

Report – Policy and Resources Committee

Appointment of Independent Persons

To be presented on Thursday, 12th October 2023

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

SUMMARY

Following the submission of Lord Lisvane's Review of the City Corporation's Governance in September 2020, a resolution of the Court of Common Council (8 October 2020) had the effect that consideration of aspects of the Review relating to the Standards Regime would need to be taken first and, as such, following extensive engagement with Members, the Court was able to consider and approve a number of proposals in relation to Standards made by Lord Lisvane at its 14 January 2021 meeting and authorised the Town Clerk to take such actions as were required to give effect to the decisions taken and facilitate their implementation.

Members will recall that nine Members of a new Independent Panel were appointed by the Court in Summer 2021 to oversee the City Corporation's Standards Regime. The appointments were made by the full Court on the recommendation of the Independent Persons Appointment Panel (consisting of the then Chair of Policy & Resources, the then Chief Commoner, and the then Chair of the General Purposes Committee of Aldermen).

Since that time, the Panel of Independent Persons have met on several occasions to assess, hear and consider appeals against decisions made with regard to complaints submitted under the Code of Conduct. Given that the Panel are operating a three-tier process for dealing with complaints (as advised by Lord Lisvane and supported by this Honourable Court) they very quickly went on to express the view that the size of the Panel should be increased from nine to twelve in total. The Complaints Procedure stipulates that no Independent Person may sit on more than one sub-panel in relation to the same complaint and, essentially, a larger Panel was therefore felt necessary in order to allow for illness or other non-availability of a panel member or for instances where a panel member may need to recuse themselves for any other reason where a complaint exhausts all three stages. A Subject Member is also entitled to consult with one of the Independent Persons, taking the total required on the Panel to at least ten.

The proposal to expand the pool of Independent Persons from nine to twelve for the reasons set out above were put to and supported by the Court of Common Council at the end of 2022, with the Town Clerk instructed to re-constitute the Independent Persons Appointment Panel (consisting of the Chair of Policy & Resources, the Chief Commoner, and the Chair of the General Purposes Committee of Aldermen or their representatives) to progress a further round of recruitment to appoint three additional Panel Members.

The purpose of this report is therefore to now seek the Court's approval of the recommendations of the Appointment Panel once again following a recent, successful, round of recruitment and to agree to the appointment of the final three individuals named within this report as Independent Persons to ensure that the desired panel of twelve is achieved.

Recommendations

Members are asked to endorse the recommendations of the Appointment Panel in securing the valued services of Mr Andrew Ayre, Ms Karen McArthur and Ms Amina Hossain and approve their appointment as Independent Members of the City of London Corporation.

MAIN REPORT

Background

Creation of an Independent Panel

1. Lord Lisvane's recommendations pertaining to Standards included a recommendation "*that the Corporation should set up an Independent Panel composed only of independent persons, and charge that Panel with:*
 - *receiving allegations of misconduct referred to it by the Monitoring Officer;*
 - *deciding whether any allegation should be investigated;*
 - *on the basis of the allegation, determining whether there has been a breach of the code of Conduct;*
 - *reporting that determination, together with a full report of the facts, to the Court for endorsement;*
 - *hearing any appeal (the appeal function will of course need to be separated rigorously from the assessment and determination function)*
 - *after determination, and appeal if necessary, recommending an appropriate sanction, giving reasons, as necessary."*

Process

2. The Court of Common Council, at its 14 January 2021 meeting, endorsed this proposal as well as the adoption of Lisvane's recommendations in the form of a three-stage process, to be operated by the Independent Panel:
 - The first stage to be a more informal / conciliatory nature, seeking to resolve swiftly those issues which might be addressed through dispute resolution or a conversation and apology (with external dispute resolution advice to be made available to the Panel as it deems appropriate and a suitable protocol produced for such stage to be produced).
 - The second stage to then be the formal Hearing process, utilising the Independent Panel, as outlined by Lisvane (i.e. determination of investigation and breach and reporting to the Court of Common Council for endorsement).

