

<b>Committee:</b> Investment Committee	<b>Date:</b> 15 January 2020
<b>Subject:</b> Review of the Co-option Protocol	<b>Public</b>
<b>Report of:</b> Town Clerk	<b>For Decision</b>
<b>Report Author:</b> Joseph Anstee, Committee & Members' Services Officer	

### **Summary**

This report presents the Investment Committee's existing protocol for co-opting Members to the Financial, Property and Social Investment Board for review, following a request at the May 2019 meeting of the Investment Committee. The Committee is invited to consider changes to the co-option protocol ahead of the May meeting of the Investment Committee when the Financial, Property and Social Investment Boards will be reappointed.

### **Recommendation(s)**

The Investment Committee is asked to:

- a) Review the existing Protocol for Co-option to the Financial, Property and Social Investment Boards;
- b) Agree to a separate provision for the co-option of Members of the Court of Common Council not on the Investment Committee. It is proposed that this take the form of a nomination at a quorate meeting of the relevant Board that is agreed by the Board; and
- c) Agree that a paragraph should be added to the Protocol for Co-option to the Financial, Property and Social Investment Boards to encourage diversity when appointing Co-opted Members.

### **Main Report**

1. The Investment Committee in its current form has convened since 2011, following the previous wide-ranging review of the City of London Corporation's governance arrangements.
2. As agreed within the Investment Committee's terms of reference since that time, the Property Investment Board, Financial Investment Board and Social Investment Board have had the ability co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to their respective Boards.
3. At the first meeting of the Committee, the Committee agreed a co-option protocol alongside the appointment of the Boards (then just the Property and Financial Investment Boards), frequency of meetings and a work programme.

4. The protocol for co-option is presented for review on an annual basis at each May meeting of the Investment Committee as part of the Appointment of the Boards report. However, the Committee has not opted to make any significant changes to the co-option protocol since its introduction. The current Protocol for Co-option to the Financial, Property and Social Investment Boards is attached as an appendix to this report.
5. At the last meeting of the Investment Committee, it was requested that a review of the protocol be undertaken, principally with a view to encouraging greater diversity across the Investment Boards.
6. Arising from this, Members are invited to consider proposed changes to the co-option protocol and make any further suggestions. If there is appetite for significant changes to the wording of the protocol, the Committee might consider delegating authority to the Town Clerk, in consultation with the Chair and Deputy Chairman, to finalise the wording of a revised co-option protocol, to be submitted to the Investment Committee for approval alongside the Appointment of the Boards report in May.

### **Current Position**

7. Each respective Board is responsible for appointing and managing its co-optees. Whilst the constitution of each Board is approved on an annual basis by the Investment Committee, each Board is able to consider and recommend changes to its constitution to the Investment Committee for approval.
8. As part of this process, the Investment Boards consider and recommend factors such as the number of Co-opted Members they appoint and any limits on terms, such as length of term or consecutive reappointments. However, these remain subject to the Investment Committee protocol, i.e. requiring annual reappointment.
9. Current Co-opted Members of the Investment Boards are as follows:

<b>Co-opted Member</b>	<b>Board</b>	<b>First Appointed</b>
Stuart Corbyn	Property Investment Board	November 2017
Tony Joyce	Property Investment Board	February 2016
David Shaw	Property Investment Board	November 2017
David Brooks Wilson	Property Investment Board	February 2016
Deputy Alastair Moss	Property Investment Board	June 2019
Claudine Blamey	Property Investment Board	July 2019
Elizabeth Corrado	Social Investment Board	March 2016
Debby Ounsted	Social Investment Board	May 2019
Laura Tumbridge	Social Investment Board	March 2016

### **Options**

10. The Committee may feel that the existing co-option protocol is appropriate and that no changes are required.
11. As a further wide-ranging review of the City of London Corporation's governance arrangements is planned, the Committee may feel that the existing arrangements are satisfactory and that no changes are required at

this time, but that the arrangements should be reconsidered following any changes arising from the wider governance review. Members should also note that a centralised process for the appointment of external Members is currently under consideration as part of this governance review.

12. However, it is unlikely that any significant changes will be made ahead of the next municipal year and it is a reasonable assumption that the Investment Committee will continue in its current form until at least 2021.
13. Based on the issues raised, and with regard to the wider City of London Corporation context, Members may feel that amendments are merited going forward.

