



Honours

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This notes sets out the current operation of the Honours system and summarises the results of earlier reviews, which has resulted in changes. The allocation process came under criticism in 2004, with the publication of material relating to the internal decision making process. The Public Administration Select Committee (PASC) issued its recommendations in July 2004, followed by the results of an internal review by Sir Hayden Phillips, former permanent secretary of the DCA. Both reports recommended more transparency in the process and more involvement by non-civil servants. PASC recommended the creation of an independent Honours Commission and the abolition of the Order of the British Empire (OBE), in favour of an Order of British Excellence. These recommendations were rejected in favour of a reform of the existing specialist committees which recommend on honours. The Government published its response to the Public Administration Select Committee recommendations in a command paper in February 2005, together with its response to the review by Sir Hayden Phillips.¹ The main changes were announced in June 2006. The reformed system has come under further scrutiny following the disclosure of loans made to political parties. The Prime Minister announced further reforms to the honours system on 15 March 2006, including ending his personal involvement in recommendations. PASC has announced an inquiry into the current operation of the system.

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¹ *Reform of the Honours System* Cmnd 6479 February 2005

A. Introduction

Recommendations for honours on the Prime Minister's List (knighthoods, CBEs, OBEs and MBEs) go through a multi-stage process involving, first, an initial assessment by the appropriate government department and then in-depth assessment by central groups of advisers with expert knowledge of the areas of activity in which the candidates have been involved. Recommendations are forwarded to the Main Honours Committee which attempts to achieve a balance in both standards and representation before sending the list on to the Prime Minister.

A briefing note prepared by the Ceremonial Branch of the Cabinet Office in 2004² gave further details of the selection process and of the basis of recognition for any honour.

Honours³

The Structure of the Honours System

1. Honours are bestowed on individuals in recognition of achievement and meritorious service, or as a demonstration of The Sovereign's gratitude for personal service rendered to The Sovereign. In addition, gallantry awards are made by The Sovereign in recognition of outstanding acts of bravery.
2. All United Kingdom honours derive from The Sovereign, and each Order is regulated by Statutes (their own rules and regulations). Honours in the personal gift of The Sovereign include those in: The Order of the Garter; The Order of the Thistle; The Order of Merit; and The Royal Victorian Order.
3. Those honours which concern departments are: the Order of the Bath (for senior members of the Home Civil Service and senior military officers only); the Order of Saint Michael and Saint George (awarded to people who have given service to Britain overseas); the Order of the British Empire (since 1917 the main Order for awards and the one in which most (up to 90%) appointments are made); Knights Bachelor; and the Companions of Honour (an award which although ranking alongside that of a Knight does not carry a title). The Order is limited to around 60 Companions who are recognised generally for outstanding personal distinction in a particular sphere of national or international activity.

The Half-Yearly Lists

4. The honours bestowed by The Sovereign on the advice of Ministers are customarily awarded twice a year, at the "New Year" (usually published on 30 or 31 December) and on the occasion of The Sovereign's Official Birthday in June.
5. There are three Lists each time. These are the Defence Services List, of those recommended to The Sovereign by the Secretary of State for Defence; the Diplomatic Service and Overseas List, of those recommended to The Sovereign by the Secretary of State for Foreign and Commonwealth Affairs; and the Prime Minister's List.

Oversight and Review of the System

6. The structure of the honours system, the consideration of all major policy issues, and the co-ordination of issues covering all three parts of the half-yearly Lists are the responsibility of the Committee on the Grant of Honours, Decorations and Medals (the HD Committee), the Chairman of which is the Head of the Home Civil Service.

Ceremonial Branch

² *The Honours System: Prime Minister's List Briefing Note*

³ <http://www.cabinet-office.gov.uk/guidance/two/09.htm>

7. The Ceremonial Branch of the Cabinet Office is the focal point for the consideration of all honours policy issues. Once the Prime Minister's Honours Secretary has initiated each honours round, Ceremonial Branch is responsible for advising the Head of the Home Civil Service on any special considerations which Permanent Secretaries need to keep in mind during that round, for co-ordinating the central selection process and for preparing the final list of recommendations to be placed before the Prime Minister. The Prime Minister is not bound by the list submitted: he or she remains personally responsible for the recommendations submitted to The Sovereign, and having taken note of the advice of expert committees he or she may delete names from, or add them to, the list prepared through the official machinery (subject to clearing additions with the Political Honours Scrutiny Committee).

8. As indicated above, before each round the Head of the Home Civil Service may alert Permanent Secretaries to any points that may have been highlighted during the previous honours round, e.g. the balance of awards, any apparent under-representation, or any particular strengths or weaknesses and the emphasis which the Prime Minister of the day wishes to see reflected in the Honours List.

9. During each round the Ceremonial Branch will maintain contact with Departmental Honours Sections, and at least once per year will meet Department Honours Secretaries to exchange views on the efficiency and smooth running of the process.

Wide Representation and Balance

10. The Honours List should be as representative as possible of outstanding service and achievement across the whole of the country's life, whether in the public, private or voluntary fields. In making their recommendations departments should seek to ensure this objective over a period. They should avoid any undue bunching of honours in a particular field of activity, geographical area or age group which is contrary to this main principle.

11. In considering nominations for honours, Permanent Secretaries should ensure that they and their departments scrupulously observe equal opportunities policies. Women and members of ethnic minority communities should be given equal consideration, on merit, alongside other candidates. Departments should monitor the numbers of people in these groups in the pool of candidates from which selection will be made.

Departmental Scrutiny and Assessment

12. Honours and gallantry awards are bestowed in recognition of outstanding service or bravery. There should be no automatic awards. Each award should be made on merit to those who have gone beyond the bounds of duty in their contribution to the United Kingdom. In more general terms, the awards are intended to recognise high or exemplary achievement, "making a difference" through outstanding and innovative service to others, whether paid or unpaid, especially self-sacrificial service to a voluntary body or to the community (e.g. "against the odds" in key policy areas) or which brings quality and distinction to British life. Account should be taken of voluntary service in the consideration of recommendations, whether such service is the sole criterion for an award or in support of other substantial contributions.

