



## Standards Committee

**Date:** FRIDAY, 16 MAY 2014

**Time:** 11.30am

**Venue:** COMMITTEE ROOM, 2ND FLOOR, WEST WING, GUILDHALL

**Members:** Judith Barnes (*Co-opted Member*) Felicity Lusk (*Co-opted Member*)  
Nigel Challis Alderman Julian Malins  
Michael Hudson Virginia Rounding  
Deputy Alastair King Tom Sleigh  
Oliver Lodge *Co-opted Member Vacancy*  
Edward Lord *Co-opted Member Vacancy*

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

Lunch will be served in 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**
3. **ORDER OF THE COURT OF COMMON COUNCIL**  
To receive the Order of the Court of Common Council, 1<sup>st</sup> May 2014.  

**For Information**  
(Pages 1 - 2)
4. **ELECTION OF CHAIRMAN**  
To elect a Chairman pursuant to Standing Order no. 29.  

**For Decision**
5. **ELECTION OF DEPUTY CHAIRMAN**  
To elect a Deputy Chairman pursuant to Standing Order no. 30.  

**For Decision**
6. **MINUTES OF THE PREVIOUS MEETING**  
To agree the minutes of the meeting held on 31<sup>st</sup> January 2014.  

**For Decision**  
(Pages 3 - 8)
7. **STANDARDS COMMITTEE -TERMS OF REFERENCE AND FREQUENCY OF MEETINGS**  
The Committee is asked to note its terms of reference, the terms of reference of its sub committees and the meeting dates for the 2014/2015.  

**For Information**  
(Pages 9 - 18)
8. **AMENDMENTS TO THE MEMBERS' CODE OF CONDUCT**  
A joint report of the Town Clerk and the Comptroller & City Solicitor in respect of amendments to the Members' Code of Conduct (disclosable interests and the introduction of a mandatory registration regime for gifts and hospitality).  

**For Decision**  
(Pages 19 - 24)

9. **ANNUAL REPORT OF THE STANDARDS COMMITTEE**

A report of the Town Clerk setting out the Committee's key activities following changes to the City Corporation's standards arrangements, which will inform the Committee's Annual Report to the Court of Common Council, in accordance with the Committee's terms of reference.

**For Information**  
(Pages 25 - 30)

10. **CO-OPTED MEMBER APPOINTMENTS- UPDATE**

The Town Clerk to be heard in respect of the arrangements to appoint two Co-opted Members of the Standards Committee.

**For Information**

11. **PROTOCOL ON MEMBER/OFFICER RELATIONS**

As the Committee's terms of reference now include responsibility to keep under review and monitor the Protocol on Member/Officer relations, Members are asked to consider the Protocol.

**For Discussion**  
(Pages 31 - 40)

12. **REPORT OF ACTION TAKEN BETWEEN MEETINGS**

The Committee is asked to note a report of the Town Clerk in respect of a decision taken under delegated authority, in accordance with Standing Order no. 41(b), since the last meeting of the Committee.

**For Information**  
(Pages 41 - 44)

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

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

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|--------------|--|
| WOOLF, Mayor | <b>RESOLVED:</b> That the Court of Common Council holden in the Guildhall of the City of London on Thursday 1st May 2014, doth hereby appoint the following Committee until the first meeting of the Court in April, 2015. |
|--------------|--|

## STANDARDS COMMITTEE

### 1. **Constitution**

A Non-Ward Committee consisting of,

- one Alderman appointed by the Court of Aldermen
- seven Members elected by the Court of Common Council, at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
- four representatives (with no voting rights) who must not be Members of the Court of Common Council or employees of the City of London Corporation

None of the appointed shall serve on the Committee for more than two terms, a maximum of eight years in total.

*N.B. Three independent persons are also appointed pursuant to the Localism Act 2011.*

### 2. **Quorum**

The quorum consists of three Members, at least one of whom must be a non-Common Council Member.

### 3. **Membership 2014/15**

#### ALDERMAN

2 Julian Malins

#### COMMONERS

- 2 (2) Charles Edward Lord, O.B.E., J.P., *for two years*
- 2 (2) Nigel Kenneth Challis, *for three years*
- 1 (1) Michael Hudson, *for two years*
- 1 (1) Alastair John Naisbitt King, MSc., Deputy, *for two years*
- 2 (2) Oliver Arthur Wynlayne Lodge, T.D, B.Sc.
- 1 (1) Virginia Rounding
- 1 (1) Thomas Charles Christopher Sleigh

together with four non-Common Council Members:-

Judith Barnes (*appointed for a four year term expiring in December 2017*)

Felicity Lusk (*appointed for a four year term expiring in December 2017*)

Two vacancies

### 4. **Terms of Reference**

To be responsible for:-

- (a) promoting and maintaining high standards of conduct by Members and Co-opted Members of the City of London Corporation and to assist Members and Co-opted Members to observe the City of London Corporation's Code of Conduct;
- (b) preparing, keeping under review and monitoring the City of London Corporation's Member Code of Conduct and making recommendations to the Court of Common Council in respect of the adoption or revision, as appropriate, of such Code of Conduct;
- (c) keeping under review by way of an annual update by the Director of HR, the City of London Corporation's Employee Code of Conduct;
- (d) keeping under review and monitoring the Protocol on Member/Officer Relations;
- (e) advising and training Members and Co-opted Members on matters relating to the City of London Corporation's Code of Conduct;

- (f) dealing with any allegations of breach of the City of London Corporation's Code of Conduct in respect of Members and Co-opted Members, and in particular:
- (i) to determine whether any allegation should be investigated by or on behalf of the Town Clerk or the Monitoring Officer and their findings reported to the Committee;
  - (ii) in relation to any allegation that it has decided to investigate, to determine whether there has been a breach of the Code of Conduct, taking into account the views of an Independent Person appointed under the Localism Act 2011;
  - (iii) where there has been a breach of the Code of Conduct, to determine the appropriate sanction, and where this involves removal of a Member or Co-opted Member from any committee or sub-committee, to make an appropriate recommendation to the relevant appointing body;
  - (iv) to determine any appeal from a Member or Co-opted Member in relation to a finding that they have breached the Code of Conduct and/or in relation to the sanction imposed; and
- (g) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

*Barradell*

# Agenda Item 6

## STANDARDS COMMITTEE Friday, 31 January 2014

Minutes of the meeting of the Standards Committee held at Committee Room, 2nd Floor, West Wing, Guildhall on Friday, 31 January 2014 at 11.30 am

### Present

#### Members:

Edward Lord (Chairman)  
Oliver Lodge (Deputy Chairman)  
Judith Barnes (External Member)  
Nigel Challis  
Alan Graham (External Member)  
Alderman Julian Malins

#### Officers:

|                |   |
|----------------|---|
| Lorraine Brook | - Town Clerk's Department                     |
| Sean Cable     | - Town Clerk's Department                     |
| Michael Cogher | - Comptroller and City Solicitor              |
| Edward Wood    | - Comptroller and City Solicitor's Department |

**Also in attendance:** Anju Sanahi (Independent Person) and Chris Taylor (Independent Person) were also present at the meeting. The Chief Commoner, George Gillon was present during the discussion at Item 5.

At the outset of the meeting the Chairman welcomed the newly appointed Co-opted Member, Judith Barnes to her first meeting. The Chairman then referred to the late Deputy Robin Eve, a Member of the Committee in recent years, who passed away in January following a long period of illness. The Chairman commented on Deputy Eve's keen eye and sharp wit before inviting all those present to observe a one minute silence.

#### 1. **APOLOGIES**

Apologies for absence were received from Revd Dr Martin Dudley and Felicity Lusk (Co-opted Member), as well as Mr Neil Asten (Independent Person).

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

There were none.

#### 3. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 29<sup>th</sup> November 2013 were approved as an accurate record.

## **Matters Arising**

### ***Item 3: Matters Arising – AOB: Internal Mechanisms (page 1)***

The Chairman advised the Committee that the Chief Commoner, George Gillon would be joining the Committee later.

