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HOUSE OF LORDS
APPOINTMENTS
COMMISSION

ANNUAL REPORT
October 2008/March 2010

HOUSE OF LORDS APPOINTMENTS COMMISSION

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The Rt Hon Gordon Brown MP
Prime Minister
10 Downing Street
London
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Dear Prime Minister,

March 2010

Sixth Annual Report

I enclose the sixth Annual Report of the House of Lords Appointments Commission. The report covers the period of October 2008 to March 2010.

During this time the appointment terms of three Commission members ended and four new members joined the Commission, including myself as Chairman.

The new Commission has taken the opportunity to build on the work of the previous Commission by reviewing its policies and procedures to ensure that the systems used for selection and appointment, and for vetting, are robust and independent. We have done this in the context of the view, now widely shared, that membership of the Lords should increasingly be seen as a job and not just as an honour. We announced revised and strengthened criteria for the selection of non-party-political peers in March 2009 and, following this, recommended six individuals for non-party-political membership of the House of Lords. We are confident they will make a valuable and active contribution to the work of the House.

I should like to thank the three political members of the Commission who have stayed on to ensure a smooth transition during the recruitment and introduction of the three new independent members and myself. Baroness Dean, Lord Dholakia and Lord Hurd have been members of the Commission since its establishment in 2000. They will stand down from the Commission in the autumn having made a significant contribution to the Commission's work over the past ten years.

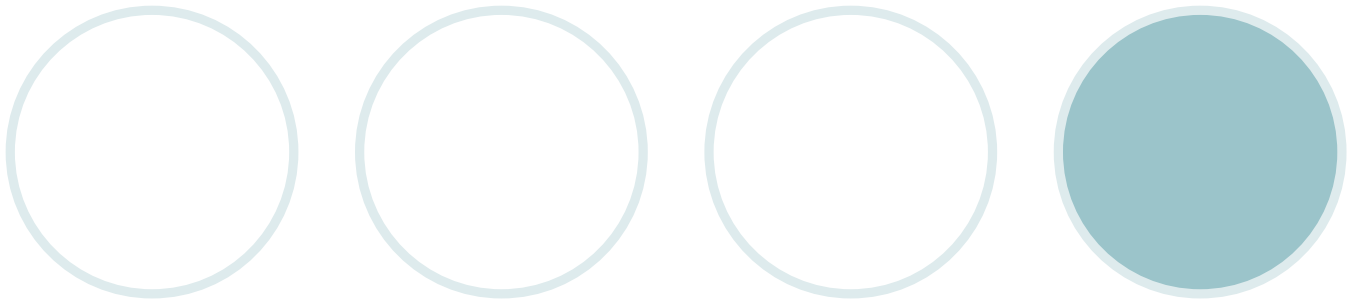
*Yours sincerely,
Michael Jay*

Lord Jay of Ewelme, Chairman

Enc. 

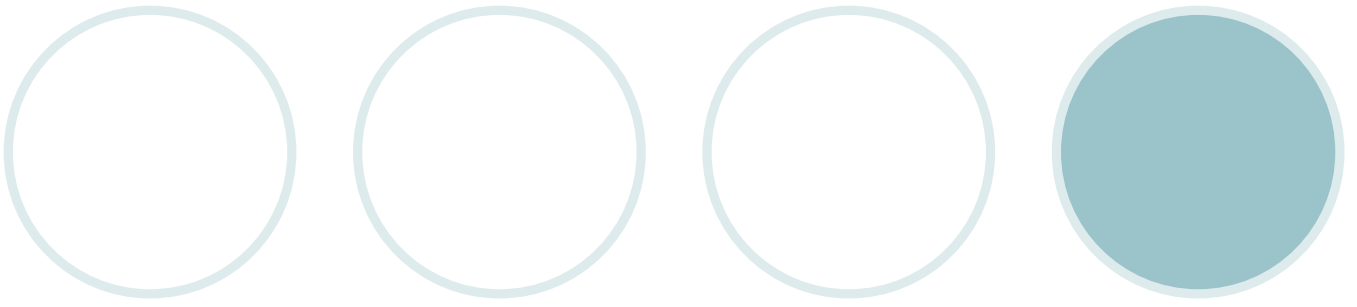
Members:

The Baroness Campbell of Surbiton DBE, The Rt Hon Baroness Dean of Thornton-le-Fylde,
The Lord Dholakia OBE DL, Professor Dame Joan Higgins, The Rt Hon Lord Hurd of Westwell CH CBE PC,
The Lord Jay of Ewelme GCMG (Chairman), Dr John Low CBE



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SECTION 1:
THE APPOINTMENTS COMMISSION



Members of the 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.

