

Report – Standards Committee

Annual Report

To be presented on Thursday, 21st July 2016

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

SUMMARY

At the 23 June 2016 Court of Common Council meeting, concerns were expressed about your Standards Committee's annual report, principally around the identification in the report of the respondent of a particular complaint. This led to the Court referring the annual report back for further consideration. The Court also requested that the annual report be withdrawn from publication on the City Corporation's website and we confirm that this has been done.

Your Standards Committee duly reconsidered its annual report in the light of comments made at the Court of Common Council on 23 June and we now re-submit it for information in an amended form, without including the name of the Member who was the subject of the complaint in question.

The Standards Committee is required to monitor all complaints referred to it and to prepare an annual report on its activity for submission to the Court of Common Council. It should be noted that two allegations of a breach of the Code of Conduct were made to the Committee during the course of 2015/16; one of which was not found to warrant assessment and one that progressed to a hearing and then an appeal.

MAIN REPORT

Background

1. The purpose of this report is to brief Members on the work undertaken over the last year by the Standards Committee.
2. In accordance with the Committee's terms of reference, the Committee is required to monitor all complaints referred to it and to submit an annual report on its activities to the Court of Common Council.

Complaints to the Standards Committee

3. During the period of this report, two allegations of a breach of the Members' Code of Conduct were made to the Committee.
4. With regard to one allegation against a Member, the Assessment Sub (Standards) Committee met on 29 January 2016 and concluded unanimously that the allegation was not evidenced and that there was therefore no evidence of any breach of the Code of Conduct. The Independent Person was of the same view.

5. With regard to a separate allegation, against another Member, the Assessment Sub (Standards) Committee met on 16 December 2015 to receive the complaint and concluded unanimously that an investigation should take place in relation to the allegations made. The Independent Person was of the same view.
6. In summary, the complaint consisted of two main allegations:-
 - i) That the Member concerned 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 the Member concerned swore excessively in public, made threats to officers and did not behave in the manner expected of an elected Member.
7. The Monitoring Officer's investigation into the allegations against the Member 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.
8. Following consideration of the Monitoring Officer's report which presented the findings of his investigation, the Hearing Sub Committee determined that, as there were a number of inconsistencies in the statements provided by the main protagonists and also some gaps in the information provided, the matter should proceed to a full hearing.
9. The full Hearing was held on 23 February 2016. The Hearing Sub (Standards) Committee considered representations from the Complainant and the Respondent and, on the grounds that they had no objections and that public interest in relation to the conduct of a holder of public office outweighed the grounds for exemption, following a brief adjournment it was agreed that the complaint would be heard in public session and all relevant documentation would be made publicly accessible. 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.
10. On 15 March 2016, the Hearing Sub Committee met for the final time to consider the imposition of sanctions against the Member.
11. Having found the Member 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 the Member 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 the Member from his membership of the Property Investment Board for a period of twelve months;

Remedies

- (c) Having noted his willingness to do so, that the Member be invited to write to the Complainant and to the Officers involved to apologise for his lack of courtesy towards them, and 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 the Member 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.
12. In arriving at these conclusions, the Sub-Committee considered that, other than his proper responsibilities representing the interests of his constituents, the Member should not be involved in the conduct of the affairs of Leadenhall Market, and urged the Aldermen and Councilmen for the Member's Ward to nominate another of their number to be the principal contact on market affairs.
 13. On 30 March 2016, the Town Clerk received a letter from the Member concerned outlining his intention to appeal the decisions taken by the Hearing Sub Committee. The written grounds for appeal were received on 12 April 2016.
 14. A separate Appeal Panel was convened on 25 April 2016 to receive the written grounds for appeal from the Member and determine the procedure the Appeal should follow.
 15. Thereafter, the Appeal Sub Committee reconvened on 6 May 2016 and, having carefully considered all of the evidence, the grounds of appeal, the Hearing Sub Committee's response and the Member's further representations, the Appeal Sub Committee concluded that:-
 - i. The decision of the Hearing Sub Committee as per their decision notice of 23 February 2016, that the Member had breached the Code of Conduct, should stand.

