



Standards Committee

Date: THURSDAY, 7 JUNE 2012
Time: 11.00am
Venue: COMMITTEE ROOM 1 - 2ND FLOOR WEST WING, GUILDHALL

Members: Dr Colin Kolbert (Chairman)
Julian Malins (Deputy Chairman)
Deputy Robin Eve
Alan Graham (External Member)
Howard Lederman (External Member)
Deputy Edward Lord
Felicity Lusk (External Member)
Matthew Richardson
Anthony Williams (External Member)
Alderman Fiona Woolf

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

Lunch will be served in the Guildhall Club at 1pm

Chris Duffield
Town Clerk and Chief Executive

AGENDA

1. **APOLOGIES**

2. **DECLARATIONS BY MEMBERS OF ANY PERSONAL AND PREJUDICIAL INTERESTS**

3. **ORDER OF COMMON COUNCIL**

Order of Common Council, 19 April 2012 appointing the Committee and approving the Committee's Terms of Reference (copy attached).

For Information
(Pages 1 - 2)

4. **MINUTES**

To agree the minutes of the meeting held on 28 February 2012 (copy attached).

For Decision
(Pages 3 - 6)

5. **STANDARDS REGIME UNDER THE LOCALISM ACT 2011**

Joint report of the Town Clerk and Comptroller & City Solicitor (copy attached).

For Decision
(Pages 7 - 30)

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

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

Agenda Item 3

WOOTTON, Mayor	RESOLVED: That the Court of Common Council holden in the Guildhall of the City of London on Thursday 19th April 2012, doth hereby appoint the following Committee until the first meeting of the Court in April, 2013.
----------------	---

STANDARDS COMMITTEE

1. **Constitution**

A Non-Ward Committee consisting of,

- one Aldermen appointed by the Court of Aldermen
- four 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
- five Independent Members appointed in accordance with the Local Government Act 2000

The Chairman of the Committee shall be elected from the Independent Members.

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

2. **Quorum**

The quorum consists of three Members ie. two Members of the Court of Common Council and one Independent Member.

3. **Membership 2012/13**

ALDERMAN

- 1 Fiona Woolf, C.B.E.

COMMONERS

- 2 (2) Charles Edward Lord, O.B.E., J.P Deputy, for two years
2 (1) Robin Anthony Eve, O.B.E., Deputy, *for two years*
2 (2) Matthew Richardson
5 (1) Julian Henry Malins, Q.C., Deputy

together with two Members to be appointed this day and five Independent Members :-

His Honour Dr Colin Kolbert (*appointed for a four year term to expire in December 2012*)

Anthony Williams (*appointed for a four year term to expire in December 2012*)

Howard Lederman (*appointed for a four year term to expire in July 2013*)

Felicity Lusk (*appointed for a four year term expiring in October 2013*)

Alan Graham (*appointed for a four year term to expire in March 2014*)

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) preparing, keeping under review and monitoring the City of London Corporation's Employee Code of Conduct;
- (d) advising and training Members and Co-opted Members on matters relating to the City of London Corporation's Code of Conduct;
- (e) dealing with any complaints of breach of the City of London Corporation's Code of Conduct in respect of Members and Co-opted Members, having first determined whether the alleged breach of the code is in respect of the Common Council's local authority and policy authority functions or its non-local authority functions, and to ensure that they are investigated appropriately by or on behalf of the Town Clerk or the Monitoring Officer who should report their findings to the Committee;
- (f) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

In relation to the City of London Corporation's role as a Local Authority and Police Authority, to:-

- (a) consider any application for exemption from political restriction that is made to the Committee in respect of any post by the holder of that post;
- (b) where appropriate, give directions requiring the authority to include a post in the list of politically restricted posts that it maintains;
- (c) direct that a post should not be politically restricted where an application has been made and the Committee is satisfied that the duties of the post involve neither providing advice to the authority or its Committees nor speaking on behalf of the authority to journalists and broadcasters.

STANDARDS COMMITTEE

TUESDAY, 28TH FEBRUARY 2012

Minutes of the meeting of the STANDARDS COMMITTEE held at Guildhall, EC2 on TUESDAY, 28th FEBRUARY 2012 at 12 Noon.

Present

Members:

Dr Colin Kolbert (Independent)
(Chairman)
Deputy Robin Eve
Edward Lord
Matthew Richardson

Officers:

Lorraine Brook
Edward Wood

- Town Clerk's Department
- Comptroller & City Solicitor's Department

1. APOLOGIES

Apologies for absence were received from Alderman Alison Gowman, Alan Graham (Independent), Howard Lederman (Independent), Felicity Lusk (Independent) and Anthony Williams (Independent).

2. DECLARATIONS BY MEMBERS OF PERSONAL OR PREJUDICIAL INTERESTS IN RESPECT OF ITEMS TO BE CONSIDERED AT THIS MEETING

There were none.

3. MINUTES

The minutes of the meeting held on 27th May 2011 were approved as a correct record.