Commission membership

3. The Commission has seven members, including the Chairman. Three members represent the main political parties and ensure that the Commission has expert knowledge of the House of Lords. The other members, including the Chairman, are independent of government and political parties.
4. The three political members have remained in post to ensure a smooth transition to a new membership during the recruitment and introduction of a new Chairman and three new independent members. They will stand down from the Commission in the autumn to be replaced by three new nominees chosen by the leaders of each of the main political parties.

Changes during the reporting period

5. Lord (Dennis) Stevenson of Coddham CBE stood down as Chairman with effect from 30 September 2008.
6. Mrs Felicity Huston and Mrs Angela Sarkis CBE stood down as independent members with effect from 30 September 2008.
7. Lord (Michael) Jay of Ewelme GCMG was appointed as Chairman with effect from 1 October 2008 for a single non-renewable term of five years.
8. Baroness (Jane) Campbell of Surbiton DBE, Professor Dame Joan Higgins and Dr John Low CBE were appointed as independent members with effect from 30 October 2008, each for a single non-renewable term of five years.
9. The new non-party-political members as well as the Chairman were appointed following open competitions in accordance with the Code of Practice of the Commissioner for Public Appointments.

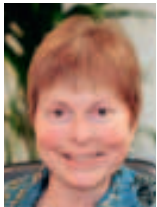
10. The current Chairman of the Commission is:



- **Lord (Michael) Jay of Ewelme GCMG**, an independent cross-bench member of the House of Lords since 2006. He was appointed Chair of the House of Lords Appointments Commission in October 2008.

He is a non-executive director of Associated British Foods, Candover Investments, Crédit Agricole SA, EDF SA and Valeo SA and Chair of the medical aid charity Merlin and the educational charity Culham Languages and Sciences. Following a career in the Ministry of Overseas Development and the Foreign and Commonwealth Office, he was British Ambassador in Paris from 1996 to 2001, Permanent Under-Secretary at the Foreign Office from 2002 to 2006 and the Prime Minister's Personal Representative for the G8 in 2005 and 2006. He is an Honorary Fellow of Magdalen College Oxford and was a Senior Associate Member of St Antony's College Oxford in 1996.

11. The three other non-party-political members are:



- **Baroness (Jane) Campbell of Surbiton DBE**, who progressed through a number of local government equal opportunities roles, principally focusing on human rights

issues for people with disabilities, before becoming an independent consultant on direct payments (1994–96). She then co-directed the National Centre for Independent Living before becoming the founding Chair of the Social Care Institute for Excellence (2001–05). She served as a Commissioner on the Disability Rights Commission for its duration (2000–07), and then as a Commissioner on the Equalities and Human Rights Commission (EHRC) from 2007 to 2009. She is currently working with the Government on developing legislation and practical guidance to extend choice and control for disabled people over their public service support. She was appointed as an independent cross-bench peer in 2007 and is now Chair of the All-Party Parliamentary Disability Group.



- **Professor Dame Joan Higgins**, who has had a career in social and health policy at Southampton and Manchester Universities, has undertaken significant healthcare advisory work and

has held various public appointments. From 2002 to 2007 she was Chair of the Christie Hospital NHS Trust, a leading cancer centre. Since 2007 she has been Chair of the NHS Litigation Authority, which defends the NHS against claims of clinical (and other) negligence. She is also Chair of the Queen's Counsel Selection Panel.



- **Dr John Low CBE**, who had a mix of public and private sector experience, notably as Chief Executive of the Royal National Institute for Deaf People (RNID), before taking over as

Chief Executive of the Charities Aid Foundation (CAF) in 2007. He is a Director of CAF Bank Ltd and of the Euclid Network of European Third Sector Leaders, having been Trustee and Chairman of the Association of Chief Executives of Voluntary Organisations (ACEVO) from 2003 to 2009. His early career was in research and in science-based roles in the private sector. He became Director in charge of R&D for a Swiss technology business, Sortex, in 1988, and left in 1999 to join RNID, first as a Director before being promoted to Chief Executive.

12. 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 and trustee of the East Foundation. She is also a Non-Executive

Director of Taylor Wimpey plc and Dawson Holdings plc. She was appointed a Partnership Non-Executive Director of National Air Traffic Control Services (NATS) in July 2006.



• **Lord (Navnit) Dholakia OBE DL** (Liberal Democrat), Deputy Leader of the Liberal Democrats in the Lords. He is also President of the National Association for the Care and Rehabilitation of Offenders (Nacro), Vice-Chairman of the Policy Research Institute on Ageing and Ethnicity, Vice-President of the Mental Health Foundation and a member of the Advisory Committee on Business Appointments. 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** PC (Conservative), 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. From 1998 to 2009 he was Deputy Chairman of Coutts & Co.