- ii. The decision of the Hearing Sub Committee regarding sanctions and remedies reached on 15 March 2016, in respect of sanctions/remedies (b), (c) and (d) should stand.
 - iii. The decision of the Hearing Sub Committee regarding sanction (a) should not stand.
16. It should be noted that, to date, the Member has already written to the Complainant and to all Officers involved apologising for his lack of courtesy towards them, and for the difficult position his actions placed them in. He has also attended training on the Member/Officer Protocol and in particular the demarcation of responsibilities of elected Members and the Officers of the Corporation with the Comptroller and City Solicitor and chose not to seek re-election to the Property Investment Board.

Other Activities of the Committee during 2015/16

17. Below is a brief synopsis of the other activities undertaken by the Committee in 2015/16.

Code of Conduct – Guidance to Members

18. The Standards Committee is required to prepare, keep under review and monitor the City of London Corporation's Members' Code of Conduct and make recommendations to the Court of Common Council in respect of the adoption or revision, as appropriate, of such Code of Conduct.
19. A revised version of the Code and the introduction of a mandatory registration regime for gifts and hospitality was submitted and approved by the Court of Common Council at their meeting on 16 October 2014, with the new requirements coming into effect as of 1st January 2015.
20. In November 2015, a revised version of the 'Guidance to Members' document, which is intended to aid Members in complying with the Corporation's Members' Code of Conduct, was sent to all elected Members. The Standards Committee felt that it was timely to review this document as, over recent months, it became increasingly apparent that there were still some outstanding issues regarding how the Code should be interpreted.
21. It is hoped that the revised guidance issued will provide Members with greater clarity on certain issues whilst also removing any unnecessary additional obligations. Some of the main changes to highlight are the removal of the need to provide an approximate value of any gifts/hospitality declared. This was something that was frequently problematic to Members and is not, in fact, a requirement of the Code. Secondly, the Committee attempted to provide some further examples of what type of information Members might need to provide against their declarations and those types of items that need not be declared at all. The Committee was also keen for Members to be conscious of where their private/business activities might cross over or be perceived to cross over with their City of London activities and vice versa.

22. Finally, a new, dedicated, email address to which all declarations of gifts and hospitality can now be sent was set up at the Committee's request (declarations@cityoflondon.gov.uk). This mailbox is staffed by a number of Officers within the Committee and Member Services Team and removes the need for Members to contact a single, named Officer about their declarations.

Annual Update to the Members' Declarations

23. The Committee was pleased to note that, as at July 2015, all elected Members had responded to the Annual Update process. All new Members elected to the Court since this date have provided a disclosure statement.
24. A further annual update to the Members' Declarations will take place in July 2016 in accordance with the requirements in the Members' Code of Conduct. Each of the City of London Corporation's elected Members and Co-opted Members will be contacted in writing. The Standards Committee is keen to highlight, to all Members, the importance of the annual update process.
25. Where necessary, Members of the Court are routinely submitting updates to their register of interest and the registers are updated on-line.
26. With regard to the registration requirements for the City Corporation's Co-opted Members, this matter is currently being reviewed with a view to the introduction of a system of on-line registration of all declarations made by those Co-opted Members who sit on the City Corporation's statutory bodies and/or have voting rights.

Gifts and Hospitality - Ceremonial Officeholders

27. This year, the Committee has continued to progress the proper registration and publication of declarations of gifts and hospitality for Ceremonial Office Holders (i.e. the Lord Mayor and the Sheriffs).
28. As of July 2015, all gifts and hospitality received by the Lord Mayor are published on the corporate webpages. There are also links between the Lord Mayor's pages and the office holder's existing register of interests. It was agreed that the same financial thresholds for hospitality should apply to the Lord Mayor as for other Members of the Court unless diplomatic, commercial or political sensitivities were a consideration in which case such instances would be reported to the Committee rather than via the published register.
29. With regard to the other ceremonial office holders, namely the Sheriffs, the Old Bailey have followed the example set by Mansion House in terms of the registration of gifts and hospitality. These arrangements have been in place since the beginning of the most recent Shrievalty in September 2015.
30. The new provisions ensure that there is greater transparency about the gifts and hospitality received by ceremonial officeholders and the Committee currently reviews the arrangements and scrutinises the registers on a periodic basis.

Recommendation

31. We submit this report for information.

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

DATED this 8th July 2016.

SIGNED on behalf of the Committee.

Oliver Arthur Wynlane Lodge
Chairman, Standards Committee