

Contents

	Summary	2
	Written evidence	3
	1. Letter from the Commissioner to Mr Joseph Johnson MP, 4 February 2019	3
5	2. Letter from Mr Joseph Johnson MP to the Commissioner, 5 February 2019	5
	3. Letter from the Commissioner to the Registrar of Members' Financial Interests, 11 February 2019	6
	4. Letter from the Registrar to the Commissioner, 13 February 2019	7
	5. Letter from the Commissioner to Mr Joseph Johnson MP, 20 February 2019	15
10	6. Letter from Mr Joseph Johnson MP to the Commissioner, 25 February 2019	16
	7. Letter from the Commissioner to Mr Joseph Johnson MP, 12 March 2019	16

Summary

I began an inquiry on my own initiative concerning late registration of some of the Member's financial interests.

5 When I told the Member that I had begun an inquiry, he immediately acknowledged his breach of the rules, for which he apologised. He said that he had been mistaken about the rules concerning the registration of land and property and, when he had realised his mistake, he had made the late registration and apologised to the Registrar of Members' Financial Interests. In the interim, he had realised that the
10 property in question should, in fact, have been registered when he first acquired his 20% share in the property (January 2018) rather than when he first received rental income (October 2018) and had updated his register entry accordingly.

This was not the only late registration by the Member; he had made three other late registrations in the preceding 12-month period. He acknowledged and apologised for these, when I brought them to his attention. The Member told me that he had
15 put in place a system of fortnightly reminders to himself to check that his register was compliant with the rules.

I considered that this breach could be resolved by way of the rectification procedure available to me under House of Commons' Standing Order No 150. I asked the Registrar to make this evident in the Register by the italicisation of the relevant
20 entries for a period of 12 months.

Written evidence

1. Letter from the Commissioner to Mr Joseph Johnson MP, 4 February 2019

I would welcome your help with an inquiry I have started concerning your compliance with the House of Commons' Code of Conduct for Members in connection with the registration of your financial interests (paragraph 14 of the Code).

My attention has recently been drawn to your registration of a share in the ownership of a property in Somerset, which was acquired on 4 October 2018 and registered in the Register of Members' Financial Interests on 16 January 2019. This led me to review your register entry. Having done so, I have decided to begin an inquiry on my own initiative using the powers available to me under House of Commons' Standing Order No.150.

The Code of Conduct for Members

Paragraph 14 of the current Code of Conduct for Members states:

"Members shall fulfil conscientiously the requirements of the House in respect of the registration of interests in the Register of Members' Financial Interests. They shall always be open and frank in drawing attention to any relevant interest in any proceeding of the House or its Committees, and in any communications with Ministers, Members, public officials or public office holders."

The same paragraph appeared in the 2015 Code of Conduct for Members.

The Guide to the Rules relating to the conduct of Members - on registration

The main purpose of the Register of Members' Financial Interests (the Register) is

"to provide information of any pecuniary interest or other material benefit which a Member receives which might reasonably be thought by others to influence his or her action, speeches or votes in Parliament, or actions taken in his or her capacity as a Member of Parliament".

After the publication of the first Register of a Parliament, it is the responsibility of Members to notify changes in their registrable interests within 28 days of each change occurring.

The detailed rules on the registration of financial interests are found in chapter 1 of the Guide to the Rules relating to the conduct of Members (copy enclosed). Paragraphs 15-21 of that chapter explain the rules specific to Donations and other

support for activities as a Member of Parliament (category 2); paragraphs 22-30 are specific to Gifts, benefits and hospitality from UK sources (category 3); paragraphs 31 and 32 are relevant to Visits outside the UK (category 4); and paragraphs 47-50 deal with Land and property (category 6).

5 Next steps

In the first instance, I would welcome your comments on this matter. It would be helpful if you would answer the following questions.

- (1) Whether you were aware of the requirement to register changes in your registrable interests within 28 days of any change?
- 10 (2) Whether, having reviewed your current register entry (copy enclosed for ease of reference), you consider you should have registered any of the listed interests sooner than you did?
- (3) If you do, please say which of the interests you believe should have been registered sooner and why you did not do so.
- 15 (4) Whether, having reviewed your register entry you are satisfied that it is currently complete and accurate?
- (5) If it is not, please contact the Registrar as soon as possible to make any necessary additions.
- 20 (6) Please describe the steps you have taken to assure yourself of the completeness and accuracy of your register entry.

Any other points you may wish to make to help me with this inquiry would be most welcome.