13. The Commission is supported by a small secretariat at its office at 35 Great Smith Street, London SW1P 3BQ.

Role of the Commission

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

Recommendations of independent peers

15. The Commission recommends individuals for non-party-political membership of the House of Lords on the basis of merit and their ability to make a significant contribution to the work of the House. It 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 the individuals it recommends are independent, have integrity and are committed to the highest standards of public life. (The assessment process for nominations is set out in Annex 3, page 20).

16. In March 2009 the Commission announced changes to its selection criteria for non-party-political peers, building upon the work and experience of the previous Commission. These changes strengthened the expectations in respect of nominees' time commitment, political independence and tax status. Details of the changes are given in paragraphs 30–31 and Annex 2, page 19.
17. The Prime Minister decides how many recommendations are to be invited from the Commission. In line with the approach of his predecessor, the current Prime Minister has said that he will decline to pass on a recommendation to Her Majesty The Queen only in exceptional circumstances.
18. The Prime Minister also reserves the right to nominate directly to Her Majesty The Queen a limited number of distinguished public servants, on their retirement, for non-party-political peerages. As before, the Prime Minister has stated that the number of appointments covered under this arrangement will not exceed ten in any one Parliament. The Appointments Commission vets any such nominees for propriety. During the reporting period the Prime Minister has not nominated any individuals under this reserved power. Over the period of the Parliament six appointments have been made under this arrangement (see Annex 4, page 21).

Vetting

19. The Commission is responsible for vetting for propriety nominations for party-political life peerages. The Commission's role is to advise the Prime Minister about the propriety of the individual nominated, not to comment on the merits of the award.
20. During the reporting period the Commission vetted for propriety three individuals who were recommended for party-political life peerages.
21. The Commission's role in vetting nominations for life peerages does not extend to bishops or those individuals appointed as Ministers to the House of Lords on the recommendation of the Prime Minister.
22. More details on the vetting process are given in Section 3, pages 12–15.

Accountability to Parliament

23. On 16 July 2009 Lord Jay appeared before the Public Administration Select Committee to account for the work of the Commission since his appointment. This followed his appearance before the Committee in July 2008 as part of its pre-appointment scrutiny. The Committee questioned Lord Jay about the work of the Appointments Commission during the first months of the new membership and about the changes to the selection criteria. The transcript of Lord Jay's appearance is available on the parliamentary website at:
<http://www.publications.parliament.uk/pa/cm200809/cmselect/cmpubadm/744/09071601.htm>.
24. On 10 March 2010 Lord Jay appeared before the House of Lords Constitution Committee. This first appearance by a Chair of the Commission represents an important strengthening of the Commission's accountability to the House of Lords, augmenting the well-established arrangements with the Public Administration Committee in the Commons. The transcript of this session will be published on the parliamentary website in due course.

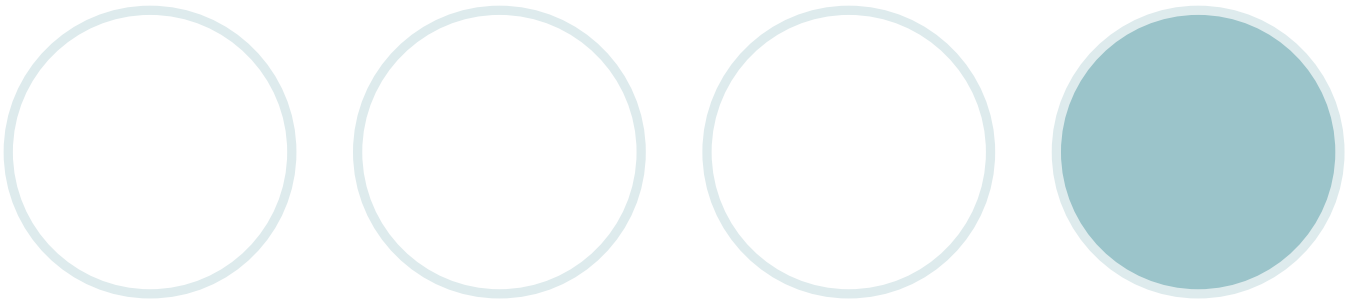


Freedom of Information

25. The House of Lords Appointments Commission is required to consider requests submitted under the Freedom of Information Act 2000, but also is subject to the exemptions in the Act and in particular section 37 relating to the conferring of honours and dignities and section 40 relating to personal information. During the reporting period, over 20 requests for information were received and responded to.

The Commission's expenditure

26. The Commission's expenditure for the financial year April 2008 to March 2009 was £143,803.
27. The major element of expenditure was staff costs, at £91,909. 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

28. Between October 2008 and the end of January 2010, the Commission received 183 nominations and recommended six individuals for non-party-political peerages under its newly revised selection criteria. Details of the changes made to the criteria and of the six nominees who were appointed to the House of Lords can be found in paragraphs 30–33 and 35–36 below.
29. Since the Commission was established in 2000 it has recommended 55 people for appointment from around 4,500 nominations. A full list of those appointed can be found at Annex 1. Later in this section we highlight the contribution made by some of the appointees to the work of the House of Lords.

