

STANDARDS COMMITTEE
Friday, 14 June 2013

Minutes of the meeting of the Standards Committee held at Committee Room 1, 2nd Floor, West Wing, Guildhall on Friday, 14 June 2013 at 1.45 pm

Present

Members:

Nigel Challis
Revd Dr Martin Dudley
Alan Graham (External Member)
Howard Lederman (External Member)
Oliver Lodge
Edward Lord
Felicity Lusk (External Member)
Alderman Julian Malins (In the Chair for part of the meeting)

Officers:

Lorraine Brook	- Town Clerk's Department
Chris Bilsland	- Chamberlain
Michael Cogher	- Comptroller & City Solicitor
Edward Wood	-Comptroller & City Solicitor's Department

Neil Asten, Anju Sanehi and Chris Taylor (Independent Persons) were also present at the meeting.

(Alderman Malins in the Chair)

1. **APOLOGIES**

Apologies for absence were received from Deputy Robin Eve.

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

There were none.

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

The Order of the Court of Common Council, dated 25th April 2013, appointing the Committee and approving its Terms of Reference, was received.

RESOLVED – That the Court Order be amended as follows to provide greater clarification regarding the maximum length of service that an appointee can undertake: "None of the appointed shall serve on the Committee for more than a maximum of eight years in total."

4. **ELECTION OF CHAIRMAN**

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

The Town Clerk read out a list of Members eligible to stand as Chairman and Mr Edward Lord, being the only Member indicating his willingness to serve, was duly elected Chairman for the ensuing year, and took the Chair.

5. **ELECTION OF DEPUTY CHAIRMAN**

The Committee proceeded to elect a Deputy Chairman in accordance with Standing Order No. 30.

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

6. **MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 8th February 2013 were approved as an accurate record.

Matters Arising

Item 5 – Terms of Reference

The Committee noted that a report of the Director of HR in respect of the Employee Code of Conduct would be considered at the September meeting of the Standards Committee. In view of the Standards Committee's current Terms of Reference and reference to "(c) keeping under review and monitoring the City of London Corporation's Employee Code of Conduct", the remit of both the Standards and the Establishment Committees in respect of this matter would be considered further and the respective terms of reference clarified.

Item 6- Dispensations

The Revd Dr Martin Dudley referred to a recent meeting of the Planning and Transportation Committee, at which he was unable to speak on an item as a result of a disclosable interest.

The Committee considered the introduction of suitable arrangements whereby dispensations for Members could be considered in a prompt manner, possibly at relatively short notice. Following some discussion it was agreed that a sub-committee of any three elected Members (voting) and one Co-opted Member (non-voting) should be established to consider requests for dispensations.

RESOLVED – That a Sub-Committee of the Standards Committee be formally constituted to allow for requests for dispensations from Members to be considered.

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

A report of the Town Clerk relative to the Standards Committee's terms of reference, the frequency of meetings and future meeting dates was considered by the Committee.

In respect of an amendment to the Committee's terms of reference at paragraph g, it was noted that as the legal position in respect of politically

restricted posts had changed following the introduction of the Localism Act 2011, the terms of reference should no longer include reference to such matters. Consequently, paragraph g had been deleted, as set out in the revised terms of reference at Appendix 2 of the report.

The Committee was advised that recruitment to the existing vacancy for a non-Common Council Member would commence ahead of the recess. Following a brief discussion it was noted that as the terms of office for a number of the non-Common Council Members would come to an end over the coming months and as an existing vacancy was to be advertised, some thought should be given to identifying suitable appointments for future vacancies.

In respect of the terms of office, it was felt that the terms of reference should be amended to clarify that the maximum length of service by any Member was eight years in total.

In respect of the 8th November 2013 meeting of the Committee, it was agreed that whilst the Admission of the Lord Mayor (Silent Ceremony) would take place on this date, the scheduled meeting of the Committee could go ahead at 11am. In respect of the proposed 2014 meeting dates, it was suggested that the September 2014 meeting date be pushed back until later in the autumn. The confirmed meeting dates would be circulated to all Members of the Committee in due course.

RESOLVED – That:-

- (i) the Committee note the amendments to the terms of reference in respect of politically restricted posts;
- (ii) the Committee note the future 2013 meeting dates;
- (iii) the Committee approve the proposed 2014 meeting dates subject to the September 2014 meeting being pushed back to October 2014; and
- (iv) the Standards Committee's terms of reference be amended to confirm that the maximum length of service by any Member be eight years in total.

8. **ETHICAL STANDARDS - AUDIT AND RISK MANAGEMENT**

At its meeting on 8th February 2013, the Committee considered a report of the Committee on Standards in Public Life entitled "Standards Matter." It was agreed at that meeting that the issue of ethical standards in respect of service delivery, especially where contractors are engaged, should be explored in more detail to ensure consistency across the organisation and, if necessary, appropriate monitoring and review of ethical standards issues.

The Chamberlain, who was invited to attend the meeting as lead officer for the City of London's Audit and Risk Management Committee acknowledged the concerns that had previously been raised and explained that the development of new models of service delivery had created new ethical risks and challenges for the organisation. He went on to advise that the decrease in direct service provision and increased commissioning was largely a new issue for the Corporation and therefore different questions had to be asked to ensure that appropriate levels of trust around the delivery of commissioned services could be developed. In respect of the Corporation's tendering and procurement

arrangements, these were considered to be robust with effective due diligence processes in place. However, the governance arrangements of external organisations should also be a consideration.