Important information

- 25 As you will be aware, my inquiries are conducted in private. Following the decision taken by the House on 19 July 2018, I will not publish the fact that I am conducting an inquiry into an allegation into an alleged breach of the Code of Conduct. My office will not comment on any aspect of the inquiry to third parties. They will answer direct factual questions about the processes I follow and the standards system more generally but will neither confirm nor deny that I have begun an inquiry.

30 Procedure

You can see a copy of the Commissioner's Information Note, which sets out the procedure for inquiries via this [\[hyperlink\]](#). Please note that this has not yet been updated to reflect the changes flowing from the decision of 19 July 2018.

This letter and any subsequent correspondence between us in connection with this inquiry is protected by parliamentary privilege. It should be kept confidential until the outcome of my inquiry is published. All the relevant evidence, including our correspondence, will be published when I have concluded my work.

- 5 While I do not, at this stage, know whether it will be necessary to interview you about this matter, it would be open to you to be accompanied at any such interview. I am, of course, very happy to meet with you at any stage if you would find that helpful. I should, as a matter of courtesy, say now that I may seek the advice of the Registrar on this matter. If I do so, I will share my correspondence with you and give
10 you the opportunity to comment before I reach a decision.

Action

I would be grateful to have your response to this letter as soon as possible and no later than 11 February 2019.

4 February 2019

15 **2. Letter from Mr Joseph Johnson MP to the Commissioner, 5 February 2019**

Please accept my sincere apologies for the late registration of the interest in the property in Somerset.

By way of background, I hope the following is helpful.

- 20 The property in question is a converted farm building in Somerset that is occasionally rented out when it is not in family use.

Its ownership changed in 2018 when my father transferred it to some of his children, with each of the beneficiaries receiving a 20% interest.

- 25 I was copied on an email to my father on 25 January 2019 from [name redacted], of law firm [Firm name redacted], notifying my father that the transfer of the property had been registered at the Land Registry.

Later that year, on 4 October 2019, I received a cheque for the sum of £140 as my share of the net income generated by the property during the period of ownership.

Regrettably, because I misunderstood the rules relating to Land and Property in the Register, I did not register the property at this time.

- 30 I have already apologised to the Registrar of Members' Financial Interests in my correspondence with her office for my failure to do so.

The reason for this was that, up until the point I proactively contacted the Registrar's office to seek confirmation of my understanding of the rules, I did not believe the property interest actually needed registering.

5 My initial reading of 6.47 (i) was that I did not need to register it as the value of my stake was £50,000 and therefore below the threshold value of £100,000. I understand now that the threshold applies to the value of the property itself, not just to my share of it. I do genuinely believe that this is ambiguous in the rules.

10 Similarly, because the property was highly unlikely to provide any consistent net income at all, let alone net income in excess of £10,000, and was more likely to make overall losses, I did not believe it required registration under 6.47(ii), which sets a minimum income threshold of £10,000. As I had no expectation of it generating net income, I did not believe it was captured under 6.47(ii) either.

15 Conversations and email exchanges with the office of the Registrar between 10 January and 16 January quickly set me right on these points. My interest in the property was duly registered on 16 January. I apologise again for the fact that this is unacceptably late. I take full and personal responsibility for this failure to comply with the rules under Category 6: Land and Property.

With respect to your other questions:

20 1, 2 & 3: Yes, I am aware of the 28-day rule and make every effort to ensure that updates to my register are made in a timely manner and within the 28-day deadline. I believe that entries to my register generally respect this rule.

4 & 5. Prior to receiving your letter, which was dated 4 February, I had taken steps to update my register to take into account an advance payment for a non-fiction book received on 21 January (within the 28 days).

25 6. I will ensure that the register remains up to date and accurate, and have put in place a system of monthly reminders to myself to check that it is compliant with the rules.

5 February 2019

30 **3. Letter from the Commissioner to the Registrar of Members' Financial Interests, 11 February 2019**

I would like to ask for your advice on a matter concerning Mr Jo Johnson MP and the registration of his financial interests.

35 I am investigating whether Mr Johnson has acted in breach of paragraph 14 of the current Code of Conduct for Members by registering late his acquisition of a share in a property in Somerset. The current Register shows that he acquired the property in October 2018 and registered it in January 2019.

I enclose a copy of the correspondence I have exchanged with Mr Johnson. It would be helpful to have copies of any correspondence you or your team have had with Mr Johnson about this matter. It would also be helpful if you would confirm the date by which the rules of the House required the registration of this interest.

- 5 Any other comments you may wish to make would be most welcome.

