

Report – Standards Committee

Annual Report

To be presented on Thursday, 16th July 2020

*To the Right Honourable The Lord Mayor, Aldermen and Commons
of the City of London in Common Council assembled.*

SUMMARY

The Standards Committee is required to prepare an annual report on its activity for submission to the Court of Common Council. The report covers the May 2019 to May 2020 period. It should be noted that eight alleged breaches of the Code of Conduct were considered by the Committee during 2019/20.

MAIN REPORT

Background

1. The purpose of this report is to brief Members of the wider Court on the work undertaken over the May 2019 to May 2020 period by the Standards Committee.
2. In accordance with the Committee's terms of reference, it is required to deal with allegations of breaches of the Code of Conduct and to submit an annual report on its activities to the Court of Common Council.

Alleged breaches of the Code of Conduct

3. During 2019/20, eight alleged breaches of the Members' Code of Conduct have been considered.
4. The breaches considered and their outcome/current status are summarised below:

| Matter No. | Source of Complaint | Alleged breaches of the Code | Outcome/Status |
|-------------------|----------------------------|---|---|
| 01 - 18 | Officers v. Member | <i>Failing to act with integrity; failing to comply with the Corporation's policies and procedures; failing to treat Officers with mutual respect; bullying and intimidation, bringing the office or authority into disrepute</i> | <i>Hearing found against the subject Member on the second and third alleged breaches of the Code only and sanctions were imposed. This was appealed and considered by the Standards</i> |

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| | | | <i>Appeal Sub Committee. Appeal Sub Committee upheld the complaint but overturned some sanctions, retained others and added an additional sanction of its own.</i> |
| <i>01 -19</i> | <i>Member v. Member</i> | <i>Failing to treat others with respect; bullying, harassing, intimidating or attempting to intimidate; bringing the office into disrepute</i> | <i>No further action at assessment stage.</i> |
| <i>02 – 19</i> | <i>Member v. Member</i> | <i>Not being willing to challenge poor behaviour; bringing the office into disrepute</i> | <i>Other action recommended at assessment stage – action to agree a protocol to ensure that any matter referred to either the Chief Commoner or Chairman of GP Alderman informally be acknowledged and responded to in a reasonable period.</i> |
| <i>03 – 19</i> | <i>Member of the public v. Member</i> | <i>Failing to deal with representations or enquiries from residents fairly, appropriately and impartially; not being accountable for decisions or co-operating when scrutinised; not treating others with respect; bringing the office into disrepute</i> | <i>No further action at assessment stage.</i> |
| <i>04 – 19</i> | <i>Member and Officer v. Member</i> | <i>Failing to behave in accordance with the Corporation's legal obligations, including on the use of resources; not valuing colleagues and officers, treating them with</i> | <i>Complaint withdrawn at assessment stage.</i> |

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| | | <i>mutual respect or engaging with them in an appropriate manner; bullying, harassing, intimidating and attempting to intimidate; bringing the office into disrepute.</i> | |
| 01 - 20 | <i>Member of the public v. Member</i> | <i>Not being accountable to the public for their decisions and actions and submitting themselves to the scrutiny necessary; not acting and taking decisions in an open and transparent way.</i> | <i>No further action at assessment stage.</i> |
| 02 – 20 | <i>Member v. Co-opted Member</i> | <i>Failing to treat others with respect; bringing the office into disrepute.</i> | <i>Decision pending at assessment stage – Assessment-Sub Committee still to reconvene.</i> |
| 03 - 20 | <i>Member v. Member</i> | <i>Failing to value colleagues, engage with them in an appropriate manner and treat them with respect; bringing the office into disrepute.</i> | <i>Assessment meeting yet to be convened.</i> |

Activities of the Committee during 2019/20

- Below is a brief synopsis of the activities undertaken by the Committee in 2019/20.

