



HOUSE OF LORDS  
APPOINTMENTS  
COMMISSION

ANNUAL REPORT  
2006/07



# HOUSE OF LORDS APPOINTMENTS COMMISSION

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The Rt Hon Tony Blair MP  
Prime Minister  
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June 2007

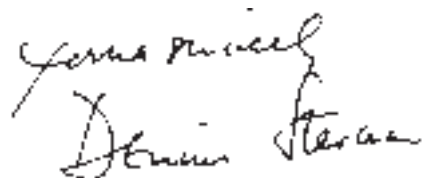


## Fourth Annual Report

I enclose the fourth Annual Report of the House of Lords Appointments Commission.

During the period of the report, the Commission has made 13 recommendations for non-party-political membership of the House of Lords. We look forward to making further recommendations later in the year.

We would particularly like to draw your attention to the issue of the residency of nominees and the particular case we outline in paragraphs 57 to 58. As you are aware, the Commission has always required that nominees to the House of Lords must be resident in the UK for tax purposes. Following a review of our processes in 2005, we will not vet nominees who are not resident in the UK for tax purposes; nominees need to be UK resident and paying UK taxes before the Commission will consider their nomination.



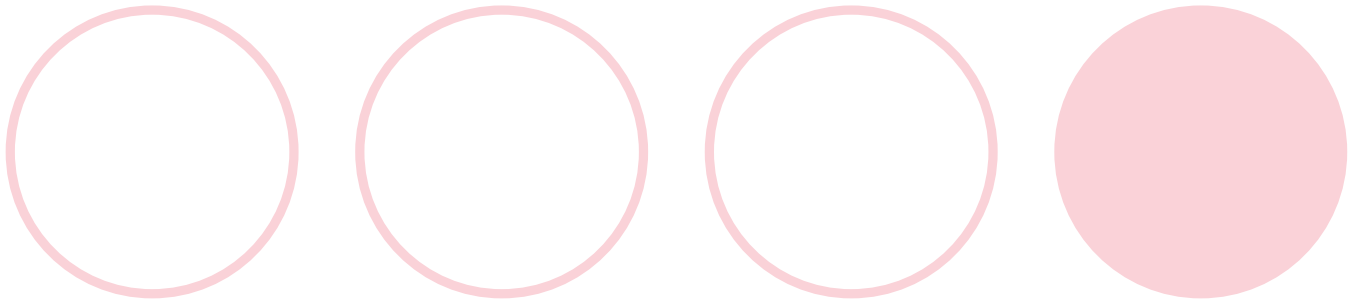
Dennis Stevenson

Enc.

## Members:

The Rt Hon Baroness Dean of Thornton-le-Fylde, The Lord Dholakia OBE DL,  
The Rt Hon Lord Hurd of Westwell CH CBE PC,  
Mrs Felicity Huston, Ms Angela Sarkis CBE, The Lord Stevenson of Coddendam CBE (Chairman)

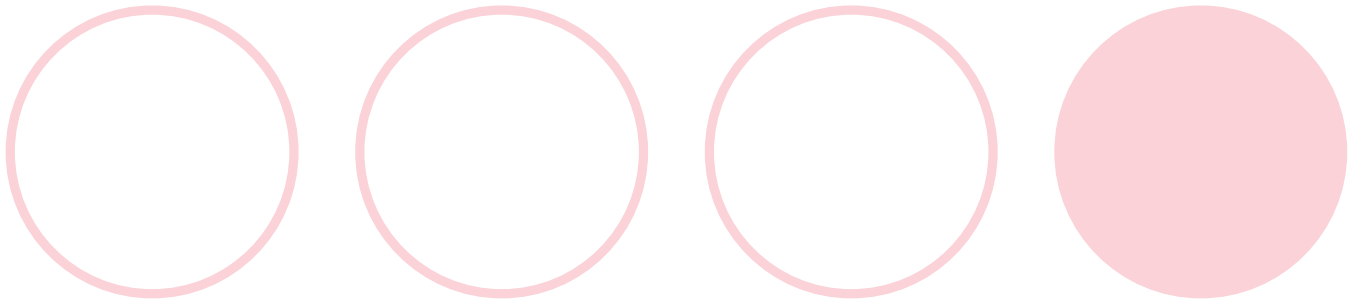




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## SECTION 1:

# THE APPOINTMENTS COMMISSION



1. In May 2000 the Prime Minister established the House of Lords Appointments Commission.
2. The Commission is an independent, advisory, non-departmental public body.

## Members of the Commission

3. The Commission has six members, including the Chairman. Three members were appointed to represent the main political parties and to ensure that the Commission had expert knowledge of the House of Lords. The others, including the Chairman, are independent of government and political parties.
4. The Commission was reappointed for a further 18 months from January 2007. The appointments were made in accordance with the code of practice of the Commissioner for Public Appointments and the membership of the Commission was unchanged.
5. The members of the Commission are:



- **Lord (Dennis) Stevenson of Coddendam CBE**, a cross-bench peer, and Chairman of the Commission. He is Chairman of HBOS plc and Aldeburgh Music Ltd.

6. The two other non-party-political members are:



- **Mrs Felicity Huston**, a tax consultant, is the Commissioner for Public Appointments for Northern Ireland. She is also a Non-Executive Director of Northern Ireland Energy Holdings and its group companies. She is a Trustee of Assisi Animal Sanctuary and a General Commissioner of Income Tax.



- **Ms Angela Sarkis CBE**, National Secretary of the YMCA England since August 2006. Prior to this she was an independent management consultant. She was Chief Executive of the Church Urban Fund between 1996 and 2001, having previously worked in the Probation Service. She was also a Governor of the BBC until October 2006 and a Non-Executive Director of the National Offender Management Board until September 2005.



7. The members nominated by the three main political parties are:



• **The Rt Hon Baroness (Brenda) Dean of Thornton-le-Fylde** (Labour), Chairman of Covent Garden Market Authority, Trustee of the Industry and Parliament Trust and of the East Foundation. She is also a Non-Executive Director of George Wimpey plc and Dawson Holdings plc. She was appointed a Partnership Director of National Air Traffic Control Services in July 2006.



• **Lord (Navnit) Dholakia OBE DL** (Liberal Democrat), Deputy Leader of the Liberal Democrats in the Lords, President of Nacro, Vice-Chairman of the Policy Research Institute on Ageing and Ethnicity, and Vice-President of the Mental Health Foundation. He previously held appointments with the Commission for Racial Equality and the Police Complaints Authority.