### ***Item 5: Employee Code of Conduct (page 2)***

The Town Clerk advised the Committee that following the meeting on 29th November 2013, the Member/Officer Protocol had been located and a discussion would now take place with the Director of HR in respect of referencing the Protocol within the Employee Code of Conduct. The Chairman commented on ownership of the Protocol and suggested that as the Protocol concerned Members' conduct, this should fall within the Committee's remit. It was agreed that the matter be clarified.

It was noted that as part of the Director of HR's annual review report to the Committee in respect of Employee Code of Conduct, this would include employee tribunal statistics.

#### **4. TERMS OF REFERENCE OF THE STANDARDS COMMITTEE - REVIEW**

The Committee considered, as part of the annual review process ahead of the new municipal year, its terms of reference as attached at appendix 1 to the report. Members noted that any proposed revisions to the Committee's terms of reference would be submitted to the Policy & Resources Committee ahead of submission of the "White paper" (incorporating the terms of reference and composition of all of the Court of Common Council's committees) in May 2014.

The Deputy Chairman queried the relevance of retaining paragraph (c) of the Committee's terms of reference (*Employee Code of Conduct*) given the earlier discussions and clarification regarding the Establishment and Standards Committees' respective remits for the Employee Code of Conduct. Whilst noting that the Committee was not responsible for formulating the Employee Code of Conduct, there was some agreement amongst Members that the Committee performed an important role in monitoring and considering changes to the Code on an annual basis. The Chairman referred to the Member/Officer Protocol and, subject to clarification regarding ownership of the Protocol, it was suggested that this should in some way be referenced within the Committee's terms of reference.

The Committee was advised that paragraph (g) of the terms of reference (*politically restricted posts*) before Members was no longer relevant as this requirement had been removed by statute. Consequently, the future terms of reference would not include this paragraph.

With regards to the terms of reference of the Committee's Sub Committees, it was noted that paragraph (c) – Hearing Sub (Standards) Committee should be revised to remove reference to "...sanctions that are available, as set out below."



Taking into account the comments made by Members the Committee agreed that delegated authority should be granted to the Town Clerk, in consultation with the Chairman and the Deputy Chairman of the Standards Committee, to finalise the wording of the revised terms of reference ahead of submission to the Policy & Resources Committee.

In concluding the discussion on this item, the Chairman referred to the current composition of the Committee (5 Common Councilmen, 1 Alderman, 4 Co-opted Members [and 3 Independent Persons]) and suggested that the Common Councilman membership be increased to ensure that quorate sub-committees could be formed while avoiding potential conflicts of interest amongst Members when considering complaints and dispensation requests. Whilst acknowledging that an enlargement of the Committee could make it cumbersome, following some discussion the Committee agreed that a revision to the Committee's composition would be beneficial.

RESOLVED:- That –

- (i) delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, to approve the final wording of the revised terms of reference of the Standards Committee ahead of submission to the Policy & Resources Committee; and
- (ii) the Standards Committee recommend to the Policy & Resources Committee that the Committee's membership be increased to include two additional Common Councilmen, as follows: 7 Common Councilmen, 1 Alderman, 4 Co-opted Members [and 3 Independent Persons].

**5. AMENDMENTS TO THE MEMBERS' CODE OF CONDUCT - MANDATORY REGISTRATION OF GIFTS AND HOSPITALITY**

*(The Chief Commoner was present during the discussion on this item.)*

The Committee considered a report of the Town Clerk and the Comptroller & City Solicitor relative to the introduction of a mandatory regime for all Members of the Court of Common Council and Co-opted Members in respect of the registration of gifts and hospitality, following the Committee's earlier consideration of this matter at its meeting on 29th November 2013. Included in the recommended amendments set out in appendix 3 of the report, was a list of bodies that should be declared as non-pecuniary interests, namely Professional Associations, Trade Associations, and Trades Unions.

The Chairman expressed a view that this list of organisations was too limited given the broad range of organisations in which City of London Members were involved. He also reflected that in the previous Code of Conduct, Members had been expected to register a more substantial list and he tabled a note that he had prepared containing further amendments to those included at appendix 3 of the report. The Chairman's suggested amendments concerned, principally, the declaration of membership of the following:

- Charities or bodies directed to charitable purpose,
- Clubs or Societies having a base of operation in the City of London (e.g. Ward Clubs), which has two or more Members or Officers of the Corporation in membership (e.g. the Reform Club); or which relates to any functions of the Corporation (e.g. the Heath and Hampstead Society);
- Fraternal or Sororal Societies;
- Livery Companies;
- Organisations, one of whose principal purposes includes the influence of public opinion or policy; and
- Political Parties.

The Chairman in making these suggestions advised that some other local authorities, including London Boroughs, had retained similar provisions in their Codes of Conduct.

The Comptroller & City Solicitor provided clarification in respect of the current voluntary arrangements, including the higher level threshold and the requirements for registering those interests that were not originally included on the Members' Declaration form but were subsequently declared at meetings. Members were reminded that, as previously agreed by the Committee, an annual reminder would be sent to all Members and Co-opted Members encouraging them to review and update their Members' Declarations wherever necessary. As the annual reminder would be circulated at the start of the new municipal year, and in light of the anticipated changes to the City Corporation's regime, it was felt that the Chairman and Deputy Chairman should have some oversight of the documentation ahead of circulation and delegated authority, in accordance with Standing Order (41(b)), was therefore agreed.

With reference to the list of further amendments tabled at the outset of the discussion, the Chairman suggested that the wider areas requiring declaration appropriately reflected the nature and business of the City of London Corporation, particularly where there might be a perception of influence being exerted. Examples of Codes of Conduct from some of the London Boroughs (Hackney and Westminster) were also tabled by the Chairman to highlight the inclusion of organisational memberships. In the interests of transparency, the Chairman felt that the City Corporation should adopt the same approach. Members accepted the broad thrust of the Chairman's proposal, although some Members expressed concern that the inclusion of political party membership might undermine the convention that City Corporation Members were independent of party politics. It was noted that this was only a convention and that members of a political party had stood under a party banner in recent elections and could do again. It was again noted that party membership had previously been included in the Members' Code of Conduct. There was widespread agreement that transparency and disclosure of relevant interests should be the guiding principle and the Co-opted Members and Independent Persons expressed strong support for the inclusion of the full list of additional categories proposed by the Chairman. The Committee agreed unanimously with all the Chairman's proposals other than including political party membership.

On that outstanding issue, the Chairman put the matter to the vote. The Committee divided:

FOR: 2 Members

AGAINST: 2 Members

There being a tie, and having taken the advice of the Comptroller & City Solicitor, the Chairman utilised his casting vote and the revised Members' Code of Conduct, incorporating all the tabled amendments, was agreed.

Following some discussion regarding the registration by Members of gifts and hospitality that were offered yet declined, the Comptroller & City Solicitor explained that whilst this was a decision of the Committee it may pose some difficulties for Members in terms of estimating the value of declined gifts/hospitality. Following some further discussion the Committee felt that this requirement should not be included in the revised regime.

**RESOLVED:** - That –

- (i) a revised Code of Conduct, incorporating those revisions tabled by the Chairman at the meeting, be approved and recommended to the Court of Common Council for approval; and
- (ii) in accordance with Standing Order 41(b), delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, to approve the annual reminder documentation that will be sent to all Members and Co-opted Members in May 2014 in respect of updating their Members' Declarations.

*(The meeting was adjourned at 12.20am and reconvened at 12.32pm.)*

#### 6. **CO-OPTED MEMBER APPOINTMENTS - UPDATE**

The Town Clerk provided a verbal update for the Committee in respect of the recruitment and selection arrangements to fill existing and forthcoming Co-opted Member vacancies on the Standards Committee. Members were advised that in light of Alan Graham's term of office expiring at the end of March 2014, two vacancies were currently being advertised on the City of London Corporation's webpages with a deadline of 24<sup>th</sup> February 2014 for receipt of completed applications. It was noted that following the advert going live on 20<sup>th</sup> January 2013, three expressions of interest had been received and application packs circulated. Members noted that interviews were currently expected to take place in mid-March 2014 involving the agreed Selection Panel which consisted of the Chief Commoner, the Chairman of the Policy & Resources Committee and the Chairman of the GP Committee of Aldermen (or their representatives).