### **Proposal**

14. Two recommendations for amendments to the co-option protocol are set out as follows:

- a) Internal Co-options

Whilst it is designed principally for the recruitment of external Members, the existing co-option protocol does not distinguish between the co-option of external Members and the co-option of Members of the Court of Common Council who are not on the Investment Committee, or 'internal' co-options. Both the Financial and Property Investment Boards have previously co-opted other Members of the Court of Common Council to assist in their deliberations.

The Committee may feel that a more streamlined procedure would be appropriate for Members of the Court of Common Council, as their skills and credentials for co-option to the Board are more likely to be known to Members of the relevant Investment Board. This could take the form of a straightforward nomination at a quorate meeting of the Board that is subsequently agreed.

- b) Diversity

The Committee may wish to add a paragraph to the co-option protocol to encourage consideration of diversity on the Investment Boards when appointing Co-opted Members. The Members Diversity Charter contains the following relevant paragraphs which the Committee could draw on:

*Seek to introduce new people, from diverse backgrounds, to the City, for example, through invitations to functions;*

*Whilst being conscious of capabilities, consider the gender (sex) and ethnic mix of committees when voting on appointments to committees*

*Look out for talented people, from diverse backgrounds, who could make a contribution to the work of the City Corporation and encourage them to consider standing for election.*

A clear process by which co-opted Members are appointed, which is centrally held with defined parameters and guidelines, is currently under consideration as part of the wide-ranging governance review. Such a process would be

likely to include provision to ensure a wide and diverse talent pipeline is accessed.

### **Conclusion**

15. The Committee has employed a protocol for co-option of Members to the Financial, Property and Social Investment Boards which has remained largely unchanged since 2011.
16. Arising from discussion at the last meeting of the Investment Committee, the Committee is asked to consider two proposed changes to the existing arrangements, plus any further suggestions from Members.
17. If necessary, it is requested that authority be delegated to the Town Clerk, in consultation with Chair and Deputy Chairman, to finalise the wording of a revised version of the co-option protocol for submission to the next meeting of the Investment Committee for approval.

### **Appendices**

- Appendix 1 – Protocol for Co-option to the Financial, Property and Social Investment Boards.

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**Protocol for Co-option to the Financial Investment Board, the Property Investment Board and the Social Investment Board**

1. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to co-opt people with relevant expertise or experience, including non-Members of the Court of Common Council, to assist in their deliberations.
2. The arrangements for co-option and the co-opted membership of individuals to the Financial Investment Board, the Property Investment Board and Social Investment Board will be reviewed on an annual basis at the May meeting of the Investment Committee (and thereafter at the first meetings of the respective Boards).
3. When suggesting individuals with relevant expertise or experience for co-option, Members of the Financial Investment Board, the Property Investment Board or the Social Investment Board will be required to: -
  - a. send a written request for co-option to the Town Clerk, specifying whom it is proposed should be co-opted to either the Financial Investment Board or the Property Investment Board or the Social Investment Board and the reasons for their co-option;
  - b. send a CV or supporting statement, for the individual being suggested for co-option, to the Town Clerk. Bearing in mind the Board's terms of reference, the letter and supporting statement or CV should demonstrate the individual's relevant skills and experience.
4. For the Standards Committee, it is considered inappropriate for past Members of the Court of Common Council or former City Corporation employees to be eligible to serve as [independent] outside members and Members will need to consider if the same conditions should apply in respect of co-option to the Financial Investment Board, the Property Investment Board and Social Investment Board. It would be inappropriate for a close friend or relative of any Member or officer to serve or indeed an employee of any organisation of which the City Corporation is a client.
5. The Town Clerk will consult the relevant Chief Officer to discuss the co-option request and will, if necessary, prepare a report for the next meeting of the respective Board. Members of the respective Board will then be asked to consider the co-option request.
6. Unless co-option is time-banded or topic/project restricted, co-opted Members of the Financial Investment, the Property Investment Board and Social Investment Board will be entitled to attend all meetings of the respective Board for a maximum of 12 months (prior to the annual review in May) and to receive all committee-related documentation, including exempt papers, unless otherwise determined by the Town Clerk in consultation with the relevant Chief Officer.
7. The Financial Investment Board, the Property Investment Board and the Social Investment Board are empowered to approve their own co-opted

membership (majority vote) without prior consultation with, or agreement by, the Investment Committee. The Town Clerk will inform the Chairman and Deputy Chairman of the Committee once a Board has agreed co-option of an individual.

8. Co-opted Members would not have voting rights.
9. Co-opted Members of the Financial Investment Board, the Property Investment Board and Social Investment Board will be required to complete a Register of Interest form and declare personal and prejudicial interests when in attendance at meetings.