• **The Rt Hon Lord (Douglas) Hurd of Westwell CH CBE** (Conservative), Deputy Chairman of Coutts & Co and Honorary President of the Prison Reform Trust. He was Foreign Secretary between 1989 and 1995 and previously served as Home Secretary and Northern Ireland Secretary.

8. The Commission is supported by a small secretariat at its office at 35 Great Smith Street, London SW1P 3BQ. The Secretary to the Commission is Jim Barron CBE.

## Role of the House of Lords Appointments Commission

9. The role of the Commission is:
- to make recommendations on the appointment of non-party-political members of the House of Lords;
  - to vet all recommendations for appointments to the House of Lords, including those put forward by the political parties, for propriety; and

- to vet certain candidates added to the Honours Lists.

## Recommendations of independent peers

10. The Commission recommends individuals for non-party-political membership of the House of Lords based on their merit and ability to contribute effectively to the work of the House. The Commission has been asked to consider nominees who would broaden the expertise and experience of the House and reflect the diversity of the people of the UK. The Commission must ensure that individuals it recommends have independence, integrity and a commitment to the highest standards of public life.
11. The Prime Minister decides the number of recommendations to be invited from the Commission. He has said that he will only decline to pass on a recommendation to Her Majesty The Queen in exceptional circumstances.
12. The Prime Minister has reserved the right to nominate directly to The Queen a limited number of distinguished public servants on their retirement for non-party-political peerages. The Prime Minister has decided that the number of appointments covered under this arrangement will not exceed ten in any one Parliament. The Appointments Commission vets any such nominees. During the year, the Prime Minister nominated three individuals under his reserved power: The Rt Reverend Richard Harries, Sir Michael Jay and Sir Michael Walker.

## Vetting

13. The Commission is responsible for vetting nominations for life peerages and certain additions to the Honours List.
14. The Commission's role in vetting nominations for life peerages is to ensure that nominees have upheld the highest standards of propriety. Its remit does not extend to Law Lords, bishops or those individuals who are appointed to the House of Lords to take on ministerial responsibility.
15. The Commission is also responsible for scrutinising a number of categories of names put forward for honours. The Commission's role is not to comment on the merits of an

award; it is only concerned with the propriety of the individual recommended for an award.

16. The Commission's vetting role is discussed in more detail in section three of this report.

## Police inquiry

17. The Commission has provided a statement and evidence to the Metropolitan Police in its inquiry into the allegations about the 2005/06 party-political list.
18. The Commission awaits the outcome of the police inquiry to see if there are any areas in which its vetting process could be improved.

## Public Administration Select Committee

19. In May 2006, the Commission gave evidence to the Public Administration Select Committee in relation to its inquiry into ethics and standards in public life. A transcript of the Commission's (and others') evidence, as well as the Committee's report *Propriety and Honours: Interim Findings*, are available on the Committee's pages at [www.parliament.uk](http://www.parliament.uk).

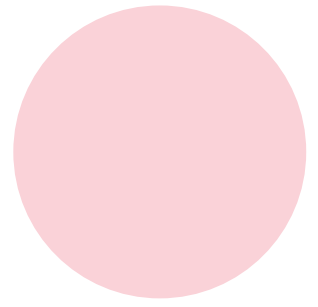
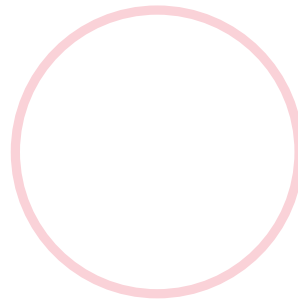
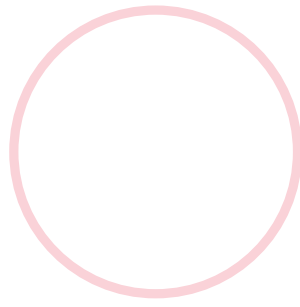
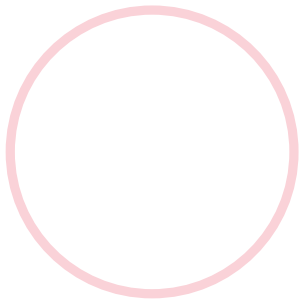
## Reform of the House of Lords

20. In January 2007, the Commission gave evidence to the Leader of the House of Commons' cross-party group on reform of the House of Lords. The Government published a White Paper, *The House of Lords: Reform* on 7 February, and debates and a free vote took place in both Houses in the same month.
21. The Commission has been asked by the Prime Minister to carry on its tasks of recommending non-party-political peers and vetting all nominees while talks on the future of the House of Lords continue.



## The Commission's expenditure

22. The Commission's expenditure for the financial year was £125,000.
23. The major element of expenditure was staff costs, at £97,000. The remainder of the expenditure was for other administration costs. These included Commission members' fees, travel and subsistence, staff training, publications and stationery.



## SECTION 2: APPOINTMENTS



## Introduction

24. During 2006/07, the Commission recommended 13 individuals for non-party-political peerages.
25. The Commission has, to date, recommended a total of 42 people for appointment to the House of Lords.

## Nominations

26. The Commission received 110 new nominations during the period.
27. All nominees completed a standard nomination form which asked them to give evidence that they met the selection criteria. The criteria are published in the Commission's information pack and on its website; in brief, they are:
  - a record of significant achievement within the nominee's chosen way of life that demonstrates a range of experience, skills and competencies;
  - an ability to make an effective and significant contribution to the work of the House of Lords;
  - having time available to make an effective contribution within the procedures and working practices of the House;
  - some understanding of the constitutional framework, including the role of the House of Lords;
  - outstanding personal qualities, in particular integrity and independence;
  - a strong and personal commitment to the principles and highest standards of public life; and
  - independence of any political party.



## Considering nominations

28. The Commission does not have a closing date for nominations. It welcomes new nominations at any time.
29. The Commission is still assessing nominations received after 31 August 2006. These nominations will be considered for future appointments, alongside any nominations the Commission has decided to retain from previous rounds.

## The assessment process

30. The Commission's recommendations for appointment are made on the basis of individual merit and the ability to make an effective contribution to the work of the House of Lords. The process is summarised below.

### Stage 1

31. Before the assessment begins, a number of objective checks on eligibility are made. For example, it is a statutory requirement that appointees to the Lords be UK, Commonwealth or Irish nationals, aged over 21.

