

Committee:	Date:
Investment Committee	25 May 2016
Subject: Recommendation of the Hearing Sub (Standards Committee)	Public
Report of: Town Clerk	For Decision
<p style="text-align: center;"><u>Summary</u></p> <p>This report presents to the Investment Committee the history of a complaint made by City Corporation employee Mr Leighton McDonnell against elected Member of the City Corporation, Deputy John Chapman. As the appointing body for the Property Investment Board, it is now for the Investment Committee to note sanction (b) and determine whether or not they feel it appropriate to discharge Deputy John Chapman from his membership of the Property Investment Board for a period of twelve months as per the recommendation of both the Hearing and Appeal Sub Committees of the Standards Committee.</p> <p>Recommendations: That the Investment Committee consider the recommendation of the Hearing and Appeal Sub (Standards) Committees of 15 March 2016 and 6 May 2016 and determine whether they feel it is appropriate to discharge Deputy John Chapman from his membership of the Property Investment Board for a period of twelve months.</p>	

Main Report

Background

1. Mr McDonnell (The Complainant) is an employee of the City of London Corporation who was suspended on 5 November 2015 pending a disciplinary investigation. On 9 November 2015 Mr McDonnell made a complaint to the Head of Audit and Risk Management citing the Public Interest Disclosure Act 1998 (the so-called 'whistle-blowing' provisions). The complaint contained allegations against two City Corporation Officers as well as Deputy John Chapman, an elected Member of the City Corporation.
2. On 18 November 2015 Mr McDonnell forwarded this complaint to the Chairman of the Standards Committee. Mr McDonnell was subsequently provided with a copy of the City Corporation's complaints procedure relating to the Code of Conduct by the Town Clerk and was asked to re-submit his allegations using the approved complaints form. The completed form was received by the Town Clerk on 23 November 2015.
3. In summary, the complaint consisted of two main allegations against Deputy Chapman:-

- i) That he used his status as an elected Member and position on the Property Investment Board Committee to put pressure on officers to allow events at Leadenhall Market to go ahead without a formal risk and method statement, parking agreement or evidence of insurance and without charging any fees or costs; and
 - ii) That he swore excessively in public, made threats to officers and did not behave in the manner expected of an elected Member.
- 4. The allegations arise out of two events held at the Market, the first being the Monte Carlo or Bust Car Rally run by the Lloyds Motor Club (allegations (i) & (ii)) and the Virtual Golf Event run by Barnet Waddingham (allegation (i) only).
- 5. On 16 December 2015 the Assessment Sub (Standards) Committee met to formally receive the complaint and took the decision to refer this matter for further investigation by the Monitoring Officer.
- 6. The Monitoring Officer's investigation consisted of interviewing the principal protagonists, obtaining signed witness statements from them and assembling relevant correspondence and documentation. This was all presented to the Hearing Sub (Standards) Committee for their consideration at a meeting on 29 January 2016. All documentation was also sent to Messrs McDonnell and Chapman at the time of dispatch and both were also given the opportunity to make any further and final representations to the Hearing Sub Committee in writing.
- 7. The Hearing Sub Committee considered the Monitoring Officer's report presenting the findings of his investigation. The Hearing Sub Committee felt that there were a number of inconsistencies in the statements provided by the main protagonists and also some gaps in the information provided, particularly around the processes that should have been followed with regard to the events held at Leadenhall Market. In view of this, the Sub Committee were unanimously of the view that the matter should now proceed to a full hearing.
- 9. The full Hearing was held on 23 February 2016. Having carefully considered the complaint and the Monitoring Officer's report; read all of the relevant papers and considered the oral and written evidence and representations made by the parties, the Sub-Committee found unanimously that there had been breaches of the Code of Conduct. At the Respondent's request, the Sub Committee adjourned and agreed to reconvene, on a date to be confirmed, in order to consider the imposition of sanctions.
- 9. On 15 March 2016, the Hearing Sub Committee met for the final time to consider the imposition of sanctions against Deputy John Chapman. Deputy Chapman was present at the meeting as was Alderman Sir David Wootton who was present as a character witness.
- 10. Having found Deputy John Chapman to have breached the Code of Conduct and failed to comply with the Member/Officer Protocol in respect of his continued interference in the day-to-day management of Leadenhall Market, his lack of respect for and rudeness to Corporation staff, and the advantages obtained by a

third party as a consequence of his actions, the Sub-Committee concluded that the following sanctions and remedies were appropriate:

Sanctions

- (a) That Deputy John Chapman be formally censured for his misconduct and that this be reported to the Court of Common Council;
- (b) That the Investment Committee be invited to discharge Deputy John Chapman from his membership of the Property Investment Board for a period of twelve months;

Remedies

- (c) Having noted his willingness to do so, that Deputy John Chapman be invited to write to Leighton McDonnell and John Black to apologise for his lack of courtesy towards them, and to Nicholas Gill and Trevor Nelson to apologise for the difficult position his actions placed them in, such letters to be drafted by the Monitoring Officer, in terms agreeable to the Sub-Committee; and
 - (d) That Deputy John Chapman be invited to attend training on the Member/Officer Protocol and in particular the demarcation of responsibilities of elected Members and the Officers of the Corporation.
11. In arriving at these conclusions, the Sub-Committee felt strongly that, other than his proper responsibilities representing the interests of his constituents, Deputy Chapman should not be involved in the conduct of the affairs of Leadenhall Market, and urged the Aldermen and Councilmen for the Ward of Langbourn to nominate another of their number to be the principal contact on market affairs.
12. On 30 March 2016, the Town Clerk received a letter from Deputy Chapman outlining his intention to appeal the decisions taken by the Hearing Sub Committee. The written grounds for appeal were received from Deputy Chapman on 12 April 2016.
13. Accordingly, a separate Panel was convened to hear the appeal and the Appeal Sub Committee met, initially, on 25 April 2016 to formally receive Deputy Chapman's written grounds for appeal and to determine the procedure the Appeal should follow.
14. The Appeal Sub Committee reconvened on 6 May 2016. Having carefully considered all of the evidence, the grounds of appeal, the Hearing Sub Committee's response and Deputy Chapman's further representations, the Appeal Sub Committee concluded that:-
- 1. The decision of the Hearing Sub Committee as per their decision notice of 23 February 2016, that Deputy Chapman had breached the Code of Conduct, should stand.

2. The decision of the Hearing Sub Committee regarding sanctions reached on 15 March 2016, in respect of sanctions (b), (c) and (d) should stand.
3. The decision of the Hearing Sub Committee regarding sanction (a) should not stand.

Conclusion and Action Required

15. As the appointing body for the Property Investment Board, the Investment Committee is now invited to consider sanction (b) and to decide whether or not they feel it is appropriate to discharge Deputy John Chapman from his membership of the Property Investment Board for a period of twelve months as per the recommendation of both the Hearing and Appeal Sub Committees.

Background Papers

- Assessment Sub (Standards) Committee Minutes – 16 December 2015
- Hearing Sub (Standards) Committee Minutes – 29 January 2016, 23 February 2016 and 15 March 2016
- Hearing Sub (Standards) Decision Notice – 23 February 2016 and 15 March 2016
- Appeal Sub (Standards) Minutes – 6 May 2016
- Appeal Sub (Standards) Decision Notice – 6 May 2016
- 'Complaint of Leighton McDonnell against John Chapman' – Report of the Comptroller and City Solicitor – 29 January 2016.

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