

STANDARDS COMMITTEE
Friday, 31 January 2014

Minutes of the meeting of the Standards Committee held at Committee Room, 2nd Floor, West Wing, Guildhall on Friday, 31 January 2014 at 11.30 am

Present

Members:

Edward Lord (Chairman)
Oliver Lodge (Deputy Chairman)
Judith Barnes (External Member)
Nigel Challis
Alan Graham (External Member)
Alderman Julian Malins

Officers:

Lorraine Brook	- Town Clerk's Department
Sean Cable	- Town Clerk's Department
Michael Cogher	- Comptroller and City Solicitor
Edward Wood	- Comptroller and City Solicitor's Department

Also in attendance: Anju Sanahi (Independent Person) and Chris Taylor (Independent Person) were also present at the meeting. The Chief Commoner, George Gillon was present during the discussion at Item 5.

At the outset of the meeting the Chairman welcomed the newly appointed Co-opted Member, Judith Barnes to her first meeting. The Chairman then referred to the late Deputy Robin Eve, a Member of the Committee in recent years, who passed away in January following a long period of illness. The Chairman commented on Deputy Eve's keen eye and sharp wit before inviting all those present to observe a one minute silence.

1. APOLOGIES

Apologies for absence were received from Revd Dr Martin Dudley and Felicity Lusk (Co-opted Member), as well as Mr Neil Asten (Independent Person).

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

There were none.

3. MINUTES OF THE PREVIOUS MEETING

The minutes of the meeting held on 29th November 2013 were approved as an accurate record.

Matters Arising

Item 3: Matters Arising – AOB: Internal Mechanisms (page 1)

The Chairman advised the Committee that the Chief Commoner, George Gillon would be joining the Committee later.

Item 5: Employee Code of Conduct (page 2)

The Town Clerk advised the Committee that following the meeting on 29th November 2013, the Member/Officer Protocol had been located and a discussion would now take place with the Director of HR in respect of referencing the Protocol within the Employee Code of Conduct. The Chairman commented on ownership of the Protocol and suggested that as the Protocol concerned Members' conduct, this should fall within the Committee's remit. It was agreed that the matter be clarified.

It was noted that as part of the Director of HR's annual review report to the Committee in respect of Employee Code of Conduct, this would include employee tribunal statistics.

4. TERMS OF REFERENCE OF THE STANDARDS COMMITTEE - REVIEW

The Committee considered, as part of the annual review process ahead of the new municipal year, its terms of reference as attached at appendix 1 to the report. Members noted that any proposed revisions to the Committee's terms of reference would be submitted to the Policy & Resources Committee ahead of submission of the "White paper" (incorporating the terms of reference and composition of all of the Court of Common Council's committees) in May 2014.

The Deputy Chairman queried the relevance of retaining paragraph (c) of the Committee's terms of reference (*Employee Code of Conduct*) given the earlier discussions and clarification regarding the Establishment and Standards Committees' respective remits for the Employee Code of Conduct. Whilst noting that the Committee was not responsible for formulating the Employee Code of Conduct, there was some agreement amongst Members that the Committee performed an important role in monitoring and considering changes to the Code on an annual basis. The Chairman referred to the Member/Officer Protocol and, subject to clarification regarding ownership of the Protocol, it was suggested that this should in some way be referenced within the Committee's terms of reference.

The Committee was advised that paragraph (g) of the terms of reference (*politically restricted posts*) before Members was no longer relevant as this requirement had been removed by statute. Consequently, the future terms of reference would not include this paragraph.

With regards to the terms of reference of the Committee's Sub Committees, it was noted that paragraph (c) – Hearing Sub (Standards) Committee should be revised to remove reference to "...sanctions that are available, as set out below."

Taking into account the comments made by Members the Committee agreed that delegated authority should be granted to the Town Clerk, in consultation with the Chairman and the Deputy Chairman of the Standards Committee, to finalise the wording of the revised terms of reference ahead of submission to the Policy & Resources Committee.

In concluding the discussion on this item, the Chairman referred to the current composition of the Committee (5 Common Councilmen, 1 Alderman, 4 Co-opted Members [and 3 Independent Persons]) and suggested that the Common Councilman membership be increased to ensure that quorate sub-committees could be formed while avoiding potential conflicts of interest amongst Members when considering complaints and dispensation requests. Whilst acknowledging that an enlargement of the Committee could make it cumbersome, following some discussion the Committee agreed that a revision to the Committee's composition would be beneficial.

RESOLVED:- That –

- (i) delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, to approve the final wording of the revised terms of reference of the Standards Committee ahead of submission to the Policy & Resources Committee; and
- (ii) the Standards Committee recommend to the Policy & Resources Committee that the Committee's membership be increased to include two additional Common Councilmen, as follows: 7 Common Councilmen, 1 Alderman, 4 Co-opted Members [and 3 Independent Persons].

5. AMENDMENTS TO THE MEMBERS' CODE OF CONDUCT - MANDATORY REGISTRATION OF GIFTS AND HOSPITALITY

(The Chief Commoner was present during the discussion on this item.)

The Committee considered a report of the Town Clerk and the Comptroller & City Solicitor relative to the introduction of a mandatory regime for all Members of the Court of Common Council and Co-opted Members in respect of the registration of gifts and hospitality, following the Committee's earlier consideration of this matter at its meeting on 29th November 2013. Included in the recommended amendments set out in appendix 3 of the report, was a list of bodies that should be declared as non-pecuniary interests, namely Professional Associations, Trade Associations, and Trades Unions.

The Chairman expressed a view that this list of organisations was too limited given the broad range of organisations in which City of London Members were involved. He also reflected that in the previous Code of Conduct, Members had been expected to register a more substantial list and he tabled a note that he had prepared containing further amendments to those included at appendix 3 of the report. The Chairman's suggested amendments concerned, principally, the declaration of membership of the following:

- Charities or bodies directed to charitable purpose,
- Clubs or Societies having a base of operation in the City of London (e.g. Ward Clubs), which has two or more Members or Officers of the Corporation in membership (e.g. the Reform Club); or which relates to any functions of the Corporation (e.g. the Heath and Hampstead Society);
- Fraternal or Sororal Societies;
- Livery Companies;
- Organisations, one of whose principal purposes includes the influence of public opinion or policy; and
- Political Parties.

The Chairman in making these suggestions advised that some other local authorities, including London Boroughs, had retained similar provisions in their Codes of Conduct.

The Comptroller & City Solicitor provided clarification in respect of the current voluntary arrangements, including the higher level threshold and the requirements for registering those interests that were not originally included on the Members' Declaration form but were subsequently declared at meetings. Members were reminded that, as previously agreed by the Committee, an annual reminder would be sent to all Members and Co-opted Members encouraging them to review and update their Members' Declarations wherever necessary. As the annual reminder would be circulated at the start of the new municipal year, and in light of the anticipated changes to the City Corporation's regime, it was felt that the Chairman and Deputy Chairman should have some oversight of the documentation ahead of circulation and delegated authority, in accordance with Standing Order (41(b)), was therefore agreed.

With reference to the list of further amendments tabled at the outset of the discussion, the Chairman suggested that the wider areas requiring declaration appropriately reflected the nature and business of the City of London Corporation, particularly where there might be a perception of influence being exerted. Examples of Codes of Conduct from some of the London Boroughs (Hackney and Westminster) were also tabled by the Chairman to highlight the inclusion of organisational memberships. In the interests of transparency, the Chairman felt that the City Corporation should adopt the same approach. Members accepted the broad thrust of the Chairman's proposal, although some Members expressed concern that the inclusion of political party membership might undermine the convention that City Corporation Members were independent of party politics. It was noted that this was only a convention and that members of a political party had stood under a party banner in recent elections and could do again. It was again noted that party membership had previously been included in the Members' Code of Conduct. There was widespread agreement that transparency and disclosure of relevant interests should be the guiding principle and the Co-opted Members and Independent Persons expressed strong support for the inclusion of the full list of additional categories proposed by the Chairman. The Committee agreed unanimously with all the Chairman's proposals other than including political party membership.

On that outstanding issue, the Chairman put the matter to the vote. The Committee divided:

FOR: 2 Members

AGAINST: 2 Members

There being a tie, and having taken the advice of the Comptroller & City Solicitor, the Chairman utilised his casting vote and the revised Members' Code of Conduct, incorporating all the tabled amendments, was agreed.

Following some discussion regarding the registration by Members of gifts and hospitality that were offered yet declined, the Comptroller & City Solicitor explained that whilst this was a decision of the Committee it may pose some difficulties for Members in terms of estimating the value of declined gifts/hospitality. Following some further discussion the Committee felt that this requirement should not be included in the revised regime.

RESOLVED: - That –

- (i) a revised Code of Conduct, incorporating those revisions tabled by the Chairman at the meeting, be approved and recommended to the Court of Common Council for approval; and
- (ii) in accordance with Standing Order 41(b), delegated authority be granted to the Town Clerk, in consultation with the Chairman and Deputy Chairman of the Standards Committee, to approve the annual reminder documentation that will be sent to all Members and Co-opted Members in May 2014 in respect of updating their Members' Declarations.

(The meeting was adjourned at 12.20am and reconvened at 12.32pm.)

6. **CO-OPTED MEMBER APPOINTMENTS - UPDATE**

The Town Clerk provided a verbal update for the Committee in respect of the recruitment and selection arrangements to fill existing and forthcoming Co-opted Member vacancies on the Standards Committee. Members were advised that in light of Alan Graham's term of office expiring at the end of March 2014, two vacancies were currently being advertised on the City of London Corporation's webpages with a deadline of 24th February 2014 for receipt of completed applications. It was noted that following the advert going live on 20th January 2013, three expressions of interest had been received and application packs circulated. Members noted that interviews were currently expected to take place in mid-March 2014 involving the agreed Selection Panel which consisted of the Chief Commoner, the Chairman of the Policy & Resources Committee and the Chairman of the GP Committee of Aldermen (or their representatives).

With reference to the current Selection Panel composition for the purposes of short-listing and interviewing applicants for Co-opted Member roles on the Standards Committee, the Chairman expressed some concern that the arrangement was now outdated, having been agreed by the Court of Common Council in 2000 when the new Standards Committee was established.

Members noted that the Police and the Audit and Risk Management Committees, both of which comprised of a number of Co-opted Members, had revised their selection panel arrangements in recent years to allow for the Chairman and Deputy Chairman of those Committees to participate in the selection activities. The Committee agreed that this was a logical approach and there was consensus that a revision to the panel composition, for the purposes of selecting Co-opted Members of the Standards Committee, should be recommended to the Court of Common Council for approval.

RESOLVED:- That –

- (i) the Standards Committee be updated about recruitment and selection arrangements upon the deadline for receipt of completed applications on 24th February 2014; and
- (ii) a recommendation, to include the Chairman and Deputy Chairman (or their representatives) on the selection panel for the purposes of selecting Co-opted Members of the standards Committee, be submitted to the Court of Common Council for approval.

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

There were none.

8. ANY OTHER BUSINESS THAT THE CHAIRMAN CONSIDERS URGENT
Thanks to Alan Graham (Co-opted Member)

In advance of his term of office expiring at the end of March, on behalf of the Committee the Chairman thanked Alan Graham, one of the Committee's long serving Co-opted Members, for his nine years of service and valuable contributions to the work of the Standards Committee.

The meeting was adjourned at 12.20am and reconvened at 12.32pm.

The meeting ended at 12.45 pm

Chairman

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