4. NEW STANDARDS REGIME UNDER THE LOCALISM ACT 2011 – UPDATE

The Comptroller and City Solicitor's representative referred to the paper before the Committee, highlighting the key features of the new standards regime including discretionary areas for local authorities and matters on which regulations were still awaited.

In respect of the future arrangements for investigation of complaints and decision-making, the Committee commented on the traditional role of the Chief Commoner and the Chairman of the Privileges Committee of Aldermen to promote good conduct amongst Common Councilmen and Aldermen respectively. It was agreed that whilst this informal role should be retained in the future and acknowledged in the new arrangements, a Standards Committee should exist to ensure that investigations and decisions were undertaken in a transparent and consistent manner. Whilst it was noted that under the new

- (ii) notes that a further detailed report regarding the Code of Conduct and local standards arrangements be submitted to the Committee for consideration ahead of submission to the Policy and Resources and Police Committees; and thereafter the Court of Common Council; and
- (ii) agrees that the next meeting of the Standards Committee take place on Wednesday, 18 April 2012 at 11am.

5. **QUESTIONS**

There were no questions.

6. **URGENT ITEMS**

There was none.

The meeting closed at 12.32pm

CHAIRMAN

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

This page is intentionally left blank

Committee(s):	Date:	Item no.
Police Committee Standards Committee Policy & Resources Committee	1st June 2012 7th June 2012 7th June 2012	4
Subject: Standards Regime under the Localism Act 2011		
Report of: Town Clerk and Comptroller & City Solicitor		
<p>Summary</p> <p>A report was taken to the Standards Committee on 28 February 2012 seeking comments on the various options available under the new standards arrangements following the introduction of The Localism Act 2011 (“the Act”) which will, once fully brought into force, abolish the current standards regime under the Local Government Act 2000. At that time there were a number of areas that had not been clarified by the Department for Communities and Local Government (DCLG), to enable detailed proposals to be worked up, and to some extent this is still the case.</p> <p>As a code of conduct must be adopted by 1 July 2012, in order to comply with statutory requirements, it is proposed that the City’s existing code of conduct (Appendix 1) be re-adopted for the time being, until such time as the regulations defining disclosable pecuniary interests have been made, and a new code of conduct reflecting these provisions can be brought to Committee and the Court for consideration and approval. Members are also asked to approve a revised constitution and terms of reference for the Standards Committee (Appendix 2), adopted from the point that section 28 of the Localism Act 2011 comes into force; and the appointment of three independent persons from the point that section 28 of the Localism Act 2011 comes into force.</p> <p>Recommendation:</p> <p>(i) to consider the options in respect of a replacement code of conduct;</p> <p>To recommend to the Court of Common Council that:</p> <p>(ii) the City’s existing code of conduct set out at Appendix 1 be adopted for the time being as the code of conduct to be effective once section 27 of the Localism Act 2011 comes into force;</p> <p>(iii) the revised constitution and terms of reference for the Standards Committee set out at Appendix 2 are adopted from the point that section 28 of the Localism Act 2011 comes into force; and</p> <p>(iv) three independent persons are appointed from the point that section 28 of the Localism Act 2011 comes into force.</p>		

Main Report

Background

1. The Localism Act 2011 (“the Act”) will, once fully brought into force, abolish the current standards regime under the Local Government Act 2000, which provides for a mandatory model code of conduct for members and a statutory Standards Committee.
2. The Standards Board for England, the regulatory body which accepted referrals from local standards committees and conducted investigations in certain circumstances, was abolished on 31 March 2012.
3. The Department for Communities and Local Government (“DCLG”) has confirmed that the remaining local elements of the current regime will be abolished on 1 July 2012. At the same time new standards arrangements provided for in the Act will come into force (as set out below).
4. A report was taken to the Standards Committee on 28 February 2012 seeking comments on the various options available under the new arrangements. At that time there were a number of areas that had not been clarified by DCLG, to enable detailed proposals to be worked up, and to some extent this is still the case.

Application

5. The new standards arrangements apply to the Common Council of the City of London in its capacity as a local authority or police authority. However it is assumed that members will, as previously, wish to extend these arrangements to all of the Common Council’s functions.
6. The new standards arrangements apply to elected members and co-opted members (in this report referred to collectively as “members”). Non-members of the Court with voting rights on City committees are co-opted members for these purposes.

Duty to promote and maintain high standards of conduct

7. The City will be under a duty to promote and maintain high standards of conduct by members.

Code of conduct

8. The City’s existing mandatory model code of conduct was adopted in accordance with section 51 of the Local Government Act 2000 (“the 2000 Act”). Once the provisions of the Act are fully brought into force, this section will no longer apply to the City. Instead the City will have to adopt a code of conduct under section 27 of the Act. There is no six month grace period for adoption as there was under the 2000 Act.