### Stage 2

32. The Commission's Secretariat carries out the first sift. Each team member makes an initial assessment of the nomination against the published criteria. The team then discusses their separate assessments and agree a final recommendation, which it puts to the Commission. Where the team is unable to agree, the nomination is referred to a committee of no fewer than two Commission members to make the judgement.

### Stage 3

33. A sub-committee of the Commission meets to agree the Secretariat's recommendations. The sub-committee considers all the nominations and ensures that the assessments are consistent with the selection criteria.

### Stage 4

34. The Commission interviews the nominees it judges best meet the published criteria. Two of the Commission members, including the Chairman, meet each interviewee. The same format is used for every interview. At this stage references are taken up.

## Stage 5

35. Following the interviews, the Commission reviews all the information about the shortlisted nominees before drawing up its final list of recommendations.

## Prior knowledge of nominees

36. The Commission's Code of Practice – which is published on its website – sets out the procedures for members to declare their acquaintance or friendship with nominees. The Commission places great importance on declaring even the slightest acquaintance with a nominee.
37. At the first sifting stage, the acquaintance of Commission members with any of the nominees is recorded. At the later stages, detailed declarations are completed and these are made available to all members.



## Recommendations for appointment to the House of Lords

38. During 2006/07, 13 recommendations for appointment were made: seven in May 2006 and six in February 2007.
39. The 13 nominees put forward by the Commission were, in alphabetical order (please note that the biographies are accurate as of the date of appointment):

- **Mr Paul Bew**

Mr Bew has been Professor of Irish Politics at Queen's University, Belfast since 1991 and is a leading commentator on Northern Irish politics.

Mr Bew began his career lecturing at the School of Humanities at Ulster College in

1975. He continued as a lecturer at Queen's University, Belfast from 1979 to 1987 and was a Reader at its Department of Politics from 1987 to 1991. Other academic posts included Visiting Lecturer to the University of Pennsylvania during the early 1980s and the role of Parnell Fellow at Magdalene College, Cambridge University, 1996/97. In 1997, he was appointed Visiting Professor, Surrey University and in 1999/2000 was a Burns Visiting Scholar at Boston College.

As well as his academic work, Mr Bew is a leading commentator on Northern Irish politics, regularly speaking for the BBC, Ireland's RTE and American channels. His active involvement on the executive committee of the British-Irish Association has made him familiar with key politicians and enabled him to contribute to the development of the process that led to the Belfast Agreement of 1998.

Mr Bew's media work also includes writing for the main broadsheet newspapers and a spell as Northern Ireland editor of *Parliamentary Brief*. He is the author of many publications about Ireland. He has also written biographical studies of several Irish nationalist leaders such as Charles Stewart Parnell, John Redmond and Sean Lemass.

Mr Bew was elected to the Royal Irish Academy in Dublin (2004); has served on the board of the Centre for Contemporary British History; and gave extensive evidence to the House of Lords Select Committee on the Institutional Aspects of Devolution.

- **Mr Karan Bilimoria**

Karan Bilimoria is the founder and Chief Executive of Cobra Beer, which is one of the fastest growing beer brands in the UK. Prior to this, Mr Bilimoria was a Chartered Accountant at Ernst & Young. He graduated in Law from Cambridge University and is a Fellow of the Institute of Chartered Accountants in England and Wales.

Mr Bilimoria also has a number of current and previous public appointments, including membership of the Government's National Employment Panel and the Chairmanship of its Small and Medium Enterprise Board. He is the UK Chairman of the Indo-British Partnership



and is a member of the Chancellor's Asia Task Force. Mr Bilimoria is a Deputy Lieutenant of Greater London and Chancellor of Thames Valley University. He is currently the youngest university chancellor in the UK.

Mr Bilimoria has won a number of awards including the Royal Society for the encouragement of Arts, Manufactures & Commerce's Albert Medal in 2004; the London Chamber of Commerce and Industry's Business Person of the Year Award 2004 and Entrepreneur of the Year 2003; the National Business Awards Entrepreneur of the Year Award, London and South East of England, in 2004; and Entrepreneur of the Year 2003 at the Asian Achievers Awards. He was awarded the 2005 Outstanding Achievement Award of the Institute of Chartered Accountants in England and Wales.

He is a Visiting Entrepreneur at the Centre of Entrepreneurial Learning, Cambridge University, and is a Guest Lecturer at the London Business School, Cranfield University School of Management and the Judge Institute of Management at Cambridge University. Mr Bilimoria is the National Champion of the National Council for Graduate Entrepreneurship.

Mr Bilimoria was awarded a CBE in 2004 for services to business and employment.

- **Dame Elizabeth Butler-Sloss**

Dame Elizabeth was President of the Family Division of the High Court from 1999 to her retirement in 2005. She was called to the Bar when she was 21 and continued to practise until 1970. She sat as a Registrar in the Family Division from 1970 to 1979 and then as a High Court Judge until 1988. Dame Elizabeth then sat on the Court of Appeal until her appointment as President in 1999.

Dame Elizabeth is about to retire after ten years as the Chairman of the Security Commission, which, at the invitation of the Prime Minister, is the public body responsible for investigating and reporting on the circumstances in which a breach of security has occurred in the public service, and advising on whether any change in security arrangements is necessary or desirable.

She was made a Fellow of King's College, London in 1991, has been the Visitor to St Hilda's College, Oxford since 2001 and Chancellor of the University of the West of England since 1993.

Previously, Dame Elizabeth served as the Chairman of the Cleveland Child Abuse Inquiry 1987/88. She was also the Chairman of the Commission on the appointment of the Archbishop of Canterbury in 2002 and has been the Chairman of the Advisory Council of St Paul's Cathedral since 2000.

Dame Elizabeth was made a Dame of the British Empire in 1979 on her appointment as a High Court Judge and she was appointed a member of the Privy Council in 1988. She was made a Dame Grand Cross of the British Empire in 2005 for services to the law.

- **Dame Jane Campbell**

As a disabled person, Dame Jane was instrumental in the disability movement of the 1980s and 90s and has drawn upon that experience to lead within the health and social care sector on matters of public and patient choice and involvement.