Changes to the selection criteria

30. Following the appointment of a new Chair and members in October 2008, the new Commission reviewed the criteria used for the selection of non-party-political peers, building on the work and experience of the previous Commission.
31. The Commission announced revised and strengthened criteria in March 2009. The key changes were to require nominees to:
 - make an explicit commitment to devote the time necessary to make an effective contribution to the House of Lords, rather than, as previously, stating that they had “the time available” to do so;
 - confirm that, in addition to being resident in the UK for tax purposes, they also accept the requirement to remain so in the future (this strengthened requirement is also reflected in the vetting criteria for future party-political and other nominations for peerages – see Section 3); and
 - confirm not only that they are independent of any political party but that they intend to remain so.
32. These changes came into immediate effect, and the information pack for nominees and the Commission’s website were updated

accordingly. The full selection criteria are given in Annex 2 and details of the assessment process are in Annex 3.

33. The Commission does not have a closing date for nominations. It welcomes new nominations at any time and there is a regular and continuous assessment process for all nominations.



Research project

34. The Commission seeks to recommend nominees who will enhance the expertise of the House of Lords. To help inform its decisions about nominations it asked the Constitution Unit at University College London to conduct a research project to analyse publicly available data on the professional experience and expertise of members of the House. The research has been led by Dr Meg Russell, and the Constitution Unit’s report is available on the Commission’s website at: <http://lordsappointments.independent.gov.uk>. The report is only one of many factors the Commission will take into account when making its decisions and it is committed to assessing all nominations on individual merit and against its published selection criteria.

Commission recommendations for appointment to the House of Lords

35. Since it revised its criteria the Commission has made six recommendations: two in July 2009 and four in February 2010.

36. The six nominees¹ put forward by the Commission were:

July 2009

- **Dame Nuala O’Loan**

Dame Nuala O’Loan is a solicitor and former law lecturer. She was the first Police Ombudsman for Northern Ireland (2000–07).

As a Special Commissioner to the Equality and Human Rights Commission for Great Britain, Dame Nuala chaired the recent formal investigation into human rights. She is also conducting an independent review for the Home Secretary of the document *Outsourcing Abuse*, which contains allegations of abuse of people being deported from the UK.

Dame Nuala is the Irish Government’s roving ambassador and special envoy for women, peace and security and also Ireland’s roving ambassador for conflict resolution and its special envoy to Timor Leste.

In 2008 she was awarded a DBE for public service.

- **Chief Rabbi Sir Jonathan Sacks**

Sir Jonathan Sacks was appointed Chief Rabbi of the United Hebrew Congregations of the Commonwealth in September 1991. He is Associate President of the Conference of European Rabbis and one of the Presidents of the Council of Christians and Jews.

Sir Jonathan comments on a broad range of moral and ethical issues that confront today’s society. He has written 18 books, is a regular broadcaster on radio and television and frequently writes for the national press. He speaks regularly on matters of faith and related issues. Sir Jonathan is Visiting Professor at King’s College London and Birkbeck College, University of London. He is also President of the London School of Jewish Studies (formerly Jews’ College).

Sir Jonathan has addressed the United Nations, leaders of the European Union and the European Parliament.

In 2005 he was awarded a knighthood for services to the community and interfaith relations.

February 2010

- **Sir Michael Bichard**

Sir Michael Bichard has been Chair of the Design Council since 2008 and is also Director of the Institute for Government, having been formerly Rector at the University of the Arts London.

He was Permanent Secretary at the Department for Education (1990–95) and the Department for Education and Employment (1995–2001) after a long career in local authority administration during which he served as Chief Executive of both Brent Borough Council and Gloucester City Council during the 1980s.

Sir Michael Bichard chaired the inquiry into the Soham murder cases in 2004. He has chaired several organisations, including the Legal Services Commission and Rathbone Training Ltd, and was a Non-Executive Director of Reed Executive plc.

- **Dame Tanni Grey-Thompson**

Dame Tanni Grey-Thompson is Britain’s most successful Paralympian, with 11 gold medals in wheelchair racing to her name from the Paralympics, and seven gold medals from World Championships. She also set 30 world records over the course of her career.

Since her retirement in May 2007, Dame Tanni Grey-Thompson has campaigned to raise the profile of disability athletics.

Since September 2008 Dame Tanni has sat on the Board of Transport for London, where she is Chair of the Corporate Governance Committee. She is a Non-Executive Director of the Board of UK Athletics and led the UK Athletics review into anti-doping policy. She is also Vice-Chair of the Athletes Committee of the London Organising Committee for the Olympic Games (LOCOG) and for eight years was a member of the Sports Council for Wales.

