

STANDARDS COMMITTEE
Friday, 13 May 2016

Minutes of the meeting of the Standards Committee held at Committee Room - 2nd
Floor West Wing, Guildhall on Friday, 13 May 2016 at 11.30 am

Present

Members:

Judith Barnes
Nigel Challis
Mark Greenburgh
Deputy Jamie Ingham Clark
Dan Large
Oliver Lodge
Edward Lord
Felicity Lusk
Tom Sleigh

Officers:

Gemma Stokley	- Town Clerk's Department
Lorraine Brook	- Committee and Member Services Manager
Edward Wood	- Comptroller and City Solicitor's Department
Deborah Cluett	- Comptroller and City Solicitor's Department

Also Present: Neil Asten (Independent Person) and Chris Taylor (Independent Person).

1. **APOLOGIES**

Apologies for absence were received from Deputy Alistair King, Virginia Rounding, Anju Sanahi (Independent Person) and Alderman Alan Yarrow.

The Town Clerk also reported apologies from the Comptroller and City Solicitor.

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

Mr Lord, Mr Asten, Mr Lodge, Mr Greenburgh, Mr Large and Deputy Ingham Clark all declared a non-pecuniary interest in relation to agenda Item 12 (Freemasonry). Mr Lodge and Deputy Ingham Clark added that they were also members of the Guildhall Lodge.

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

The Order of the Court of Common Council of 21st April 2016, appointing the Committee and approving its terms of reference, was received.

Mr Lord reported that Mr Hudson had not been re-appointed to the Committee at the April Court and wished to place on record his thanks to Mr Hudson for his contributions to the work of the Standards Committee over the past two years.

Mr Lord went on to welcome Deputy Ingham Clark as a new member of the Standards Committee and he also welcomed the Chief Commoner to the meeting.

4. ELECTION OF CHAIRMAN

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

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

Mr Lodge thanked the Committee for their support.

Mr Lord, as the outgoing Chairman, presented Mr Lodge with a new gavel which he had recently purchased for use at all future Standards Committee meetings.

5. ELECTION OF DEPUTY CHAIRMAN

The Town Clerk reported that, in accordance with Standing Order No. 30. (3) (a), the immediate past Chairman had chosen to exercise his right to serve as Deputy Chairman for the ensuing year.

Edward Lord was therefore duly appointed as Deputy Chairman for the ensuing year.

VOTE OF THANKS TO THE PAST CHAIRMAN

Nigel Challis paid tribute to Edward Lord, the past Chairman.

RESOLVED UNANIMOUSLY:

That the Members of the Standards Committee wish to place on record their sincere appreciation to

CHARLES EDWARD LORD, OBE JP

for the courteous and conscientious manner in which he has carried out the duties of Chairman of this Committee since June 2013. He has shown great leadership in steering the Committee through a significant period of change over the past three years.

UNDER Mr Lord's chairmanship, an initially controversial revision of the Members' Code of Conduct, which included the introduction of a mandatory registration regime for gifts and hospitality and non-pecuniary interests, was put to and passed overwhelmingly by the Court of Common Council in October 2014, with the new requirements coming into effect as of 1st January 2015.

THE Committee also examined how best to record the gifts and hospitality received by the Lord Mayor and Sheriffs, as well as ensuring that Co-opted Members of Corporation Committees properly record their interests.

THIS past year the Committee has also, for the first time, regrettably, had to hold Hearing and Appeal Sub Committee meetings in respect of an allegation of a breach of the Members' Code of Conduct made to them at the end of 2015. Mr Lord was instrumental throughout this process, chairing both the initial Assessment Sub Committee and the Hearing Sub Committee. Many lessons have been learnt from this process and these will go on to inform the future work of the Committee in these areas.

IN taking their leave of their Chairman, his colleagues are united in conveying to Edward Lord their thanks for the contribution he has made to their deliberations and hope that he will retain happy memories of his time as their Chairman.

6. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the previous meeting held on 29 January 2016 were considered and approved as a correct record.

MATTERS ARISING

Complaints Procedure and Form (page 3) – A Co-opted Member pointed out that the Committee, at their last meeting, had requested a written note from the Chief Commoner summarising the complaints he had dealt with informally whilst in office. The Town Clerk responded that this information had been sought but had not been forthcoming.

The Co-opted Member stated that she felt it was difficult to demonstrate that the Standards Committee had fulfilled their role in terms of oversight of these disciplinary powers in the absence of a written report.