13. It is the responsibility of Permanent Secretaries personally to ensure that the final lists submitted from their departments are based on a thorough scrutiny of each case, taking account of comments from within their departments, and subject to the need for confidentiality by Departmental contacts in the field who may well have their own machinery for collecting and scrutinising nominations. Full and equal regard should be paid to all nominations, however, from whomever submitted. The citations should provide a concise and accurate picture of each individual's contribution ("added value"), rather than simply a list of posts or positions held.

14. Permanent Secretaries should seek to ensure that their departments maintain the integrity of the honours system, by:

- > using the resources of their departments and their contacts in the field to bring forward for consideration deserving individuals within their field of responsibility, assessing the merits of such cases equally with those who have been recommended by members of the public;
- > ensuring that Government policy is applied regarding standards in public life;
- > refraining from any act or disclosure that might open the system and those who participate in it to pressure or inducements to recommend an award; and
- > ensuring that due care is exercised in vetting nominations and preparing recommendations.

Types of honour

The following Orders all have a single level of award and are made personally by The Sovereign:

The Most Noble Order of the Garter

Date Created:- 1348
Post Nominal Letters:- KG/LG
Remarks:-
 Limited to 25 Knights

The Most Ancient and Noble Order of the Thistle

Date Created:- 1687
Post Nominal Letters:- KT/LT
Remarks:-
 Limited to 16 Knights, all of whom must be Scottish.

The Order of Merit

Date Created:- 1902
Post Nominal Letters:- OM
Remarks:-
 Limited to 24 members.

The Sovereign also personally makes awards in the Royal Victorian Order, created in 1896, for services given to Her and other members of the Royal Family. The awards available are:

<i>Level:-</i>	<i>Post Nominal Letters:-</i>
Grand Cross	GCVO
Knight/Dame	KCVO/DCVO
Commander	CVO
Lieutenant	LVO
Member	MVO

Other awards are made by The Sovereign on the advice of Government Ministers and include:

Order of the Bath

<i>Date Created:-</i>	1725
<i>Levels:-</i>	<i>Post Nominal Letters:-</i>
Grand Cross	GCB
Knight/Dame	KCB/DCB

Companion/Commander CB
Remarks:-
Available to State Servants only, including members of the Armed Forces.

Order of St Michael and St George
Date Created:- 1818
Levels:- *Post Nominal Letters:-*
Grand Cross GCMG
Knight/Dame KCMG/DCMG
Companion/Commander CMG
Remarks:-
Available to members of the Diplomatic Service and to those who render service to UK interests overseas.

Order of the British Empire
Date Created:- 1917
Levels:- *Post Nominal Letters:-*
Grand Cross GBE
Knight/Dame KBE/DBE
Companion/Commander CBE
Officer OBE
Member MBE
Remarks:-
Available to all who give service in the United Kingdom. It also has a medal, the British Empire Medal, which has not been used in the United Kingdom since 1993.

Order of the Companions of Honour
Date Created:- 1917
Levels:- *Post Nominal Letters:-*
Companion/Commander CH
Remarks:-

The Imperial Service Order was created in 1902 with one level of award – Companion – and a medal which is restricted to civil servants. The Companion award ceased to be used in the United Kingdom in 1993 but the Imperial Service Medal continues to be awarded.

The appointment of Knight Bachelor originates from the Middle Ages and recipients are called "Sir" but have no post nominal letters.

B. The allocation process for honours

The Committee on Standards in Public Life gave a summary of the then allocation processes in its report on the funding of political parties in 1998.⁴ Further information about the expert committees which are responsible for considering nominations and making recommendations to the Prime Minister is contained in a document from the Wilson review of 2000-1, which were not originally intended for publication, but have been released following a request under the *Code of Practice on Access to Official Information*. These noted the existence of eight honours selection sub committees:

⁴ Cm 4557

1. There are eight Honours Selection sub-Committees: Agriculture, Commerce and Industry, Maecenas⁵, Media, Medicine, Local Services, Science and Technology, Sport, and State Services (or Small).

2. The Committees take part in the formulation of confidential advice to the Prime Minister. They have referred to them all candidates for the honours round sifted from the nominations considered by Departments. From these the Committees select (or endorse) those for recommendation to the Prime Minister.

3. All these selections are referred to the Main Honours Committee which is made up of the Chairmen of the sub-Committees and one or two others. The Main Committee reviews the work of the sub-Committees, reassesses any sensitive or controversial recommendations or omissions and seeks to ensure that the balance between the various sectors is satisfactory. In the light of all this, the Chairman of the Main Committee submits a list of recommendations to the Prime Minister under cover of a personal report.⁶

The paper notes that the origin of the sub-Committees 'is lost in the mists of time'.⁷ It appears that at the time of its production, awards varied in terms of levels:

20. There is a sharp differentiation in the spread of awards by level: for example, although Maecenas's overall share of awards is just 5%, this rises to nearly 20% of the Ks and 10% of the Cs. By contrast, Local Services, with 55% of the list as a whole, accounts for just 31% of the Ks and 28% of the Cs, even after a review in which it received a 25% increase at both levels.

	% of total	% of Ks	% of Cs	% of Ks & Cs
State	15	12.5	27	24
Medicine	2	6	4	5
S&T	2	6	4	5
Maecenas	5	19	10	12
ACI	17	19	24	23
Local Services	55	31	28	28
Sport	3	3	2	2
Media	1	3	2	2

With the sole exception of sport, all of the sectors with their own dedicated Committees receive a disproportionate share of the higher level awards; this leaves fewer to go round to the services competing for the reduced share available to the Local Services Committee.