¹ Please note that the biographies of nominees are accurate as at the date of recommendation.

- **Mr Tony Hall**

Tony Hall is a broadcast journalist with a long and distinguished career in senior programmes and production management for the BBC.

He was appointed Chief Executive of the Royal Opera House in 2001 after serving as Director and then Chief Executive of BBC News and Current Affairs from 1989 to 2001. Previously he had worked in various editorial and production roles for the Corporation.

Tony Hall oversaw the establishment of the BBC News website and new radio stations and television channels including Radio 5 Live and BBC Parliament. He continues his work in broadcasting as a Non-Executive Director of the Channel 4 Corporation and has also chaired a series of reviews for government departments including the Department for Children, Schools and Families and the Ministry of Defence. He was the inaugural Chair of Creative and Cultural Skills, the Skills Council for the cultural and creative industries.

In July 2009 he was asked by the Government and the Mayor of London to set up and chair a board to direct the Cultural Olympiad. He has also joined the Board of LOCOG.

- **Professor Ajay Kakkar**

Professor Ajay Kakkar is Professor of Surgical Sciences at St Bartholomew's Hospital (Barts) and the London School of Medicine and Dentistry, Queen Mary University of London and is also the School's Dean for External Relations. He is a consultant surgeon to University College Hospital, London and has a research interest in the prevention and treatment of thrombosis (blood clots), particularly in cancer patients.

Professor Kakkar is Chair of the Clinical Quality Directorate of University College London Partners Academic Health Science Partnership and Director of the Thrombosis Research Institute, London, and lectures and publishes widely on his specialism. He has worked with the NHS on its strategy to prevent venous thromboembolism (VTE).

Professor Kakkar was awarded a Hunterian Professorship by the Royal College of Surgeons of England in 1997. He is Chair of the Board of Governors at Alleyn's School, Dulwich, and a trustee of the Dulwich Estate.



Contribution by the Commission's nominees

37. Since its first list of appointments in 2001, the Commission has recommended 55 people to the cross-benches. Two members have since died, one took the Labour whip and four have only recently been appointed. There are therefore 52 Appointments Commission peers on the cross-benches, which is about 27% of their total number.
38. Cross-bench peers are not aligned to any political party and are usually appointed on the basis of the particular knowledge or experience they can contribute to the work of the House of Lords. Appointments Commission peers contribute in a variety of ways by, for example, participating in or initiating debates, sitting on sub-committees, scrutinising legislation on bill committees and voting on issues before Parliament.

39. Appointments Commission peers bring expertise from the public, private and voluntary sectors on a wide range of issues. Indeed, many members maintain an active interest in their professions while serving as members of the House of Lords and therefore, at times, some members are more able to play an active role in the House than others.

40. The following case studies show some of the ways in which this contribution has been made.

- **Baroness D’Souza** (created 2004)

As well as sitting on several House of Lords Select Committees and All-Party Groups, Baroness D’Souza has been the Convenor of the cross-bench peers since 2007. She describes the work of the Convenor: “The Convenor of the cross-bench peers has to provide information on the business of the House and most importantly on the details of legislation so that cross-benchers can vote independently. This entails almost constant communication with the political offices to understand the background to each bill and using the most up-to-date technology to alert cross-benchers to imminent votes.”

- **Baroness Finlay of Llandaff** (created 2001)
Baroness Finlay has sat on many different House of Lords Select Committees since first appointed and now sits on several All-Party Groups (mainly in the area of healthcare). She says: “Becoming a peer has been immensely rewarding, and hard work. I have been able to influence policy – for example, my Private Member’s Bill to ban smoking in public places in Wales was the forerunner of the Government’s own bill. Amending legislation has also brought about change: for example, my amendments have been taken up by the Government to ensure there is a Medical Adviser to the Chief Coroner. Then there is Select Committee work – I chaired a report on allergies which has begun to bring about change in health service delivery. Questions and short debates allow topics to be explored in detail and the discussion often influences policy. Outside the House it has been rewarding to see how many people I encounter through my day job in Wales have begun to take an interest in the work of Parliament; a recurring theme

in comments is the high level of expertise provided by the Lords.”

