



## Standards Committee

**Date:** FRIDAY, 13 SEPTEMBER 2013  
**Time:** 12.00 Noon  
**Venue:** BASINGHALL SUITE - GUILDHALL, EC2

**Members:** Edward Lord (Chairman)  
Oliver Lodge (Deputy Chairman)  
Nigel Challis  
Revd Dr Martin Dudley  
Deputy Robin Eve  
Alan Graham (External Member)  
Felicity Lusk (External Member)  
Alderman Julian Malins  
Vacancy  
Vacancy

**Enquiries:** Lorraine Brook  
tel.no.: 020 7332 1409  
[lorraine.brook@cityoflondon.gov.uk](mailto:lorraine.brook@cityoflondon.gov.uk)

Lunch will be served in the Guildhall Club at 1pm

**John Barradell**  
Town Clerk and Chief Executive

# AGENDA

1. **APOLOGIES**

2. **MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA**

**For Decision**

3. **MINUTES OF THE PREVIOUS MEETING**

To agree the public minutes of the meeting held on 14<sup>th</sup> June 2013.

**For Decision**  
(Pages 1 - 6)

4. **REVIEW- GIFTS & HOSPITALITY**

A joint report of the Town Clerk and the Comptroller & City Solicitor relative to a twice yearly review of those items of gifts and hospitality registered by Members since April 2013, following the introduction of the new local registration arrangements.

**For Decision**  
(Pages 7 - 12)

5. **DISPENSATIONS - REVISED REQUEST FORM AND GUIDANCE TO MEMBERS**

A joint report of the Town Clerk and the Comptroller & City Solicitor seeking approval of a revised request form and guidance to Members about the granting of dispensations.

**For Decision**  
(Pages 13 - 20)

6. **DISPENSATIONS SUB COMMITTEE**

A report of the Town Clerk relative to the creation of a Dispensations Sub Committee, which will consider written requests for dispensations as and when they are received by the Town Clerk and/or the Comptroller & City Solicitor.

**For Decision**  
(Pages 21 - 24)

7. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

8. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

## STANDARDS COMMITTEE Friday, 14 June 2013

Minutes of the meeting of the Standards Committee held at Committee Room 1, 2nd Floor, West Wing, Guildhall on Friday, 14 June 2013 at 1.45 pm

### Present

#### Members:

Nigel Challis  
Revd Dr Martin Dudley  
Alan Graham (External Member)  
Howard Lederman (External Member)  
Oliver Lodge  
Edward Lord  
Felicity Lusk (External Member)  
Alderman Julian Malins (In the Chair for part of the meeting)

#### Officers:

Lorraine Brook	- Town Clerk's Department
Chris Bilsland	- Chamberlain
Michael Cogher	- Comptroller & City Solicitor
Edward Wood	-Comptroller & City Solicitor's Department

Neil Asten, Anju Sanehi and Chris Taylor (Independent Persons) were also present at the meeting.

(Alderman Malins in the Chair)

#### 1. APOLOGIES

Apologies for absence were received from Deputy Robin Eve.

#### 2. MEMBERS' DECLARATIONS UNDER THE CODE OF CONDUCT IN RESPECT OF ITEMS ON THE AGENDA

There were none.

#### 3. ORDER OF THE COURT OF COMMON COUNCIL

The Order of the Court of Common Council, dated 25<sup>th</sup> April 2013, appointing the Committee and approving its Terms of Reference, was received.

**RESOLVED** – That the Court Order be amended as follows to provide greater clarification regarding the maximum length of service that an appointee can undertake: "None of the appointed shall serve on the Committee for more than a maximum of eight years in total."

#### 4. ELECTION OF CHAIRMAN

The Committee proceeded to elect a Chairman in accordance with Standing Order No. 29.

The Town Clerk read out a list of Members eligible to stand as Chairman and Mr Edward Lord, being the only Member indicating his willingness to serve, was duly elected Chairman for the ensuing year, and took the Chair.

5. **ELECTION OF DEPUTY CHAIRMAN**

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30.

The Town Clerk read out a list of Members eligible to stand as Deputy Chairman and Mr Oliver Lodge, being the only Member indicating his willingness to serve, was duly elected Deputy Chairman for the ensuing year.

6. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 8<sup>th</sup> February 2013 were approved as an accurate record.