9. Therefore, if the Act comes into force as anticipated, the City must adopt and publicise a code by 1 July 2012 dealing with the conduct that is expected of members when they are acting in that capacity. The new code of conduct does not have to be in any prescribed form, but must include such provision as the City considers appropriate in respect of the registration and disclosure of pecuniary interests and other interests (see below). When viewed as a whole the code must also be consistent with the seven ‘Nolan’ principles: selflessness; integrity; objectivity; accountability; openness; honesty; and leadership.
10. Since the report to the Standards Committee in February 2012, DCLG have circulated an “illustrative text” for a code of conduct (Appendix 3). The Local Government Association (“LGA”) have likewise circulated a “template” code of conduct (Appendix 4). Members are asked to comment on the content of a new code of conduct for the City, based on either the DCLG or LGA draft or on alternative provisions.
11. However, in the view of officers, a new code of conduct cannot be finalised at this stage. This is because, as explained above, any code adopted must include such provision as the City considers appropriate in respect of the registration and disclosure of pecuniary interests and other interests. Interests are discussed in more detail below, but what constitutes a disclosable pecuniary interest will be defined in regulations. At the time of writing this report those regulations have not yet been made, are not available in draft form, and the DCLG is unable to provide a date when they will come into force – although it will apparently be “very soon”. Until it is known what interests are classed as disclosable pecuniary interests, members will not be able to consider what other interests should also be registered and disclosed, and in what manner.
12. As a code of conduct must be adopted by 1 July 2012, in order to comply with statutory requirements, it is proposed that the City’s existing code of conduct (set out at Appendix 1) be re-adopted for the time being, until such time as the regulations defining disclosable pecuniary interests have been made, and a new code of conduct reflecting these provisions can be brought to Committee and the Court for consideration and approval.

Interests

13. Although new provisions regarding disclosable pecuniary interests are expected to come into force on 1 July 2012, these cannot be implemented until the regulations defining such interests have been made. The City will in addition be under a duty to determine what other interests should be registered and disclosed, and in what manner. For the time being it is recommended that the existing arrangements for the registration and disclosure of interests contained in the current code of conduct are re-adopted. These will operate in the same way as at present, although the consequences of a breach will be different (see the section on sanctions below). Once the regulations defining disclosable pecuniary interests have

been made, the position will be as set out in the remaining paragraphs of this section.

14. The monitoring officer must maintain a register of members' interests which is available for inspection and published on the City's website. The register must contain disclosable pecuniary interests. It must also contain such other interests i.e. non-disclosable pecuniary interests and non-pecuniary interests, as the Court of Common Council may determine.
15. Members will be required to notify the monitoring officer of all current disclosable pecuniary interests within 28 days of being elected or co-opted, or re-elected or re-appointed. However there will be no continuing duty to update the register due to a change of circumstances, such as the acquisition of development land, until a relevant item of business arises at a meeting which the member attends. Failure to register disclosable pecuniary interests will be a criminal offence. The registration requirements for other types of interests will be as set out in the code of conduct, and any failure will be treated as a breach of the code.
16. Where disclosable pecuniary interests have been notified to the monitoring officer, there will be no requirement to disclose them at a meeting. Otherwise a member must disclose any disclosable pecuniary interest, of which he is aware, that relates to any matter to be considered, or being considered, at the meeting. He must also then register that interest within 28 days. The duty to disclose will arise on attendance at the meeting, rather than simply before the start of consideration of the matter. A member with a disclosable pecuniary interest will be barred from discussing or voting on the matter – the right to speak as a member of the public appears to have been lost. Failure to comply with these provisions will be a criminal offence. There will be no automatic requirement for a member with a disclosable pecuniary interest to withdraw from the room, although this may be dealt with in standing orders. The disclosure requirements for other types of interests will be as set out in the code of conduct, and any failure will be treated as a breach of the code.
17. Members found guilty of a criminal offence under the above provisions are liable to a fine not exceeding level 5 on the standard scale (currently £5,000) and may be disqualified as a member for up to 5 years.
18. As previously, special provision is made in respect of sensitive interests and dispensations.

Independent persons

19. Under section 28 of the Act the City must appoint at least one independent person whose views:
 - must be sought, and taken into account, by the City before it makes its decision on an allegation that it has decided to investigate;
 - may be sought by the City in relation to an allegation in other circumstances;