- The third stage to be the Appeal stage, the Panel for which should also include a minority of Members of the Court of Common Council, to help provide any relevant internal context.

It was decided that the Panel should be supported by the Comptroller & City Solicitor, as the Monitoring Officer, including in respect of the production of rules and procedures as time progresses, with clerking or administrative support also provided by the Town Clerk's department in the usual way.

Composition

3. This Court agreed with Lisvane's comments in relation to the need for a membership of sufficient size, to ensure that the sub-panels at the hearing and appeal stages could be comprised of entirely different Panel Members, although drawn from the same overall pool and directed that a panel of nine individuals, ought to be secured, utilising staggered terms to provide for both continuity and turnover.

Recruitment and Appointment

4. It was agreed that an open and transparent recruitment process should be employed, with the Chair of Policy & Resources, the Chief Commoner, and the Chair of the General Purposes Committee of Aldermen (or their representatives) acting as an interview panel and empowered to put recommendations for appointment to the Court, with the Town Clerk authorised to advertise and undertake a recruitment process in consultation with the Chair of the Policy & Resources Committee, the Chief Commoner, and the Chair of the General Purposes Committee of Aldermen (or their nominated representatives) .

Appointment Process to date

5. The appointment process for the new Independent Panel originally commenced in February 2021 and ran until March 2021. This resulted in the appointment of seven individuals, approved by this Court in May 2021. Following this, a second recruitment round was launched in May 2021 and this ran until June 2021. This resulted in the appointment of a further two candidates, approved by this Court in July 2021 and creating the existing 'pool' of nine Independent Persons.

Panel Size

6. Given that the Panel are operating a three-tier process for dealing with complaints, as advised by Lord Lisvane and supported by the Court of Common Council, they were quickly of the view that the size of the Panel should be increased from nine to twelve in total. The first two tiers of the Complaints process (Assessment and Hearing) require three panel members each and the third (Appeal) at least two.
7. The Complaints Procedure stipulates that no Independent Person may sit on more than one sub-panel in relation to the same complaint and a larger Panel was therefore felt necessary in order to allow for illness or other non-availability of a panel member or for instances where a panel member may need to recuse themselves for any other reason. In addition to this, one Independent Person may be required to consult with the subject member of a complaint, which then takes them out of the available pool for dealing with this same complaint in any capacity.

8. The Court of Common Council endorsed this view and instructed that the Independent Persons Appointment Panel be reconstituted to progress a further round of recruitment to appoint three additional Panel Members.

Recent Appointment Process

9. Following consultation with the Appointment Panel as well as with the existing Chair of the Independent Persons, advertisements for the vacancies were, on this occasion, placed on the City of London's webpages, the Guardian online, Law Society Gazette, in City AM online and also in The Voice Newspaper online, with a view to attracting applicants from a more diverse background.
10. Applicants were informed that the City were seeking to appoint a panel of individuals with relevant experience in the private or public sectors and individuals who would both promote and maintain high standards of conduct by the Corporation's elected Members and co-opted Members when dealing with the business of the Corporation.

It was also made clear that an Independent Person cannot be someone who, at the time of appointment:

- has been a Member, Co-opted Member or officer of the City of London Corporation in the previous five years; or
 - is a relative or close friend of a Member or officer of the City of London Corporation.
11. Members will recall that the Court of Common Council was also supportive of remuneration for Independent Persons recommending the utilisation of the standard rate for public appointments, to help ensure strong candidates could be attracted and retained. The position was, therefore, advertised with a daily attendance allowance of £300 and reasonable travel expenses also reimbursed. Attendance depends on the number and complexity of cases to be dealt with as well as any necessary briefing and training sessions.
 12. A total of 44 applications were received on this occasion. Following a shortlisting process and assessment by the Panel, it decided unanimously on six candidates to shortlist and invite to attend interview on either 25 or 26 September 2023.
 13. Following face to face interviews held at the Guildhall (with the exception of one candidate for whom virtual arrangements were made to accommodate a medical procedure), the Panel were unanimously of the view that three of the six candidates invited to interview on this occasion were particularly strong and that all three would be a great asset to the City of London's Standards Regime in terms of the breadth and relevance of their knowledge and experience.
 14. The purpose of this report is, therefore, to seek formal approval for the recommendations of the Appointment Panel – that a further three candidates (Mr Andrew Ayre, Ms Karen McArthur and Ms Amina Hossain) be appointed as Independent Persons. So as not to unnecessarily delay due process following interview, these appointments have been signed off under urgency procedures by the Town Clerk in consultation with the Chair and Deputy Chair of both your