Membership and composition of the Standards Committee

- At the beginning of the 2019/20 municipal year, the Standards Committee comprised of fifteen Members, three of whom were co-opted and independent from the City Corporation. Whilst Co-opted Members are no longer a statutory requirement and have no formal vote, following the introduction of the Localism Act 2011, the City of London Corporation has agreed to the inclusion of Co-opted Members on the Committee to maximise the breadth of knowledge and experience available.
- The Committee were carrying one co-opted member vacancy in the room of Mark Greenburgh following his resignation in March 2019. The appointment process for his replacement was commenced in May 2019 and was overseen by an appointment panel consisting of the Chairman and Deputy Chairman of the Standards Committee, the Chief Commoner and the Chairman of the General Purposes Committee of Aldermen. For the first time, one of the Standards Committee's existing Co-optees also joined the Selection Panel as an observer.

8. Following a shortlisting and subsequent interview process, the appointment panel were of the view that two candidates (The Very Revd. Dr. David Ison and Elizabeth Walters) interviewed well, and that both would be an asset to the Standards Committee in terms of the breadth and relevance of their knowledge and experience. With this in mind, they proposed a temporary expansion of the Standards Committee (from a total of 16 to 17 Members and a total of five as opposed to four Co-optees) to allow for both to be appointed (one for an term of 2 years to complete the balance of Mr Greenburgh's term of office, expiring in December 2021 and the other for an initial term of office of 3 years, expiring in December 2022). This proposal was considered and approved by both the Policy and Resources Committee and, subsequently, this Court.
9. The Committee are of the view that an additional Co-opted Member, even for a defined period of time, has helped to strengthen the independent element of our work whilst also providing a larger pool to draw from in terms of Dispensations, Assessment and Hearing Sub Committees where the views of a Co-opted Member are taken account of.

Dispensations Policy and Guidance

10. A new and extensively consulted upon policy and guidance came into effect on 1 March 2019.
11. However, a petition relating to the Dispensations Policy was received and considered by the Court at its meeting of 25th April 2019 and referred to the Standards Committee for its consideration. The petition was considered by the Committee alongside other relevant matters including the Principles of Public life, general public confidence in local government and the Corporation in particular, and non-Localism Act requirements/restrictions in relation to conflicts of interest. Much of this municipal year has therefore been focused on the further refinement and liberalisation of our Dispensations Policy.
12. Following a further review of the Dispensations Policy at our October 2019 meeting, the Standards Committee requested that further consideration be given to the possibility of simplifying the process for granting and broadening dispensations to speak. Subsequent to this, an elected Member also sent an email to all members of the Committee proposing a change to the Dispensations Policy to grant what he termed 'general' (but not 'blanket') dispensations to speak and vote for members in residential wards. In order to seek to finally resolve the matter after many months of debate, the Comptroller and City Solicitor, in consultation with the Chairman and Deputy Chairman of Standards, obtained leading Counsel's opinion on this proposal and on the wider Policy. The opinion was presented for the Committee's formal consideration in January 2020.
13. At the January 2020 meeting of the Standards Committee, Members considered the opinion of Counsel. The Committee voted nine in favour with one abstention, to accept his opinion that the approach suggested by the elected Member regarding the granting of 'general' dispensations was unlawful.

We then continued to agree ways in which we are able to further liberalise our policy.

14. In accordance with the wishes of the Court, since March 2019, our policy on granting dispensations to speak to those who have an engaged DPI has sought to be as liberal as possible. Since that time, in addition to a dispensation to speak and vote on council tax, general dispensations to speak have been allowed for a member's entire term of office on general housing matters¹ that do not relate solely or particularly to a member's own lease or tenancy, and, for those who are not members of those committees, to speak, as a member of the public, on planning and licensing matters. At our meeting in January, we agreed to extend such dispensations further still to include storage and car parking within general housing matters, and also to allow members of the Planning and Transportation and Licensing Committees to speak as members of the public. Members can still apply for dispensations to speak as a member, and members of Planning and Transportation, of course, remain free to seek a dispensation to speak and/or vote as a member of that committee. Such a right would be unlikely to come into force for members of licensing panels, as the committee's own rules do not allow members to sit on panels, which are dealing with applications in the ward they represent. It was also agreed that, upon election, members will routinely be invited to make an application for these dispensations. Officers will put in place arrangements for this.
15. Since March 2019, all specific applications to speak have been granted. Following a meeting of the Standards Committee in May 2019, in order to make the process easier, the application form was significantly shortened. Since the meeting of the Standards Committee in October 2019, panels have been set up at bi-monthly intervals and we will continue to monitor and, if necessary, arrange these to take place at shorter intervals. Since March 2019, members have been advised to seek dispensations as early as possible and not to wait for a matter to appear as an agenda item. If an application needs to be decided before an arranged panel is to meet, every attempt will be made to assemble one. Urgency arrangements will continue to be in place, to deal with situations where the unforeseeable occurs, and a dispensation is required at short notice.