In respect of the lobbying of Members by external organisations and/or individuals, specifically in respect of contracts and procurement opportunities and the conflicts that could arise for Members, the Chamberlain advised that whilst Members were advised of the need to avoid exclusion from contract selection, no general guidance had been issued to Members about how to manage informal approaches by contractors and attempts to discuss possible contracts. The Committee felt that given the potential conflicts that could arise; some guidance should be drafted and included in the overall guidance to Members about the Corporation's governance framework, Members' responsibilities and potential risk areas. It was suggested that the guidance should remain as concise as possible, with helpful examples to highlight scenarios that Members might encounter.

Members were advised that work was currently underway in respect of ethical standards and the Committee's views would therefore helpfully inform this work.

RESOLVED - That, in respect of the potential conflicts of interest that could arise as a result informal approaches by contractors and attempts to discuss possible contracts and procurement opportunities, guidance to Members be drafted and submitted to a future meeting of the Committee for approval ahead of circulation to all Members as part of the overall guidance to Members about the Corporation's governance framework, Members' responsibilities and potential risk areas.

9. **REQUESTS FOR DISPENSATIONS**

The Committee considered a joint report of the Town Clerk and Comptroller & City Solicitor relative to requests from Members for dispensations from the Standards Committee to allow them to speak and vote on housing and council tax issues where they have a beneficial interest in land within the area of the City of London Corporation.

Some comments were made in respect of the current information circulated to Members in respect of dispensations and the view expressed that greater clarification was required in respect of when a dispensation should be sought and a rationale for the request submitted to the Committee for consideration. The current process for seeking and receiving dispensations did not afford any scrutiny of requests as little information as to why a dispensation was necessary was made available to the Committee. Consequently, there was scope for dispensations to be sought unnecessarily and without any relevance to an individual's situation and the Committee was unable to make informed judgements.

In noting that there should be some consistency in managing requests for dispensations, the Committee agreed to grant the dispensations to those Members listed within the report, namely: Randall Keith Anderson, Robert

James Ingham Clark, Karina Dostalova, Chris Hayward, Ann Holmes, John Lumley, Alistair Moss, Graham Packham, Dhruv Patel, Judith Lindsay Pleasance, Patrick Thomas Streeter and Mark Wheatley. Thereafter, the guidance to Members in respect of seeking and receiving dispensations should be reviewed and amended to ensure that a range of dispensations could be requested and sufficient information made available to the Committee to ensure that such dispensations were granted appropriately. Following the discussion at Item 6 (minutes of the previous meeting), a sub-committee would be established to consider requests for dispensations.

RESOLVED – That:-

(i) the list of Members requesting a dispensation to allow them to speak and vote on housing and council tax issues where they have a beneficial interest in land within the area of the City of London Corporation, be approved; and
(ii) revised documentation in respect of dispensations be drafted and submitted to a future meeting of the Committee for approval and thereafter circulated to all Members of the Court of Common Council.

10. DECISIONS TAKEN UNDER DELEGATED AUTHORITY OR URGENCY

The Committee noted a report of the Town Clerk in respect of a decision that was taken under delegated authority (in accordance with Standing Order No. 41 (b)) since the last meeting in February 2013 and which concerned guidance for Members on the registration of gifts and hospitality.

Some Members of the Committee expressed concern that there was no formal scrutiny of those items of gifts and hospitality that were registered and no mechanisms existed, either via or on behalf of the Committee, to prevent either non-compliance or inappropriate acceptance of gifts and/or hospitality. The Comptroller and City Solicitor reminded the Committee that there was no statutory requirement for the registration arrangement and that whilst a light touch approach had been adopted by the Committee, more rigorous rules could be introduced via the Court, if this was deemed to be necessary. The Committee felt that as the regime was still in its infancy, the situation should be reviewed after 6 months. Consequently, the outcome of a review of registered gifts and hospitality between April and October 2013 should be submitted to the Committee's next meeting for consideration. With immediate effect, the guidance to Members on registering gifts and hospitality would be revised to reflect a recommended 28 day timescale for registering gifts and hospitality, and all Members advised accordingly.

It was felt that following the introduction of the new regime and the different elements of guidance that had been drafted and issued to Members, the Committee should, at its next meeting, review and, where necessary, revise the guidance in totality.

RESOLVED – That:-

(i) the report be noted;
(ii) the "Guidance to Members on registering gifts and hospitality" be revised to reflect a 28 day timescale for registration of gifts and hospitality, and all Members advised accordingly;

(iii) the Committee review and, where necessary, revise the guidance available to Members in respect of the Standards regime; and
(iv) following a review by the Town Clerk of registered gifts and hospitality between April and September 2013, a report be submitted to the September meeting of the Committee for consideration.

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

There were none.

12. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT

Internal mechanisms

The Chairman referred to his supporting statement for Chairmanship of the Committee and advised those present that he hoped, in collaboration with Committee Members, to address certain issues with a view to ensuring consistency and fairness in the way the Corporation managed issues of Member conduct. With reference to informal mechanisms for resolving Member related conduct issues, it was felt the Committee should have an on-going dialogue with Senior Members such as the Chief Commoner and the Senior Alderman, to ensure that the informal and formal mechanisms were appropriately aligned.

RESOLVED – That the Chief Commoner and the Senior Alderman be invited separately to attend, once per year, a meeting of the Standards Committee to discuss Members' conduct issues.

Co-opted Membership

On behalf of the Committee and in noting that this would be Howard Lederman's last meeting as a non-Common Council Member of the Committee, the Chairman thanked Mr Lederman for his contribution to the work of the Standards Committee since his appointment in 2004. Members of the Committee joined the Chairman in wishing him well for the future.

The meeting ended at 2.51 pm

Chairman

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