**Matters Arising**

***Item 5 – Terms of Reference***

The Committee noted that a report of the Director of HR in respect of the Employee Code of Conduct would be considered at the September meeting of the Standards Committee. In view of the Standards Committee's current Terms of Reference and reference to "(c) keeping under review and monitoring the City of London Corporation's Employee Code of Conduct", the remit of both the Standards and the Establishment Committees in respect of this matter would be considered further and the respective terms of reference clarified.

***Item 6- Dispensations***

The Revd Dr Martin Dudley referred to a recent meeting of the Planning and Transportation Committee, at which he was unable to speak on an item as a result of a disclosable interest.

The Committee considered the introduction of suitable arrangements whereby dispensations for Members could be considered in a prompt manner, possibly at relatively short notice. Following some discussion it was agreed that a sub-committee of any three elected Members (voting) and one Co-opted Member (non-voting) should be established to consider requests for dispensations.

**RESOLVED** – That a Sub-Committee of the Standards Committee be formally constituted to allow for requests for dispensations from Members to be considered.

7. **STANDARDS COMMITTEE - TERMS OF REFERENCE AND FREQUENCY OF MEETINGS REPORT**

A report of the Town Clerk relative to the Standards Committee's terms of reference, the frequency of meetings and future meeting dates was considered by the Committee.

In respect of an amendment to the Committee's terms of reference at paragraph g, it was noted that as the legal position in respect of politically

restricted posts had changed following the introduction of the Localism Act 2011, the terms of reference should no longer include reference to such matters. Consequently, paragraph g had been deleted, as set out in the revised terms of reference at Appendix 2 of the report.

The Committee was advised that recruitment to the existing vacancy for a non-Common Council Member would commence ahead of the recess. Following a brief discussion it was noted that as the terms of office for a number of the non-Common Council Members would come to an end over the coming months and as an existing vacancy was to be advertised, some thought should be given to identifying suitable appointments for future vacancies.

In respect of the terms of office, it was felt that the terms of reference should be amended to clarify that the maximum length of service by any Member was eight years in total.

In respect of the 8th November 2013 meeting of the Committee, it was agreed that whilst the Admission of the Lord Mayor (Silent Ceremony) would take place on this date, the scheduled meeting of the Committee could go ahead at 11am. In respect of the proposed 2014 meeting dates, it was suggested that the September 2014 meeting date be pushed back until later in the autumn. The confirmed meeting dates would be circulated to all Members of the Committee in due course.

**RESOLVED** – That:-

- (i) the Committee note the amendments to the terms of reference in respect of politically restricted posts;
- (ii) the Committee note the future 2013 meeting dates;
- (iii) the Committee approve the proposed 2014 meeting dates subject to the September 2014 meeting being pushed back to October 2014; and
- (iv) the Standards Committee's terms of reference be amended to confirm that the maximum length of service by any Member be eight years in total.

#### 8. **ETHICAL STANDARDS - AUDIT AND RISK MANAGEMENT**

At its meeting on 8<sup>th</sup> February 2013, the Committee considered a report of the Committee on Standards in Public Life entitled "Standards Matter." It was agreed at that meeting that the issue of ethical standards in respect of service delivery, especially where contractors are engaged, should be explored in more detail to ensure consistency across the organisation and, if necessary, appropriate monitoring and review of ethical standards issues.

The Chamberlain, who was invited to attend the meeting as lead officer for the City of London's Audit and Risk Management Committee acknowledged the concerns that had previously been raised and explained that the development of new models of service delivery had created new ethical risks and challenges for the organisation. He went on to advise that the decrease in direct service provision and increased commissioning was largely a new issue for the Corporation and therefore different questions had to be asked to ensure that appropriate levels of trust around the delivery of commissioned services could be developed. In respect of the Corporation's tendering and procurement

arrangements, these were considered to be robust with effective due diligence processes in place. However, the governance arrangements of external organisations should also be a consideration.

In respect of the lobbying of Members by external organisations and/or individuals, specifically in respect of contracts and procurement opportunities and the conflicts that could arise for Members, the Chamberlain advised that whilst Members were advised of the need to avoid exclusion from contract selection, no general guidance had been issued to Members about how to manage informal approaches by contractors and attempts to discuss possible contracts. The Committee felt that given the potential conflicts that could arise; some guidance should be drafted and included in the overall guidance to Members about the Corporation's governance framework, Members' responsibilities and potential risk areas. It was suggested that the guidance should remain as concise as possible, with helpful examples to highlight scenarios that Members might encounter.