The Committee on the Award of Honours, Decorations and Medals was established in 1939 and it reports directly to the Queen. The membership was set out in response to a PQ in 1999.⁸ It was chaired by the Head of the Home Civil Service and its members were the Principal Secretary to the Queen, the Appointments Secretary to the Prime Minister, and Permanent Secretaries to the Foreign and Commonwealth Office, the Home Office and the Ministry of Defence, the Defence Services Secretary, the Secretary of the Central Chancery

⁵ This Committee deals with the arts and humanities

⁶ *Honourz: Structure of Expert Committees* November 2000

⁷ para 4

⁸ HC Deb 8 June 1999 c212w

of the Order of Knighthood and the Ceremonial Officer. According to the *Times*, the committee now includes the permanent secretary at the Department for Constitutional Affairs, and the Permanent Secretary of the Department for Work and Pensions and an independent outsider.⁹

Membership of the sub-committees was not made public until 2005, when the process was reformed. Until then, the appointment process was not subject to the Nolan rules on public appointments. The Wilson review described the rationale for secrecy as to lessen the danger from sectional or party pressure. But the review found that all nine committees were chaired by civil servants, and it characterised the overall membership as 'predominantly white, male, elderly elite'.¹⁰

The Phillips review offered a tabular assessment of the award of honours at para 52.¹¹ It also gives the composition of the Main Committee and the eight sub-committees as at April 2004. It noted:

76. The 88 seats on the nine committees are filled, by virtue of multiple membership, by 54 members of which 81% are men and one is from the ethnic minorities. The average age of the 54 members is 60, with a range from 48 to 75.

77. All nine committees are chaired by civil servants. 48% of members are civil servants but many of them serve on two or more committees (though this is a product of sub-committee chairs being on Main Committee). They occupy 62% places on the nine committees. 73% of civil service members are Permanent Secretaries and 88% are men. The 28 non-civil servants occupy 34 of the 88 places (40%). Four serve on more than one committee.¹²

1. The reforms in 2005

Full details of the PASC and Phillips review are given later in this Note. The Government published its response to the Public Administration Select Committee recommendations in a command paper in February 2005, together with its response to the review by Sir Hayden Phillips.¹³ The detailed response may be found at http://www.cabinetoffice.gov.uk/ceremonial/documents/pdf/honours_reform_command_paper.pdf Briefly, the Government rejected the more radical proposals from PASC for an independent Honours Commission, preferring to introduce more transparency and outside involvement into the current system of committees which had been dominated by civil servants.

On 14 June 2005 the Prime Minister announced the names of the chairs who had agreed to serve on the specialist committees:

The Prime Minister (Mr. Tony Blair): An important milestone has been reached in the programme of reform of the honours system.

After an open selection process, which followed the requirements of the code of practice of the Commissioner for Public Appointments, the following have agreed to

⁹ *Times* 16 December 2003 'Call for end to empire in new-look honours' Membership is also set out in the Order of Council. See HC Deb 7 November 2002 c452w

¹⁰ *Honours: Committee Membership* Cabinet Office November 2000 para 24

¹¹ <http://www.cabinetoffice.gov.uk/reports/honours/pdf/honours.pdf>

¹² *ibid* para 75

¹³ *Reform of the Honours System* Cmnd 6479 February 2005

serve as chairs of the specialist committees which advise the Secretary of the Cabinet on candidates for honours:

Arts and Media: Lord Rothschild, OM, GBE (chairman of J Rothschild group of companies, first chairman of the Heritage Lottery Fund and deputy chairman of BSkyB).

Community, Voluntary and Local Services: Lord Newton of Braintree, OBE (former Secretary of State for Social Security and current chair Council on Tribunals and chair Help the Hospices).

Economy: Sir John Collins (chairman Dixons Group plc).

Education: Dame Alexandra Burslem, DBE (vice-chancellor of Manchester Metropolitan university).

Health: Dame Carol Black, DBE (president, Royal College of Physicians and Professor of Rheumatology at the Royal Free and University College medical school London).

Science and Technology: Lord May of Oxford, OM, AC (president of the Royal Society).

Sport: Lord MacLaurin of Knebworth (chairman of Vodafone Group plc former chairman of the England and Wales Cricket Board UK Sport Council and Tesco plc).

State: Sir David Cooksey (chair of Advent Venture Partners and director of the Bank of England 1994–2005 chairman of the Audit Commission 1986–1995).

The next stage is the selection of the independent members of the committees from people who responded to the advertisements in the press, the Public Appointments Unit and elsewhere. The chairs of the new committees will take a leading role.

Further announcements will be made when the new committees have been formed.¹⁴

On 5 September 2005 the Cabinet Office announced the membership of the new committees:

The full membership of all eight new honours committees was announced today. For the first time, the Government has published details of the committee membership. In another new move, all appointments have been made through open competition. This is to improve transparency and accountability in the honours system.

There are eight committees that until now have been chaired by civil servants. The new committees are to be chaired by eminent people from outside government with a majority of non-civil servants as members.

Lord May, Chair of the Science and Technology Committee, said: 'The Government has updated the Honours system to reflect values of transparency and openness. I am looking forward to working with the members in upholding this so that honours remain respected as the gold standard in the way we recognise our exceptional people.

'Looking at the wealth of experience and expertise across the committee memberships there can be no doubt that nominations will be judged to the highest standards.'

The Committees help advise the Cabinet Secretary on candidates for the Prime Minister's list of recommendations to the Queen. They examine nominations from the public, government departments and others across the whole range of national life. The Committees are made up of Arts and Media; Community, Voluntary and Local Service; Economy; Education; Health; Science and Technology; Sport; State.

Their nominations go to the Main Committee which looks at all the proposals in the round. The Main Committee will be chaired by the Cabinet Secretary and consist of

¹⁴ HC Deb 14 June 2005 c10WS

the Chairs of the eight committees, the Chair of the Defence staff, the Permanent Under-Secretary of state at the FCO and the Prime Minister's Secretary for Appointments.¹⁵

The full list of members of honours committees may be found at http://www.cabinetoffice.gov.uk/ceremonial/documents/doc/full_membership_08sep05.doc The Government also promised to publish a three yearly report on the operation of the honours system, to give details of the guidance given to Chairs of Committees as well as statistics on awards made during the period. It expected that PASC would take evidence on these reports. It also agreed to publish an annual digest on statistics on the operation of honours, including the regional distribution.