She has been a Commissioner of the Disability Rights Commission, since its inception in 2000. She was appointed as a member of the Commission for Equality and Human Rights (CEHR) in December 2006 and serves as Chair of the Disability Committee which will lead on the CEHR Disability Programme. From 2001 until March 2006 she was the founding Chair of the Social Care Institute for Excellence where she achieved the mainstreaming of service user involvement in the production and dissemination of social care knowledge and good practice.

Dame Jane established the National Centre for Independent Living in 1996 and served as the Co-Chief Executive until 2001. As Co-Chief Executive, she set up a national Direct Payments implementation plan and delivered policy advice to the Department of Health on direct social care policy and practice. Previous employment covered a range of posts relating to disability and equal opportunity.

Dame Jane has been involved in a number of campaigns, legislation and national

programmes. From 1992 to 2000, she led the campaign for Community Care Direct Payments, working with politicians to formulate legislation and then establishing a national infrastructure for its implementation. As Chair of the British Council of Disabled People in the early 1990s, she formed Rights Now, a lobbying group covering 30 national disability organisations. She was then the Parliamentary Representative of Rights Now until 2001. She also instigated Disability Equality Training, now established as a national programme.

In her advisory capacity, Dame Jane has worked on the welfare reform Green Paper, the Mental Capacity Bill, Lord Joffe's Assisted Dying Bill, the health and social care White Paper, the Discrimination Act and the Community Care (Direct Payments) Act. She currently serves on the Third Sector Task Force and is advising on the setting up of the Office for Disability Issues.

Dame Jane was awarded the DBE in 2006.

- **Ms Jean Coussins**

Ms Coussins spent ten years, from 1996 until September 2006, as the Chief Executive of The Portman Group. The role involved representing the interests of leading alcoholic drinks producers by developing social responsibility commitments across the industry and promoting consumer education on sensible drinking. As part of this, Ms Coussins successfully created a self-regulation system for the industry's marketing standards; transformed the industry's negative profile to that of a partner in tackling misuse; and set up a charitable company (The Drinkaware Trust) to deliver educational resources.

Ms Coussins currently works as an independent consultant, advising on issues such as corporate responsibility and self-regulation.

From 1988 to 1996, she worked for the Commission for Racial Equality, initially as the Director of the Social Policy Division, then of the Equality Assurance Division. Her achievements led to changes in policy, law and practices. She spent the earlier part of her career working for the United Nations

Association, the National Council of Civil Liberties, the Child Poverty Action Group and the Inner London Education Authority.



Ms Coussins holds a number of voluntary and public appointments. Since 2003, she has been a Non-Executive Director of the Advertising Standards Authority and more recently a Commissioner on the Better Regulation Commission. She is also a member of the Alcohol Education and Research Council. Previous memberships include the Scottish Ministerial Advisory Committee on Alcohol Problems, the Prime Minister's Strategy Unit Advisory Group on Alcohol Harm Reduction, the British Board of Film Classification, the Department of Health's Expert Taskforce on Consumers and Markets and the Department of Trade and Industry's Foresight Programme on Crime Prevention.

- **Sir Geoffrey Dear**

Sir Geoffrey was HM Inspector of Constabulary from 1990 to 1997. He had responsibility for the ten north-western police forces, together with national responsibilities including the police interface with the criminal justice system, drugs, crime prevention and detection and criminal

intelligence. He began his policing career in 1953 as a Cadet in Peterborough, becoming a Deputy Assistant Commissioner and then an Assistant Commissioner in the Metropolitan Police (1980–85) and the Chief Constable of West Midlands Police in 1985.

Sir Geoffrey has successfully led a number of high-profile investigations; these have included the Brixton riots in 1981, the shooting of Stephen Waldorf in 1983 and the Hillsborough Stadium disaster in 1989. He was also a member of the Glidewell Review of the Crown Prosecution Service 1997/98, the Viridi Inquiry 2000/01 and an adviser to the Auld Review of the Criminal Courts in 2000. He has particular experience of problems in both the inner cities and rural communities.

Sir Geoffrey is currently Non-Executive Chairman of Skyguard Technologies Ltd, which specialises in technology for asset and people tracking; OmniPerception Ltd, a leading British facial biometrics and computer vision company; Key Forensic Services Ltd, which provides a wide range of forensic services to law enforcement agencies and defence lawyers; and Action against Business Crime Ltd, which is a joint initiative between the Home Office and British Retail Consortium to reduce crime against businesses, employees and the public in city and town centres. He was a Non-Executive Director of both Reliance Security Services Ltd and Reliance Secure Task Management Ltd between 1997 and 2005.

He has been awarded the Queen's Commendation for Bravery in 1979 and the Queen's Police Medal for Distinguished Service in 1981. He is currently Deputy Lieutenant of Worcestershire and is a trustee of several charities.

Sir Geoffrey was knighted in 1997 for services to policing.

- **Dr Khalid Hameed**

Dr Hameed has been the Chairman of the Commonwealth Youth Exchange Council since 1997, putting forward new initiatives to help encourage the development of young people and promote international understanding.

He was appointed by Her Majesty The Queen as High Sheriff of Greater London in March 2006. He is also a Non-Executive Director of the Alpha Hospitals and served as Executive Director and Chief Executive at the Cromwell Hospital from 1990 to 2005.

Dr Hameed has worked overseas in order to promote British medicine and inform health authorities of advances in medical treatment and research in the UK. He has also raised funds for a programme of UK medical fellowships for junior doctors from developing countries, enabling them to take their skills back to their own country.

He is involved in a number of foundations which help develop harmony between diverse faiths and cultures in the UK.

He has been awarded national honours by five countries, including the CBE in 2003.

- **Professor Sir John Krebs**

Sir John is the former Chairman of the Food Standards Agency (2000–2005). The Agency's main aim is to re-establish public confidence in the handling of food safety by the Government. During his time at the Agency, Sir John was responsible for leading it through its early years, establishing its strategic aims, core values and profile.

Sir John is currently Principal of Jesus College, Oxford, having held a Royal Society Research Professorship from 1988 to 2005. His early career was spent as a university lecturer at British Columbia, Bangor and Oxford teaching ecology and behaviour. He has also held numerous visiting professorships at leading US and Canadian universities.

In his research career, Sir John is known as one of the founders of a new field of research, behavioural ecology, and he was elected as the first President of the International Society for Behavioural Ecology. He has co-written two books on the subject as well as several hundred scientific papers and articles.

From 1994 to 1999 he served as Chief Executive of the Natural Environment Research Council, the major research body for all aspects of the environment.