Members were advised that work was currently underway in respect of ethical standards and the Committee's views would therefore helpfully inform this work.

**RESOLVED** - That, in respect of the potential conflicts of interest that could arise as a result informal approaches by contractors and attempts to discuss possible contracts and procurement opportunities, guidance to Members be drafted and submitted to a future meeting of the Committee for approval ahead of circulation to all Members as part of the overall guidance to Members about the Corporation's governance framework, Members' responsibilities and potential risk areas.

## 9. **REQUESTS FOR DISPENSATIONS**

The Committee considered a joint report of the Town Clerk and Comptroller & City Solicitor relative to requests from Members for dispensations from the Standards Committee to allow them to speak and vote on housing and council tax issues where they have a beneficial interest in land within the area of the City of London Corporation.

Some comments were made in respect of the current information circulated to Members in respect of dispensations and the view expressed that greater clarification was required in respect of when a dispensation should be sought and a rationale for the request submitted to the Committee for consideration. The current process for seeking and receiving dispensations did not afford any scrutiny of requests as little information as to why a dispensation was necessary was made available to the Committee. Consequently, there was scope for dispensations to be sought unnecessarily and without any relevance to an individual's situation and the Committee was unable to make informed judgements.

In noting that there should be some consistency in managing requests for dispensations, the Committee agreed to grant the dispensations to those Members listed within the report, namely: Randall Keith Anderson, Robert

James Ingham Clark, Karina Dostalova, Chris Hayward, Ann Holmes, John Lumley, Alistair Moss, Graham Packham, Dhruv Patel, Judith Lindsay Pleasance, Patrick Thomas Streeter and Mark Wheatley. Thereafter, the guidance to Members in respect of seeking and receiving dispensations should be reviewed and amended to ensure that a range of dispensations could be requested and sufficient information made available to the Committee to ensure that such dispensations were granted appropriately. Following the discussion at Item 6 (minutes of the previous meeting), a sub-committee would be established to consider requests for dispensations.

**RESOLVED** – That:-

- (i) the list of Members requesting a dispensation to allow them to speak and vote on housing and council tax issues where they have a beneficial interest in land within the area of the City of London Corporation, be approved; and
- (ii) revised documentation in respect of dispensations be drafted and submitted to a future meeting of the Committee for approval and thereafter circulated to all Members of the Court of Common Council.

**10. DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY**

The Committee noted a report of the Town Clerk in respect of a decision that was taken under delegated authority (in accordance with Standing Order No. 41 (b)) since the last meeting in February 2013 and which concerned guidance for Members on the registration of gifts and hospitality.

Some Members of the Committee expressed concern that there was no formal scrutiny of those items of gifts and hospitality that were registered and no mechanisms existed, either via or on behalf of the Committee, to prevent either non-compliance or inappropriate acceptance of gifts and/or hospitality. The Comptroller and City Solicitor reminded the Committee that there was no statutory requirement for the registration arrangement and that whilst a light touch approach had been adopted by the Committee, more rigorous rules could be introduced via the Court, if this was deemed to be necessary. The Committee felt that as the regime was still in its infancy, the situation should be reviewed after 6 months. Consequently, the outcome of a review of registered gifts and hospitality between April and October 2013 should be submitted to the Committee's next meeting for consideration. With immediate effect, the guidance to Members on registering gifts and hospitality would be revised to reflect a recommended 28 day timescale for registering gifts and hospitality, and all Members advised accordingly.

It was felt that following the introduction of the new regime and the different elements of guidance that had been drafted and issued to Members, the Committee should, at its next meeting, review and, where necessary, revise the guidance in totality.

**RESOLVED** – That:-

- (i) the report be noted;
- (ii) the "Guidance to Members on registering gifts and hospitality" be revised to reflect a 28 day timescale for registration of gifts and hospitality, and all Members advised accordingly;

(iii) the Committee review and, where necessary, revise the guidance available to Members in respect of the Standards regime; and  
(iv) following a review by the Town Clerk of registered gifts and hospitality between April and September 2013, a report be submitted to the September meeting of the Committee for consideration.

11. **QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were none.

12. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**

***Internal mechanisms***

The Chairman referred to his supporting statement for Chairmanship of the Committee and advised those present that he hoped, in collaboration with Committee Members, to address certain issues with a view to ensuring consistency and fairness in the way the Corporation managed issues of Member conduct. With reference to informal mechanisms for resolving Member related conduct issues, it was felt the Committee should have an on-going dialogue with Senior Members such as the Chief Commoner and the Senior Alderman, to ensure that the informal and formal mechanisms were appropriately aligned.

**RESOLVED** – That the Chief Commoner and the Senior Alderman be invited separately to attend, once per year, a meeting of the Standards Committee to discuss Members' conduct issues.

***Co-opted Membership***

On behalf of the Committee and in noting that this would be Howard Lederman's last meeting as a non-Common Council Member of the Committee, the Chairman thanked Mr Lederman for his contribution to the work of the Standards Committee since his appointment in 2004. Members of the Committee joined the Chairman in wishing him well for the future.

**The meeting ended at 2.51 pm**

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Chairman

**Contact Officer: Lorraine Brook**  
**tel.no.: 020 7332 1409**  
**lorraine.brook@cityoflondon.gov.uk**



<b>Committee(s):</b>	<b>Date(s):</b>
Standards Committee	13 <sup>th</sup> September 2013
<b>Subject:</b> Review of Members' Declarations of Gifts and Hospitality – April to September 2013	<b>Public</b>
<b>Report of:</b> <b>Town Clerk</b>	<b>For Information</b>

### Summary

At its meeting on 8<sup>th</sup> February 2013, the Standards Committee was advised that following the introduction of the new Standards regime, the majority of Member queries had been in respect of the declaration of disclosable pecuniary interests, specifically, securities. In response to such queries, a guidance note on the declaration of interests in securities had been circulated to all Members. Some further queries had been received regarding declarations of gifts and hospitality as some Members felt that whilst they were not disclosable pecuniary interests, due to the regularity that gifts and hospitality could be offered, and given the more unusual nature of the City of London, they should therefore continue to be registered.

The Committee agreed that as the focus should be on maximising transparency, a local voluntary arrangement for the registration of gifts and hospitality should be introduced and guidance provided for Members about what was likely to constitute a breach of the Nolan principles in respect of receiving and not registering gifts and hospitality. Following the Ward elections in March 2013, guidance was circulated to all Members about the introduction of a new voluntary arrangement for registering one-off gifts and hospitality received to the value of £250 and above; and cumulative gifts and hospitality to the value of £500 and above, from a single source over a 12 month period. All Members were encouraged to register relevant gifts and hospitality as of 1<sup>st</sup> April 2013.

At the meeting of the Standards Committee on 14<sup>th</sup> June 2012, some Members of the Committee commented on the lack of formal scrutiny of those items of gifts and hospitality that were registered. The Committee felt that as the regime was still in its infancy, the situation should be reviewed in September 2013, six months after the introduction of the new arrangement for registering gifts and hospitality.

This report provides details about all gifts and hospitality that were registered by Members between 1<sup>st</sup> April and 1<sup>st</sup> September 2013.

### Recommendations

Members are asked to:

- (i) note the report;
- (ii) agree that an annual reminder and guidance be circulated to all Members of the Court of Common Council on an annual basis; and

(iii) agree that the Standards Committee conduct a review of the register of gifts and hospitality twice per year to ensure that such declarations are scrutinised on an on-going basis.

## **Main Report**

### **Background**

1. The Standards Committee has, following the introduction of the Localism Act 2011 and the introduction of revised governance arrangements in 2012, monitored the City Corporation's arrangements on an on-going basis and considered areas where local arrangements, as opposed to statutory requirements, might be introduced.
2. Under the old Standards regime, Members were aware of the requirement to register the receipt of gifts and hospitality in excess of £25. Whilst the Localism Act 2011 removed the requirement on Members to register gifts and hospitality, to any value, due to the City Corporation's more unusual arrangements in comparison with other local authorities, such as the variety of links with external organisations and bodies and significant links to the financial services industry; at its meeting on 8<sup>th</sup> February 2013 the Standards Committee agreed that a local arrangement for registering gifts and hospitality should be introduced.
3. Members were mindful of the regularity that gifts and hospitality could be offered and felt that, whilst they were not disclosable pecuniary interests, as the focus should be on maximising transparency a local voluntary arrangement for the registration of gifts and hospitality should be introduced and guidance provided to Members about what was likely to constitute a breach of the Nolan principles in respect of receiving and not registering gifts and hospitality. Following the Ward elections in March 2013, guidance was circulated to all Members about the introduction of new voluntary arrangement for registering one-off gifts and hospitality received to the value of £250 and above, and cumulative gifts and hospitality to the value of £500 and above, from a single source over a 12 month period.
4. All Members have been notified in writing about the new arrangement which has been in place since 1st April 2013. Guidance in respect of those items that might be received and which should be registered has been widely circulated amongst all Members and was also included in the New Members' Induction Handbook.