¹ For these purposes "general housing matters" means the exercise of the City Corporation's functions as a housing authority in relation to:-

- Housing governance i.e. decision making, scrutiny and consultation arrangements together with any proposals for stock transfer.
- General housing management i.e. arrangements for the proper management of the City Corporation's housing stock and housing estates including management of common parts, estate amenities and community facilities, and commercial properties which are an integral part of housing estates, together with the procurement of services to carry out such activities.
- The provision of parking spaces, and private storage spaces separate from a dwelling.
- General repairs and maintenance including arrangements for procuring repairs and maintenance.
- General rent and service charge setting.
- Strategic housing policy including allocations, homelessness and the provision of new homes.

16. Those with an engaged DPI on housing matters will usually be resident in City owned properties. Section 618 of the 1985 Housing Act prohibits such members from voting on housing matters and has no facility for dispensation. At its meeting, in October 2019, the Standards Committee set in progress seeking the repeal of s 618.
17. Most other applications for dispensations to vote relate to planning matters and applications will continue to be considered on their merits. At its meeting in January, however, the committee decided that in these cases it would apply the tests recommended by Counsel, rather than state that such dispensations would only be granted in exceptional circumstances. It was further agreed that members applying should be directed to address these test matters in their application forms.
18. In conclusion, there has been considerable further liberalisation of our dispensations policy over the last municipal year and we hope that the Court will now feel confident that the Committee are operating as liberal a dispensations policy as the law will allow.

Review of Local Government Ethical Standards by the Committee on Standards in Public Life

19. The Committee on Standards in Public Life advises the Prime Minister on ethical standards across the whole of public life in England. They undertook a detailed review of the arrangements in place to promote and maintain high standards of conduct by public office holders in local government during 2018, seeking evidence from all interested stakeholders. The review was considered at the Standards Committee's meeting in May 2019 where Members reviewed how well the City Corporation's current arrangements matched these recommendations as well as considering any changes to existing process that may be desirable in light of these.
20. Having reviewed the totality of the recommendations and focused on those directly applicable to the City Corporation, the Committee noted that many of the recommendations in the Review of Local Government Ethical Standards must await the Government's response and would require legislative changes to implement. However, they were pleased to note that, where the City Corporation had the power to act unilaterally, existing arrangements were in most cases considered to be in line, or broadly in line, with the recommendations of the CSPL. Notwithstanding this, Members also indicated a number of recommendations that they would like to look at in more detail as well as some that could be implemented immediately.
21. It was felt that one recommendation that could be taken forward without delay was for the City Corporation to provide legal indemnity for its Independent Persons, given that their views/advice were often disclosed in relation to decisions on which they were consulted. With the concurrence of the Finance and Establishment Committees and this honourable Court, we were able to act on this recommendation and put the necessary arrangements in place as of December 2019.

22. Further commentary was provided on recommendations focusing on matters such as use of Social Media, the threshold for registering gifts and hospitality, changes to the format of the annual report to include information around the general nature of complaints received and matters concerning the review and wording of the Members Code of Conduct was provided to the Committee at its January 2020 meeting. Whilst the Committee decided, on reflection, to maintain the status quo in relation to some of these matters, some changes were agreed (such as the point around greater transparency on Complaints within the annual report as you will see from this report) and other matters such as the introduction of defined terms of office for Independent Persons and what these may look like are to be given further thought in the new municipal year.

Recommendation

23. We submit this report for information.

All of which we submit to the judgement of this Honourable Court.

DATED this 1st May 2020.

SIGNED on behalf of the Committee.

Ann Holmes
Chairman, Standards Committee