The Town Clerk clarified that the Chief Commoner had never been required to produce this information previously. She added that it was therefore important for the roles and responsibilities of the office of Chief Commoner and the role of the Standards Committee in this area to be properly defined. Members were informed that Item 9 on the agenda asked that some further thought be given to this.

Ward Newsletters in the run up to the 2017 Common Council Elections (page 7) – In response to questions raised at the last meeting of the Standards Committee regarding editorial oversight of the Ward Newsletters, the Comptroller and City Solicitor reported that the first line of oversight lay with the editors of the individual newsletters. The Head of Publishing then reviewed the newsletters according to the City Corporation's guidelines before these went to press.

Members were informed that any issues identified were flagged with the Head of Publishing's Line Manager but this had only been necessary on a few occasions.

The Chairman thanked Officers for this feedback and reassurance that there was some formal structure/oversight in place.

7. MINUTES OF THE HEARING SUB (STANDARDS) COMMITTEE

The Committee received the minutes of the Hearing Sub (Standards) Committee dated 29 January 2016, 23 February 2016 and 15 March 2016.

The Town Clerk also tabled the minutes of the Dispensations Sub Committee dated 10 February 2016 which were for the Committee to receive.

A Member questioned whether any further requests for dispensations were considered under Delegated Authority following the 10 February meeting. The Town Clerk reported that five further applications for dispensations had been considered and granted by the Town Clerk in consultation with the Chairman and Deputy Chairman of the Standards Committee under Delegated Authority and in accordance with Standing Order number 41. Members were informed that details of these would be formally reported to the next meeting of the Standards Committee.

RECEIVED.

8. DRAFT ANNUAL REPORT OF THE STANDARDS COMMITTEE

The Committee considered its Draft Annual Report for submission to the Court of Common Council.

The Chairman highlighted that further information regarding the outcome of the Appeal Process would now need to be inserted at Paragraph 8 of the report. Paragraph 3 would also be amended to reflect the second complaint referred to the Standards Committee in 2015/16 and rejected at the Assessment Stage.

In response to questions, the Town Clerk reported that it was proposed that the two complaints considered by the Committee in 2015/16 would be referred to anonymously as had been the case in previous years within the annual report. The Chairman agreed that he felt it would be inappropriate to name the respondents in this document. The Town Clerk added that all of the decision notices from each stage of the complaints process were public documents and that the process, outcome and individuals concerned were therefore already widely known.

The Comptroller and City Solicitor reported that the decision of the Appeal Sub (Standards) Committee also contained a recommendation to the Standards Committee that a letter be distributed to all elected Members citing the outcome of the complaints process and strongly advising that all attend forthcoming training to be arranged by the Town Clerk and Comptroller and City Solicitor on the Member/Officer Protocol focusing on "How to Engage Appropriately with Electors and Officers".

The Chairman reported that naming the respondent in a report to the Court of Common Council had already been carefully considered by the Appeal Sub Committee who had made it clear that they felt that a formal report of censure to this audience was inappropriate. He questioned whether naming the respondent within this report would, to some extent, contravene this ruling.

Members discussed the matter further and the Committee unanimously came to the conclusion that full details of the complaint, including the name of the respondent, should feature within the Annual Report given that the details of the complaint and appeal procedures were already within the public domain and that this had made up a substantial part of the Standards Committee's work this municipal year. Members also highlighted that detailing the case within the Committee's Annual Report did not amount to a formal report of censure to the Court of Common Council and did not, therefore, contravene the decision of the Appeal Sub Committee.

With regard to the recommendation of the Appeal Sub (Standards) Committee that a letter citing the complaint and recommending that all Members now attend forthcoming training sessions around how to engage appropriately with electors and Officers should be issued by the Standards Committee, the Committee agreed that this should be issued to all Co-opted as well as directly elected Members of the City Corporation as all were subject to the Corporation's Code of Conduct.

The Committee agreed that the contents of the letter should be approved by the Town Clerk in consultation with the Chairman, Deputy Chairman and Comptroller and City Solicitor.

RESOLVED – That:-

- (a) the contents of the annual report be amended and approved by the Town Clerk in consultation with the Chairman and Deputy Chairman under delegated authority; and,

(b) in accordance with the Committee's terms of reference, the annual report be referred to the Court of Common Council for information.

9. **POWERS OF THE CHIEF COMMONER & THE GUILDHALL CLUB**

The Committee received a report of the Comptroller and City Solicitor setting out the disciplinary powers of the Chief Commoner (and the Chairman of the General Purposes Committee of the Court of Aldermen) and the Guildhall Club requested by Members at a previous Standards Committee meeting.