It would be very helpful to have your reply by 25 February 2019. If you require further information from [Mr Johnson] before giving your advice, I would be happy for you to contact him direct.

11 February 2019

10 **4. Letter from the Registrar to the Commissioner, 13 February 2019**

Thank you for your letter of 11 February. As requested, I attach the correspondence between the registration team and Mr Johnson about the share he now has in a residential property in Somerset.

- 15 You will see from the attached that Mr Johnson first approached us about this on 10 January. He later told us that until he had consulted this office, he had thought that he was not required to register this property interest. The registration team explained on 15 January that registration was required, and Mr Johnson sent a register entry on the following day.

- 20 Mr Johnson emailed again on 5 February to say that he had become aware that he had acquired his share in this property on 25 January 2018, rather than on 4 October 2018, as he had registered. He asked us to amend the Register entry, which we will do. The change will be included in the next published Register, dated 18 February.

13 February 2019

Enclosures with letter of 13 February 2019

- 25 Email exchanges between Jo Johnson MP and the Registrar's office

From: Jo Johnson

Sent: 05 February 2019 21:10

To: Commons Registrar

Subject: Jo Johnson - Property in Somerset

Dear Registrar and team,

As you will be aware, my brother and I have received correspondence this morning from the Commissioner for Standards in relation to the property in Somerset we registered earlier this year.

5 The Commissioner for Standards asked us to review the entry to ensure its accuracy.

Having gone through the email files in more detail, I see that I was copied in on an email to my father on January 25th 2018 from [name redacted], of law firm [name redacted], notifying my father that the transfer of the property had been finalised with the Land Registry.

10 I was at the time under a misapprehension as to the operation of the threshold for declaration: as I have explained previously, I thought (wrongly I now know) that my interest valued at £50,000 did not exceed the threshold and therefore did not require declaration.

15 It was not until I received a cheque for £140 rental income and clarified this with your office that I realised I need to register the whole thing.

This means, I'm afraid, that I need to ask to correct my entry so that the interest relates to January 25th 2018, not October 4th 2018.

So, it should now read:

20 "From 25th January 2018, a 20% share of a residential property in Somerset: (i) and (ii)."

I am extremely sorry for this and will do my best to ensure prompt and accurate declarations in future.

Kind regards

Jo Johnson

25

From: Commons Registrar

Sent: 17 January 2019, 16.21

To: [Mr Johnson's staff member]

Subject: RE: New entry - Jo Johnson MP & RE: New entry

Thanks [staff member] , I appreciate the confirmation and will leave the entry as it is.

Best wishes

[Assistant Registrar]

5 From: [Mr Johnson's staff member]

Sent: 17 January 2019 15:58

To: Commons Registrar

Subject: Re: New entry - Jo Johnson MP & RE: New entry

Hi [Assistant Registrar]

10 This is to confirm that the total annual rental income exceeds £10k.

Best,

From: Commons Registrar

Sent: Thursday, January 17, 2019 1:08 pm

15 To: JOHNSON, Jo

Cc: [Mr Johnson's staff member]

Subject: RE: New entry - Jo Johnson MP & RE: New entry

Thank you Mr Johnson

I will forward your apology to the Registrar.

20 [material concerning another Register entry]

[name redacted] has been in touch and advised that the total income from the Somerset property, before deductions, is £6,500 a year.

5 Since the total income yield from your Somerset property is below £10,000 a year, you need to register that income only if the total income which you personally derive from your property portfolio exceeds £10,000 a year. (NB The figures used for the purposes of the Register are gross income.) I have assumed that your gross income from your property portfolio does exceed £10,000. But please let me know if this is not the case, and I will amend the entry.

Otherwise, set out below is your updated entry. This will be included in the next online version of the Register of Members' Financial Interests, which will be dated 21 January 2019.¹

10 Kind regards

Assistant Registrar of Members' Financial Interests

From: JOHNSON, Jo

Sent: 16 January 2019 14:49

15 To: Commons Registrar

Subject: New entry

Hello [redacted]

Thank you for your clarification.

20 I found the rules to be ambiguous and it was not clear to me that this should be declared. Please accept my apology for the delay in registering this entry.

Best,

Jo Johnson MP

From: JOHNSON, Jo

Sent: 16 January 2019 14:39

¹ Register entry not reproduced here, see:

https://publications.parliament.uk/pa/cm/cmregmem/190121/johnson_joseph.htm

To: Commons Registrar

Subject: New entry - Jo Johnson MP

Good afternoon,

Please find attached a new entry for the register.