With reference to the current Selection Panel composition for the purposes of short-listing and interviewing applicants for Co-opted Member roles on the Standards Committee, the Chairman expressed some concern that the arrangement was now outdated, having been agreed by the Court of Common Council in 2000 when the new Standards Committee was established.

Members noted that the Police and the Audit and Risk Management Committees, both of which comprised of a number of Co-opted Members, had revised their selection panel arrangements in recent years to allow for the Chairman and Deputy Chairman of those Committees to participate in the selection activities. The Committee agreed that this was a logical approach and there was consensus that a revision to the panel composition, for the purposes of selecting Co-opted Members of the Standards Committee, should be recommended to the Court of Common Council for approval.

RESOLVED:- That –

- (i) the Standards Committee be updated about recruitment and selection arrangements upon the deadline for receipt of completed applications on 24<sup>th</sup> February 2014; and
- (ii) a recommendation, to include the Chairman and Deputy Chairman (or their representatives) on the selection panel for the purposes of selecting Co-opted Members of the standards Committee, be submitted to the Court of Common Council for approval.

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

There were none.

**8. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**  
*Thanks to Alan Graham (Co-opted Member)*

In advance of his term of office expiring at the end of March, on behalf of the Committee the Chairman thanked Alan Graham, one of the Committee's long serving Co-opted Members, for his nine years of service and valuable contributions to the work of the Standards Committee.

**The meeting was adjourned at 12.20am and reconvened at 12.32pm.**

**The meeting ended at 12.45 pm**

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Chairman

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

# Agenda Item 7

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|---|---|
| <b>Committee:</b><br>Standards Committee  | <b>Date:</b><br>16 <sup>th</sup> May 2014 |
| <b>Subject:</b><br>Standards Committee – Terms of Reference and Frequency of meetings   | <b>Public</b>                             |
| <b>Report of:</b><br>Town Clerk   | <b>For Information</b>                    |
| <b><u>Summary</u></b>   |   |
| 1. The purpose of this report is for the Standards Committee to consider its Terms of Reference, the terms of reference of its sub committees and its frequency of meetings. The Committee is also asked to receive meeting dates for the remainder of 2014 and 2015.     |   |
| 2. Details of the composition of the Standards Committee and its terms of reference are set out below.  |   |
| <b><u>Recommendations</u></b>   |   |
| 3. It is recommended that:-<br><br>(a) Members note the amendments to the Standards Committee's Terms of Reference ( <b>Appendix 1</b> );<br>(b) Members note the frequency of the Committee's meetings; and<br>(c) Members note the scheduled meeting dates for 2014/15. |   |

## **Main Report**

4. This report sets out the terms of reference and composition of the Standards Committee, including the Committee's Co-opted Members and the Independent Persons.
5. The Committee is also asked to note the frequency of its meetings and the meeting dates scheduled for the 2014/ 2015 municipal year, as set out in paragraph 14.

### **Standards Committee –Terms of Reference**

6. The Standard's Committee's Terms of Reference, as agreed by the Court of Common Council at its meeting on 1<sup>st</sup> May 2014 are set out at **Appendix 1**.

### **Standards Committee – Composition**

7. The Standard's Committee's composition, as agreed by the Court of Common Council at its meeting on 1<sup>st</sup> May 2014 is:-
  - one Alderman appointed by the Court of Aldermen

- seven Members elected by the Court of Common Council, at least one of whom shall have fewer than five years' service on the Court at the time of their appointment
  - four representatives (with no voting rights) who must not be Members of the Court of Common Council or employees of the City of London Corporation.
8. None of the appointed shall serve on the Committee for more than two terms, a maximum of eight years in total.
  9. Three independent persons are also appointed pursuant to the Localism Act 2011. As in previous years, it is proposed that Independent Persons be invited to attend all future meetings of the Committee (in an observer capacity).
  10. The quorum consists of three Members, at least one of whom must be a non-Common Council Member.

### **Standards Committee – 2013/2014 Membership**

11. The Standard's Committee's membership in 2014/201, as agreed by the Court of Common Council at its meeting on 1<sup>st</sup> May 2014, is as follows:-

#### ***Alderman***

Alderman Julian Malins Q.C.

#### ***Common Councilmen***

Charles Edward Lord, OBE, JP

Nigel Kenneth Challis (*for three years*)

Michael Hudson (*for two years*)

Oliver Arthur Wynlayne Lodge, T.D., B.Sc

Virginia Rounding

Thomas Charles Christopher Sleigh

#### ***Non-Common Council Members***

Judith Barnes (appointed for a four year term expiring in December 2017)

Felicity Lusk (appointed for a four year term expiring in December 2017)

*[Two vacancies]*

12. The Corporation's Independent Persons are Neil Asten, Anju Sanehi and Chris Taylor (appointed pursuant to the Localism Act 2011).
13. In respect of the current vacancies for two Co-opted Members, these vacancies have been advertised and will be appointed to in the normal manner over the coming months, taking into account the revised Selection Panel arrangements which were approved by the Court of Common Council in March 2014. The Chairman and Deputy Chairman of the Standards Committee (or their representatives) now serve on the selection panel with the Chief Commoner and the Chairman of the General Purposes Committee of Aldermen (or their representatives) for the purposes of interviewing candidates and making recommendations to the Court of Common Council.

## **Meetings of the Standards Committee**

14. Historically the Committee has met between two to three times per year, although more meetings were scheduled in 2012/13 to accommodate discussions about the Localism agenda. In 2013, the Committee confirmed that 3 scheduled meetings of the Committee per annum were sufficient. On that basis the following meeting dates are confirmed for the remainder of the 2014/2015 municipal year:
  - Friday, 24<sup>th</sup> October 2014 (11.30am)
  - Friday, 30<sup>th</sup> January 2015 (11.30am)
15. The following meeting dates in 2015/16 are also confirmed:
  - Friday, 15<sup>th</sup> May 2015 (11.30am)
  - Friday, 2<sup>nd</sup> October 2015 (11.30am)
16. It is further proposed that where there is no business, and with the Chairman's consent, meetings may be cancelled. Where meetings of the Sub Committees (Dispensations and Assessment) are required, these will be scheduled on an ad hoc basis throughout the year.

## **Standards Committee – Sub Committees' terms of reference**

### **17. Dispensations Sub (Standards) Committee**

Established on 13<sup>th</sup> September 2013, the principal function of the Dispensations Sub Committee is 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.

### **18. The Terms of Reference are:**

- 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.

**19. Dispensations Sub (Standards) Committee – Composition**

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.

**20. Meetings of the Dispensations Sub Committee**

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. 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.

**21. Allegations of breaches of the Members' Code of Conduct - Assessment, Hearing and Appeal Sub Committees**

The Localism Act 2011 requires the City of London Corporation to have in place arrangements under which written allegations of a breach of the Members' Code of Conduct can be investigated and decisions on those allegations taken. These arrangements apply to both Members and Co-opted Members.

22. In order to carry out its functions efficiently and effectively, and to avoid any conflicts of interest, the Standards Committee has established three separate Sub-Committees for the different stages of the complaints process, being Assessment, Hearing and Appeal Sub-Committees. The terms of reference for each of the sub committees is set out at **Appendix 2**.

**Recommendations**

23. Members are asked to:
- (a) note the Standards Committee's Terms of Reference (Appendix 1);
  - (b) note the frequency of the Committee's meetings; and
  - (c) note the scheduled meeting dates for 2014/15.



### **Background Papers:-**

- Appointment of Members on Committees Court report (White Paper), May 2014.
- “How complaints submitted to the City of London’s Standards Committee will be dealt with.” (November 2012).

### **Appendices:-**

- **Appendix 1** – Standards Committee’s Terms of Reference, as approved by the Court of Common Council on 1<sup>st</sup> May 2014.
- **Appendix 2** - The terms of reference for the Standards Committee’s sub committees: Assessment, Hearing and Appeal Sub Committees.