### **Current Position**

5. At the meeting of the Standards Committee on 14th June 2012, Some Members of the Committee expressed concern that there was no formal scrutiny of those items of gifts and hospitality that were registered. The Committee felt that as the regime was still in its infancy, the situation should be reviewed in September 2013, six months after the introduction of the new arrangement for registering gifts and hospitality.

6. This following information, which has been submitted to and published by the Committee and Member Services Team, Town Clerk's Department, sets out all those items of gifts and hospitality that have been received and registered by Members between 1st April and 1st September 2013.

<b>Member</b>	<b>Nature of Gift/hospitality and estimated cost</b>	<b>Date</b>
Mark Boleat	Hotel accommodation paid for by the Mayor of Shanghai, under £1000.	27-29 <sup>th</sup> June 2013
Alistair Moss	Dinner guest of The Worshipful Company of Wax Chandlers £260.	24 April 2013

7. The above information confirms that very few instances of gifts/hospitality have been registered since the new voluntary arrangement was introduced earlier in the year.
8. Whilst a number of other requests to update Members' registers of interests have been received during the period, following clarification about the value of the gift/hospitality and confirmation that the £250 threshold has not been met or exceeded, these items have not been registered. This does however indicate that Members are aware of the arrangement and of the potential risks associated with receiving but not registering gifts and hospitality.

## **Proposals**

9. The voluntary registration arrangement, which has been in place since 1<sup>st</sup> April 2013 and has been widely communicated to Members, is still in its infancy. However, as highlighted by the evaluation of those items of gifts and hospitality registered between 1<sup>st</sup> April and 1<sup>st</sup> September 2013, Members are aware of the arrangement.
10. Some Members err on the side of caution and either seek advice about registering gifts and hospitality or look to register any items of gifts and hospitality, irrelevant of the £250 threshold. Whilst this only applies to a small number of Members, regular reminders about the arrangement should be circulated to all Common Councilmen.
11. On the basis that Members are registering gifts/hospitality in accordance with the arrangement previously approved by the Standards Committee, and as statutory requirements in respect of this matter do not exist, it is felt that the current arrangement should continue with an annual reminder and helpful guidance circulated to all Members.
12. In light of the concerns previously raised by some Members about the potential risks associated with receiving but not registering gifts and hospitality, it is further proposed that the Standards Committee review the

register on a bi-annual basis to ensure that such declarations are scrutinised and the arrangement monitored.

### **Corporate & Strategic Implications**

13. It is important that we promote high standards of corporate governance throughout the organisation, maximise transparency and ensure that the Corporation's elected Members are fully informed about good governance and aware of potential risks/conflicts of interest in the course of their representational responsibilities.

### **Other Implications**

14. Whilst the arrangements for registering gifts and hospitality are a local arrangement which remains voluntary, failure to raise Members' awareness of the local arrangement and to circulate annual reminders about the importance of transparency could result in public criticism, not only of individuals but also of the organisation as a whole. Ultimately however, the responsibility should continue to lie with Members to register relevant gifts and hospitality.

### **Conclusion**

15. On the basis that Members are registering gifts/hospitality in accordance with the arrangement previously approved by the Standards Committee, and as statutory requirements in respect of this matter do not exist, it is proposed that the current arrangement continue with an annual reminder and helpful guidance circulated to all Members annually each March. However, if the Committee is of the view that the current voluntary arrangement is not sufficient, a mandatory requirement to register gifts and hospitality would have to be considered and approved by the Court of Common Council.
16. In light of the concerns previously raised by some Members about the potential risks associated with receiving but not registering gifts and hospitality, it is further proposed that the Standards Committee review the register twice per year to ensure that such declarations are scrutinised and the arrangement monitored.