5 Best,

Jo Johnson MP

House of Commons: Register of Members' Financial Interests: Registration form

Category 6: Land and property

Do not register land or property which is used wholly for your own personal residential purposes, or those of your spouse, partner or dependent child(ren).

I wish to register land or property which I own, either by myself or with or on behalf of my spouse partner or dependent child(ren) and which:

i) has a value of more than £100,000; or forms part of a total property portfolio whose value exceeds £100,000; and/or

ii) alone or together with other properties owned by me, provides rental income of more than £10,000 in a calendar year (e.g. 2017).

See Chapter 1 of the Guide to the Rules, paragraphs 47 to 50, for guidance on registering land and property. For confidential advice call 0207 219 3277 or 0311; or email commonsregistrar@parliament.uk.

Date on which the land or property was acquired, or when the value of the property (or rental received) achieved registrable value:	4 October 2018
Type of property (e.g. whether business or residential, and if land, the type of use to which it is put):	20% share of a residential property

Location (e.g. county or local authority area):	Somerset
Value of more than £100,000 (or part of property portfolio worth more than £100,000)?	20% shareholding has a value of £50,000
Rental income of more than £10,000 a year (or part of property portfolio providing more than £10,000 a year)?	The 20% share of the residential property in Somerset will not provide rental income in excess of this amount
Please use the space below to provide any additional information; for example, if the rental income is paid to someone else, or if you are not the sole owner of this land or property.	
The property is owned jointly with four other shareholders	
Declaration	
I confirm that the facts above are accurate to the best of my knowledge.	
Member's Name:	Jo Johnson
Constituency:	Orpington
Signature (not required if submitted from Member's email address):	
Date:	16/1/19

Please email this form to commonsregistrar@parliament.uk; or send a signed hard copy to the Office of the Parliamentary Commissioner for Standards, House of Commons, London SW1A 0AA.

The office of the Parliamentary Commissioner for Standards will process your personal data in accordance with the provisions of the General Data Protection Regulation (GDPR). If you have any questions or concerns about the collection and use of your information please contact the

Registrar at the office of the Parliamentary Commissioner for Standards via commonsregistrar@parliament.uk.

If you would like more information about your Data Protection rights, please contact the House of Commons Information Rights and Information Security (IRIS) Service on 020 7219 2559 or the Information Commissioner's Office at www.ico.org.uk, tel. 0303 123 1113.

From: Jo Johnson

Sent: 16 January 2019 11:53

To: Commons Registrar

5 Subject: Re: Property

Many thanks for this clarification - I will get the completed form back to you today.

Kind regards

On Tue, 15 Jan 2019 at 12:12

10 Commons Registrar wrote:

Dear Mr Johnson

Thank you for taking the time to check your understanding of the rules. I apologise for the delay in getting back to you.

15 The threshold applies to the value of the property and rental income itself, rather than your individual share. So as the property's value is over £100,000, you will need to register your 20% share in it.

20 You will need to register your share of the rental income if the annual total generated is over £10,000, and/or the combined value of your share of the rental income from this property and the one in London (already registered) is over £10,000 a year.

I have attached the relevant form. If you could complete and email it back to us, we will send you a draft entry to approve.

Best wishes

[Assistant Registrar of Members' Financial Interests]

From: Jo Johnson

Sent: 10 January 2019 12:02

5 To: Commons Registrar

Subject: Property

Dear Registrar and team,

I'd be grateful for your guidance.

10 I have recently become a 20% shareholder in a rural property. My shareholding has a value of £50,000. My reading of 6.47 (i) below is that I do not need to register it on this basis.

It will be rented out as a holiday let from time to time, but any income I derive from it will be negligible and certainly below £10,000. Overall, it may generate losses. My reading of 6.47 (ii) below is that I do not need to register it on this heading either.

15 I'd be grateful if you'd be kind enough to confirm my understanding of the rules.

Kind regards

Jo

Category 6: Land and property

THRESHOLD FOR REGISTRATION

47. Members must register, subject to the paragraphs below, any land or property in the UK or elsewhere which:

i) has a value of more than £100,000; or forms part of a total property portfolio whose value exceeds £100,000; and/or

ii) alone or together with other properties owned by the Member, provides rental income of more than £10,000 in a calendar year.

5. Letter from the Commissioner to Mr Joseph Johnson MP, 20 February 2019

Thank you for your letter of 5 January 2019, acknowledging and apologising for the late registration of your acquisition of a 20% share of a family-owned property in Somerset.

