. in the event of litigation that has concluded prior to 2016 March 14 and for which The City is responsible for the payment of external legal fees and disbursements as a result of paragraph 1, the current member of Council for whom those fees and disbursements are to be paid by The City will be required to donate an amount to The City equivalent to those fees and disbursements or solicit donations to The City for those amounts or a combination thereof.



AMENDMENTS

Date of Council Decision	Report / Bylaw	Description
1982 December 13	L82-51	Amended by Council
1989 July 03	NAPC Report Communication (c) 1989 June 28	Amended by Council
1991 January 21	NAPC Report 1990 December 11	Amended by Council
2012 June 25	PFC2012-0288	Amended by Council
2016 March 14	VR2016-0013	Amended by Council Policy format updated as per <i>Council Policy Program</i> (CC046) effective 2016 January 01