### **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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**Standards Committee – Terms of Reference**

- (a) promoting and maintaining high standards of conduct by Members and Co-opted Members of the City of London Corporation and to assist Members and Co-opted Members to observe the City of London Corporation's Code of Conduct;
- (b) preparing, keeping under review and monitoring the City of London Corporation's Member Code of Conduct and making recommendations to the Court of Common Council in respect of the adoption or revision, as appropriate, of such Code of Conduct;
- (c) keeping under review, by way of an annual update by the Director HR, the City of London Corporation's Employee Code of Conduct;
- (d) keeping under review and monitoring the Protocol on Member/Officer Relations,
- (e) advising and training Members and Co-opted Members on matters relating to the City of London Corporation's Code of Conduct;
- (f) dealing with any allegations of breach of the City of London Corporation's Code of Conduct in respect of Members and Co-opted Members, and in particular:-
  - i. to determine whether any allegation should be investigated by or on behalf of the Town Clerk or the Monitoring Officer and their findings reported to the Committee;
  - ii. in relation to any allegation that it has decided to investigate, to determine whether there has been a breach of the Code of Conduct, taking into account the views of an Independent Person appointed under the Localism Act 2011;
  - iii. whether there has been a breach of the Code of Conduct, to determine the appropriate sanction, and where this involves removal of a Member or Co-opted Member from any committee or sub committee, to make an appropriate recommendation to the relevant appointing body;
  - iv. to determine any appeal from a Member or Co-opted Member in relation to a finding that they have breached the Code of Conduct and/or in relation to the sanction imposed.
- (g) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

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**Standards Committee- Sub Committees' Terms of Reference**

**Assessment Sub Committee**

- a) The Assessment Sub-Committee is established to receive and assess allegations that a member of the City has failed, or may have failed, to comply with the code of conduct.
- b) Upon receipt of each allegation and any accompanying report by the monitoring officer, the Sub-Committee will make an initial assessment of the allegation and will then do one of the following:-
  - (i) refer the allegation to the monitoring officer, with an instruction that he arrange a formal investigation of the allegation; or
  - (ii) direct the monitoring officer to arrange training, conciliation or other appropriate alternative steps; or
  - (iii) decide that no action should be taken in respect of the allegation.

**Hearing Sub Committee**

- a) To hear and determine any allegation that a member has failed, or may have failed, to comply with the code of conduct for members;
- b) Following the hearing, to make one of the following findings:-
  - (i) that the subject member has not failed to comply with the code of conduct;
  - (ii) that the subject member has failed to comply with the code of conduct but that no action needs to be taken in respect of the matters considered at the hearing;
  - (iii) That the subject member has failed to comply with the code of conduct and that a sanction should be imposed.
- c) If the Sub-Committee makes a finding under paragraph b) (iii), it may impose any one of or any combination of sanctions that are available:

If the Hearing Sub-Committee finds that a subject member has failed to follow the code of conduct and that they should be sanctioned, it may impose any one or a combination of the following:-

- censure of that member;
- withdrawal of City hospitality for an appropriate period;
- removal of that member from a particular committee or committees.

The option of removal from a particular committee or committees includes sub-committees. The Hearing Sub-Committee will make a recommendation to the relevant appointing body in each case.

The Hearing Sub-Committee has no power to impose any alternative sanctions, although the willingness of a member to co-operate in the matters listed below may have a bearing on any sanction that is imposed:-

- that the member submits a written apology in a form specified by the Hearing Sub-Committee;
- that the member undertakes such training as the Hearing Sub-Committee specifies;
- that the member participates in such conciliation as the Hearing Sub-Committee specifies.

### **Appeal Sub Committee**

#### **Appeal process**

If a Member is aggrieved by a decision of the Hearing Sub-Committee to impose one or more sanctions against him/her, either because he/she does not accept that he/she has breached the Code of Conduct, or because he/she considers that the sanction or sanctions imposed are disproportionate, he/she is entitled to appeal to the Appeal Sub-Committee.

Any such request must be sent in writing to the clerk to the Appeal Sub-Committee and received by him/her within 21 days from the date that the subject Member is informed of the decision of the Hearing Sub-Committee. The Appeal Sub-Committee will normally complete its review of the decision within an average of 30 working days following receipt of the request.

#### **Appeal Sub Committee Terms of reference**

- a) To determine any appeal from a member in relation to a finding of the Hearing Sub-Committee that they have breached the code of conduct and/or in relation to the sanction imposed, in accordance with paragraph b);
- b) Having due regard to the decision of the Hearing Sub-Committee, to substitute any alternative decision for that decision that the Appeal Sub-Committee considers is appropriate, being a decision that the Hearing Sub-Committee had the power to make.

# Agenda Item 8

|   |                           |
|---|---------------------------|
| Committee:  | Date:                     |
| Standards Committee   | 16 <sup>th</sup> May 2014 |
| <b>Subject:</b><br>Amendments to the Members' Code of Conduct –<br>Disclosable Interests and the Mandatory Registration of<br>Gifts and Hospitality | <b>Public</b>             |
| <b>Joint Report of:</b><br>The Town Clerk and the Comptroller & City Solicitor  | <b>For Decision</b>       |

## Summary

At the meeting of the Standards Committee on 31<sup>st</sup> January 2014, Members considered a report of the Town Clerk and Comptroller & City Solicitor relative to amendments to the Members' Code of Conduct. A revised Code of Conduct, which reflected the introduction of a mandatory registration regime for gifts and hospitality (subject to approval by the Court of Common Council) was considered and a number of amendments were approved.

The Committee was unanimous in recommending the addition of all of the additional categories with the exception of membership of political parties (as set out in Appendix 1). Following the meeting, the Policy & Resources Committee considered the suggested changes and a number of queries were raised in respect of the wider requirements that had been approved by the Standards Committee on 31<sup>st</sup> January 2014. As the Standards Committee was divided 2 votes to 2 on the inclusion of the membership of political parties in the revised Code of Conduct, and in light of the queries that were raised at the Policy & Resources Committee on 20<sup>th</sup> February 2014, the Committee is asked to reconsider the proposed revisions to the Members' Code of conduct in advance of submission to the Court of Common Council on 12<sup>th</sup> June 2014.

### **Recommendation: -**

That Members reconsider the proposed revisions to the Members' Code of conduct in advance of submission to the Court of Common Council on 12<sup>th</sup> June 2014 taking into account those comments that were raised at the meeting of the Policy & Resources Committee on 20<sup>th</sup> February 2014, as set out in paragraphs 4-6 of the report.

## Main Report

### **Background**

1. At the meeting of the Standards Committee on 31<sup>st</sup> January 2014, Members considered a joint report of the Town Clerk and Comptroller & City Solicitor relative to amendments to the Members' Code of Conduct. A revised Code of

Conduct, which reflected the introduction of a mandatory registration regime for gifts and hospitality (subject to approval by the Court of Common Council) was considered and a number of amendments were approved, including the introduction of a mandatory regime for all Members of the Court of Common Council and Co-opted Members in respect of the registration of gifts and hospitality. This followed the Committee's earlier consideration of this matter on 29<sup>th</sup> November 2013. Additionally, included in the amendments (Appendix 1) was a list of bodies including Professional Associations, Trade Associations, and Trades Unions where City Corporation Members were quite likely to have non-pecuniary interests.

2. It was suggested that as there were a broad range of organisations in which City of London Members were involved, the Code of Conduct and the Members' Declarations should better reflect the nature and business of the City of London Corporation, particularly where there might be a perception of influence being exerted. It was also noted that under the previous Standards regime, Members had been expected to register a more substantial list of membership bodies and Members were therefore, for the most part, used to making such declarations. It was further noted that some other local authorities, including London Boroughs, had retained similar provisions in their Codes of Conduct.
3. There was widespread agreement that transparency and disclosure of relevant interests should be the guiding principle and the Co-opted Members and Independent Persons expressed strong support for the inclusion of the full list of additional categories proposed by the Chairman. The Committee agreed unanimously with all the Chairman's proposals other than including political party membership and on that matter, when put to the vote and there being a tie, the Chairman utilised his casting vote and the revised Members' Code of Conduct, incorporating all the tabled amendments, was agreed.