### **Appendices**

- *Appendix 1 – Guidance to Members- Registering Gifts and Hospitality*

**Background Papers:**

Minutes of the meetings of the Standards Committee on 8<sup>th</sup> February and 14<sup>th</sup> June 2013 are available electronically at:

<http://democracy.cityoflondon.gov.uk/ieListMeetings.aspx?Committeeld=408>

**Lorraine Brook**

Committee and Member Services Manager, Town Clerk's Department

T: 020 7332 1409

E: [lorraine.brook@cityoflondon.gov.uk](mailto:lorraine.brook@cityoflondon.gov.uk)

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<b>Committee(s):</b>	<b>Date(s):</b>
Standards Committee	13 <sup>th</sup> September 2013
<b>Subject:</b> Requests for Dispensations – Revised form and guidance to Members	
Report of: Joint report of the Town Clerk and the Comptroller & City Solicitor	
<b>Summary</b>	
<p>The new Standards regime, under the provisions of the Localism Act 2011, does not replicate the former general exemptions which allowed Members to vote on a number of matters in which they would otherwise have had a prejudicial interest. However, the City of London Corporation may, following a written request, grant a dispensation for a Member to take part in any discussion and vote on a matter in which they have a disclosable pecuniary interest, in some circumstances.<sup>1</sup></p> <p>Following the introduction of the new Standards arrangements by the City of London Corporation in October 2012, it was anticipated that the only matters likely to require dispensations were those relating to the following, where a Member has a beneficial interest in land within the area of the City of London Corporation:-</p> <ul style="list-style-type: none"> <li>• Housing (where the Member holds a lease or tenancy from the City, as long as the matter does not relate to their particular lease or tenancy); and</li> <li>• The setting of council tax or a precept under the Local Government Finance Act 1992.</li> </ul> <p>At the February 2013 and, following the Ward elections in March 2013, the 14<sup>th</sup> June 2013 meetings of the Standards Committee, a number of requests for a dispensation from elected Members were approved.</p> <p>At the 14<sup>th</sup> June 2013 meeting of the Committee, it was agreed that as other issues may warrant a dispensation to speak or vote on a particular matter (i.e. beyond those set out above), further guidance should be drafted and circulated to Members to provide clarification. In view of the Committee’s schedule of quarterly meetings and the potential delays to considering requests for dispensations, it was agreed that a standing sub committee be established to facilitate prompt consideration of any dispensation requests that may be received via the Town Clerk’s Department. Furthermore, it was agreed that the Committee should, in the future, be provided with more detailed information on</p>	

<sup>1</sup> Section 33(2) Localism Act 2011 including if it is in the interests of persons living in the City, without the dispensation the proportion of Members unable to participate would be so great as to impede the transaction of business, or it is otherwise appropriate.

which to assess why a dispensation was being sought and why it should be granted, either for a defined period of time or for no more than four years. It was agreed that a revised form should be created to encourage the provision of more detailed information along with additional guidance to Members about how requests for dispensations would be considered.

The terms of reference for the Dispensations Sub Committee are set out in a separate report before this Committee at Item 6.

**Recommendations:**

It is recommended that: -

- (i) Members consider and approve the revised form and guidance to Members in respect of requesting a dispensation to speak and/or vote on a matter(s), as set out at **Appendix 1**; and
- (ii) Members agree that an annual reminder be circulated to all Members about the granting of dispensations.

**Main Report**

**Background**

1. Section 33 of the Localism Act 2011 sets out the statutory provisions in relation to dispensations as follows:
  - (1) A relevant authority may, on a written request made to the proper officer of the authority by a member or co-opted member of the authority, grant a dispensation relieving the member or co-opted member from either or both of the restrictions [on speaking or voting] in cases described in the dispensation.
  - (2) A relevant authority may grant a dispensation under this section only if, after having had regard to all relevant circumstances, the authority—
    - (a) considers that without the dispensation the number of persons prohibited by section 31(4) from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business,
    - (b) considers that without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business,