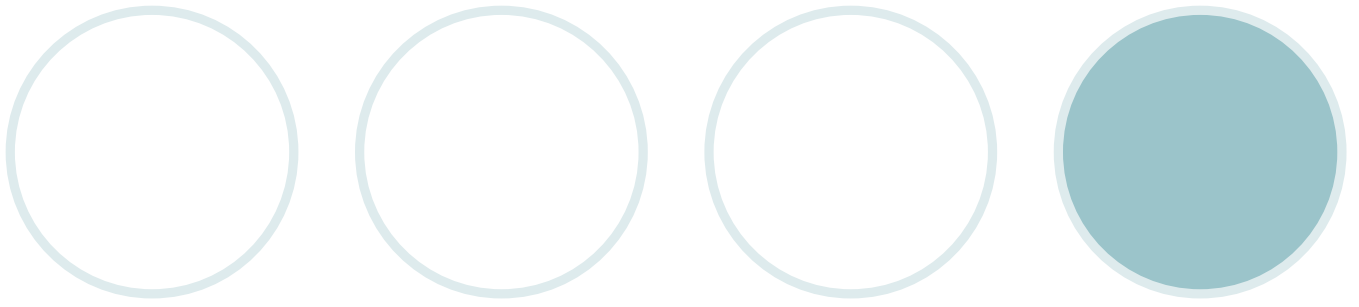


- **Lord Low of Dalston** (created 2006)
Lord Low has sat on the Procedure Committee since 2007. He says: “As well as all the debates and questions, All-Party Groups and meetings with Ministers and officials, I sit on the Procedure Committee, which considers all aspects of the procedure of the House, including how we can better scrutinise European legislation following the Lisbon Treaty, how we can assist disabled members, and other questions about how the House can become more effective and remain up to date.”
- **Lord Pannick** (created 2008)
Lord Pannick has been a member of the Constitution Committee since 2008, and has interests in legal matters and in matters pertaining to Israel and USA. He says: “In my experience, the Government takes very seriously suggestions made by cross-benchers because of their independence as well as their expertise.”
- **Baroness Young of Hornsey** (created 2004)
Baroness Young has been a co-opted member of a Lords Select Committee since 2007 – the European Union Sub-committee G (Social Policy and Consumer Affairs) – and Vice-Chair of the All-Party Equalities Group since 2008. She says: “I have visited many schools in London and elsewhere giving seminars and presentations and I have hosted events at the House of Lords such as an awards dinner for international young social entrepreneurs, book launches, the launch of a charitable trust for young offenders, a symposium for mental health professionals,

and a campaign against forced labour and domestic servitude involving Liberty and Anti-Slavery International. In addition, I am in the process of setting up an All-Party Parliamentary Group on Ethical Fashion which is working with politicians, the fashion industry, retailers and higher education to try to make progress on developing a more sustainable, ethical approach to fashion.”

- **Lord Ramsbotham (created 2005)**

Lord Ramsbotham sits on several All-Party Groups. He has been Vice-Chair of the Penal Affairs Group since 2005, of the Landmine Eradication Group since 2007, and of the Chagos Islands Group since 2008, and has been Acting Chair of the Speech and Language Difficulties Group since 2009. He says: “I was encouraged to apply for appointment, so that I could contribute to penal reform and defence. I have been able to do that by taking part in the passage of legislation, by initiating debates, by asking questions and through membership of All-Party Groups. In particular I have been able to add a penal dimension to discussion of issues such as health, education, drugs, vocational training and local government, which I could not have done anywhere else.”



SECTION 3: VETTING



Vetting for propriety

All nominees

41. The Commission is asked by the Prime Minister to vet nominations for peerages – including those by the political parties – for propriety.
42. The Commission takes the view that, in this context, propriety means that:
 - the individual should be in good standing in the community in general and with particular regard to the public regulatory authorities; and
 - 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.
43. 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.
44. The Commission asks for specific information to be provided by the political parties (in the case of political nominees) and the nominees themselves (set out in paragraph 45 below). Nominees are also asked to consent to the Commission undertaking enquiries about them.
45. The Commission requires individuals being proposed for an appointment to the House of Lords to declare:
 - that they are resident in the UK for tax purposes and accept the requirement to remain so;
 - 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 or loans to, or credit arrangements with, a political party;
 - whether they have a financial relationship with any senior member of a political party; and
 - whether any close family member has a financial involvement with any political party or any senior party member.



46. Nominees are also invited to clarify any of their statements or draw the Commission's attention to any areas of doubt.
47. If a nominee has been the subject of controversy, the Commission's role 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.
48. When it has received the required information, the Commission will begin its enquiries. These include checks with various government departments and agencies, checks with the Electoral Commission and a media search.
49. Once it has gathered sufficient information, the Commission considers the propriety of the nomination. On occasion, there may be a need to obtain further information from the nominee, his or her party (if it is a political nomination) or one of the vetting authorities. In such instances the Commission will discuss the nomination further.

Political nominees

50. 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 of any concerns it may have about the propriety of a nomination.