C. The different types of honours

Details of the distinction between honours and the degree of public acceptance of differentiation were given in the documents drawn up during the Wilson review of honours in 2000-01. It should be noted that these documents were not originally intended for publication, but were released following an open government request. This concluded that despite some expressions of concern, differentiated levels of award was still widely supported:

14. Although not a perfect test, the very low rate of refusal (2% per list) can be taken as a good indication that the differentiation of honours into different levels is generally considered to be acceptable. Of course, the 98% who accept honours might be doing so whilst believing that things could be ordered differently but, without an inquiry of the kind carried out in the mid-1990s in Australia and New Zealand, one cannot be certain. The absence of letters to Ceremonial Branch suggests little demand for change. All the same, Fraser Kemp's contention that gradations bring the system into disrepute is lent some support by anecdotal evidence. For example, the late Dusty Springfield reacted to her award of an OBE by asking – "Isn't that what they give to cleaners?" Comments like this mean that the system is not fully meeting one of its objectives which is to make the country feel good about itself. .¹⁶

The review also cited the Dear Hayden letters sent to government departments which sets out the criteria to be used in the differentiation process. More up to date material is now available on the Honours Secretariat website at <http://www.honours.gov.uk/honours/index.asp> More details were given in the Government response of February 2005:

The overriding principle is that awards should be made on merit. Merit for honours is defined as:

- ∩ Achievement
- ∩ Exceptional service

In each strand, the standard, and the consequent criteria, should be high. In terms of service, honours should not just go with a job well done or because someone has reached a particular level. They should be awarded because an individual has, in plain terms, "gone the extra mile" in the contribution they have made. For distinction the standard should be that someone stands out "head and shoulders" above his or

¹⁵ "Government announces new honours system" *Cabinet Office News Release*

¹⁶ *Honours: Criteria for levels of honours* Cabinet Office January 2001

her peer group in what has been achieved. In some individuals these strands are intertwined.

Specific attention is paid to people who:

- ⌘ have changed things, with an emphasis on practical achievement;
- ⌘ have delivered in a way that has brought distinction to British life and enhanced the UK's reputation in the area or activity concerned or which has contributed in a distinctive way to improving the lot of those less able to help themselves;
- ⌘ are examples of the best sustained and selfless voluntary service;
- ⌘ have demonstrated innovation and entrepreneurship which is delivering results;
- ⌘ carry the respect of their peers and are role models in their field; and
- ⌘ have shown sustained achievement against the odds which has required moral courage in making tough choices and hard applications.

Level of Award

Once the Order has been identified the criteria below are used for deciding the level of award.

The assessment committees also use precedent to aid their consideration.

⌘ Companion of Honour

A pre-eminent and sustained contribution in the arts, science, medicine, or government.

⌘ Knight/Dame

A pre-eminent contribution in any field, usually, but not exclusively at national level, or in a capacity which will be recognised by peer groups as inspirational and significant nationally, and which demonstrates sustained commitment.

⌘ CBE

A prominent national role of a lesser degree, or a conspicuous leading role in regional affairs or making a highly distinguished, innovative contribution in his or her area of activity.

⌘ OBE

A distinguished regional or country-wide role in any field, including notable practitioners known nationally.

⌘ MBE

Service in and to the community of a responsible kind which is outstanding in its field; or very local "hands-on" service which stands out as an example to others. In both cases awards illuminate areas of dedicated service which merit public recognition.¹⁷

D. The Prime Minister's role

A recent PQ gave the following information:

Andrew George: To ask the Prime Minister (1) if he will list the names of people within the Honours Nomination and Ceremonial Units who (a) make decisions, (b) make recommendations, and (c) are regularly consulted in respect of gallantry and honours awards; [80757]; (2) who appoints members of (a) the Honours Nomination Unit and (b) the Ceremonial Unit; [80760] (3) what efforts the Government makes to assure the country of the accountability and balance of the numbers and decisions made by (a) the Honours Nomination Unit and (b) the Ceremonial Awards Unit. [80759]

The Prime Minister: I am responsible for recommending civilian gallantry and honours awards to Her Majesty The Queen. The George Cross Committee

¹⁷ *Review of the Honours System* Cabinet Office February 2005, Cm 6479 Annex A

recommends gallantry awards to me. The Committee is chaired by the Head of the Home Civil Service; its other members are The Queen's Private Secretary and my appointments Secretary. The Secretary of the Committee puts forward recommendations to the Committee.

For honours, I am assisted by assessment committees, whose members include outside experts as well as civil servants. The membership of these committees has remained confidential as under successive administrations. These committees make careful and informed judgements on the merits of all cases put to them. Lists of awards made are published in the London Gazette and are usually fully described in the media.

The Ceremonial Secretariat incorporates both the Honours Unit and the Nominations Unit. The Secretariat is headed by a senior civil servant, Gay Catto, who is supported by a team of civil servants within the Cabinet Office.¹⁸

The Prime Minister indicated on 16 March 2006 that he would divest himself of any personal involvement in recommending honours (see below). There are a handful of awards in this category annually. No further details are currently available, but this proposal would not appear to affect his formal role in forwarding honours nominations to the monarch.

E. Propriety issues

The Political Honours Scrutiny Committee was established in 1923, following scandals about honours being 'bought' during the premiership of Lloyd George. A royal commission was established in 1922 to examine the procedures regarding the award of honours, and its report eventually led to the enactment of the *Honours (Prevention of Abuses) Act 1925*. There has been only prosecution under this act, that of Maundy Gregory in 1933.¹⁹ The Committee's membership was limited to three members of the Privy Council, who must not be members of the Government. Until its functions were taken over by the House of Lords Appointments Commission in 2005, the membership was Baroness Dean, Lord Hurd and Lord Thomson of Monifieth.

The House of Lords Appointments Commission took over the role of vetting honours from the Political Honours Scrutiny Committee as a result of the reforms announced in February 2005. Its website at <http://www.lordsappointments.gov.uk/> does not give full details of its role in honours. The Appointments Commission has a more restricted role, being responsible only for a handful of honours where there has been direct prime ministerial or political involvement. The public existence of Electoral Commission registers of donors replaces the scrutiny of other types of honours. However these registers do not note the existence of loans to political parties.

