

Dear Ann

We were surprised to get your letter to residents who signed the petition of no confidence in the Standards regime of the City.

We appreciate that you have just become chair of the Standards Committee – and presumably want to set a new tone – but a wiser response might have been to acknowledge that there is unhappiness about this issue and open up a dialogue with the petitioners.

As it is, your letter suggests that the City is failing to acknowledge that there might be reasons why people feel disenfranchised. You think we have misunderstood.

But we haven't. People understand the Localism Act quite well and the need for councillors to declare their pecuniary interests – and have absolutely no desire to see any councillor acting corruptly in making money out of City decisions.

But we do want our elected representatives to be able to represent our interests by engaging fully in City decisions that affect their constituents – ie by speaking and voting. We understand the provisions of the Localism Act and that councillors must seek a dispensation to speak and vote if they have a disclosable pecuniary interest ("dpi") in a matter. And one of the laid down reasons for the dispensation is that "granting the dispensation is in the interests of persons living in the authority's area." The standards committee has seemed to ignore that provision in favour of a wider interpretation of what you call "selflessness", yet the effect is to disenfranchise the City's residents.

It is notable that another reason the legislation gives for granting a dispensation is that so many members of the council share that interest that if the dispensation was not granted nobody would be able to make a decision ("business would be impeded"). The Act has a spirit of pragmatism that the City is choosing not to adopt.

Instead part of the problem is that the City has put a very broad interpretation on whether a dpi is engaged "in a matter." The decision rests with individual members whether they think they have a dpi in a matter, but the atmosphere has been chilled by Standards Committee actions that imply that dpis are engaged when in fact they have not been proved to be so.

Indeed, your own letter suggests a very broad interpretation. You say the legislation is to ensure that members behave selflessly. That is a very broad test –much broader than the legislation. Arguably, if councillors were to behave selflessly, there would be no members on the planning committee who worked in any business to do with property development – because in general promoting development will promote the businesses of those who develop property, construct buildings, and provide legal and financial services to those who develop property, etc.

I believe that the approach taken to members having those sorts of interests (so long as the planning application does not relate to that individual's own property company or supporting services) is that they do not have to seek dispensations to speak or vote on such matters. Yet the activity is not entirely selfless.

So what applies to business should apply also to residents. You say that the working party has given a great deal of attention to the position where members live in the ward they represent.

But that “great deal of attention” is precisely why we have lost confidence in the system. The situation the working party has paid a great deal of attention to is in fact a very common situation – most ward councillors throughout the UK live in the ward they represent (it is the City that is odd in having a majority of councillors who do not live in the ward they represent), and it does not cause problems. Dispensations are routinely and widely granted (in some cases en bloc at the beginning of a councillors' terms of office). Of course, if a member's specific property is particularly affected, they have a “dpi in a matter” – but if it the matter is one that affects a generality of their constituents and not them particularly, and their interest is declared – then they can and should be able to represent their members by speaking and voting on the matter.

You refer also to section 618 of the Housing Act 1985, which does specifically exclude our members from voting on housing matters. As we understand it, this was introduced to soften a more draconian prohibition that existed at the time under the legislation that preceded the Localism Act 2011. The Localism Act 2011 should have made this section redundant, but repealing it seems to have been overlooked. Thus a more receptive response from your committee would be to undertake to seek to repeal that section. It is redundant legislation and uniquely affects City residents – and does constitute disenfranchisement compared with the rest of the country. An undertaking from your committee that it would explore how to get section 618 repealed would go some way toward restoring the confidence your committee has lost among residential voters.

In the meantime, the actions and words of your committee still sound to us like “resident bashing.” Your committee has a long way to go to restore confidence. We are willing to explore further ways in which that confidence could be restored.

Best wishes

Jane Smith
Chair, Barbican Association

Tim Godsmark
Chair, Golden Lane Estate Residents Association