51. The Party Chairman (or other authorised official) 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.
52. 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 whether any close family members of the nominee have a financial relationship with the party or any senior party member.
53. A citation from the party leader, giving the reason for the nomination, is also provided.
54. Blank copies of the nominee's consent form and the model Party Chairman's certificate can be found on the Commission's website.
55. 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

56. 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) or loan to, or a credit arrangement with, a party or a political cause. On the one hand, the Commission believes that nominees should not be prevented from receiving a peerage solely because they have made donations or loans. On the other, the making of a donation or a loan to a political party cannot of itself be a reason for a peerage.



57. 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.

Names vetted since the last report

58. During the period October 2008 to March 2010, the Commission vetted two individuals nominated by the political parties. They were David Freud (now Lord Freud – Conservative) and Sir Alan Sugar (now Lord Sugar – Labour). The Commission also vetted the former Speaker of the House of Commons, Michael Martin MP (now Lord Martin of Springburn), who was nominated by the House through a petition to the Queen known as a “Humble Address”, and sits as a cross-bencher.

Judicial appointments

59. In October 2009 the Supreme Court replaced the Appellate Committee of the House of Lords as the highest court in the UK. Formerly, members of the Appellate Committee (Law Lords) were awarded peerages in order to discharge their judicial function. All new judges appointed to the Supreme Court after its creation will not be members of the House of Lords; they will become Justices of the Supreme Court.

Honours scrutiny

60. The Commission's main remit is to recommend individuals for non-party-political peerages and to vet for propriety party-political peerages. The Commission is not part of the UK honours system, which is administered by the Honours and Appointments Secretariat of the Cabinet Office.²

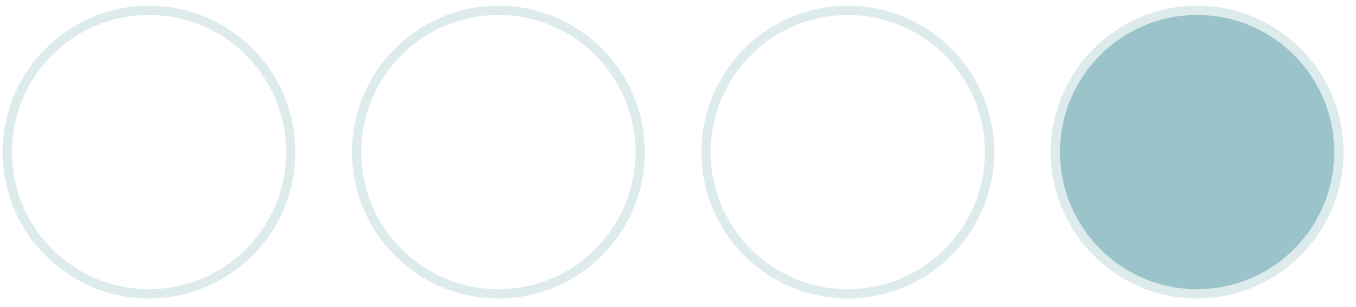
61. However, the Commission is responsible for vetting for propriety certain individuals recommended for an honour (other than a peerage) such as an MBE, OBE, CBE or knighthood. In these circumstances the Commission is asked only to vet honours awarded within certain categories. These categories are:

- 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 Lists at a late stage, who would not therefore have been subject to the normal assessment and selection process.

62. 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 is not a fit and proper person to be recommended for an award.
63. The Commission has not been invited to perform this function since 2006 when the then Prime Minister, Tony Blair, announced that he would not use his right to nominate individuals for honours. The current Prime Minister has indicated that he will continue not to use this right. Therefore, the Commission was not invited to consider any honours nominees during the reporting period.



² Honours and Appointments Secretariat – www.cabinetoffice.gov.uk/secretariats/honours.aspx



ANNEXES

Annex 1: Appointments Commission appointees 2001 to 2010

February 2010

- Michael Richard
- Tanni Grey-Thompson
- Tony Hall
- Ajay Kakkar

July 2009

- Nuala O'Loan (Baroness O'Loan)
- Chief Rabbi Jonathan Sacks (Lord Sacks)

September 2008

- Susan Campbell (Baroness Campbell of Loughborough)
- David Pannick (Lord Pannick)

April 2008

- Elizabeth Manningham-Buller (Baroness Manningham-Buller)
- John Mogg (Lord Mogg)
- Robert Smith (Lord Smith of Kelvin)

October 2007

- Haleh Afshar (Baroness Afshar)
- Nicholas Stern (Lord Stern of Brentford)

February 2007

- Paul Bew (Lord Bew)
- Jane Campbell (Baroness Campbell of Surbiton)
- Jean Coussins (Baroness Coussins)
- Khalid Hameed (Lord Hameed)
- John Krebs (Lord Krebs)
- Andrew Mawson (Lord Mawson)

May 2006

- Karan Bilimoria (Lord Bilimoria)
- Elizabeth Butler-Sloss (Baroness Butler-Sloss)
- Geoffrey Dear (Lord Dear)
- Colin Low (Lord Low of Dalston)
- Molly Meacher (Baroness Meacher)
- Kamlesh Patel (Lord Patel of Bradford) (since taken the Labour whip)
- David Rowe-Beddoe (Lord Rowe-Beddoe)