- may be sought by a member against whom an allegation has been made.
20. Given the contrasting roles that an independent person may be asked to perform, it is anticipated that more than one will be required. For example, it is hard to see how an independent person could be consulted by a member against whom an allegation had been made, and by the City with respect to the same allegation, whilst remaining impartial. Scheduling considerations would also make it advisable to appoint several independent persons. It is therefore recommended that three independent persons be appointed.
 21. Vacancies must be advertised, candidates must submit an application and appointments must be approved by a majority of members of the Court of Common Council. A report was taken to the Policy and Resources Committee on 22 March 2012, and to the Court of Common Council under urgency provisions, to approve the selection procedure to be followed for the appointment of independent persons.
 22. Since the earlier report, the recruitment of independent persons has been progressed with a vacancy advertised in the City AM (hard copy), on the City of London website, the Guardian On-line and the public appointments section on the Cabinet Office website as of 1 May 2012. The deadline for receipt of applications was midday on Friday 18 May 2012.
 23. Upon the deadline for receipt of completed applications, 33 expressions of interest in the position had been received. Having circulated application packs to all those that had expressed an interest in the position, 12 completed application and rehabilitation forms have now been received.
 24. The Selection and Appointment Panel comprising of the Chief Commoner, the Chairman of the General Purposes Committee of Aldermen and the Chairman of the Policy and Resources Committee (or his/her representatives) will meet on 31 May 2012 to short-list and thereafter interviews will be held on 14 June 2012. The appointments will then be approved under urgency procedures (Standing Order 41 (a)) by the Policy and Resources Committee ahead of final approval by the Court of Common Council on 21 June 2012.
 25. Independent persons must not have been a member, co-opted member or officer of the authority in the last five years, nor be a relative or close friend of a member, co-opted member or officer.
 26. The Association of Council Secretaries and Solicitors has sought advice from Leading Counsel on whether independent members of standards committees will be able to serve as independent persons under the new arrangements. Counsel considers that the better reading of the legislation is that independent members are not permitted to serve as independent persons for the same authority within a period of five years from the end of their previous service. This is because on a literal reading of the legislation the independent members of the standards committee are co-opted members of the authority.

27. Since the last report to the Standards Committee, it is now understood that transitional provisions are to be introduced enabling independent members to serve as independent persons. Again, DCLG are unable to provide a draft of the necessary statutory instrument, or state when it will come into force. The current independent members of the Standards Committee were made aware that they may become eligible to apply, and advised to put in an application if they wished to do so, but in the event no applications have been received from current independent members.

Arrangements for investigation and decision-making

28. The City must by 1 July 2012 have in place arrangements under which written allegations of a breach of the code can be investigated and decisions on those allegations taken. A failure to comply with the code of conduct must not be dealt with otherwise than in accordance with these arrangements.
29. In the City the role of the Chief Commoner has traditionally included a concern for the welfare and conduct of Common Councilmen, and the Chairman of the Privileges Committee of Aldermen has performed a similar function in relation to Aldermen. It is acknowledged that they perform a valuable role in this respect. It is proposed that this role be highlighted in any published complaints procedure, and complainants encouraged to approach the Chief Commoner or the Chairman of the Privileges Committee of Aldermen with any grievance. However, under the Act, any written allegation of a breach of the code of conduct must be dealt with under the formal arrangements outlined in this report.
30. The arrangements do not have to take any prescribed form, and the existing statutory duty to have a Standards Committee and prescribed sub-committees will disappear. However a Standards Committee can be retained, under section 101 of the Local Government Act 1972, and as set out below this is recommended. The proposed constitution and terms of reference for the revised Standards Committee are set out at Appendix 2. Another option would be to subsume these functions within the terms of reference of an existing committee.
31. A decision will have to be taken on a case by case basis whether to investigate an allegation. Most authorities are choosing to delegate the initial assessment of allegations, and the decision whether to investigate, to their monitoring officer.
32. In recognition of City custom, it was suggested to the Standards Committee (in the February report) that an alternative option would be to delegate the initial assessment of allegations, and the decision whether to investigate, to the monitoring officer in consultation with the Chief Commoner or Chairman of the Privileges Committee of Aldermen as appropriate – as these functions cannot be delegated to a single member.
33. The feedback received was that decisions in relation to these matters should be solely a matter for members. It is therefore recommended that the initial

assessment of allegations, and the decision whether to investigate, should be delegated to the revised Standards Committee. This would mirror existing arrangements.

34. It is also necessary to decide who will examine the evidence of an investigation, hear from the parties concerned, and make a decision on culpability and any sanction. Although it is not obligatory for a committee to carry out these functions, there is not thought to be any realistic alternative. It is therefore recommended that these functions are delegated to the revised Standards Committee.
35. As previously stated, the views of an independent person will have to be sought, and taken into account, before any decision is taken at this stage – the simplest solution would be for an independent person to be a party to any hearing and deliberation. Again, this has been reflected in the proposed terms of reference of the revised Standards Committee.
36. Under the Act there is no power to require access to documents or to require members or officers to attend interviews or a hearing. Any committee hearing would also be subject to the same provisions regarding public access to information as any other committee.
37. Under the outgoing standards regime, an appeal against a decision of the statutory Standards Committee could be made to the First-tier Tribunal (Local Government Standards in England). This appeals process will no longer be in place and – although the sanctions available under the new standards regime are not so severe (see below) – it is thought to be desirable to establish an internal appeals process for members against whom sanctions are imposed, also delegated to the revised Standards Committee.
38. This will require the revised Standards Committee to appoint sub-committees consisting of three members for the separate assessment, hearing and appeals stages. Again, this broadly mirrors current arrangements. It is anticipated that the same three members would sit for the assessment and hearing stages, but that three different members would hear any appeal. On this basis it is recommended that the revised Standards Committee consist of eight members, including one Alderman. This has been reflected in the appended constitution.