- (c) considers that granting the dispensation is in the interests of persons living in the authority's area,
  - (d) [n/a], or
  - (e) considers that it is otherwise appropriate to grant a dispensation.
- (3) A dispensation under this section must specify the period for which it has effect, and the period specified may not exceed four years.
- (4) [The restriction on speaking or voting where a member has a disclosable pecuniary interest] does not apply in relation to anything done for the purpose of deciding whether to grant a dispensation under this section.
2. Following the introduction of the new Standards arrangements by the City of London Corporation in October 2012, it was anticipated that the only matters likely to require dispensations were those relating to the following, where a Member has a beneficial interest in land within the area of the City of London Corporation:-
- Housing (where the Member holds a lease or tenancy from the City, as long as the matter does not relate to their particular lease or tenancy); and
  - The setting of council tax or a precept under the Local Government Finance Act 1992.
3. Since the introduction of the new arrangements 55 Members have been granted a dispensation. These dispensations have been in relation to housing and council tax/precept setting matters.
4. However, in June 2013, the Standards Committee agreed that there may well be other instances where dispensations should be sought, to enable Members' to speak and vote on other issues at formal meetings. Consequently, the Committee was of the view that revised guidance should be made available to Members about requesting dispensations. Furthermore, it was agreed that the Committee should, in the future, be provided with more detailed information on which to assess why a dispensation was being sought and why it should be granted, either for a defined period of time or for no more than four years (determined by the next Ward elections). It was agreed therefore that a revised form to encourage the provision of more detailed information, along with additional guidance to Members about how requests for dispensations will be considered, should be created.

5. Since the last meeting of the Standards Committee in June, a request for a dispensation has been received from Mr Greg Lawrence. This request will be considered by the Dispensations Sub Committee in due course.

### **Proposals**

6. Following the last meeting on 14<sup>th</sup> June 2013, and in-line with the Standards Committee's resolution, a revised form (and guidance to Members) for requesting dispensations has been drafted (**Appendix 1**).
7. Subject to the Committee's views, the revised documentation will be made available to all Members to ensure wide-spread awareness about the City Corporation's governance arrangements. An annual reminder will be circulated to all Members in April each year.
8. It is proposed that the Dispensations Sub Committee, following its creation, review all requests for a dispensation on an ad hoc basis to ensure on-going review and monitoring of written requests and those dispensations that have previously been granted (within a four year period).
9. In lieu of the creation of the Dispensations Sub Committee, Members are asked to consider a request for a dispensation which has been received from Mr Greg Lawrence (**Appendix 2**).

### **Conclusion**

10. The Committee is asked to consider and approve the revised form (and guidance to Members) on which requests for a dispensation should be submitted to the Town Clerk (**Appendix 1**).
11. The Committee is asked to agree that a letter be sent to all Members of the Court of Common Council to highlight the new form and the revised guidance to Members. Within this letter, those Members that were returned following the Ward elections in March 2013 will be asked to update their Members' Declarations Forms to ensure that, where there has been a change of circumstances, all relevant declarations have been made.

### **Contacts:**

Michael Cogher  
Comptroller & City Solicitor  
020 7332 1660 / [michael.cogher@cityoflondon.gov.uk](mailto:michael.cogher@cityoflondon.gov.uk)

Lorraine Brook  
Town Clerk's Department  
020 7332 1409/ [Lorraine.brook@cityoflondon.gov.uk](mailto:Lorraine.brook@cityoflondon.gov.uk)



**REQUEST FOR DISPENSATION –  
DISPENSATIONS FOR MEMBERS TO SPEAK AND VOTE WHERE THEY  
HAVE CERTAIN DISCLOSABLE PECUNIARY INTERESTS**

The new Standards regime does not replicate the former statutory exemptions which allowed Members to vote on a number of matters in which they would otherwise have had a prejudicial interest. However, the City of London Corporation may, following a written request, grant a dispensation for a Member or a Co-opted Member to take part in any discussion and vote on a matter in which they have a disclosable pecuniary interest, in some circumstances.

It is anticipated that the principal matters likely to require dispensations are those relating to the following, where a Member has a beneficial interest in land within the City:-

- Housing (where the Member holds a lease or tenancy from the City, as long as the matter does not relate to their particular lease or tenancy).

However, dispensation may be granted in relation to any matter so long as a relevant criterion is met. The criteria that are relevant to the City of London Corporation are as follows:

- Without the dispensation the proportion of Members and Co-opted Members prohibited from participating in any particular business would be so great as to impede the transaction of the business; or
- Granting the dispensation is in the interests of persons living in the City; or
- It is otherwise appropriate to grant a dispensation.

Please provide the following information if you wish to request a dispensation to allow you to speak and/or vote on a specific matter or matters, either on a specific occasion or at any point until the next Ward elections in 2017.

The following information will be considered by the Standards Committee or its Dispensations Sub Committee.