July 2005

- Ruth Deech (Baroness Deech)
- Michael Hastings (Lord Hastings of Scarisbrick)
- Martin Rees (Lord Rees of Ludlow)
- Adair Turner (Lord Turner of Ecchinswell)
- Jo Valentine (Baroness Valentine)

March 2005

- Rennie Fritchie (Baroness Fritchie)
- David Ramsbotham (Lord Ramsbotham)

May 2004

- Alec Broers (Lord Broers)
- Ewen Cameron (Lord Cameron of Dillington)
- Nicola Chapman (Baroness Chapman)
- Frances D'Souza (Baroness D'Souza)
- Elaine Murphy (Baroness Murphy)
- Diljit Rana (Lord Rana)
- Lola Young (Baroness Young of Hornsey)

March 2001

- Victor Adebawale (Lord Adebawale)
- Richard Best (Lord Best)
- Amir Bhatia (Lord Bhatia)
- John Browne (Lord Browne of Madingley)
- Michael Chan (Lord Chan)

- Paul Condon (Lord Condon)
- Ilora Finlay (Baroness Finlay of Llandaff)
- Susan Greenfield (Baroness Greenfield)
- David Hannay (Lord Hannay of Chiswick)
- Valerie Howarth (Baroness Howarth of Breckland)
- Elspeth Howe of Aberavon (Baroness Howe of Idlicote)
- Robert May (Lord May of Oxford)
- Claus Moser (Lord Moser)
- Herman Ouseley (Lord Ouseley)
- Stewart Sutherland (Lord Sutherland of Houndwood)

Annex 2: The revised selection criteria

The Commission seeks to recommend nominees who they believe demonstrate that they meet the following criteria:

- a record of significant achievement within their chosen way of life that demonstrates a range of experience, skills and competencies;
- the ability to make an effective and significant contribution to the work of the House of Lords, not only in their areas of particular interest and special expertise, but in the wide range of other issues coming before the House;
- willing to commit the time necessary to make an effective contribution to the work of the House of Lords. This does not necessarily mean the same amount of time expected of “working peers”. The Commission recognises that many active members continue with their professional and other working interests and that this can help maintain their expertise and experience;
- some understanding of the constitutional framework, including the place of the House of Lords, and the skills and qualities needed to be an effective member of the House – for example, nominees should be able to speak with independence and authority;
- able to demonstrate outstanding personal qualities, in particular, integrity and independence;
- a strong and personal commitment to the principles and highest standards of public life;
- are and intend to remain independent of any political party. Nominees and the Commission will need to feel confident of their ability to be independent of party-political considerations whatever their past party-political involvement. For this reason, all nominees are asked to respond to the questions on political involvement and activities which are similar to those used for most public appointments; and
- resident in the UK for tax purposes and accept the requirement to remain so.

Annex 3:

The assessment process

(including the handling of prior knowledge of nominees)

The assessment process

1. The Commission's recommendations for appointment are made on the basis of individual merit and the ability to make an effective and significant contribution to the work of the House of Lords, not only in their areas of particular interest and special expertise, but in the wide range of other issues coming before the House. The process is summarised below.

Stage 1

2. 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. The Commission has also decided that nominees should be resident in the UK for tax purposes (and accept the requirement to remain so). All nomination forms are also checked to ensure all sections have been completed and the relevant declarations have been signed.

Stage 2

3. The Commission's secretariat carries out the first sift. At least two members make an initial, individual assessment of the nomination against the published criteria. The team members then discuss their separate assessments and agree a final recommendation which is put before a sub-committee of no fewer than two members of the Commission.

Stage 3

4. A sub-committee of the Commission meets to consider all the secretariat's recommendations, looking at every nomination and ensuring that the assessments are consistent with the selection criteria.
5. All recommendations of the sub-committee are then reviewed and agreed at a full Commission meeting.

Stage 4

6. The Commission interviews those nominees who it judges best meet the published criteria. At least 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

7. Following the interviews, the Commission reviews all the information about the short-listed nominees before drawing up its final list of recommendations.

Prior knowledge of nominees

8. 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.
9. 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.

Annex 4: Prime Minister's exceptions

2005

- Sir Andrew Turnbull (Lord Turnbull)

2006

- Sir Nigel Crisp (Lord Crisp)
- The Right Reverend Richard Harries (Lord Harries of Pentregarth)
- Sir Michael Jay (Lord Jay of Ewelme)
- General Sir Michael Walker (Lord Walker of Aldringham)

2007

- The Rt Hon Sir Robin Janvrin (Lord Janvrin)