He has received many awards for his scientific work including Fellowship of the Royal Society and the US National Academy of Sciences. He is a member of a range of societies and serves on many committees. He is also Chairman and co-founder of Oxford Risk Research and Analysis Ltd and chaired the advisory committee for the development of a new GCSE curriculum, *21st Century Science*.

- **Professor Colin Low**

Colin Low has been the Chairman of the Royal National Institute of the Blind (RNIB) since 2000, having been a member of its Executive Council since 1975. He is also the President of the European Blind Union. He served on the Government's Disability Rights Task Force from 1997 to 1999 and the Disability Rights Commission from 2000 to 2002.

Professor Low is currently Visiting Professor at the Rehabilitation Resource Centre, City University, London. Before this he was Director of the Disability Resource Team at the Greater London Council and then the London Boroughs Disability Resource Team from 1984 to 1994.

Professor Low has served on numerous committees, both statutory and voluntary, including OFTEL's Advisory Committee on Disabled and Elderly People from 1988 to 1995 and the Disability Benefits Consortium from 1989 to 1993. He is a founder and Vice-President of both Skill (the National Bureau for Students with Disabilities) and the Disability Alliance.

He was awarded a CBE in 2000 for services to the RNIB and disabled people's rights.

- **Mr Andrew Mawson**

Mr Mawson is a social entrepreneur, who has played a significant role in neighbourhood regeneration, particularly in east London. His influence has played an important part in establishing social entrepreneurialism in Britain today and he is one of the leading practitioners of the social enterprise movement.

Mr Mawson was the founder – and is now President – of the renowned Bromley-by-Bow Centre in Tower Hamlets. Over the past

24 years, under his guidance, the Bromley-by-Bow Centre has become the country's first Healthy Living Centre and a model for community-based enterprise. The Bromley-by-Bow Centre has pioneered innovative models of public service in the fields of nursery care, health, education and neighbourhood renewal. Mr Mawson has spent over 20 years building an effective, integrated community project in one of the most diverse communities in Europe. He has wide experience of working with the business, public and voluntary sectors.

Mr Mawson also co-founded and is President of the Community Action Network (CAN). This national charity, founded in 1998, supports some 850 social entrepreneurs across the UK. CAN offers a diverse range of services, including the Mezzanine, which provides quality shared office space for 65 charities on the south bank of the Thames.

In 1996, he took responsibility for Stanton Guildhouse in the Cotswolds. This Grade II listed manor house has become a successful national training and conference centre and a sustainable social enterprise.



Mr Mawson has been a member of the Prime Minister's Delivery Unit and the Health Ministerial Working Group on the NHS Plan. He is a founding member of Poplar Housing And Regeneration Community Association (a £200 million social housing company in east London) and of Leaside Regeneration Ltd, which runs a £100 million regeneration programme in the Lower Lea Valley in east London. He received an OBE for his work in

Tower Hamlets in the Millennium New Year's Honours List.

Today, Mr Mawson concentrates on advising a number of major regeneration projects. In particular in May 2006 he launched Water City. This is a plan to revitalise east London and a vehicle for the Olympic legacy, utilising the forgotten waterways of the area.

Mr Mawson has been a minister in the United Reformed Church since 1984.

- **Ms Molly Meacher**

Molly Meacher was appointed as the Chairman of the East London and City Mental Health Trust in 2004. She is also Chairman of the Clinical Ethics Committee of the Central and North West London Mental Health Trust. She had previously been a Non-Executive Director of Tower Hamlets Healthcare Trust from 1994 to 1998 and was a Mental Health Act Commissioner between 1987 and 1992.

Ms Meacher was the Chairman of the Security Industry Authority between 2002 and 2003, where she was responsible for establishing the regulatory authority for the private security industry. She was also a member of the Police Complaints Authority from 1994 to 2002; for the latter three years she was Acting Chairman and Deputy Chairman, with responsibility for supervising investigations into complaints against senior police officers.

Between 1991 and 1994, Ms Meacher was Chief Adviser to the Russian Government on the development of the Federal Employment Service. She was Chief Executive and founder of the Campaign for Work between 1987 and 1992, which was the leading campaign and policy unit on unemployment in the 1980s.

She has been involved with a number of other organisations including, for example, the Russian European Trust and the Home Office Advisory Forum on Police Surgeons, where she was Chairman.

- **Professor Kamlesh Patel**

Professor Patel is the Head of the Centre for Ethnicity and Health at the University of Central Lancashire. Before this, he was a Lecturer and Researcher at the University,

from 1995 to 1999. Between 2003 and 2004 he was seconded to the National Institute for Mental Health in England as National Strategic Director. Previously, Professor Patel was a social worker in Bradford and Manager of The Bridge Project, which is a voluntary sector organisation that provides a range of facilities to drug users.

Professor Patel is the Chairman of the Mental Health Act Commission. He has also served as the National Director and Chairman of the Mental Health Black and Minority Ethnic Programme Board since 2004, which is leading the Department of Health's national programme in this area. He is also a Non-Executive Board Member of both the National Treatment Agency, which is a special health authority, and the Commission for Healthcare Audit and Inspection. He was a member of the Inquiry into Mental Health and Wellbeing in Later Life and also of the Department of Health's Mental Health Workforce Task Group.

He was, until recently, a trustee of DrugScope, Lifeline and the UK branch of the Abaseen Foundation, Pakistan. He has been Patron of the National Men's Health Forum since 2003.

Professor Patel was awarded an OBE in 1999 for services to ethnic minority health issues.

- **Sir David Rowe-Beddoe**

Sir David has been the Chairman of the Wales Millennium Centre in Cardiff since 2001. He oversaw its construction and development into a world-class performing arts centre, which is now the home of the Welsh National Opera, the National Dance Company of Wales and other performing arts organisations.