Name: ----- Date: -----

Signed: -----

**I request a dispensation to enable me to speak and/or vote\* on the following matter(s):**

*(\* Please delete as applicable)*

**Please describe the nature of the disclosable pecuniary interest(s) that would otherwise prohibit you from speaking and/or voting on the above matter(s):**

**Please explain which of the criteria for granting a dispensation you consider to be met, and why:**

**I require the dispensation for:**

(i) a time limited period from/to: .....

(ii) for a specific meeting of: .....

On: .....

(ii) Until the Ward elections in 2017

***Request considered by the Standards Committee / Dispensations Sub Committee:***

Date: .....

Decision taken: .....

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# Agenda Item 6

<b>Committee:</b> Standards Committee	<b>Date:</b> 13 <sup>th</sup> September 2013
<b>Subject:</b> Dispensations Sub Committee (Standards Committee) – Composition and Terms of Reference	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b><u>Summary</u></b>	
<p>The purpose of this report is for the Standards Committee to consider the establishment of its Dispensations Sub Committee and approve its Terms of Reference.</p> <p>Details of the composition and terms of reference of the new Sub-Committee are set out below.</p>	
<b><u>Recommendations</u></b>	
<p>It is recommended that Members approve the composition and Terms of Reference of the Dispensations Sub Committee.</p>	

## **Main Report**

1. This report sets out the proposed terms of reference and composition of the Dispensations Sub Committee following a request by the Standards Committee at its meeting on 14<sup>th</sup> June 2013 that such a sub committee be created to ensure that any requests for a dispensation be considered in a timely manner and, where necessary, between meetings of the grand committee.
2. The principal function of the Dispensations Sub Committee will be to consider requests for a dispensation from elected Members and Co-opted Members to speak and/or vote on a specific matter(s), in-line with the City of London Corporation's criterion. Consequently, the Sub Committee will meet on an ad hoc basis as and when requests for a dispensation are received.

## **Dispensations Sub Committee –Terms of Reference**

3. The proposed Terms of Reference are:

The Dispensations Sub Committee is a sub committee of the Standards Committee.

- a) The Dispensations Sub Committee is established to determine written requests for dispensations from Members or Co-opted Members to take part in any discussion and/or vote on a matter in which they have a disclosable pecuniary interest in accordance with section 33 of the Localism Act 2011.

- b) Upon receipt of a written request for a dispensation, a meeting of the Sub Committee will be convened (unless a meeting of the Standards Committee is scheduled to take place within a reasonable timeframe), to consider the details of the request and will then do one of the following:-
  - (i) grant a dispensation (in whole or in part) for a specified period not exceeding four years;
  - (ii) reject the request for a dispensation; or
  - (iii) seek further information regarding the request ahead of further consideration at a newly convened meeting, or in accordance with the City Corporation's urgency provisions (Standing Order No. 41).
- c) The Town Clerk will advise the Member seeking a dispensation of the Sub Committee's decision upon the conclusion of the meeting and will retain a list of action taken in respect of all written requests considered by the Sub Committee.
- d) The Sub Committee will consist of any three elected Members (voting) and one Co-opted Member (non-voting).
- e) The quorum shall consist of any three elected Members.

#### **Dispensations Sub Committee – Composition**

- 4. As above, the Sub Committee will consist of any three elected Members (voting) and one Co-opted Member (non-voting) to be drawn from the membership of the Standards Committee.

#### **Meetings of the Dispensations Sub Committee**

- 5. The Standards Committee is currently scheduled to meet 4 times per year. Where requests for a dispensation are received in advance of a scheduled meeting, these requests will be considered by the Committee.
- 6. When a request for a dispensation is received and where meetings of the Standards Committee are not scheduled to meet within a reasonable timeframe, a meeting of the Dispensations Sub Committee will be convened.

#### **Conclusion**

- 7. Members are asked to approve the composition and Terms of Reference of the Dispensations Sub Committee as set out above to facilitate prompt consideration of written requests from Members or Co-opted Members for a dispensation to take part in any discussion and/or vote on a matter in which they have a disclosable pecuniary interest in accordance with section 33 of the Localism Act 2011.



**Appendices - None.**

**Contact:**

Lorraine Brook  
Town Clerk's Department  
Tel: 020 7332 1409  
Email: [lorraine.brook@cityoflondon.gov.uk](mailto:lorraine.brook@cityoflondon.gov.uk)

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