### **Policy & Resources Committee**

4. The Policy & Resources Committee considered the proposed revisions to the Members' Code of Conduct at its meeting on 20<sup>th</sup> February 2014 and discussed whether the proposed changes to Members' declarations were too onerous, particularly with regard to charities. It was felt that it might be helpful to clarify a Member's involvement in this area so that it was clear whether it related to membership of a charity or simply being a donor. A query was also raised in respect of whether the financial threshold for declared gifts and hospitality was too high.
5. With regards to the inclusion of charities or bodies directed to charitable purpose in the register of declarations, it is proposed that this be revised in the accompanying Code of Conduct (Appendix 1) as follows, to provide clarification for Members:
  - ***“Charities or bodies directed to charitable purpose **and which are being funded by the City Corporation or are in the process of applying for such funding.***”**



6. In response to the issues raised the Chairman of the Standards Committee, who is also a Member of the Policy & Resources Committee, explained that the wording in respect of declarations had been revised to better assist Members as well as co-optees by giving examples. He undertook to revisit the text in relation to charities and stated that prior to the entire Code of Conduct being submitted to the Court he was content to consider any further suggestions for improvement. With regard to the current level for declaring gifts he was of the view that the figure was reasonable and avoided Members' having to register gifts and hospitality with a value that was too low to give rise to a perception of bias or influence.

## **Conclusion**

7. Following this Committee's earlier consideration of a revised Code of Conduct and in light of the comments made at the meeting of the Policy & Resources Committee, Members are invited to further consider revisions to the Code of Conduct ahead of submission to the Court of Common Council for approval. Once approved, as previously agreed by the Committee, an annual reminder will be sent to all Members and Co-opted Members encouraging them to review and update their Members' Declarations wherever necessary and in-line with any newly approved revisions. It had been anticipated that the annual reminder would be circulated at the start of the new municipal year and delegated authority was previously granted to the Town Clerk in consultation with the Chairman and Deputy Chairman (31<sup>st</sup> January 2014) to approve the documentation ahead of circulation. This will be progressed once the revised Code of Conduct and the registration of gifts and hospitality arrangements have been finalised.

## **Background Papers:**

- Minutes of the meeting of the Standards Committee on 31<sup>st</sup> January 2014.
- Minutes of the meeting of the Policy & Resources Committee on 20<sup>th</sup> February 2014.

## **Appendices**

- Appendix 1 - Revised Members' Code of Conduct incorporating revisions approved by the Standards Committee on 31<sup>st</sup> January 2014.

## **Lorraine Brook**

Committee and Member Services Manager

T: 020 7332 1409

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

**Standards Committee – Revised Code of Conduct**



**CODE OF CONDUCT FOR MEMBERS IN RESPECT OF THE CITY OF LONDON CORPORATION'S LOCAL AUTHORITY, POLICE AUTHORITY AND NON-LOCAL AUTHORITY FUNCTIONS**

You are a member or co-opted member of the City of London Corporation (“the Corporation”) and hence you shall have regard to the Seven Principles of Public Life – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

Accordingly, when acting in your capacity as a member or co-opted member –

1. You must act solely in the public interest and should never improperly confer an advantage or disadvantage on any person or act to gain financial or other material benefits for yourself, your family, a friend or close associate.
2. You must not place yourself under a financial or other obligation to outside individuals or organisations that might seek to influence you in the performance of your official duties.
3. When carrying out your public duties you must make all choices, such as making public appointments, awarding contracts or recommending individuals for rewards or benefits, on merit.
4. You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.
5. You must be as open as possible about your decisions and actions and the decisions and actions of the Corporation and should be prepared to give reasons for those decisions and actions.
6. You must declare any private interests, both pecuniary and non-pecuniary, that relate to your public duties and must take steps to resolve any conflicts arising in a way that protects the public interest, including registering and declaring interests in a manner conforming with the procedures set out in the box below.

7. You must, when using or authorising the use by others of the resources of the Corporation, ensure that such resources are not used improperly for political purposes (including party political purposes) and you must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.
8. You must promote and support high standards of conduct when serving in your public post, in particular as characterised by the above requirements, by leadership and example.

### **Registering and declaring pecuniary and non-pecuniary interests**

You must, within 28 days of taking office as a member or co-opted member, notify the Corporation's monitoring officer of any disclosable pecuniary interest as defined by regulations made by the Secretary of State, where the pecuniary interest is yours, your spouse's or civil partner's, or is the pecuniary interest of somebody with whom you are living with as a husband or wife, or as if you were civil partners.

In addition, you must, within 28 days of taking office as a member or co-opted member, notify the Corporation's monitoring officer of any other pecuniary or non-pecuniary interest which you consider should be included if you are to fulfil your duty to act in conformity with the Seven Principles of Public Life. These non-pecuniary interests will necessarily include your membership of any:

- Charities or bodies directed to charitable purpose
- Club or Society having a base of operation in the City of London (e.g. Ward Clubs); which has two or more Members or Officers of the Corporation in membership (e.g. the Reform Club); or which relates to any functions of the Corporation (e.g. the Heath and Hampstead Society)
- Fraternal or Sororal Societies
- Livery Company
- Organisation one of whose principal purposes includes the influence of public opinion or policy
- Political Party
- Professional Association
- Trade Association
- Trade Union

You must also notify the Corporation's monitoring officer of any gift or hospitality received by you as a member or co-opted member with a value of £250 or more, or multiple gifts and/or instances of hospitality with a cumulative value of £500 or more when received from a single donor in a single financial year. Such notification must be made within 28 days of receipt, or within 28 days of reaching the cumulative threshold, as appropriate. The register of gifts and hospitality will contain entries for the current financial year and the two financial years immediately preceding the current financial year – older entries will not be retained.

If an interest has not been entered onto the Corporation's register, then the member must disclose the interest to any meeting of the Corporation at which they are present, where they have a disclosable interest in any matter being considered and where the matter is not a 'sensitive interest'<sup>1</sup>.

Following any disclosure of an interest not on the Corporation's register or the subject of pending notification<sup>2</sup>, you must notify the monitoring officer of the interest within 28 days beginning with the date of disclosure.

Unless dispensation has been granted, you may not participate in any discussion of, vote on, or discharge any function related to any matter in which you have a pecuniary interest as defined by regulations made by the Secretary of State.

Your participation in any item of business that affects a donor from whom you have received any gift or hospitality that is registered, or ought to be registered as set out above, will need to be considered by you on a case by case basis. You will only be excluded from speaking or voting in exceptional circumstances, for example where there is a real danger of bias. You are encouraged to seek advice from the Corporation's monitoring officer on such matters.

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<sup>1</sup> A 'sensitive interest' is described in the Localism Act 2011 as a member or co-opted member of an authority having an interest, and the nature of the interest being such that the member or co-opted member, and the authority's monitoring officer, consider that disclosure of the details of the interest could lead to the member or co-opted member, or a person connected with the member or co-opted member, being subject to violence or intimidation.

<sup>2</sup> This is where an interest has been notified to the monitoring officer but has not yet been entered on the register.

# Agenda Item 9

|   |                           |
|---|---------------------------|
| Committee:  | Date:                     |
| Standards Committee   | 16 <sup>th</sup> May 2014 |
| <b>Subject:</b><br>Annual Report of the Standards Committee   | <b>Public</b>             |
| <b>Report of:</b><br>The Town Clerk   | <b>For Information</b>    |
| <b>Summary</b>  |                           |
| <p>The Standards Committee is required to monitor all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council. Such a report has not been submitted to the Court since 9<sup>th</sup> June 2011 at which time Members were advised that under the Government's proposals as expressed in the Localism Bill which was due to move on to the House of Lords, sweeping changes to the standards regime were proposed, including the abolition of Standards for England and responsibility for the conduct of elected Members expected to return to the local level with councils under an obligation to create and police their own codes of conduct dealing with propriety and behaviour issues.</p> <p>As Members are aware, a report was presented to the Court of Common Council in June 2012 concerning the new standards regime under the Localism Act 2011. At that time, regulations defining a disclosable pecuniary interest had not been made and it was not until October 2012 that this Committee was able to give full consideration of the regulations that were issued along with guidance from the Department for Communities and Local Government ("DCLG"). During the bedding-in of the new arrangements, this Committee has regularly monitored and reviewed the regime and since its introduction a number of minor adjustments to the City Corporation's local arrangements have taken place, including the introduction of a voluntary gift and hospitality registration scheme and, more recently consideration given to a more comprehensive list of disclosable interests.</p> <p>This report sets out some of the Committee's key activities following the changes to the City Corporation's governance arrangements which will inform the Annual Report to the Court of Common Council which, it is proposed be submitted in June 2014.</p> <p><b>Recommendations:</b> - That -</p> <ul style="list-style-type: none"><li>(i) the contents of the report be noted; and</li><li>(ii) in accordance with the Committee's terms of reference, the annual report be referred to the Court of Common Council for information.</li></ul> |                           |

## **Main Report**

### **Purpose of this report**

1. The purpose of this report is to brief Members on the work undertaken over the last year by the Committee.
2. In accordance with the Committee's terms of reference, the Committee is required to monitor all complaints referred to it and to submit an annual report on its activities to the Court of Common Council.