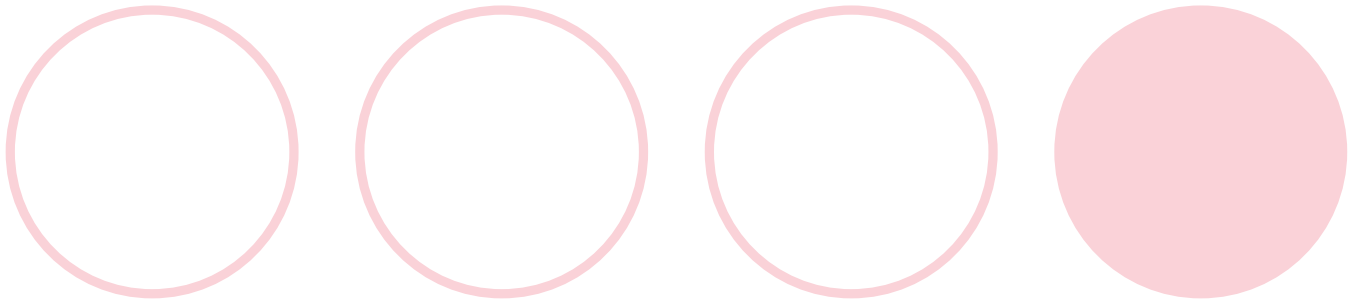
He was previously Chairman of the Welsh Development Agency (WDA) from 1993 to 2001, where he worked successfully to stimulate economic development in Wales by attracting inward investment, facilitating indigenous business growth and encouraging investment in major environmental programmes. He was also Chairman of the Development Board for Rural Wales from 1994 until its merger, which he led, with the WDA in 1998.

Sir David has had a successful business career within multinational companies. He worked for the De La Rue Company for 15 years, becoming CEO of Thomas De La Rue in 1971. Between 1976 and 1981, he was President and CEO of, first, Latin America and the Caribbean and then of Europe, the Middle East and Africa for Revlon Inc. He became President of GFTA Trendanalysen in 1982 and was President of Morgan Stanley-GFTA Ltd from 1983 to 1992. He is a Non-Executive Director of a number of companies.

Sir David is also Chairman or President of a variety of other bodies, including the Royal Welsh College of Music and Drama, the Representative Body of the Church in Wales and the Cardiff Business Club. He is a Patron of The Prince's Trust – Wales, and was President until 2005 of both the Welsh Centre for International Affairs and the Llangollen International Musical Eisteddfod. Sir David was appointed Deputy Lieutenant of Gwent in 2003.

He was knighted in 2000 for services to industry and economic development in Wales.





## SECTION 3: VETTING







## The role of the Appointments Commission

40. The Commission vets nominations for peerages – including those by the political parties – for propriety.
41. The Commission takes the view that in this context propriety means:
  - first, the individual should be in good standing in the community in general and with particular regard to the public regulatory authorities; and
  - second, the individual should be a credible nominee. The Commission's main criterion in assessing this is whether the appointment would enhance rather than diminish the workings and the reputation of the House of Lords itself and the appointments system generally.
42. The Commission plays no part in selecting or assessing the suitability of those nominated by the political parties, which is a matter for the parties themselves. It does not have a right of veto over any party-political nominee and it does not decide whether or not individuals should be recommended for appointment. Its role is to advise the Prime Minister if it has any concerns about the propriety of a nomination.
43. If a nominee has been the subject of controversy, the Commission's role necessarily involves it in making judgements as to whether or not the controversy is likely to affect his or her credibility and/or standing in the community. It is not the Commission's role to make quasi-judicial judgements about the matters that gave rise to the controversy; however, given its remit, the Commission has to assess the likely effect of any controversy on the credibility of a nominee.

## The vetting process

44. There is no standard timetable for the vetting process; the Commission takes as long as is necessary for it to satisfy itself about the propriety of all nominations.
45. The Commission asks for specific information to be provided by both the political parties and the nominees themselves (set out below). Nominees are also asked to consent to the Commission undertaking enquiries about them.
46. The Commission requires individuals being proposed for an appointment to the House of Lords to declare:
  - that they are resident in the UK and intend to remain so, and are also UK resident for tax purposes;
  - that they are not involved in any roles, positions or activities or have any interests that would conflict with their membership of the House of Lords;
  - whether or not they have made any donations, loans or credit arrangements to or with a political party;
  - whether they have a financial relationship with any senior party member; and
  - that no close family member has a financial involvement with the party or any senior party member.



Nominees are also invited to clarify any of their statements or draw the Commission's attention to any areas of doubt.

47. The party chairman provides a certificate confirming whether or not a donation, loan or credit arrangement has been made between the nominee and the party. If a financial relationship exists, the chairman will declare the level of the donation and the date it was made or, with regard to loans and credit arrangements, the amount and terms of the agreement including interest rates and repayment periods.
48. The party chairman will also confirm that the recommendation is not associated, directly or indirectly, with any contribution or expectation of contribution to the party, a political fund or senior party members; that nominees are resident in the UK for tax purposes; and that no close family members of the nominee have a financial relationship with the party or any senior party member.
49. A citation from the party leader, giving the reason for the nomination, is also provided.
50. Blank copies of the nominee's consent form and the model party chairman's certificate can be found at Appendices A and B respectively.
51. When it has received the required information, the Commission will begin its enquiries. These include checks with government departments and agencies, the Electoral Commission and a media search.
52. Once it has gathered sufficient information, the Commission will meet to consider the propriety of the nomination. On occasion, there may be a need to obtain further information either from the nominee, his or her party or one of the vetting authorities. In such instances the Commission will meet again to consider the nomination further.
53. Taking all the evidence into account, the Commission will either advise the Prime Minister that it sees no reason why a party-political appointment should not be made, or draw any concerns to his attention. The Prime Minister decides whether or not to recommend an individual to Her Majesty The Queen for

appointment to the party benches; the Commission does not have a right of veto.

## Donations to a political party

54. A particular issue arises in relation to nominations by a political party if the individual being nominated has made a donation (or a series of donations), a loan or a credit arrangement to or with a party or a political cause. On the one hand, the Commission believes that nominees should not be prevented from receiving a peerage just because they have made donations or loans. On the other, the making of a donation or loan to a political party cannot of itself be a reason for a peerage.
55. Of central concern to the Commission, therefore, is the credibility of individuals who have made significant political donations, loans or credit arrangements. The Commission has decided that the best way of addressing this issue is to reach a view on whether or not the individual could have been a credible nominee if he or she had made no financial contribution.