The Comptroller and City Solicitor highlighted that although the report was 'For Information' the Committee were being invited to consider whether these roles and responsibilities, and their interaction with the work of the Standards Committee, ought to be formally set out. He also highlighted that the roles of the Chief Commoner and the Privileges Chairman were already referred to in the agreed Complaints Procedure.

It was noted that, if any Member were aggrieved by disciplinary action taken by the Chief Commoner or the Chairman of General Purposes/Privileges, they could self-refer to the Standards Committee.

Members were of the view that the powers that could be exercised by the Chief Commoner and the Chairmen and the right of appeal against these powers required greater clarity.

A Member stated that the Chief Commoner, the Chairman of General Purposes and the Chairman of Privileges performed informal, pastoral and discretionary functions in relation to members of their respective Courts. It was not, however, documented as to where this power was derived from.

The Chief Commoner confirmed that the terms of reference for his office were very wide and that disciplinary action available to the Chief Commoner was traditionally dictated by custom and practice. He added that any changes to the roles and responsibilities of the Chief Commoner would require the approval of the Court of Common Council. The Chief Commoner went on to state that, while he would appreciate some clarity in terms of the powers available to him, he would prefer to keep things relatively 'open' and define by exception only. In most cases he would characterise his role as to give advice rather than to mete out punishments. However, the Chief Commoner confirmed that he was very clear that any act that was a potential breach of the Code of Conduct would be escalated and dealt with formally by the Standards Committee.

A Member commented that it was important to underline this message as he was aware of a number of incidents dealt with by past Chief Commoners that were, undoubtedly, also breaches of the Code of Conduct. Members recognised that this was also a potential risk going forward if future Chief Commoners took a different view in terms of referring relevant matters to the Standards Committee.

A Co-opted Member stated that if anyone were to take exception to a decision of the Chief Commoner and refer the matter to the Standards Committee, the

first question from the Committee would be did the Chief Commoner have the right/power to impose the sanction.

Members were of the view that it would therefore be useful for the Chief Commoner to provide the Standards Committee with a written, anonymous report of the matters he/she had dealt with informally whilst in office to enable the Committee to pick up on any potential problems. A Co-opted Member reported that this currently happened at Parliamentary level.

With regard to the Guildhall Club, Members recognised that, as a private members club, it was proper that they should be able to take their own disciplinary action. However, Members were also keen to stress that, if the Guildhall Club decided to take action or otherwise against an act that was also deemed to be a breach of the Code of Conduct, this would not prevent the Standards Committee from acting on the same matter if this were formally reported to them.

The Chairman requested that the Comptroller and City Solicitor produce a further report for submission to the next meeting of the Standards Committee setting out options for how the Chief Commoner and Chairman of General Purposes/Privileges should interact with the Standards Committee going forward, including a requirement that the Chief Commoner report annually on disciplinary matters. He asked that the Comptroller set out within the report those changes that the Committee itself could implement and those changes that would require the agreement of the Court of Common Council or the Court of Aldermen. A Member commented that the Chairman of General Purposes, the Chairman of Privileges, the Guildhall Club and the Monitoring Officer should also be required to produce similar annual reports to the Standards Committee, suitably anonymised, detailing disciplinary matters dealt with.

RECEIVED.

10. UPDATE RE CO-OPTED MEMBERS AND THE REGISTER OF INTERESTS

The Committee considered a joint report of the Town Clerk and the Comptroller and City Solicitor providing Members with an update on the registration of interests by Co-opted Members as well as further details about the complement of Co-opted Members on City Corporation Committees and Sub-Committees.

The Comptroller and City Solicitor reminded the Committee that they had previously taken a decision to treat all Members and Co-opted Members the same in terms of requirements under the Code of Conduct. If still content with that decision, the Committee now needed to consider what further actions were required to ensure that all Co-opted Members comply with the registration requirements. If the Committee were minded to review that previous decision, and to omit some Co-opted Members from the registration requirements, the report contained additional information on all of the Co-opted Members and their respective Committees, Sub Committees or Boards. The Comptroller added that omitting any group of Co-opted Members would at least require a further report for information to both the Policy and Resources Committee and the Court of Common Council, detailing the change of approach, and would probably also require a change to the existing Code of Conduct.