The history of the Political Honours Scrutiny Committee is set out below. Initially its role was to consider the names of persons proposed to be recommended for honours for political services. In 1966 honours for purely party political services were discontinued,²⁰ but this

¹⁸ HC Deb 26 November 2002 vol 395 c204-5W

¹⁹ See Committee on Standards in Public Life Fifth Report, *the Funding of Political Parties* 1998, Cm 4057 Chapter 14 *Honours* for more details

²⁰ HC Deb 27 October 1966

policy was reversed under the premierships of Edward Heath and Margaret Thatcher. Mr Major continued the policy of awarding political honours.²¹

The system was reviewed by the Committee on Standards in Public Life under Lord Neill in 1998.²² The Committee recommended:

98. In future the Political Honours Scrutiny Committee (PHSC) should be requested to scrutinise every case where a nominee for an honour of CBE and above has directly or indirectly donated £5,000 or more to a political party at any time in the preceding five years. The PHSC should satisfy itself that the donation has made no contribution to the nomination for an honour.

99. In future the PHSC should monitor the relationship between nominations for honours (at CBE level and above) and donations made to political parties or associated organisations in order to ensure that an undue preponderance of honours is not conferred on those who have directly or indirectly made donations.

100. The PHSC should be renamed the 'Honours Scrutiny Committee'.

In its White Paper the Government accepted in principle these three recommendations.²³ With regard to the first two, it proposed to wait until the Electoral Commission's register of political donations was available, and to wait until the register covers at least three years before extending the scrutiny to CBE level. The Committee was subsequently renamed the Scrutiny Honours Committee and took on the role of vetting for propriety and checking whether political donations over £5,000 had been made in the last five years in:

- nominations by party leaders for public or political services
- nominations made personally by the Prime Minister (after the various nominating committees have submitted their lists
- awards at the Knight/Dame/Companion of Honour level

The Committee's role was advisory only. Where a Prime Minister rejected a decision of the Committee, it would contact the Crown directly.²⁴ Its terms of reference were set out in an Order of Council of 18 October 2002. The 2001 review floated the possibility of the Scrutiny Committee taking over responsibility for conducting periodic checks into the processes by which all nominations are made, but this did not take place.²⁵ PASC recommended against the move, arguing that an independent Honours Commission should take full responsibility for propriety issues.²⁶ It proposed the abolition of the Scrutiny Commission, as part of its proposals for an independent Honours Commission.

The House of Lords Appointments Commission took over the role of vetting honours from the Political Honours Scrutiny Committee as a result of the reforms announced in February 2005. Its website at <http://www.lordsappointments.gov.uk/> states that its role is to vet individuals added to honours lists by the Prime Minister for propriety, with effect from the Birthday Honours list 2005. The Appointments Commission has a more restricted role, being

²¹ HC Deb 4 March 1993

²² Cm 4057 October 1998

²³ Cmnd 4412 July 1999, Chapter 10

²⁴ Oral evidence from Gay Catto, Ceremonial Branch, Cabinet Office 7 July 2003 to Public Administration Select Committee, Q259 <http://pubs1.tso.parliament.uk/pa/cm200203/cmselect/cmpublicadm/642/3070707.htm>

²⁵ *Honours Oversight para 72*

²⁶ HC 212 2003-4 para 164

responsible only for a handful of honours where there has been direct prime ministerial or political involvement. The public existence of Electoral Commission registers of donors replaces the scrutiny of other types of honours. However these registers do not note the existence of loans to political parties.

PASC has announced an immediate enquiry into honours in a press notice of 15 March:

As part of its current inquiry into ethics and standards in public life PASC—the Public Administration Select Committee—is asking whether the scrutiny of honours and peerages for political service is working. It plans to publish a report within three months.

There has been intense media speculation that the reason for the delay in approving the latest list of working peers is associated with the nature and extent of donations to political parties by some nominees. There have also been allegations that loans have been used as a way of circumventing declarations of political donations and that sponsors of the new academy schools have been promised knighthoods and other honours.

Commenting today, Committee Chairman Tony Wright said:

“The Public Administration Select Committee looked at the honours system in detail just over a year ago. We urged that honours should be clearly separated from membership of the second chamber and recommended an independent honours commission. Since then important changes have been made to the safeguards including the merger of the Honours Scrutiny Committee with the House of Lords Appointment Commission and greater reliance on the Electoral Commission’s list of political donations.

With continuing speculation about whether the system of scrutiny is sufficiently robust and as part of our wider inquiry into current standards of probity in public life, we will be hearing from those charged with scrutinising nominations to ensure that there are robust safeguards against honours for sale.”²⁷

F. Appointment of life peerages

The non-statutory House of Lords Appointments Committee now invites self-nominations for life peerages and is responsible for making recommendations to the Prime Minister. However, Mr Blair has noted that: ‘we have always made it clear that in relation to party political peers, the Appointments Commission was taking over the role formerly fulfilled by the Political Honours Scrutiny Committee. It was never the custom that appointments to the Lords to enable someone to take up ministerial office should be subject to scrutiny by that Committee. I have also decided, after consultation with the House of Lords Appointments Commission, that a limited number of holders of very high office may be recommended direct to the Queen by me’.²⁸

The Appointments Commission’s remit is to:

make recommendations to Her Majesty The Queen on non-party political life peerages, a role previously undertaken by the Prime Minister. The Prime Minister will

²⁷ “PASC to probe scrutiny of public honours” 14 March 2006 at http://www.parliament.uk/parliamentary_committees/public_administration_select_committee/pasc0506pn29.cfm

²⁸ HC Deb 25 June 2001 vol 370 c17-8W

inform the Commission of the number of nominations sought for non-party political peers. He will put forward the Commission's recommendations to The Queen in the same way as nominations made by the political parties. He will not intervene except in the most exceptional cases (for example, such as a danger to the security of the realm).²⁹

There was press speculation about the position of the Appointments Commission:

One of Tony Blair's big ideas has turned out to be rather small beer. Only 15 "people's peers" have been appointed and now Labour MPs are calling for the abolition of the commission that chooses them. It costs £120,000 a year to run and yet no new "people's peers" have been created for more than two years. ³⁰

Full details of House of Lords Appointments Commission work can be found in Library Standard Note no 2855, including the Government's plans for a new statutory Appointments Commission, announced in September 2003.