## Residency

56. The Commission looks at residency as part of its vetting process. It has always considered that, as a matter of principle, individuals who are appointed to the House of Lords should have their main home in the UK so that they can devote the time necessary to make an active and effective contribution to the work of the House. Further, the Commission has always required that nominees must be resident in the UK for tax purposes.
57. During spring 2004, the Commission vetted a list of party-political nominees. One of the individuals on the list, Irvine Laidlaw (now Lord Laidlaw of Rothiemay), was not resident in the UK for tax purposes. Following an exchange of correspondence and a face-to-face meeting, the Commission accepted an assurance from Lord Laidlaw that he would become resident in the UK for tax purposes from April 2004. On the basis of this assurance the Commission found no objection to his appointment. The Commission would have taken a different view on Lord Laidlaw's nomination if it had known that he would not be resident in the UK for tax purposes from April 2004. In June 2004 he was appointed to the House of Lords.
58. Lord Laidlaw has not become resident in the UK for tax purposes. The Commission has drawn the Prime Minister's attention to the situation.
59. The Commission reviewed its policy on residency in 2005 and now declines to scrutinise any nominee who is not resident in the UK for tax purposes. It will continue to ask all nominees, and the political parties that nominate them, to confirm that they are and will remain resident in the UK for tax purposes.

## Vetting review

60. The Commission constantly seeks to improve its processes. During 2006/07, the Commission carried out a review of its vetting process and as a result it has revised its guidelines for chairmen's certificates and nominees' consent forms. The main change has been to make it absolutely explicit that the Commission expects to be told about any transaction or involvement which a reasonable individual

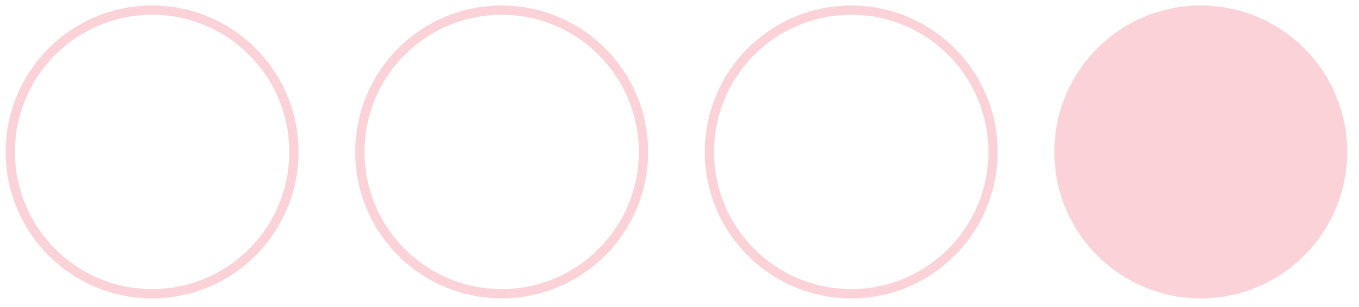
might think could have had an influence on a nomination to the peerage.

61. As previously mentioned, the Commission awaits the outcome of the police inquiry into the allegations about the 2005/06 party-political list to see if there are any further areas in which its vetting process can be improved.

## Honours scrutiny

62. The Commission is also responsible for vetting for propriety certain categories of individuals being put forward for an honour. The categories are:
- individuals put forward by the political parties for political and public services;
  - Members of Parliament who are being put forward for services to Parliament; and
  - anyone added to the Honours List at a late stage, who would not therefore have been subject to the normal assessment and selection process.
63. The Commission's remit does not extend to commenting upon the merits of an award. Its role is to advise the Prime Minister if there is anything in the past history, current circumstances or general character of an individual which might suggest that he or she was not a fit and proper person to be recommended for an award.
64. The Commission was not invited to consider any nominees during 2006/07.





**APPENDIX A:**  
**Party-political nominee's consent form**

**APPENDIX B:**  
**Model party chairman's certificate**

# Appendix A: Party-political nominee's consent form

This form should be completed by those who are being nominated for a party-political life peerage. It asks you to confirm details about yourself and seeks your consent to the Commission making enquiries about you.

## The Commission's role

The Commission has been asked by the Prime Minister to vet all nominations for life peerages to ensure that those recommended for appointment meet the highest standards of propriety. Further details of the Commission's vetting process and criteria are available on its website.

## Completing the form

**Although the form asks for information on specific matters, such matters are not intended to be exhaustive. The Commission therefore expects to be told about any transaction or involvement on your part which a reasonable person might think would be of relevance to a nomination to the peerage. If you have any doubt at all about whether or not to declare a matter, you should ensure that the Commission is informed about it.**

The Commission considers that individuals appointed to the House of Lords must have their main residence in the UK so that they are able to make an effective contribution to the work of the House. They must also be resident in the UK for tax purposes (the Commission will decline to vet nominees who are not).

The Commission takes the view that past criminal convictions will not automatically disqualify nominees. Nevertheless, you are requested to provide details of any previous convictions, cautions or other similar matters that a reasonable person might believe should be brought to the Commission's attention.

You must declare any donation (both of money or in kind), loan or credit arrangement made with a political party (including parties other than the one that has nominated you), whether or not the donation, loan or credit arrangement was

declarable to the Electoral Commission. This requirement covers all donations, loans or credit arrangements – regardless of when they were made – whether given directly by yourself or indirectly, for example by a business or trust over which you exercise significant direction, or by a trade union of which you are or were an office holder or major supporter. You must also declare any personal financial relationship between you and a senior member of a political party. This would be an individual who has, or could reasonably be expected to have, influence or decision-making powers within the party.

Donations, loans and credit agreements made to or with a political party by close family members, such as your spouse or partner, should also be declared, as should any close personal financial relationship between them and a senior member of a political party.

## Further enquiries

In carrying out its role, the Commission will make further enquiries. This may include enquiries of government departments and agencies, the Electoral Commission, current and former employers, and individuals or organisations supporting the nomination. The Commission may also contact you about the nomination.

## Confidentiality

Any information provided by you and any information the Commission obtains in the course of its further enquiries of other bodies will be treated as confidential.

If you have any questions about the form, please call Jim Barron, the Secretary to the Commission, on 020 7276 2604.

## STATEMENT TO BE COMPLETED BY NOMINEES

Please ensure you have read the guidance on the accompanying note before completing this form.

### 1. Statement of residency and tax residency

"I am resident in the UK and intend to remain so. I am also resident in the UK for tax purposes and intend to remain so."

### 2. Statement of propriety

"As far as I am aware I am not, and have never been, involved in any roles, positions or activities, or have or have had any interests that would be in conflict with my being a member of the House of Lords or cast doubt on my ability to make an effective contribution to the work of the House."