Sanctions

39. The Act does not give any statutory powers to take action in respect of a breach of the code of conduct. In particular, under the new arrangements there will be no statutory power to suspend or disqualify a member. However it is considered that under existing powers the following sanctions will be lawfully available, subject to the particular facts and circumstances and lawful and proportionate manner of application:
 - formal censure;
 - withdrawal of City hospitality for a specified period; and

- removal from a particular committee or committees.
40. The option of removal from a particular committee or committees would include sub-committees. The revised Standards Committee would make a recommendation to the relevant appointing body in each case. This is reflected in the appended terms of reference.
 41. There is no power to impose alternative sanctions, such as training or an apology, although the willingness of a member to undergo further training, or to provide an apology, could have a bearing on any sanction that is imposed.

Training

42. All members will receive guidance and training on the new standards regime once the regulations defining disclosable pecuniary interests have been made and a replacement code of conduct has been adopted.

Conclusion

43. When the earlier report was considered by the Standards Committee on 28 February 2012 seeking comments on the various options available under the new standards arrangements, there were a number of areas that had not been clarified by the Department for Communities and Local Government (DCLG) to enable detailed proposals to be formulated. To some degree this is still the case, however as a code of conduct must be adopted by 1 July 2012, in order to comply with statutory requirements, it is proposed that the City's existing code of conduct (Appendix 1) be re-adopted for the time being, until such time as the regulations defining disclosable pecuniary interests have been made, and a new code of conduct reflecting these provisions can be brought to Committee and the Court for consideration and approval.
44. In respect of longer term amendments, members are asked to consider the options in respect of a replacement code of conduct.
45. A revised constitution and terms of reference for the Standards Committee (Appendix 2) will be adopted from the point that section 28 of the Localism Act 2011 comes into force; and the appointment of three independent persons from the point that section 28 of the Localism Act 2011 comes into force.

Contact:

Edward Wood
Principal Legal Assistant
020 7332 1834
edward.wood@cityoflondon.gov.uk

Lorraine Brook
Committee and Member Services Manager
020 7332 1409
lorraine.brook@cityoflondon.gov.uk



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

PART 1

GENERAL PROVISIONS

Introduction and interpretation

1. (1) This Code applies to **you** as a member of an authority.
- (2) You should read this Code together with the general principles prescribed by the Secretary of State
- (3) It is your responsibility to comply with the provisions of this Code.
- (4) In this Code –
"meeting" means any meeting of –
 - (a) the authority;
 - (b) n/a
 - (c) any of the authority's committees, sub-committees, joint committees or joint sub-committees;"member" includes a co-opted member and an appointed member.
- (5) n/a

Scope

2. (1) Subject to sub-paragraphs (2) to (5), you must comply with this Code whenever you –
 - (a) conduct the business of your authority (which, in this Code, includes the business of the office to which you are elected or appointed); or

- (b) act, claim to act or give the impression you are acting as a representative of your authority,

and references to your official capacity are construed accordingly.
- (2) Subject to sub-paragraphs (3) and (4), this Code does not have effect in relation to your conduct other than where it is in your official capacity.
- (3) In addition to having effect in relation to conduct in your official capacity, paragraphs 3(2)(c), 5 and 6(a) also have effect, at any other time, where that conduct constitutes a criminal offence for which you have been convicted.
- (4) Conduct to which this Code applies (whether that is conduct in your official capacity or conduct mentioned in sub-paragraph (3)) includes a criminal offence for which you are convicted (including an offence you committed before the date you took office, but for which you are convicted after that date).
- (5) Where you act as a representative of your authority –
 - (a) on another relevant authority, you must, when acting for that other authority, comply with that other authority's code of conduct; or
 - (b) on any other body, you must, when acting for that other body, comply with your authority's code of conduct, except and insofar as it conflicts with any other lawful obligations to which that other body may be subject.

General obligations

- 3. (1) You must treat others with respect.
- (2) You must not –
 - (a) do anything which may cause your authority to breach any of the equality enactments (as defined in section 33 of the Equality Act 2006);
 - (b) bully any person;
 - (c) intimidate or attempt to intimidate any person who is or is likely to be:-
 - (i) a complainant,
 - (ii) a witness, or
 - (iii) involved in the administration of any investigation or proceedings in relation to an allegation that a member (including yourself) has failed to comply with his or her authority's code of

conduct; or

(d) do anything which compromises or is likely to compromise the impartiality of those who work for, or on behalf of, your authority.

(3) In relation to police authorities and the Metropolitan Police Authority, for the purposes of sub-paragraph 2(d) those who work for, or on behalf of, an authority are deemed to include a police officer.