G. New proposals for reform in March 2006

The Prime Minister announced on 16 March 2006 that he was considering further changes to the honours system. He was reported on BBC News as follows:

He said he was considering changes to the honours system to take "politics out of them" and the rules covering political party funding.

The honours shake-up would involve "renouncing the right of the PM" to nominate people for honours such as OBEs and knighthoods and instead pass that role on to the cabinet secretary.

But he said that this did not include the nomination of working peers, saying that was a question for any future reform of the House of Lords.

The prime minister was speaking after Labour treasurer Jack Dromey launched an internal inquiry after being "kept in the dark" about loans to the party last year totalling millions of pounds.

The rules on party funding dictate that anyone donating £5,000 or more should be named - but loans of any amount do not have to be declared. ³¹

The Lord Chancellor announced on 20 March that he would bring forward amendments to the *Electoral Administration Bill* to prevent loans from remaining undisclosed under the *Political Parties, Elections and Referendums Act 2000*.³²

H. International experience

The Phillips report, Annex 2 offers a series of tables on Australia, Canada, Denmark, France, Germany, Italy, Japan, Kenya, New Zealand, Russia, Sweden, Thailand, and the

²⁹ <http://www.houseoflordsapointmentscommission.gov.uk/commission.htm>

³⁰ "Labour MPs attack Blair's 'people's peers' commission," *Independent*, 28 May 2003

³¹ "Blair denies 'cash for peerages'" 16 March 2006 *BBC News*

³² "Secret party loans to be banned" 20 March 2006 *BBC News*. For details of the changes see Library Standard Note no 3877 *The Electoral Administration Bill: A Note on the Bill's Progress*

United States.³³The Australians reviewed their honours system in 1995 and found that awards were overrepresented amongst males, the more highly educated and senior public servants.³⁴ The Australian system and full lists of awards made is set out at http://www.itsanhonour.gov.au/about/how_to_nominate.html The Canadian process is available at http://www.dnd.ca/hr/dhh/honours_awards/engraph/infoindex_e.asp?cat=3 The New Zealand system was reviewed by an Advisory Committee on the Royal Honours System in 1995. See http://www.geocities.com/noelcox/Review_of_Honours.htm A website provides an alphabetical listing of Orders, Decorations and Medals by country at www.geocities.com/Athens/4795/Reference.htm

I. Reviews of the Honours System

1. The Major review in 1992

Honours have been the subject of several reviews over the years. When John Major was Prime Minister, he launched a review in May 1992 with the intention of giving greater recognition for genuine merit. Michael De Noy's study *The Honours System* published in 1991 had shown how awards appeared to be distributed disproportionately, with a high proportion being distributed to civil servants and to people falling within the definition of the 'establishment'. Harold Wilson as Prime Minister undertook a review of the honours system, announcing that the proportion of awards made to civil servants would be reduced over a period.³⁵

Mr Major's review was followed by a statement on 4 March 1993.³⁶He proposed to

- End the recommendation of honours where given solely by seniority or by appointment
- Increase the proportion given in respect of voluntary service
- Phase out the British Empire Medal in favour of the Order of the British Empire
- Bring forward the usual five-yearly cycle of the number and distribution of honours
- Making the nomination procedure more transparent

2. The Wilson review 2000-1

A further review commissioned by the then Cabinet Secretary, Sir Richard Wilson, in 2000, detailed how the nominations system had developed in the 1990s:

3. A dedicated Nominations Unit was set up (originally with No 10 as its formal address but always operating out of Ceremonial Branch) to develop a system based upon a standard nomination form, setting out the type of information needed. The intention was, as part of Mr Major's commitment to a classless society, to involve more 'ordinary' members of the public and thereby "help increase the recognition of merit of all kinds".

³³ *Review of the Honours System* Cabinet Office July 2004
<http://www.cabinetoffice.gov.uk/reports/honours/pdf/honours.pdf>

³⁴ *A Matter of Honour: The report of the Review of the Australian Honours and Awards* December 1995

³⁵ HC Deb 21 July 1967 c348-9w

³⁶ HC Deb 4 March 1993 c 453-463

4. The initial launch and associated publicity secured a flood of forms to the Unit — some 10,000 in the first year. Eight years on, the Unit has 30,000 live nominations in its system with an average of 6,000 new nominations coming in annually (with a roughly equal number of unsuccessful nominations being taken off the list to keep it at a manageable level).³⁷...

6. In the Birthday list of 1994, the first real test of the new public nomination system, the proportion of candidates with public support constituted 28% of the total. This proportion reached 45% in the New Year 1997 list, and having averaged 43% over the six lists to Birthday 2000, it rose again to 46% in the New Year 2001 list.

7. Where the public nomination clearly relates to the work of a particular Department, the nomination unit passes it on to the relevant Department for consideration.

8. But a good proportion of public nominations do not have a clear departmental home (most are for various forms of community service) and about 1,200 such cases a year are handled by Ceremonial Branch who obtain views on them from Lord Lieutenants and any Departments with an interest. Ceremonial Branch then put forward the best for inclusion in the honours lists: they account for about 15% of the total, mainly OBEs and MBEs.

9. The other 57% of candidates (54% in the New Year 2001 list) are identified by Departments through their own systems for generating names. Each Department has an honours secretary and the larger one have an honours unit which canvasses nominations from commands and divisions which in their turn seek nominations from the organisations the Department sponsors. The Department then combines its own names with public nominations (whether passed over to it by the central nomination unit or submitted to the Department direct). These are processed and moderated by a Departmental honours committee, usually chaired by the Permanent Secretary. The resulting 'Departmental list' is submitted to Ceremonial Branch which allocates the candidates amongst the appropriate honours selection sub-committees.