The Comptroller and City Solicitor reported that those Co-opted Members involved in Local/Police Authority functions and who also had a vote on any decision to be taken at a meeting were caught by the statutory arrangements regarding the registration of interests. There was therefore no discretion around the approach in relation to these Co-opted Members. The Comptroller and City Solicitor went on to highlight that the current response rate from Co-opted Members involved in such areas was good and it was therefore hoped that a 100% response rate could be achieved relatively quickly. The Chairman underlined that the same standard applied to these Co-opted Members as was applicable to directly elected Members and he noted that the Comptroller had advised that it was an offence for such Members to fail to comply and to disclose their interests. For all other Co-opted Members the requirement for them to register their interests was a matter of City Corporation policy.

The Chairman went on to report that the majority of Co-opted Members were not forewarned of the requirements around the registration of interests before being appointed to a City Corporation body. It was recognised that this needed to be addressed going forward.

The Committee requested that a further letter be sent to all Co-opted Members reminding them of the requirement to submit their register of interests forms. Members suggested that the letter emphasise those for whom it was an offence not to comply. The letter would also refer to the publication of all Co-opted Members' interests later in the year – an exercise which would draw public attention to those for whom no response had been received. A Member also suggested that it should be made clear that the future appointment or re-appointment of all Co-opted Members on all bodies should be conditional on them satisfactorily declaring their interests.

RESOLVED – That, the Town Clerk write to all Co-opted Members as a final reminder regarding the completion of their Declaration of Interest forms before publishing all information received by the end of the calendar year.

11. **UPDATE - HEARING AND APPEAL SUB COMMITTEES**

The Town Clerk undertook to submit a report to the next meeting of the Standards Committee regarding 'lessons learnt' from the recent Complaints process. The report would seek further changes to the Committee's Complaints Procedure particularly around clarifying what information may/may not be published on the public website or posted in the Members' Room. Standing Order Number 35 regarding attendance would also require some amendment.

The Deputy Chairman suggested that the Town Clerk email all Members involved in various parts of the process to request any comments/feedback they might have that could usefully be built into the report to the next Committee.

Members suggested that it would be useful to hold an additional Standards Committee meeting at the end of July, ahead of the Summer recess, to consider this matter.

The Chairman reported that, given that the process was a first for all involved he felt that it had been managed extremely well. He thanked all Members and Officers involved in each stage of the process for their hard work and input.

12. **FREEMASONRY**

The Chairman reported that the Deputy Chairman had recently been approached by another elected Member regarding the potential influence of freemasonry within the Corporation. The Deputy Chairman had responded to the Member in writing and undertook to raise the matter with the Standards Committee. The text of the Deputy Chairman's response was detailed within the Committee papers.

The Chairman clarified that no formal complaint had been made to the Committee regarding Freemasonry under the Code of Conduct to date.

A Member commented that, whilst he was nervous speaking on the subject, he questioned whether Freemasonry could lead to political interference or unconscious bias amongst elected Members whose political careers were dependent on the support of their colleagues on the Court of Common Council. He went on to question whether it was proper to use Corporation resources/premises for Freemasonry meetings and arrangements and highlighted that there was also a potential PR risk for the organisation in this respect.

It was suggested that Guildhall Lodge should consider holding a future open afternoon and begin to look at a constructive way forward.

A Member commented that the Ministry of Defence had now banned all masonic meetings on their premises.

The Chairman reported that he understood that Guildhall Lodge were treated typically in terms of charging when seeking to use Corporation premises for meetings or other events and that they did not supersede commercial events. He added that he believed that the Lodge also paid commercial rates for the hiring of Mansion House.

The Chairman requested that the Remembrancer clarify the rates applied to the Guildhall Lodge for the use of Guildhall facilities.

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

Members' Related Party Transactions Returns

A Member raised a question regarding the Declaration of Related Party Transactions and the return rate from Members.

The Town Clerk clarified that this process was overseen by the Chamberlain who reported to the Finance Committee on this matter. An initial letter requesting all Members to complete the returns was distributed in April each

year and this was then followed by various reminders. Members were informed that, in 2014/15, just 4% of forms were not returned.

In response to a further question, the Comptroller and City Solicitor confirmed that this was only a matter for the Standards Committee to the extent that such transactions also constituted disclosable interests under the Code of Conduct; in which case they should also be included in the register of interests for the Member concerned.

14. **ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT**
There were no additional, urgent items of business for consideration.

The meeting ended at 1.20 pm

Chairman

Contact Officer: Gemma Stokley
tel.no.: 020 7332 1407
gemma.stokley@cityoflondon.gov.uk