4. You must not –

(a) disclose information given to you in confidence by anyone, or information acquired by you which you believe, or ought reasonably to be aware, is of a confidential nature, except where –

(i) you have the consent of a person authorised to give it;

(ii) you are required by law to do so;

(iii) the disclosure is made to a third party for the purpose of obtaining professional advice provided that the third party agrees not to disclose the information to any other person; or

(iv) the disclosure is –

(aa) reasonable and in the public interest; and

(bb) made in good faith and in compliance with the reasonable requirements of the authority; or

(b) prevent another person from gaining access to information to which that person is entitled by law.

5. You must not conduct yourself in a manner which could reasonably be regarded as bringing your office or authority into disrepute.

6. You –

(a) must not use or attempt to use your position as a member improperly to confer on or secure for yourself or any other person, an advantage or disadvantage; and

(b) must, when using or authorising the use by others of the resources of your authority –

(i) act in accordance with your authority's reasonable requirements;

(ii) ensure that such resources are not used improperly for political purposes (including party political purposes); and

(c) must have regard to any applicable Local Authority Code of Publicity made under the Local Government Act 1986.

7. (1) When reaching decisions on any matter you must have regard to any relevant advice provided to you by –
- (a) your authority's chief finance officer; or
 - (b) your authority's monitoring officer,
- where that officer is acting pursuant to his or her statutory duties.
- (2) You must give reasons for all decisions in accordance with any statutory requirements and any reasonable additional requirements imposed by your authority.

PART 2

INTERESTS

Personal interests

8. (1) You have a personal interest in any business of your authority where either –
- (a) it relates to or is likely to affect –
 - (i) any body of which you are a member or in a position of general control or management and to which you are appointed or nominated by your authority;
 - (ii) any body –
 - (aa) exercising functions of a public nature;
 - (bb) directed to charitable purposes; or
 - (cc) one of whose principal purposes includes the influence of public opinion or policy (including any political party or trade union),of which you are a member or in a position of general control or management;
 - (iii) any employment or business carried on by you;
 - (iv) any person or body who employs or has appointed you;
 - (v) any person or body, other than a relevant authority, who has made a payment to you in respect of your election or any expenses incurred by you in carrying out your duties;

- (vi) any person or body who has a place of business or land in your authority's area, and in whom you have a beneficial interest in a class of securities of that person or body that exceeds the nominal value of £25,000 or one hundredth of the total issued share capital (whichever is the lower);
 - (vii) any contract for goods, services or works made between your authority and you or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi);
 - (viii) the interests of any person from whom you have received a gift or hospitality with an estimated value of at least £25;
 - (ix) any land in your authority's area in which you have a beneficial interest;
 - (x) any land where the landlord is your authority and you are, or a firm in which you are a partner, a company of which you are a remunerated director, or a person or body of the description specified in paragraph (vi) is, the tenant;
 - (xi) any land in the authority's area for which you have a licence (alone or jointly with others) to occupy for 28 days or longer; or
- (b) a decision in relation to that business might reasonably be regarded as affecting your well-being or financial position or the well-being or financial position of a relevant person to a greater extent than the majority of –
- (i) (in the case of authorities with electoral divisions or wards) other council tax payers, ratepayers or inhabitants of the electoral division or ward, as the case may be, affected by the decision;
 - (ii) (in the case of the Greater London Authority) other council tax payers, ratepayers or inhabitants of the Assembly constituency affected by the decision; or
 - (iii) (in all other cases) other council tax payers, ratepayers or inhabitants of your authority's area.
- (2) In sub-paragraph (1)(b), a relevant person is –
- (a) a member of your family or any person with whom you have a close association; or
 - (b) any person or body who employs or has appointed such persons, any firm in which they are a partner, or any company of which they are directors;

- (c) any person or body in whom such persons have a beneficial interest in a class of securities exceeding the nominal value of £25,000; or
- (d) any body of a type described in sub-paragraph (1)(a)(i) or (ii).

Disclosure of personal interests

9. (1) Subject to sub-paragraphs (2) to (7), where you have a personal interest in any business of your authority and you attend a meeting of your authority at which the business is considered, you must disclose to that meeting the existence and nature of that interest at the commencement of that consideration, or when the interest becomes apparent.
- (2) Where you have a personal interest in any business of your authority which relates to or is likely to affect a person described in paragraph 8(1)(a)(i) or 8(1)(a)(ii)(aa), you need only disclose to the meeting the existence and nature of that interest when you address the meeting on that business.
- (3) Where you have a personal interest in any business of your authority of the type mentioned in paragraph 8(1)(a)(viii), you need not disclose the nature or existence of that interest to the meeting if the interest was registered more than three years before the date of the meeting.
- (4) Sub-paragraph (1) only applies where you are aware or ought reasonably to be aware of the existence of the personal interest.
- (5) Where you have a personal interest but, by virtue of paragraph 14, sensitive information relating to it is not registered in your authority's register of members' interests, you must indicate to the meeting that you have a personal interest, but need not disclose the sensitive information to the meeting.
- (6) n/a
- (7) n/a

Prejudicial interests generally

10. (1) Subject to sub-paragraph (2), where you have a personal interest in any business of your authority you also have a prejudicial interest in that business where the interest is one which a member of the public with knowledge of the relevant facts would reasonably regard as so significant that it is likely to prejudice your judgement of the public interest.
- (2) You do not have a prejudicial interest in any business of the authority where that business –

- (a) does not affect your financial position or the financial position of a person or body described in paragraph 8;
- (b) does not relate to determining any approval, consent, licence, permission or registration in relation to you or any person or body described in paragraph 8; or
- (c) relates to the functions of your authority in respect of –
 - (i) housing, where you are a tenant of your authority provided that those functions do not relate particularly to your tenancy or lease;
 - (ii) school meals or school transport and travelling expenses, where you are a parent or guardian of a child in full time education, or are a parent governor of a school, unless it relates particularly to the school which the child attends;
 - (iii) statutory sick pay under Part XI of the Social Security Contributions and Benefits Act 1992, where you are in receipt of, or are entitled to the receipt of, such pay;
 - (iv) an allowance, payment or indemnity given to members;
 - (v) any ceremonial honours given to members; and
 - (vi) setting council tax or a precept under the Local Government Finance Act 1992.

Prejudicial interests arising in relation to overview and scrutiny committees

- 11.** You also have a prejudicial interest in any business before an overview and scrutiny committee of your authority (or of a sub-committee of such a committee) where –
- (a) that business relates to a decision made (whether implemented or not) or action taken by another of your authority's committees, sub-committees, joint committees or joint sub-committees; and
 - (b) at the time the decision was made or action was taken, you were a member of the committee, sub-committee, joint committee or joint sub-committee mentioned in paragraph (a) and you were present when that decision was made or action was taken.

Effect of prejudicial interests on participation

- 12.** (1) Subject to sub-paragraph (2), where you have a prejudicial interest in any business of your authority –

- (a) you must withdraw from the room or chamber where a meeting considering the business is being held –
 - (i) in a case where sub-paragraph (2) applies, immediately after making representations, answering questions or giving evidence;
 - (ii) in any other case, whenever it becomes apparent that the business is being considered at that meeting;

unless you have obtained a dispensation from your authority's standards committee;

- (b) n/a
 - (c) you must not seek improperly to influence a decision about that business.
- (2) Where you have a prejudicial interest in any business of your authority, you may attend a meeting but only for the purpose of making representations, answering questions or giving evidence relating to the business, provided that the public are also allowed to attend the meeting for the same purpose, whether under a statutory right or otherwise.

PART 3

REGISTRATION OF MEMBERS' INTERESTS

Registration of members' interests

- 13.** (1) Subject to paragraph 14, you must within 28 days of –
- (a) this Code being adopted by or applied to your authority; or
 - (b) your election or appointment to office (where that is later),

register in your authority's register of members' interests (maintained under section 81(1) of the Local Government Act 2000) details of your personal interests where they fall within a category mentioned in paragraph 8(1)(a), by providing written notification to your authority's monitoring officer.

- (2) Subject to paragraph 14, you must, within 28 days of becoming aware of any new personal interest or change to any personal interest registered under paragraph (1), register details of that new personal interest or change by providing written notification to your authority's monitoring officer.

Sensitive information

- 14.** (1) Where you consider that the information relating to any of your personal

interests is sensitive information, and your authority's monitoring officer agrees, you need not include that information when registering that interest, or, as the case may be, a change to that interest under paragraph 13.

- (2) You must, within 28 days of becoming aware of any change of circumstances which means that information excluded under paragraph (1) is no longer sensitive information, notify your authority's monitoring officer asking that the information be included in your authority's register of members' interests.
- (3) In this Code, "sensitive information" means information whose availability for inspection by the public creates, or is likely to create, a serious risk that you or a person who lives with you may be subjected to violence or intimidation.



GENERAL PRINCIPLES

Selflessness – members should serve only the public interest and should never improperly confer an advantage or disadvantage on any person.

Honesty and integrity – members should not place themselves in situations where their honesty and integrity may be questioned, should not behave improperly and should on all occasions avoid the appearance of such behaviour.

Objectivity – members should make decisions on merit, including when making appointments, awarding contracts, or recommending individuals for rewards or benefits.

Accountability – members should be accountable to the public for their actions and the manner in which they carry out their responsibilities, and should co-operate fully and honestly with any scrutiny appropriate to their particular office.

Openness – members should be as open as possible about their actions and those of their authority, and should be prepared to give reasons for those actions.

Personal judgement – members may take account of the views of others, including their political groups, but should reach their own conclusions on the issues before them and act in accordance with those conclusions.

Respect for others – members should promote equality by not discriminating unlawfully against any person, and by treating people with respect regardless of their race, age, religion, gender, sexual orientation or disability. They should respect the impartiality and integrity of the authority's statutory officers and its other employees.

Duty to uphold the law – members should uphold the law and, on all occasions, act in accordance with the trust that the public is entitled to place in them.

