

STANDARDS COMMITTEE
Friday, 20 February 2015

Minutes of the meeting of the Standards Committee held at Committee Room, 2nd Floor, West Wing, Guildhall on Friday, 20 February 2015 at 1.45 pm

Present

Members:

Edward Lord (Chairman)
Oliver Lodge (Deputy Chairman)
Judith Barnes (Co-opted Member)
Nigel Challis
Mark Greenburgh (Co-opted Member)
Deputy Alastair King
Dan Large (Co-opted Member)
Felicity Lusk (Co-opted Member)
Alderman Julian Malins

Officers:

Lorraine Brook	Town Clerk's Department
Edward Wood	Comptroller & City Solicitor's Department
William Chapman	Private Secretary and Chief of Staff to the Lord Mayor
Jonathan Pallant	Mansion House

Also present: Neil Asten (Independent Person), Deputy John Bennett (Chief Commoner), Anju Sanahi (Independent Person), Chris Taylor (Independent Person) and Alderman Sir David Wootton were also present at the meeting.

1. APOLOGIES

Apologies for absence were received from Michael Hudson and Virginia Rounding.

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 previous meeting held on 28th November 2014 were approved as accurate record subject to a correction to paragraph 1, page 3 which should clarify the abbreviation "MIPIM."

Resolved:- That the minutes of the meeting held on 28th November 2014 be approved as an accurate record subject to a correction to paragraph 1, page 3 which should clarify the abbreviation "MIPIM" and read as: "MIPIM (Le marché international des professionnels de l'immobilier)..."

4. **MINUTES- DISPENSATIONS SUB (STANDARDS) COMMITTEE**

The minutes of the last meeting of the Dispensations Sub (Standards) Committee held on 23rd September 2014 were received.

Resolved:- That the minutes of the last meeting of the Dispensations Sub (Standards) Committee held on 23rd September 2014 be noted.

5. **GIFTS AND HOSPITALITY- CEREMONIAL OFFICEHOLDERS**

Alderman Sir David Wootton was present at the meeting during this item.

The Committee considered a report of the Private Secretary and Chief of Staff relative to the arrangements for ceremonial officeholders in respect of gifts and hospitality, which had been considered by the General Purposes Committee of Aldermen on 10th February 2015. An extract of the minutes of that meeting were tabled for information.

The Private Secretary and Chief of Staff advised Members that following the discussion at the last meeting of the Standards Committee, the proposal as at paragraphs 4 and 8 of the report had been developed and submitted to the General Purposes Committee of Aldermen for consideration. It was noted that a positive discussion has taken place at that meeting and the Committee was broadly supportive of the introduction of the proposed arrangements. Particular interest had been expressed in identifying a method by which reciprocal gifts were clearly identified on the register.

With regards to the receipt of hospitality it was proposed that the same financial thresholds for hospitality apply to the Lord Mayor as for other Members of the Court unless diplomatic, commercial or political sensitivities were a consideration in which case such instances would be brought to the Chairman of the Standards Committee's attention rather than via the published register. Some Members queried why only the Chairman would be entitled to view such information and it was therefore agreed that any instances where hospitality was not declared in the public domain would be reported to the Committee in the form of a non-public report.

A Co-opted Member commented on the current requirements on the Government's ministers and whilst it was noted that full disclosure about the receipt, retention and value of all gifts might be considered ideal, this did not reflect the unique position of the Lord Mayor of London or the reputational implications if certain sensitivities were not taken into consideration. As the Lord Mayor of the day funded the provision of some gifts this too had to be taken into consideration.

It was agreed that the proposal would introduce greater transparency about the gifts and hospitality received by ceremonial officeholders such as the Lord Mayor and, in light of its implementation over the coming weeks, it was felt that the Committee should review the arrangements and scrutinise the register in twelve months' time. It was noted that the introduction of similar arrangements for other ceremonial officeholders such as the Sheriffs would be progressed henceforth in consultation with the Secondary and Under Sheriff.

Resolved:- That –

- (i) the proposed arrangements for the registration of gifts and hospitality for ceremonial officeholders be agreed;
- (ii) the new arrangements, in respect of the Lord Mayor, be introduced as soon as possible and by no later than April 2015;
- (iii) the new arrangements for the registration of gifts and hospitality by the Lord Mayor be reviewed in twelve months' time; and
- (iv) the arrangements in respect of other ceremonial officeholders be progressed in consultation with the Secondary and Under Sheriff.

6. UPDATE- ANNUAL UPDATE TO THE MEMBERS' DECLARATIONS

The Committee considered a report of the Town Clerk which detailed the outcome of the annual update to the Members' Declarations which took place in December 2014 following the introduction of new requirements under the Members' Code of Conduct in respect of the registration of non-pecuniary interests.

The Town Clerk referred to the separately circulated Appendix 1 which included copies of all of the updated Members' Declarations forms which had been received following circulation of the annual reminder to all Members and Co-opted Members in December 2014. It was noted that as at 11th January 2015, 106 elected Members had responded to the request for updates. Whilst it was clear that a number of Members had been fastidious about bringing their Registers of Interest up to date ahead of the 1st January 2015 implementation date, the Chairman expressed some concern that some updates had not taken place and in some instances the on-line Registers contained typographical errors and incomplete details pertaining to non-pecuniary interests.

In light of the current position, and given the number of reminders that had been issued by the Town Clerk since December, it was felt that the issue of non-compliance with the registration requirements should be escalated and a formal communication issued by the Comptroller and City Solicitor, in his capacity as the Monitoring Officer, to all Members. Given that there were a number of different issues that needed to be highlighted, it was agreed that the following correspondence should be circulated by the Comptroller and City Solicitor as soon as possible:

- (i) non-respondents to be sent a request clarifying that a Declaration must be resubmitted to the Town Clerk even in the event that there were no updates to either the individual's statutory or non-pecuniary interests;
- (ii) where a response was manifestly incomplete, the Member concerned would be asked to fully update their Members' Declaration; and
- (iii) in each instance Members would be requested to check their on-line Members' Declaration for transcription errors.

Members would be requested to respond by no later the end of March 2015 and thereafter the Standards Committee would review the position at which point, if necessary, the issue of more formal action would be explored.

It was further agreed that the importance of the annual update process should be flagged in the next Annual Report of the Standards Committee which would be submitted to the Court of Common Council in June 2015. Accessibility of the Corporate Governance documentation should also be explored to ensure that up-to-date information was accessible by both Members and the public.

A Co-opted Member queried why his completed Register of Interests was only retained on file in the Town Clerk's Department and was not available on-line. The Comptroller and City Solicitor confirmed that the statutory provisions in relation to on-line registration only applied to those Co-opted Members who were entitled to vote on matters relating to the City Corporation's local authority or police authority functions; but that this did not preclude the Register of Interests of all Co-opted Members being made available on-line as a matter of policy. There was some discussion about the need for the non-voting Co-opted Members of the Standards Committee to set an example; it was also observed that a number of City Corporation Committees with responsibility for non-local authority functions had voting Co-opted Members, who equally would not be caught by the statutory provisions. It was therefore agreed that for the sake of consistency the Register of Interests of all Co-opted Members should be published on-line. However, concern was expressed that Co-opted Members should be given plenty of notice about such a change. Members also requested confirmation as to whether this change would need to be confirmed by the Court of Common Council. It was therefore agreed that officers would bring a proposal back to the next meeting of the Standards Committee to ensure that a consistent approach to the publication of Co-opted Members' interests was adopted, ideally to be implemented before the summer.

With regards to the administrative arrangements for updating the on-line Registers of Interest, the Committee queried whether there was scope for Members to be able to update their own Registers on line. The Town Clerk provided a brief overview of the software that was used to publish the data and advised that whilst she did not think that self-service was viable, this would be explored and the Committee updated at the next meeting. Likewise, in respect of the current format of the on-line form which included a single box in which non-pecuniary interests were logged, the Town Clerk undertook to investigate whether the form could include separate boxes in which each category of non-pecuniary interests could be logged.

Resolved:- That –

- (i) the report be noted;
- (ii) the 2016 annual update to the Members' Registers of Interest take place in April 2016, at the start of the new municipal year;
- (iii) clarification regarding the arrangements for Co-opted Members (voting and non-voting) be submitted to the next meeting of the Standards Committee; and
- (iv) the Comptroller and City Solicitor circulate relevant correspondence to Members in respect of the annual update and, particularly non-compliance, to ensure that all updates and on-line checks were completed before the new municipal year;

(v) an update report on the status of the annual update be submitted to the Standards Committee following circulation of the Comptroller and City Solicitor's communication;

(vi) the potential for Members to update their own on-line Registers of Interest be explored by the Town Clerk; and

(vii) the on-line Register of Interest form be reviewed with a view to including separate non-pecuniary categories within the form.

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

Members considered a report of the Town Clerk relative to the terms of reference of the Standards Committee and its sub committees and the Committee's frequency of meetings, ahead of submission to the Court of Common Council on 23rd April 2015 and the start of the new municipal year.

It was noted that the terms of reference of the Dispensations Sub (Standards) Committee had not been included in the accompanying appendix to the report but were those as set out on page 45 (Item 8).

It was queried why the membership of the various sub committees was not shown in the accompanying appendix. The Town Clerk explained that this information was not normally contained in the terms of reference, but confirmed that in each case the membership was three elected Members of the Standards Committee and one non-voting Co-opted Member. It was noted that the Assessment, Hearing and Appeal Sub Committees were also required to take into account the views of an Independent Person. It was agreed that the complaints procedure should be brought back to the next meeting of the Standards Committee in order to review the arrangements. One of the Independent Persons present queried why they did not have a similar role in relation to the Dispensations Sub Committee and was advised that this was not provided for under the Localism Act 2011. It was agreed that further consideration be given to the provision of training to Members in respect of assessment, hearing and appeals proceedings.

In respect of the existing terms of reference and the format of the White Paper (which would be submitted to the Court of Common Council on 23rd April 2015), it was agreed that the documentation should be consistent when referring to Co-opted Members such that "Co-opted Member" be used rather than "external representatives" or "non-Common Council Members". Reference should also be made where appropriate to "Co-opted Members of the City of London Corporation's Committees and Boards" rather than "Co-opted Members of the City of London Corporation". Under paragraph (f) in Appendix 1 it should be made clear that these functions would be carried out by the appropriate sub-committee of the Standards Committee. It was further agreed that, in respect of the term of office, this should state: "None of the appointed shall serve on the Committee for more than a maximum of eight years in total."

Resolved:- That –

(i) the Terms of Reference of the Standards Committee be amended to ensure consistency when referring to Co-opted Members such that "Co-opted Member"

be used rather than “external representatives” or “non-Common Council Members” and that co-option be linked to a Committee or Board;

(ii) the Terms of Reference of the Standards Committee be further amended to reflect the fact that the functions under paragraph (f) would be carried out by the appropriate sub-committee of the Standards Committee;

(iii) in respect of the term of office this should state: “None of the appointed shall serve on the Committee for more than a maximum of eight years in total.”;

(iv) the scheduled meeting dates for the remainder of 2015 and 2016 be noted;

(v) the complaints procedure be reviewed at the next meeting of the Standards Committee; and

(vi) further consideration be given to the provision of training to Members of the Standards Committee in respect of assessment, hearing and appeals proceedings.

8. DISPENSATIONS ARRANGEMENTS - REVIEW

The Committee considered a joint report of the Town Clerk and the Comptroller and City solicitor regarding the current arrangements in respect of the granting of dispensations by the City of London Corporation to Members who wish to speak and/or vote on matters where they have a relevant interest.

A brief note setting out some of the key matters that would be taken into account by the Standards Committee and the Dispensations Sub (Standards) Committee in determining requests for dispensations was tabled by the Comptroller and City Solicitor.

With regards to Appendix 1 of the report before the Committee, and which detailed those dispensations that had been granted since the introduction of the Localism Act, some Members noted that there were no details regarding the circumstances of the majority of dispensations that had been granted. The Comptroller and City Solicitor confirmed that these block dispensations had been granted to Members where they were likely to consider housing and Council Tax matters (and had a relevant interest in land within the City) in order to emulate the exemptions under the previous standards regime. It was noted that more recent individualised applications had led to the current approach to considering requests, whereby a Member had to submit a detailed written request setting out the reasons for the request and how long the dispensation was required for. Members endorsed this approach in all cases and emphasised how important it was for as much detail as possible about previous dispensation requests to be included in relevant reports so that the Standards Committee and/or the Dispensations Sub Committee could continuously review the granting of dispensations and ensure that there was a consistent approach.

Whilst some Members had previously indicated that it might be beneficial to have some form of written guidance around the granting of dispensations, the Committee agreed that a prescriptive approach was not appropriate and that the circumstances of each request should instead be considered. It was however agreed that reference back to historic considerations was helpful and that the list of requests (granted or rejected) should be further developed to include appropriate detail that would enable the Sub Committee (or the Committee) to ensure that dispensations were considered in a consistent

manner. Likewise, where other protocols might be a consideration, these should be brought to the Sub Committee's attention at the appropriate time, for example the Planning Protocol.

There was some discussion about whether a dispensation was even necessary to speak or vote on Council Tax issues, given the previous guidance from the Department for Communities and Local Government. The Comptroller and City Solicitor advised that, even if the Committee were to come to the same view about this, it would not be determinative. As a breach of the rules regarding disclosable pecuniary interests was a criminal matter, it would not be appropriate for the Committee to refuse to consider a request for a dispensation on this basis where a Member wished to make such a request.

As some of the current dispensations would expire ahead of the Ward Elections in March 2017, it was agreed that all Members should be contacted in December 2016 to ensure that relevant dispensations were in place, where appropriate (where Members wished to speak or vote on housing or Council Tax issues) ahead of the budget report being submitted to the Court of Common Council in early 2017.

Resolved:- That –

- (i) the list of requests for dispensations be submitted to Members ahead of consideration of all future dispensation requests and the details of every request logged henceforth to provide details of why a dispensation was required, by whom and for how long; and
- (ii) as some of the current dispensations would expire ahead of the Ward Elections in March 2017, those Members should be contacted in December 2016 to ensure that relevant dispensations were in place, where appropriate (where Members wished to speak or vote on housing or Council Tax issues) ahead of the budget report being submitted to the Court of Common Council in early 2017.

9. REPORT OF ACTION TAKEN

The Committee considered a report of the Town Clerk relative to the details of a decision taken by the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, since the last Committee meeting on 28th November 2014 in accordance with the City Corporation's urgency provisions (Standing Order 41(b)). The decision concerned the final wording of the revised Code of Conduct Guidance.

Resolved:- That the report of action taken be noted.

10. QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE

There were none.

11. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

With the Chairman's consent the following item of urgent business was considered:-

(i) Thanks to outgoing Members of the Committee

In light of his departure from the Committee as of 23rd April 2015, the Chairman thanked, on behalf of the Committee, Alderman Julian Malins for his sage advice and contributions to the work of the Standards Committee. Formerly a member of the Committee in his capacity as a Common Councilman and, over the past two years, in his capacity as an Alderman, the Chairman thanked Alderman Malins for sharing his experience, opinions and knowledge; all of which had been invaluable to the Committee. It was noted that Alderman Baroness Scotland was expected to join the Committee in 2015/2016.

12. EXCLUSION OF THE PUBLIC

Resolved:– That under Section 100A(4) of the Local Government Act 1972, the public be excluded from the meeting for the following items on the grounds that they involve the likely disclosure of exempt information as defined in Part 1 of Schedule 12A of the Local Government Act.

Item No.13

Paragraph No.1

13. EMPLOYMENT TRIBUNAL SUMMARY

The Committee considered a report of the Comptroller and City Solicitor which had been submitted to the Establishment Committee on 18th September 2014 and provided an update in respect of Employment Tribunal cases that had been dealt with by the Comptroller and City Solicitor to the end of August 2014.

The Chairman advised those present that this information had previously been requested by the Committee following a discussion at an earlier meeting about the Employee Code of Conduct, of which the Committee maintained an overview; and the Member/Officer Protocol. Some Members had requested clarification about the volume and nature of Employment Tribunals involving City Corporation employees and consequently this report set out the most recent details, although it was acknowledged that a covering report to the paper would have been helpful to Members.

Following a discussion about the content of the report and the justification for the information being submitted as a non-public report, it was agreed that a tailored report would be submitted to the Committee in the future, possibly as part of the Director of HR's annual report to the Committee, setting out the relevant issues associated with the Member/Officer Protocol. It was further agreed that, as far as possible, the issues falling within the remit of the Committee should be reported to Members in an appropriate format in the future.

Resolved:- That –

(i) the report be noted; and

(ii) the annual report of the Director of HR include relevant details concerning the Member/Officer Protocol and an overview of any Employment Tribunals pertaining to those issues within the scope of the Standards Committee.

14. **NON-PUBLIC QUESTIONS ON MATTERS RELATING TO THE WORK OF THE COMMITTEE**

There were none.

15. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT AND WHICH THE COMMITTEE AGREES SHOULD BE CONSIDERED WHILST THE PUBLIC ARE EXCLUDED**

With the Chairman's consent one item of urgent business was considered whilst the public were excluded.

(i) Chief Commoner- reflection on a year in Office

The Chief Commoner thanked the Chairman for his invitation to attend the meeting in advance of his year in Office coming to an end in April. Those present were advised that no significant issues concerning Members of the Court of Common Council had arisen, or required intervention by the Chief Commoner, during the past ten months.

The Chairman thanked the Chief Commoner for his attendance.

NOTED.

The meeting ended at 3.30 pm

Chairman

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