### **Background**

3. The Standards Committee is required to monitor all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council. Such a report has not been submitted to the Court of Common Council for information since 9<sup>th</sup> June 2011 as a result of delays to confirmation of the regulations defining disclosable pecuniary interests and subsequent adjustments to the local arrangements. However, the Court of Common Council has been kept updated in request of changes to the City Corporation's standards arrangements and Members have received clear guidance in respect of their responsibilities.
4. As the local arrangements are now bedded in and, as the new municipal year has now commenced, the purpose of this report is to brief Members on the key activities of the Standards Committee following the introduction of the new regime in 2011.

### **Complaints to the Standards Committee**

5. During the period of this report, one allegation of a breach of the Members' Code of Conduct has been made to the Committee and was considered by an Assessment Sub (Standards) Committee on 24<sup>th</sup> February 2014. That Committee concluded unanimously that no investigation should take place in relation to any of the allegations and nor was any other action appropriate in the circumstances. The Independent Person was of the same view.

### **Principal activities of the Standards Committee following the introduction of the new Standards regime in June 2012.**

6. Below is a brief synopsis of the activities undertaken by the Committee since 2011 and which will be set out in the annual report to the Court of Common Council:-

### ***Membership and composition of the Standards Committee***

7. Between June and September 2012, three Independent Persons were appointed, in accordance with the Localism Act 2011. Neil Asten, Anju Sanahi and Chris Taylor have regularly attended scheduled meetings of the Committee and continue to play an important role in monitoring and reviewing the City Corporation's governance arrangements.

8. A number of new Co-opted Members have been appointed to the Committee over the past two years, following the introduction of the new arrangements and the expiry of the terms of office of Alan Graham, Dr Colin Kolbert, Howard Lederman and Anthony Williams. In November 2013, Judith Barnes was appointed and Felicity Lusk was reappointed. The Committee currently has two vacancies for Co-opted Members and work is underway to make appointments at the earliest opportunity. The composition of the Selection Panel for the purposes of appointing Co-opted Members to the Committee was amended in January 2014 to bring the appointment arrangements in-line with the City Corporation's other decision making bodies comprising of elected and Co-opted Members. The Selection Panel (Co-opted Members of the Standards Committee) now comprises of the Chairman of the Standards Committee, the Deputy Chairman of the Standards Committee, the Chief Commoner and the Chairman of the General Purposes Committee of Aldermen (or their representatives).
9. With the Court of Common Council's consent, the composition of the Committee was amended in March 2014 with a small increase in the number of Common Councilmen appointments to ensure that quorate sub-committees of the Committee, for the purposes of considering complaints and requests for dispensations, can be formed whilst avoiding potential conflicts of interest amongst Members.

***The standards regime under the Localism Act 2011 - Register of Interests and Declarations of Hospitality and Gifts, Dispensations and guidance to Members***

10. Having adopted a Code of Conduct in June 2012, between June and October 2012, interim arrangements were in place in respect of disclosable pecuniary interests as a result of regulations defining a disclosable pecuniary interest being awaited. As Members will recall, it was not until October 2012 that the Committee was able to give full consideration of the regulations that were issued along with guidance from the Department for Communities and Local Government ("DCLG").
11. Following implementation of the new arrangements, a number of minor adjustments to the City Corporation's local arrangements have taken place, including approval of the complaints procedure (November 2012), the introduction of a voluntary gift and hospitality registration scheme (£250 for one-off items and £500 cumulative from a single source) (February 2013) and, the establishment of a Dispensations (Sub) Standards Committee for the purposes of considering requests for a dispensation to speak or vote on matters where a Member has a disclosable pecuniary interest (September 2013).
12. With regards to gifts and hospitality, the City Corporation's Members are not required to register gifts and hospitality (as they are not classed as disclosable pecuniary interests under the regulations), as was the case under the old Standards regime. Whilst the Committee initially adopted the approach defined within the regulations, since September 2012 the Committee has reviewed the issue of gifts and hospitality a number of times and in light of the nature and business of the City Corporation, in February 2013 the Committee introduced a voluntary registration regime for gift and hospitality (£250 for one-

off items and £500 cumulative from a single source). This Committee was of the view that registration, particularly where there might be a perception of influence being exerted, was important. Following a review of all registered gifts and hospitality in September 2013 (April-September 2013), the Committee has considered the introduction of a mandatory registration regime on the grounds of maximising transparency. Additionally, the Committee has considered increasing those areas requiring declaration on the Members' Declarations Form including charities or bodies directed to charitable purpose, clubs or Societies having a base of operation in the City of London (e.g. Ward Clubs), which has two or more Members or Officers of the Corporation in membership (e.g. the Reform Club); or which relates to any functions of the Corporation (e.g. the Heath and Hampstead Society); Fraternal or Sororal Societies; Livery Companies; Organisations, one of whose principal purposes includes the influence of public opinion or policy; and Political Parties. It is felt that the incorporation of these wider areas in the Code of Conduct would bring the City Corporation in line with a number of other London Boroughs. Both the issue of the introduction of a mandatory gifts and hospitality declaration regime and the introduction of wider declarations within the Code of Conduct are subject to further consideration by the Committee. An annual reminder for all Members and Co-opted Members in respect of updating their Members' Declarations will take place once these issues have been addressed.

13. Since the introduction of the new regime comprehensive guidance has been compiled for Members in respect of declaring interests, securities and gifts and hospitality. Guidance has also been circulated in respect of requesting dispensations to speak or vote on matters where a Member has a disclosable pecuniary interest. Following the City Corporation's Ward Elections in March 2013, a comprehensive induction programme was offered to all new and returning Members, which included a series of briefing sessions with the Comptroller & City Solicitor about the City Corporation's standards arrangements and Members' responsibilities under the Code of Conduct. Under the rolling Member Development Programme, refresher sessions will continue to be scheduled for Members to ensure that the City's elected Members remain aware of the requirements of the Standards regime and their own responsibilities. Written guidance is circulated to the City Corporation's Co-opted and external Members on an annual basis.

#### ***Changes to the Standards Committee's terms of reference***

14. Following the Committee's consideration in January 2014, in May 2014 the Court of Common Council approved the Committee's revised terms of reference ahead of the new municipal year. The revised terms of reference clarify the Committee's remit in respect of monitoring and considering changes to the Employee Code of Conduct on an annual basis and now include responsibility for keeping under review and monitoring the Protocol on Member/Officer Relations. Finally, reference within the terms of reference to politically restricted posts was deleted as this requirement had been removed by statute.



### **Overview of wider City Corporation activities**

15. Over the course of the past twelve months the Committee has invited a number of Senior Members and Officers to attend its meetings in order to discuss governance related issues, particularly those pertaining to the Members' Code of Conduct.
16. In June 2013, the Chamberlain attended the Committee's meeting to discuss the issue of ethical standards and audit and risk management following the Committee's earlier consideration of a report of the Committee on Standards in Public Life ("Standards Matter") (February 2013).
17. In November 2013, the Director of Human Resources provided the Committee with an overview of the Employee Code of Conduct which was revised in September 2012 to incorporate legislative changes associated with the Bribery Act (2010). The remit of the Standards and Establishment Committees in respect of reviewing and monitoring the City of London Corporation's Employee Code of Conduct was clarified in November 2013 and this Committee's terms of reference were revised accordingly in May 2014. The Director of HR will now provide an annual update to the Committee in respect of the Employee Code of Conduct.
18. The Chief Commoner (2013/14) attended the meeting on 31<sup>st</sup> January 2014 to discuss the Members' Code of Conduct and in future years, both the Chief Commoner and the Chairman of the General Purposes Committee of Aldermen will be invited to attend one meeting of the Committee.