Member Development and Standards Sub Committee and Policy and Resources Committee, neither of whom were scheduled to meet until after the October meeting of this Honourable Court.

15. The Committee on Standards in Public Life had recommended that Independent Persons be appointed for a fixed term of two years, renewable once. The Court considered this at their 14 January 2021 meeting and resolved that a fixed term of office of two years, renewable twice, be adopted for the City Corporation's Independent Persons. It was also felt that the terms of the Independent Persons should, ideally, be staggered, the Town Clerk was authorised to draw lots to ensure that staggered terms can be achieved.

Details of Recommended Appointees

16. **Andrew Ayre** has 37 year's experience as a Crown Servant in the Foreign and Commonwealth Office. In 2011, he was appointed British High Commissioner to Guyana and HM Ambassador to Suriname. From 2015-17, he was one of the Deputy Heads of the FCO's Europe Division and then from 2017-21, one of the Deputy High Commissioners to India.

Mr Ayre states that he believes passionately in doing the right thing whilst listening to the broadest possible spectrum of views before coming to a decision. He is committed to high standards of conduct, fairness, transparency and accountability.

17. **Karen McArthur** serves as a lay member on professional misconduct and fitness to practice panels. The other aspect of her portfolio involves serving on Boards which have a clear social purpose where she has also worked with consumer interest groups and regulators to address common issues.

Ms McArthur states that, whether as Chair or Lay, she brings an independent view and challenges colleagues in a professional and respectful manner. Across all of her roles, she is frequently required to review complex information, often relating to events or activities outside her scope of knowledge or experience and synthesising the key issues. She is confident in her ability to question articulately and separate fact from opinion, identify the cogent facts, weigh the evidence and work through decision making in a structured rational format which is robust. Many of her roles are subject to legal challenge so she must ensure that full reasons are given which are supported by the facts, making them defensible and logical in their construction. Ms McArthur describes herself as 'a professional decision maker'.

18. **Amina Hossain** currently serves as an Independent Person for Sutton Council. In addition, she has worked as a lawyer in local government for 9 years and central government for 6 years. She has a solid understanding of the landscape of local government and the role of the different constituents of officers and members and is well versed in both adhering to and applying the Nolan Principles.

Ms Hossain states that she is familiar and comfortable with assessing large volumes of evidence before reaching fair, impartial and consistent decisions She prides herself on approaching her decision-making roles with an open-mind.

19. As a reminder, these final three appointees, should they be approved, would join our previously appointed nine (Miranda Carruthers-Watt, Robert Coyle, Christine Fraser, Tom Ketteley, Amanda Orchard, Gary Rogers, Rahul Sinha, Philip Thicknesse and Attiyah Younis) to form our panel of twelve Independent Persons. Further details of the previously appointed nine are set out within the May 2021 and July 2021 Court reports respectively.

Conclusion

20. The Appointment Panel mandated by the Court of Common Council to oversee the recruitment of a panel of Independent Persons and put forward recommendations for appointment hereby recommend that the three persons named within this report (Mr Ayre, Ms McArthur and Ms Hossain) be appointed as Independent Members of the City of London Corporation.

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

DATED this 3rd day of October 2023.

SIGNED on behalf of the Committee.

Deputy Christopher Hayward
Chairman, Policy and Resources Committee