### 3. Statement of financial relationships (please delete as appropriate in all four sections)

i. *Either:* "I have not made any donations to a political party nor entered into any loans or credit arrangements, either directly or indirectly with a political party. I will inform the Appointments Commission of any donations, loans or credit arrangements made while my nomination remains under consideration."

*Or:* "I have made the following donations to a political party and/or have entered into the following loans or credit arrangements with a political party:

| <i>Date</i> | <i>Party</i> | <i>Amount</i> | <i>Nature of transaction</i> |
|-------------|--------------|---------------|------------------------------|
|-------------|--------------|---------------|------------------------------|

I will inform the Appointments Commission of any further donations, loans or credit arrangements made while my nomination remains under consideration."

ii. *Either:* "I can confirm that I have no personal financial relationship with any senior member of a political party."

*Or:* "I have or have had a personal financial relationship with a senior member of a political party, which is set out below."

iii. *Either:* "I confirm that I am not aware of any other financial relationship between myself and a political party."

*Or:* "I have or have had the following financial relationship with a political party."

iv. *Either:* "I can confirm that no close member of my family has made a donation to or entered into a loan or credit arrangement with a political party, or has or has had a close financial relationship with a senior member of a party."

*Or:* "A close member of my family has made a donation to or entered into a loan or credit arrangement with a political party, or has or has had a close financial relationship with a senior member of a party, as described below."

### 4. Any other matters

"I am not aware of any further matters that may reasonably be thought to have influenced my nomination or to affect the Commission's judgement in its consideration of my nomination."

### 5. Consent to further enquiries

"I give my consent to the Appointments Commission making further enquiries in relation to my nomination."

**If you need to expand upon or clarify any of these statements or wish to draw the Commission's attention to any additional areas that you reasonably consider could have an effect on the Commission's consideration of your nomination, please do so on a separate sheet.**

Signed:

Home address:

Name (in full):

Postcode:

Date:

Telephone:

Date of birth:

Place of birth:

# Appendix B: Model party chairman's certificate

## Introduction

1. The House of Lords Appointments Commission is responsible for the vetting for propriety of party-political nominees to the House of Lords. To carry out this task, the Commission needs accurate, detailed information from both the political party and the nominee. The Commission asks that the following documents are completed for each nominee:
  - a party chairman's certificate;
  - a detailed citation; and
  - a nominee's signed consent form.

## Party chairman's certificate

2. A separate certificate should be completed for each nominee.
3. The party chairman's certificate confirms that all the necessary enquiries in connection to the nomination have been made. It also confirms that the nomination is not connected in any way to a donation, loan or other financial arrangement between the individual and the party. The model wording to be used in the certificate is set out in annex A. Paragraphs 3 and 4 of the certificate should not be altered; if the chairman cannot certify that these statements are true, the Commission will decline to vet the nomination.
4. The Commission must be made aware of all donations, loans and credit arrangements made to or with the party, whether or not such donations or loans were declarable to the Electoral Commission and regardless of when they were made. This requirement covers all donations (in money or in kind), loans or credit arrangements whether given directly or indirectly, for example by a business or trust over which the nominee exercises significant direction, or by a trade union of which the nominee was an office holder or major supporter. Donations, loans and credit agreements made by close family members should also be included.
5. The party chairman must confirm that the nomination is not connected to any past, current or future donation, loan or credit arrangement with the party. The chairman must also confirm that the nomination is not in any way related to a past, current or future financial relationship between the nominee and a senior party member. A senior party member would be an individual who has, or could be expected to have, influence or decision-making powers within the party.
6. Where donations, loans or credit arrangements have been made, either directly or indirectly, an annex should be attached to the certificate indicating their value and, in relation to loans and credit arrangements, the terms of the agreement including interest rates and repayment periods. In instances where a donation has been made in kind, an estimated value of the donation should be given. Where donations have been made indirectly, details should be provided of the nominee's relationship with the person or body that made the donation.
7. Where a financial relationship exists between the nominee and a senior party member, an annex should be provided outlining the nature of the relationship and level of any remuneration/financial support. An example of a financial relationship may include the employment of a senior party member by a company where the nominee would be expected to exercise significant direction.
8. The Commission also expects the party to ensure that the nominee is resident in the UK for tax purposes and that he or she intends to remain so. The Commission will decline to vet any nominee who is not currently resident in the UK for tax purposes.

## Citation

9. The citation should be a detailed account of why the party is putting forward the nominee for a peerage. This information is particularly important for those nominees who have been large donors or lenders to the party.

## Nominee's consent form

10. The nominee signs a consent form which authorises the Commission to make enquiries in relation to the nomination. The form also asks nominees to provide information regarding donations, loans, credit arrangements and relationships with senior party members. It asks them to confirm that they are resident in the UK for tax purposes and that they intend to remain so.

## Further enquiries

11. While the Commission hopes that the detailed information it has requested will be sufficient for its purpose, it may from time to time wish to discuss aspects of the nomination with either party officials or the nominee.



# Annex A

## Model wording for party chairman's certificate

**PLEASE ENSURE THAT YOU HAVE READ THE ACCOMPANYING GUIDANCE BEFORE COMPLETING THE CERTIFICATE.**

*The conditions set out in paragraphs 3 and 4 of the certificate must be met for each nominee. If they are not, the Commission will decline to vet the nomination.*

### Model wording if nothing to declare

Name of nominee:

I have carried out all the necessary enquiries in connection with the recommendation and I can certify as far as I am aware from the result of those enquiries that:

1. The individual has not made a donation or loan to, or entered into a credit arrangement with, the party or a political fund. This includes both direct and indirect donations. No close family member of the nominee has entered into such a transaction.
2. There is no financial relationship between the nominee or a close member of his or her family and any senior party member.
3. The recommendation is not connected, directly or indirectly, with any donation, loan or credit arrangement, or the expectation of such with the party, a political fund or senior party members.
4. The nominee is resident in the UK for tax purposes and intends to remain so.

#### **Alternative wording for paragraph 1 if there has been a donation/loan/credit arrangement:**

1. The individual (or a close member of his or her family) has made a donation, loan or credit arrangement, either directly or indirectly, to the party or a political fund. The nature and level of this contribution and the terms of any loans or credit arrangements are set out in the attached annex.

#### **Alternative wording for paragraph 2 if there has been a financial relationship with a senior party member:**

2. There is a financial relationship between the nominee (or a close member of his or her family) and a senior party member. The nature of this relationship is set out in the attached annex.

Signed:

Party Chairman

Date:



