



Report – Standards Committee

Members’ Declarations - Co-opted Members

To be presented on Thursday, 23rd July 2015

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

SUMMARY

The City of London Corporation currently has in excess of 250 Co-opted Members. In this context, “Co-opted Member” includes any person who is not a Member of the City Corporation but is a member of any committee or sub-committee of the City Corporation. Under the Localism Act 2011, only Co-opted Members who have a vote on matters relating to the City Corporation’s local authority or police authority functions are required to comply with the requirements of the Code of Conduct and disclose statutory pecuniary interests. The large majority of the City Corporation’s Co-opted Members are either non-voting, or have a vote but sit on committees that do not relate to the City Corporation’s local authority or police authority functions.

At the Standards Committee’s meeting in February, Members considered the registration arrangements in respect of the City Corporation’s elected Members, and queried why there was a different arrangement in respect of the management of Co-opted Members’ interests. It was noted that, whilst the statutory provisions only applied to a minority of the Co-opted Members, this did not preclude the interests of all Co-opted Members being made available online in the register of Members’ interests as a matter of policy. It was subsequently agreed, for the sake of consistency and greater transparency, that interests should be registered by all Co-opted Members and published online where technically possible.

This report, which is for information, sets out a proposal in respect of the adoption and implementation of a consistent approach to the management and publication of a register of interests for both the City Corporation’s Members and Co-opted Members. As the Code of Conduct previously approved by the Court of Common Council applies to Members and Co-opted Members equally, and the previously

published Guidance on the Code of Conduct does not differentiate between the interests of Members and Co-opted Members, consent to amend the current arrangements is not formally required. However, both the Policy and Resources Committee and the Court of Common Council are to be informed of the proposed change in practice in advance of implementation.

MAIN REPORT

Background

1. At the meeting of the Standards Committee on 20 February 2015, a report about the Annual Update to the Members' register of interests was considered. A query was raised as to why only the interests of elected Members were published online and why there was a different arrangement in respect of the management of the Co-opted Members interests. The City Corporation currently has in excess of 250 Co-opted Members. In this context, "Co-opted Member" includes any person who is not a Member of the City Corporation but is a member of any committee or sub-committee of the City Corporation.
2. It was noted that, whilst the provisions of the Localism Act 2011 in relation to conduct and interests only applied to those Co-opted Members who were entitled to vote on matters relating to the City Corporation's local authority or police authority functions, this did not preclude the interests of all Co-opted Members being made available online in the register of Members' interests as a matter of policy. The Code of Conduct previously approved by the Court of Common Council applies to Members and Co-opted Members equally, and the previously published Guidance on the Code of Conduct does not differentiate between the interests of Members and Co-opted Members. It was observed that the Co-opted Members of the Standards Committee should set an example, that a number of City Corporation Committees with responsibility for non-local authority functions had voting Co-opted Members, and that all Co-opted Members were in a position of influence. It was subsequently agreed, for the sake of consistency and greater transparency, that interests should be registered by all Co-opted Members and published online if this is technically possible.

Current Position

3. Historically, the City Corporation's Co-opted Members have been categorised as voting or non-voting Co-optees serving on the City Corporation's Committees and only those Co-opted Members with voting rights have been requested to register their interests.
4. During the 2014 annual update exercise, all Co-opted Members were contacted in writing and invited to submit a new or updated registration form. Where appropriate, the voting Co-opted Members were reminded that submission was a statutory requirement but the non-voting Co-opted Members were advised that, whilst there was no such statutory requirement, they were encouraged to submit a registration form in order to maximise transparency. To date, where completed registration forms have been received, these have been retained on hard-copy file by the Town Clerk's Department. A follow-up exercise in respect

of the registration of interests by voting Co-opted Members has not, to date, taken place.

Proposal – Moving Forward

5. The Standards Committee would like to implement a consistent approach to the management and publication of a register of interests for both the City Corporation's elected and Co-opted Members. Consequently this would streamline the current arrangements whereby all elected and Co-opted Members, with or without voting rights, would be required, upon taking office, to register their disclosable pecuniary interests and any non-pecuniary interests that have been introduced as a requirement by the City Corporation.
6. It is envisaged that the City Corporation's webpages could be amended before the end of the year to include a section detailing the City Corporation's Co-opted Members by name and including a link to their individual interests. It is not proposed that any further details be provided other than their committee appointment/s, as is the case with the elected Members' webpages where contact details, biographies and photographs are published.
7. Each Co-opted Member would, by the end of the year, have an entry in the register of interests that is accessible by the public, in the same way as elected Members. The register would include all disclosable pecuniary interests as well as non-pecuniary interests in line with the requirements for elected Members. The Standards Committee will be kept abreast of progress with implementation at its next scheduled meeting in October 2015 to ensure that there is on-going oversight of implementation of the new arrangements.

Implications

8. This proposal represents a significant change for some of the City Corporation's Co-opted Members, specifically the non-voting Co-opted Members who have previously been advised that the registration regime is not mandatory. Clear guidance will therefore need to be drafted in consultation with the Comptroller & City Solicitor and circulated to those Co-opted Members with timescales that enable Co-opted Members to raise queries and seek clarification about the new requirements. Given the significance of the proposed changes, consideration should also be given to whether a number of training sessions should be offered to Co-opted Members (potentially around formal meetings) after the recess but ahead of the deadline for submission.
9. With regard to the voting Co-opted Members, guidance will also need to be provided to clarify the new arrangements, specifically in respect of the introduction of online publication.
10. With regard to the issue of non-compliance, for the majority of Co-opted Members (i.e. those that are not voting Co-opted Members, or have a vote but sit on committees that do not relate to the City Corporation's local authority or police authority functions), non-compliance will not constitute a criminal offence. However, non-compliance would be a breach of the Code of Conduct and a complaint could therefore be made to the Standards Committee.

Corporate & Strategic Implications

12. The adoption and implementation of a consistent approach to the management and publication of a register of interests for both the City Corporation's elected and Co-opted Members enhances transparency about the City of London Corporation's governance framework and those involved in decision-making processes.
13. A significant amount of work will be required to implement the proposed arrangements. This work will, with oversight by the Comptroller and City Solicitor, be largely undertaken by the Town Clerk's Department. A phased approach to implementation is proposed which will ensure that there is not only clarity for Co-opted Members about the new requirements, but that the timescales for implementation are realistic and the system and procedures for managing and publishing the expanded register of interests are given appropriate consideration ahead of going live.

Conclusion

14. This proposal will ensure that there is a consistent approach to the registration of interests. The proposed approach, whereby all Co-opted Members are expected to register their interests when they take office and then review this annually during the annual update exercise every April, will mean that all individuals who serve on City Corporation Committees are bound by the same requirements. This will enhance transparency of the City Corporation's decision making arrangements and ensure consistency in how registration is managed. Publication of those interests online will further enhance transparency about the organisation's decision-making arrangements and highlight the important contribution that Co-opted Members make to the work of the City Corporation.

Recommendation

15. Members are invited to note the current position in respect of the arrangements for the registration of interests by Co-opted Members and the proposals going forward.

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

DATED this 15th day of May, 2015.

SIGNED on behalf of the Committee.

Charles Edward Lord OBE, JP
Chairman, Standards Committee