The review found that there had been a significant increase in the numbers of honours being awarded for voluntary work:

15. The Major review of 1993 concluded that there should be a significant increase in awards made to those doing voluntary work. In the birthday 1994 list, such awards made up a third of the Prime Minister's list. Two years later, in the Birthday 1996 list, this was up to 47%. It reached 50% in the New Year 1998 list. Since then, it has only once fallen below half, its highest point to date being 57% in the Birthday 1998 list. Awards for voluntary service are clustered at the MBE level.³⁸

Appendix B of this paper gave a breakdown of distribution of honours by sector in the period 1998-2000. The review noted however that there was one honour per 3,125 home civil servants, one honour per 123 for diplomats and one per 1,090 for armed forces.³⁹ In contrast, teachers received 1 per 15,500 and nurses 1 per 20,000 in the six lists from the New Year in 1998 to the Birthday Honours in 2000.⁴⁰ Another review document found that there was a clear correlation between the level of honour and the grade or rank of the recipient. At the time of the 1998 quinquennial review, it was estimated that the chances of

³⁷ *Honours: Nominations* 16 January 2001 Cabinet Office

³⁸ *Honours Oversight* January 2001 Cabinet Office

³⁹ *ibid*, para 30

⁴⁰ *ibid* para 25

success of the CB and CMG grade-related populations was 1 in 45 for the armed forces and the diplomatic service and 1 in 60 for the home civil service.⁴¹ More recent statistics giving a breakdown of the award of honours is given in the annexes to both the PASC and the Phillips reports.

The Wilson review examined the operation of the quinquennial review system and found that it tended to concentrate on the number of awards for state servants and their distribution between the armed forces, the diplomatic service and the home civil service.⁴² The only exception was the review instituted by Mr Major in 1993. Whereas state servants had 20 per cent share of the Prime Minister's List in 1992, the 2000 review found this had fallen to 15 per cent by Birthday 2000. The paper commented:

38. This large switch is explained by the fact that in 1993 there was sufficient political pressure to bring about change. Mr Major went public about his wish to have an honours system which reflected his pursuit of a classless society. As the review proceeded, and the case was made for keeping things broadly as they were, he objected that he could not have a review which brought forth a mouse. It was the Prime Minister's advance public commitment to reform that delivered change on this occasion.⁴³

In oral evidence to the Public Administration Select Committee, Sir Hayden Phillips, Permanent Secretary of the Department for Constitutional Affairs, noted the improvement in the ratios of honours awarded due to public support.⁴⁴ The statistical annex to his report contains details of the distribution of awards by women, by region and by minority ethnic group.⁴⁵

Statistics released by the PASC when it published the Wilson review papers were summarised as follows:

At the same time, the Committee published some Government statistics which show that up to 60 people (around 2 percent of those offered) refuse an honour each year. They also show that the proportion of the highest honours (CBE and above) going to black and minority ethnic candidates has remained at a low level (between 2 and 4 percent), despite increases in the overall percentage. The percentage of women who receive the highest honours doubled in the late nineties, but has remained at about 20 per cent for the last few years.⁴⁶

Its report concluded

53. The Wilson Review of 2000/01 concluded that the current nomination process, established under the Major reforms, "has struggled to generate enough female and ethnic minority candidates" and that indicative targets for greater diversity were not working effectively.^[41] Our own statistical research lends strong support to the

⁴¹ *Honours: Criteria for Levels of Honours* Cabinet Office January 2001, paras 39-42

⁴² *Honours: Structure of Expert Committees* November 2000 Cabinet Office

⁴³ *ibid* para 38

⁴⁴ Uncorrected oral evidence 7 July 2003, available from PASC website at <http://pubs1.tso.parliament.uk/pa/cm200203/cmselect/cmpubadm/642/3070702.htm>

⁴⁵ See Annex 6 Statistics in <http://www.cabinetoffice.gov.uk/reports/honours/pdf/honours.pdf>

⁴⁶ Public Administration Select Committee Press Notice no 22 December 2003

suggestion that race and gender can determine whether (and what kind of) an honour is received.⁴⁷ It suggested that, although 7.9% of the UK population at the 2001 census were black or of minority ethnic origin, only between 4.2% and 7.0% of awards went to people from such backgrounds. Especially in the "senior" categories of honours (CBE and above), those with ethnic minority backgrounds appear noticeably less likely to be successful than white people. According to the figures, women also benefited less than men from the reforms introduced by John Major in the 1990s.

See the statistical supplement to the PASC report for further details.⁴⁷

The Wilson review suggested ways in which to increase public participation in the nomination procedure and pointed to the increasing use of self-nomination and explanation of the criteria for equivalent exercises, such as the work of the House of Lords Appointments Commission.⁴⁸ The membership of the various committees involved in compiling honours remains secret, and there is an exemption under the *Code of Practice on Access to Official Information* in relation to information given in relation to recommendations for honours.⁴⁹ This exemption has been broadened in the *Freedom of Information Act 2000* to include information relating to 'the conferring by the Crown of any honour or dignity'.⁵⁰ Press reports suggested that no further action following the review was taken.⁵¹ The Phillips review also proposes greater transparency, proposing that the names of members of the committee be made public and that committees should be composed of a majority of non-civil service experts.

3. The PASC and Phillips reviews and proposals in 2004

Details of the Wilson review and the papers produced were given to the Public Administration Select Committee in November 2003 by the Permanent Secretary to the Department for Constitutional Affairs, Sir Hayden Phillips. The Committee commented:

The six papers were passed on by the Government after pressure from the Committee, which is holding an inquiry into ministers' prerogative powers, including the right to recommend honours. There was also a request for the papers from an individual under the Code of Practice on Access to Government Information. It is very rare for such policy papers to be released, because the Code contains a series of relevant exemptions.⁵²

There has been recent interest in honours following the refusal of an OBE by the poet Benjamin Zephaniah, because of the links of the Empire to slavery. The *Sunday Times* 14 December 2003 reported that the minutes of the main honours committee had been leaked to it.⁵³ This included a reported decision not to award an honour to Professor Colin

⁴⁷ HC 212 2003-4

⁴⁸ *ibid* paras 20-25

⁴⁹ Exemption 8

⁵⁰ Section 37. See *Honours: Transparency* Cabinet Office November 2000

⁵¹ *Times* 25 November 2003 'Scathing review of honours system shelved by No 10'

⁵² 'Honours system could face radical change' Press Notice no 22 from PASC website at http://mirror.parliament.uk/parliamentary_committees/public_administration_select_committee/pasc_pn_22.cfm

⁵³ *Sunday Times* 14 December 2003 'Whistleblower reveals secrets of honours list'

Blakemore, chief executive of the Medical Research Council, because of controversy caused by his involvement in animal experimentation.⁵⁴ The *Sunday Times* 21 December 2003 carried another leak listing 300 people who had refused honours.⁵⁵ EDM 286 of 2003-4 calls for the abolition of the current honours system.