### **Recommendations**

19. It is recommended that:-
  - (i) the contents of the annual report be noted; and
  - (ii) in accordance with the Committee's terms of reference, the annual report be referred to the Court of Common Council for information.

**Lorraine Brook**  
Committee and Member Services Manager  
T: 020 7332 1409  
E: [lorraine.brook@cityoflondon.gov.uk](mailto:lorraine.brook@cityoflondon.gov.uk)

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# Agenda Item 11

|   |                           |
|---|---------------------------|
| Committee:  | Date:                     |
| Standards Committee   | 16 <sup>th</sup> May 2014 |
| <b>Subject:</b><br>Protocol on Member/Officer Relations   | <b>Public</b>             |
| <b>Report of:</b><br>Town Clerk   | <b>For Discussion</b>     |
| <b>Summary</b>  |                           |
| <p>At the meeting on 31<sup>st</sup> January 2014, Members' considered the Committee's Terms of Reference ahead of submission to the meeting of the Court of Common Council on 1<sup>st</sup> May 2014 at which all committees would be appointed for the year ensuing. It was agreed that, subject to clarification regarding ownership of the Protocol on Member/Officer Relations, this should in some way be referenced within the Committee's terms of reference.</p> <p>The Committee's terms of reference now include the Standards Committee's responsibility to "keep[ing] under review and monitoring the Protocol on Member/Officer relations" and, as this is now a new responsibility, the Protocol (attached at Appendix 1) is before the Committee for discussion. It is proposed that an annual review take place, unless ad hoc monitoring is required.</p> <p><b>Recommendation: -</b></p> <p>That the Committee review the Protocol on Member/Officer Relations.</p> |                           |

## Background Papers:

- Minutes of the meeting of the Standards Committee on 31<sup>st</sup> January 2014.

## Appendices

- **Appendix 1 – Protocol on Member/Officer Relations**
- **Appendix 2 – Terms of Reference of the Standards Committee**

## Lorraine Brook

Committee and Member Services Manager

T: 020 7332 1409

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

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## PROTOCOL ON MEMBER / OFFICER RELATIONS

### **1. Introduction**

- (1) The purpose of the Protocol, which was approved by the Court of Common Council on 13 April 2006, is to provide a guide to working relationships between Members of the Court (including co-opted Members) and Officers, and is in addition to any statutory requirements governing such relationships. The Protocol applies whether such relationships are in the context of the City's role as a local authority, police authority, port health authority or in any of its other roles.
- (2) Although it does not form part of the Members' or Employees' Codes of Conduct, the Protocol should be viewed in conjunction with those documents.
- (3) Responsibility for upholding the Protocol rests with the Chief Commoner and, when necessary, the Standards Committee in relation to Members, and with the Town Clerk in relation to Officers.

### **2. Principles Underlying Member / Officer Relations**

- (1) Good administration and effective decision-making are dependent upon the maintenance of successful working relationships between Members and Officers, based on mutual trust, respect and an understanding of respective roles and responsibilities. These relationships, and the trust which underpins them, should not be abused or compromised.
- (2) Whilst it is acceptable for Members, particularly Committee Chairmen as part of their leadership role, to offer guidance to Officers, they must 'not do anything which compromises or which is likely to compromise the impartiality of those who work for, or on behalf of, the authority' (Code of Conduct). It is the responsibility of Officers to provide clear, impartial advice upon which Members may make decisions.
- (3) In addition to avoiding actual impropriety, Members and Officers should also seek to avoid situations which might give rise to the suspicion and/or appearance of improper conduct.

### **3. Role of Members**

- (1) Members are subject to:-
  - (a) the Corporation's Code of Conduct; and,
  - (b) Standing Orders of the Court of Common Council.
- (2) Members have four main areas of responsibility:-
  - (a) determining the policy and strategic direction of the Corporation
  - (b) monitoring and reviewing the performance of the Corporation in implementing that policy and delivering services
  - (c) representing the Corporation externally
  - (d) representing their constituents and stakeholders

- (3) It is not the role of Members to involve themselves in the detail of day to day management of the Corporation's services.
- (4) Members are required to take the advice of Officers into account in reaching a decision on a matter and must respect the Officers' responsibility to provide impartial advice, guidance and information.
- (5) The power to make decisions for the discharge of the authority's functions lies with the Court of Common Council and the properly constituted committees and sub-committees. A Member acting in an individual capacity cannot exercise any lawful authority and Members in general must operate through the Court of Common Council and its committees and sub committees. Members acting individually may not legally commit the Corporation.
- (6) Whilst individual Chairmen are in the same constitutional position as all other Members, having no legal authority to make executive decisions, they have certain other powers (eg. the control and conduct of meetings) as well as a broader leadership role. Chief Officers are required to consult Chairmen (and Deputy Chairmen) before certain delegated powers are exercised.
- (7) Leading Members ie. the Lord Mayor, the Chairman of the Policy & Resources Committee, the Chief Commoner and other Committee Chairmen (or Deputy Chairmen with the agreement of, or in the absence of, the relevant Chairman) can speak for the Corporation on matters appropriate to their roles and in accordance with the policy of the Corporation. Arrangements for media interviews and the issue of press releases will be made through or in agreement with the Public Relations Office.
- (8) Whilst all other Members have opportunities to promote the work of the Corporation with the people they meet and when entertaining on behalf of the Corporation, they cannot act as spokesmen for the Corporation.

#### **4. Role of Officers**

- (1) Officers are subject to:
  - (a) the Corporation's Code of Conduct;
  - (b) Standing Orders of the Court of Common Council;
  - (c) Financial Regulations; and,
  - (d) other instructions and professional guidelines relevant to their duties.
- (2) The primary role of Officers is to provide impartial advice, guidance and information to Members, and to implement promptly and efficiently the policies determined by the Court of Common Council and its various committees. Certain Officers have specific statutory responsibilities.
- (3) Officers must recognise the right of Members, as elected representatives, to determine the policy of the authority and must not act in any way to undermine that right.

- (4) Officers serve the Corporation as a whole and must carry out the work of the Corporation under the direction and control of the Court of Common Council and the properly constituted committees and sub-committees.

## **5. Expectations**

- (1) Members have a right to expect from Officers:-
- (a) commitment to the Corporation as a whole
  - (b) a working partnership
  - (c) an understanding of, and support for, respective roles, workloads and pressures
  - (d) timely response to enquiries and complaints and the efficient execution of decisions
  - (e) impartial, professional advice and guidance
  - (f) regular, up to date information on matters appropriate and relevant to their needs, having regard to any individual responsibilities that they have and positions they hold
  - (g) respect, dignity and courtesy
  - (h) integrity, mutual support and appropriate confidentiality
  - (i) not to have personal issues raised with them outside the agreed procedures
  - (k) that they will not use their relationship with Members to advance their personal interests or to influence decisions improperly
  - (l) compliance at all times with the relevant Code of Conduct
- (2) Officers have a right to expect from Members:-
- (a) a working partnership
  - (b) an understanding of, and support for, respective roles, workloads and pressures
  - (c) leadership and policy direction
  - (d) respect, dignity and courtesy
  - (e) integrity, mutual support and appropriate confidentiality
  - (f) not to be subject to bullying or to be placed under undue pressure and, in this respect, Members should have regard to the seniority of Officers in their dealings with them ie. they should not engage junior officers in discussions and requests more properly directed at senior officers
  - (g) that they will not use their relationship with Officers to advance their personal interests or to influence decisions improperly
  - (h) compliance at all times with the relevant Code of Conduct

## **6. Members in the Ward Role**

Members will, through their work with their electorate and stakeholders, need to contact Officers to obtain information on behalf of their constituents and others. This is perfectly in order and from time to time it may be appropriate for Officers to reply to constituents etc. on behalf of, or at the request of, Members.