Stewardship – members should do whatever they are able to do to ensure that their authorities use their resources prudently and in accordance with the law.

Leadership – members should promote and support these principles by leadership, and by example, and should act in a way that secures or preserves public confidence.

STANDARDS COMMITTEE**1. Constitution**

A Non-Ward Committee consisting of,

- one Aldermen 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

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

2. Quorum

The quorum consists of three Members.

3. Membership 2012/13**ALDERMAN**

1 Fiona Woolf, C.B.E.

COMMONERS

2 (2) Charles Edward Lord, O.B.E., J.P Deputy, for two years

2 (1) Robin Anthony Eve, O.B.E., Deputy, *for two years*

2 (2) Matthew Richardson

5 (1) Julian Henry Malins, Q.C., Deputy

together with three Members to be appointed.

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 and monitoring the City of London Corporation's Employee Code of Conduct;
- (d) advising and training Members and Co-opted Members on matters relating to the City of London Corporation's Code of Conduct;
- (e) 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.
- (f) monitoring all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council.

In relation to the City of London Corporation's role as a Local Authority and Police Authority, to:-

- (a) consider any application for exemption from political restriction that is made to the Committee in respect of any post by the holder of that post;
- (b) where appropriate, give directions requiring the authority to include a post in the list of politically restricted posts that it maintains;
- (c) direct that a post should not be politically restricted where an application has been made and the Committee is satisfied that the duties of the post involve neither providing advice to the authority or its Committees nor speaking on behalf of the authority to journalists and broadcasters.

This page is intentionally left blank

DCLG Illustrative text for code dealing with the conduct expected of members and co-opted members of the authority when acting in that capacity

You are a member or co-opted member of the [name] council and hence you shall have regard to the following principles – selflessness, integrity, objectivity, accountability, openness, honesty and leadership.

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

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.

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.

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.

You are accountable for your decisions to the public and you must co-operate fully with whatever scrutiny is appropriate to your office.

You must be as open as possible about your decisions and actions and the decisions and actions of your authority and should be prepared to give reasons for those decisions and actions.

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.

You must, when using or authorising the use by others of the resources of your authority, 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.

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 your authority'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 your authority's monitoring officer of any disclosable pecuniary or non-pecuniary interest which your authority has decided should be included in the register.

If an interest has not been entered onto the authority's register, then the member must disclose the interest to any meeting of the authority 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'.¹

Following any disclosure of an interest not on the authority's register or the subject of pending notification, 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. Additionally, you must observe the restrictions your authority places on your involvement in matters where you have a pecuniary or non pecuniary interest as defined by your authority.

¹ 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.

Template Code of Conduct

As a member or co-opted member of [X authority] I have a responsibility to represent the community and work constructively with our staff and partner organisations to secure better social, economic and environmental outcomes for all.

In accordance with the Localism Act provisions, when acting in this capacity I am committed to behaving in a manner that is consistent with the following principles to achieve best value for our residents and maintain public confidence in this authority.

SELFLESSNESS: Holders of public office should act solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or their friends.

INTEGRITY: Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might seek to influence them in the performance of their official duties.

OBJECTIVITY: In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

ACCOUNTABILITY: Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.

OPENNESS: Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

HONESTY: Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.

LEADERSHIP: Holders of public office should promote and support these principles by leadership and example.

The Act further provides for registration and disclosure of interests and in [X authority] this will be done as follows: *[to be completed by individual authorities]*

As a Member of [*X authority*], my conduct will in particular address the statutory principles of the code of conduct by:

- Championing the needs of residents – the whole community and in a special way my constituents, including those who did not vote for me - and putting their interests first.
- Dealing with representations or enquiries from residents, members of our communities and visitors fairly, appropriately and impartially.
- Not allowing other pressures, including the financial interests of myself or others connected to me, to deter me from pursuing constituents' casework, the interests of the [*county*][*borough*][*Authority's area*] or the good governance of the authority in a proper manner.
- Exercising independent judgement and not compromising my position by placing myself under obligations to outside individuals or organisations who might seek to influence the way I perform my duties as a member/co-opted member of this authority.
- Listening to the interests of all parties, including relevant advice from statutory and other professional officers, taking all relevant information into consideration, remaining objective and making decisions on merit.
- Being accountable for my decisions and co-operating when scrutinised internally and externally, including by local residents.
- Contributing to making this authority's decision-making processes as open and transparent as possible to enable residents to understand the reasoning behind those decisions and to be informed when holding me and other members to account but restricting access to information when the wider public interest or the law requires it
- Behaving in accordance with all our legal obligations, alongside any requirements contained within this authority's policies, protocols and procedures, including on the use of the Authority's resources.
- Valuing my colleagues and staff and engaging with them in an appropriate manner and one that underpins the mutual respect between us that is essential to good local government.
- Always treating people with respect, including the organisations and public I engage with and those I work alongside.
- Providing leadership through behaving in accordance with these principles when championing the interests of the community with other organisations as well as within this authority.