With the publication of the New Year's Honours, a Government spokeswoman was quoted as stating that a review of the system, designed to make it more independent and transparent, was under way.⁵⁶ The *Times* reported that Sir Hayden Phillips, Permanent Secretary of the DCA, was undertaking the review.⁵⁷ PASC took evidence from Sir Hayden Phillips and Mrs Gay Catto, who heads the Ceremonial Secretariat in the Cabinet Office, on the operation of the honours system, as part of its inquiry into the royal prerogative..⁵⁸ The PASC chairman, Dr Tony Wright announced that his committee would launch an inquiry in January 2004 to examine the honours system.⁵⁹

The PASC report was published in July 2004, a few days before the Phillips report was placed in the House of Commons Library. The Government response was as follows:

The Prime Minister (Mr. Tony Blair): The Government have received Sir Hayden Phillips' report on his review of the honours system. Copies have been placed in the Libraries of the House.

We shall consider this report alongside the report "A Matter of Honour: Reforming the Honours System" (HC212) by the Public Administrator Select Committee, which was published on 7 July. The Government will make a statement on the way forward later this year.⁶⁰

The PASC report summary called for radical changes, including the creation of an independent Commission:

The Report expresses doubts about the way honours are distributed to state servants, including civil servants and members of the armed forces. It was felt that the continued use of the two Orders almost exclusively conferred on state servants—the Order of the Bath and the Order of St Michael and St George—suggested that they were receiving favourable treatment. Doubts about equity and fairness were deepened by the composition of the honours selection committees, which continue to be dominated by senior civil servants. The title "Order of the British Empire" was now considered to be unacceptable, being thought to embody values that are no longer shared by many of the country's population.

We make a series of recommendations which we believe are necessary to ensure that the honours system is consistent with the principles of sound public administration. These include: an end to further appointments to the Order of the British Empire, the Order of the Bath and the Order of St Michael and St George; the foundation of a new Order of British Excellence; a phasing out of titles and name-

⁵⁴ Professor Blakemore has given oral evidence to the Public Administration Select Committee on the matter. See the committee website for a transcript.

⁵⁵ *Sunday Times* 21 December 2003 'Secret list of 300 who scorned honours'

⁵⁶ BBC News 31 December 2003 'Rugby heroes delighted by rugby honours'

⁵⁷ *Times* 31 December 2003 'System to be stripped of its mystique and secrecy'

⁵⁸ Uncorrected oral evidence, Q223

⁵⁹ *Times* 16 December 2003 'Call for end of empire in new-look honours'

⁶⁰ HC Deb 16 July 2004 c92WS

changing honours; reforms to increase the independence of the selection process through the establishment of an Honours Commission and the end of the 'Prime Minister's List' and other ministerial honours lists; and proposals for increasing public awareness of the system.⁶¹

The full list of recommendations is available at <http://www.publications.parliament.uk/pa/cm200304/cmselect/cmpubadm/212/21203.htm>

The Phillips report offered less radical solutions:

20. The system could be run quite differently. We could, as in some other countries, create an Honours Commission, entirely separate from government, with its own staff – as now is the case in the House of Lords Appointments Commission, and will be with the proposed Judicial Appointments Commission. But these bodies are appointing to jobs or roles, while the honours system is about acknowledgement of service, not remunerated employment. A separate Commission would be another and potentially large quango to be set up, with all the costs of loss of experience and then the re-creation of expertise. And it would still be necessary for government departments to be consulted on nominations.

21. If the objective of change is to put into the system greater independence of leadership to reinforce confidence in the system while avoiding unnecessary extra cost, that could be achieved in an economic and evolutionary way by appointing independent chairs (whose names would be publicly known) to the range of advisory committees and ensuring that the committees themselves all contained a predominant independent majority. This would build on the current position of many of the committees – Science, Medicine, Arts and scholarship (Maecenas), Sport and Media – in which the independent members far outweigh Civil Service members. Indeed there are now independent members on the Main Honours Committee.

22. I suggest this approach is taken and then given a chance to be tested and evaluated over a three- to five-year period. The process of appointment of such independent people would have to carry confidence. The qualities they should have would be set out publicly and a wide consultation employed to find a suitable and diverse group. A proportionate process to do this should be agreed with the Commissioner for Public Appointments. A decision will be needed as to whether the chairs should be experts in the field in question, or whether it is better, as now, for them independently to hold the ring and balance the range of expert views. I think the latter would be preferable. It would also reduce the risk of lobbying.

23. It would be important for the continuity and authority of the system if the Permanent Secretaries of the relevant departments attended committees to explain departmental recommendations. The Main Honours Committee would thus be composed of independent members (the chairs of the sub-committees), but I would suggest it be chaired by the Cabinet Secretary or as now by his representative, and include the Permanent Under-Secretaries of the Foreign and Commonwealth Office and of the Ministry of Defence. The three present lists would be moderated by the Main Committee for consistency, including, for the State list, across the Home Civil Service, the Diplomatic Service and the Defence Services.

⁶¹ HC 212 2003-4, Summary

This would enable the Main Committee to provide the right quality control of the three lists and ensure consistency between them.⁶²

However, both reports supported greater transparency in the awarding of honours and more involvement by non-civil servants.

⁶² *Review of the honours system* Cabinet Office July 2004 Dep 04/1463 available at <http://www.cabinetoffice.gov.uk/reports/honours/pdf/honours.pdf>