## **7. Correspondence and Communications**

Members may contact (ie. by letter, e-mail, fax, telephone) Officers to seek advice, guidance or information. Whatever method of communication is used,

Members should receive an acknowledgement as soon as possible, but in any event within 2 working days, and a full response as soon as possible thereafter within 10 working days of receipt of the request. If for any reason this is not possible, a holding reply setting out the reasons for the delay should be sent as soon as possible following the acknowledgement, but in any event before the expiry of the 10 working days.

## **8. Limitations on Behaviour**

The separate roles of Members and Officers necessarily impose limitations upon behaviour. By way of illustration:-

- (1) personal relationships between Members and Officers going beyond normal working relationships can confuse/obscure the separate roles and interfere with the proper discharge of the authority's functions, not least in creating the perception in others that a particular Member or Officer may secure advantageous treatment;
- (2) the need to maintain and recognise the separate roles means that there are limits to the matters on which Members may seek the advice of Officers;
- (3) relationships with particular individuals should not be such as to create a suspicion/perception that an Officer favours a particular Member above others.

## **9. Reports**

- (1) Chairmen of committees or sub-committees may, on behalf of the committees or sub-committees concerned, make reasonable requests to Chief Officers or other Officers to prepare written reports on matters relating to the authority for consideration at Member-level. Such requests should not seek confidential information (eg. relating to case work or personal details of applicants for services).
- (2) Any disagreement relating to such a request (eg. if the Chief Officer concerned considers that the cost of providing the information or the nature of the request is unreasonable) should be referred to the Town Clerk.

## **10. Members' Access to Documents and Information**

- (1) Members' rights of access to documents and information are governed by the common law and statute. Members have such access to documents and information that is reasonably necessary to enable them properly to perform their duties as elected representatives.
- (2) Generally, information should, therefore, be made available to Members on request unless there is a justifiable legal or other reason for declining access.
- (3) Standing Order No. 42 sets out the detail on Members' access to documents.



- (4) If the information is not readily available or will require significant resources to produce, Officers should seek the guidance of their Chief Officer before taking steps to provide information that has been requested.

#### **11. Other Members of Corporation Committees**

Co-opted Members of the various committees, the Verderers serving on the Epping Forest & Commons Committee and the Independent Members of the Standards Committee are entitled to receive documents and information relating to their appointments in the same way as if they were elected Members.

#### **12. Dispute Procedures**

- (1) The overriding objective in any dispute is to achieve a satisfactory resolution through informal channels. However, it has to be recognised that this might not always be possible.

- (2) Procedure for Members:-

- (a) If a Member is dissatisfied with the conduct, behaviour or performance of an Officer, the matter should be raised with the appropriate Chief Officer.

- (b) If the employee concerned is a Chief Officer, the matter should be raised with the Town Clerk. (In the case of the Town Clerk there is a separate procedure.)

- (c) If the matter cannot be resolved informally, it may be necessary to resort to the Corporation's Disciplinary Procedure.

- (3) Procedure for Officers:-

If an Officer is dissatisfied with the conduct or behaviour of a Member, the matter should be raised with the appropriate Chief Officer or the Town Clerk.

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**Protocol on Member/Officer Relations**

**Standards Committee – Revised Terms of Reference**

The Standards Committee is responsible for: -

- (a) promoting and maintaining high standards of conduct by Members and Co-opted Members of the City Corporation and to assist Members and Co-opted Members to observe the City of London Corporation's Code of Conduct;
- (b) preparing, keeping under review and monitoring the City of London Corporation's Member Code of Conduct and making recommendations to the Court of Common Council in respect of the adoption or revision, as appropriate, of such Code of Conduct;
- (c) keeping under review, by way of an annual update by the Director HR, the City of London Corporation's Employee Code of Conduct;
- (d) keeping under review and monitoring the Protocol on Member/Officer Relations,
- (e) advising and training Members and Co-opted Members on matters relating to the City of London Corporation's Code of Conduct;
- (f) dealing with any allegations of breach of the City of London Corporation's Code of Conduct in respect of Members and Co-opted Members, and in particular:-
  - i. to determine whether any allegation should be investigated by or on behalf of the Town Clerk or the Monitoring Officer and their findings reported to the Committee;
  - ii. in relation to any allegation that it has decided to investigate, to determine whether there has been a breach of the Code of Conduct, taking into account the views of an Independent Person appointed under the Localism Act 2011;
  - iii. whether there has been a breach of the Code of Conduct, to determine the appropriate sanction, and where this involves removal of a Member or Co-opted Member from any committee or sub-committee, to make an appropriate recommendation to the relevant appointing body;
  - iv. to determine any appeal from a Member or Co-opted Member in relation to a finding that they have breached the Code of Conduct and/or in relation to the sanction imposed; and
- (g) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

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|   |                           |
|---|---------------------------|
| Committee:  | Date:                     |
| Standards Committee   | 16 <sup>th</sup> May 2014 |
| <b>Subject:</b><br>Report of Action Taken Between Meetings  | <b>Public</b>             |
| <b>Report of:</b><br>Town Clerk   | <b>For Information</b>    |
| <p><b>Summary</b></p> <p>In accordance with Standing Order 41(b), this report provides Members with the details of a decision taken by the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, since the Committee's last meeting on 31<sup>st</sup> January 2014.</p> <p><b>Recommendation: -</b></p> <p>That the contents of the report be noted.</p> |                           |

## Main Report

### Background

1. Standing Order no. 41(a) provides a mechanism for decisions to be taken between scheduled meetings of the Standards Committee, where in the opinion of the Town Clerk, it is urgently necessary for a decision to be made. Standing Order No. 41(b) provides a mechanism for decisions to be taken between scheduled meetings of the Standards Committee, where the Committee has delegated power to the Town Clerk, in consultation with the Chairman and Deputy Chairman, to make a decision.

### Decisions Taken Between Meetings (Delegated Authority)

2. In accordance with Standing Order 41(b), a decision has been taken in respect of the following matter since the last meeting of the Standards Committee on 31<sup>st</sup> January 2014:- Standards Committee- revised Terms of Reference.
3. At the Committee's last meeting on 31<sup>st</sup> January 2014, the Committee undertook an annual review of its Terms of Reference ahead of submission to the meetings of the Policy and Resources Committee on 26<sup>th</sup> March 2014 (for information) and the Court of Common Council on 1<sup>st</sup> May 2014 for approval.
4. The Terms of Reference were revised to reflect the views expressed by Members at the meeting of the Standards Committee on 31<sup>st</sup> January to include (i) the Committee's responsibility for keeping under review and maintaining the Protocol on Member/Officer Relations, and (ii) clarification regarding the Committee's remit in respect of monitoring the Employee Code of Conduct.

5. The final wording of the revised Terms of Reference, as attached at Appendix 1 of the report, were approved in accordance with Standing Order no. 41(b) on 10<sup>th</sup> March 2014 .

### **Reason for urgency**

6. As the Standards Committee was not scheduled to meet until after the 1<sup>st</sup> May 2014 meeting of the Court of Common Council, at which the Terms of Reference of all Committees were approved, the Terms of Reference had to be agreed in advance under urgency procedures to allow for submission to the Policy & Resources Committee and thereafter the Court of Common Council.

### **Conclusion**

7. In accordance with Standing Order 41(b), Members are asked to note the decision taken by the Town Clerk in consultation with the Chairman and Deputy Chairman since the Standards Committee's last meeting on 31<sup>st</sup> January 2014.

### **Background Papers:**

- Minutes of the meeting of the Standards Committee on 31<sup>st</sup> January 2014.

### **Appendices**

- **Appendix 1 – Revised Terms of Reference of the Standards Committee**

### **Lorraine Brook**

Committee and Member Services Manager

T: 020 7332 1409

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

**Standards Committee – Revised Terms of Reference**

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  - i. to determine whether any allegation should be investigated by or on behalf of the Town Clerk or the Monitoring Officer and their findings reported to the Committee;
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  - iii. whether there has been a breach of the Code of Conduct, to determine the appropriate sanction, and where this involves removal of a Member or Co-opted Member from any committee or sub-committee, to make an appropriate recommendation to the relevant appointing body;
  - iv. to determine any appeal from a Member or Co-opted Member in relation to a finding that they have breached the Code of Conduct and/or in relation to the sanction imposed; and
- (g) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

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