5 You explained in your letter that you had misunderstood how the threshold for registration in category 6 of the register applies to properties in which the Member has a part share. However, I note you had already registered another property in which you had a part share, and the rules are clear that where a Member owns more than one property, it is the total value/total rental income from the properties that
10 is relevant.

While it was that particular registration which prompted me to begin this inquiry, I should draw to your attention three other instances where you had made late registrations. These are:

- 15 • the Category 2(b) donation, accepted on 21 October 2018 and registered on 20 November 2018;
- hospitality received on 26 June 2018 and registered on 31 July 2018;
- an overseas visit on 29-30 March 2018 registered on 9 May 2018.

These are also breaches of paragraph 13 of the then current Code of Conduct.

20 You said that you have put in place a system to ensure that you check your compliance with the registration requirements on a monthly basis in future. In view of the first item in the list above, I would like to underline that the House requires registration within 28 days of a change. A calendar monthly reminder, if that is what you have in mind, would not be effective.

25 When I wrote to on 4 February, I said that I might seek the advice of the Registrar. I have now done that. I enclose a copy of our correspondence for information. It does not raise any new issues of concern.

30 Standing Order No 150 makes provision for me to conclude an inquiry without making a referral to the Committee on Standards in certain circumstances. The Committee would generally expect the Member to have acknowledged and apologised for their breach of the rules, and to have taken any steps necessary to rectify their breach. In the case of late registration, that would include the italicisation of the relevant register entry or entries to show that they had been part of a rectification.

35 Subject to your acknowledgement and apology for the three additional late registrations identified above, and to your agreement that the four relevant entries

should be italicised in the register, I would be willing to conclude this matter by way of the rectification procedure.

5 If you agree to this proposal, I would publish the enclosed written evidence pack on my webpages, here: [hyperlink] and I would report the outcome to the Committee on Standards in due course.

I would be grateful if you would let me know by 27 February 2019 whether you are content to proceed as outlined above. It would be helpful if you would, at the same time, say whether you are satisfied with the factual accuracy of the enclosed material.

10 In the meantime, our correspondence remains protected by parliamentary privilege and I must ask that you continue to maintain the strict confidentiality of the inquiry.

20 February 2019

6. Letter from Mr Joseph Johnson MP to the Commissioner, 25 February 2019

Thank you for your letter dated 20 February.

15 I note your point about the rules regarding the value of property in category 6 of the Register. The share of the property in London to which you refer had a value of over £100,000, which is why I included it in my entry on the Register.

20 More broadly, I feel the rules are unclear as they stand at the moment and also inconsistent. Members are not required to register the entire value of a company in which they hold shares, for example, I therefore do not see why it makes sense for Members having to register the entire value of a property in which they may hold only a small financial interest.

25 I would like to apologise for the late registration of the three entries you have identified as part of your investigation. I have now put in place an updated system with fortnightly reminders to ensure that no more late registrations occur.

I can confirm that I agree with your proposal of italicisation of the four relevant entries. I can also confirm that the enclosed material is factually correct.

25 February 2019

7. Letter from the Commissioner to Mr Joseph Johnson MP, 12 March 2019

30 Thank you for your letter of 25 February 2019. I am sorry it has taken a little longer than usual to reply. I was unexpectedly away from the office last week.

- I am sorry if I was not sufficiently clear in my last letter about the significance of your London property when considering registration of your 20% share in the Somerset property. Already having a registrable interest in Category 6 meant that acquiring any additional property,² however small an addition, would add to the total value of your portfolio and that the additional property would require registration. Similarly, the fact that your London property was registrable in respect of the rental income derived from it, meant that any rental income from another property, however small the additional income, would require registration. I hope this further explanation is helpful.
- 5
- 10 On your broader point about consistency between registration categories, I would suggest that if you remain concerned, you might write to the Committee on Standards. The Committee is currently conducting an inquiry, started before the 2017 General Election, into the Code of Conduct and the Guide to the Rules relating to the conduct of Members.
- 15 You can see information about the scope of the Committee's inquiry on the Parliament website [hyperlink].

I have updated the evidence pack to include your letter and this one. The pack will be posted here on my webpages shortly [hyperlink].

- 20 I will report the outcome of my inquiry briefly to the Committee on Standards in due course. I have asked the Registrar to italicize the relevant items in the next edition of the Register.

I am pleased to confirm that this brings the matter to a close. Thank you for your co-operation with my enquiries.

12 March 2019

² Except land and property exempt from registration because it is used wholly for your own personal residential purposes or those of your spouse, partner or dependent children

