

6 September 2023		ITEM: 7
Standards and Audit Committee		
Dispensations for Member Interests		
Wards and communities affected: All	Key Decision: Non-Key	
Report of: Asmat Hussain, Interim Director of Law and Governance		
Accountable Assistant Director: n/a		
Accountable Director: Asmat Hussain, Interim Director of Law and Governance		

Executive Summary

This report informs the Standards and Audit Committee of dispensations in relation to disclosable pecuniary interests (DPI's) under section 33 of the Localism Act 2011.

1. Recommendation(s)

- 1.1 **The Standard and Audit Committee note the guidance and rules relating to dispensations in this report.**
- 1.2 **The Standard and Audit Committee support the use of the dispensation form for all Members of the Council to make requests to the Monitoring Officer.**

2. Introduction and Background

- 2.1 The Code of Conduct for Members requires that the Mayor, Councillors and Co-opted Members register any disclosable pecuniary interest (DPI) and other specified interests in the Register of Members Interests. If a Member has a DPI in relation to any matter to be discussed at a meeting they must:
 - Not participate in any discussion of the agenda item.
 - Not vote on the matter.
 - Leave the room whilst the agenda item is discussed and voted on.
- 2.2 However, a Member who has a DPI in a matter to be discussed at a forthcoming meeting of the authority may make a written request before the meeting to the Monitoring Officer for a dispensation to enable them to participate in the discussion and vote.
- 2.3 A dispensation may be granted where the Monitoring Officer is satisfied that:

- (a) without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;
- (b) without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;
- (c) granting the dispensation is in the interests of persons living in the authority's area; or
- (d) it is otherwise appropriate to grant a dispensation. Any grant of a dispensation must specify the duration of the dispensation up to a maximum of 4 years.

2.4 There is a general dispensation for all Members for their current four-year term of office to be present, speak and vote where they would otherwise have a DPI in the following matters:

- (a) Housing: where the Councillor (or spouse or partner) holds a tenancy or lease with the Council as long as the matter does not relate to the particular tenancy or lease of the Councillor (their spouse or partner);
- (b) Council Tax: setting the council tax or a precept;
- (c) Determining an allowance, travelling expense, payment or indemnity for Councillors;
- (d) Council Officer pay where this impacts on Member Allowances.

3. Issues, Options and Analysis of Options

3.1 Guidance issued by Department for Communities and Local Government (DCLG) in September 2013 (Openness and transparency on personal interests) stated that Members do not need a dispensation to take part in the business of setting the council tax or precept or local arrangements for council tax support because this is a decision affecting the generality of the public in the area rather than Members as individuals. Nonetheless the Monitoring Officer considers it prudent for the sake of completeness to include Council Tax in the general dispensation.

3.2 The dispensation for Council Tax relates to a Member's DPI and does not affect, or is related to, the scenario under Section 106 of the Local Government Finance Act 1992 where a Member is unable to vote if they are two months or more in arrears with their Council Tax when the Council's budget is being set.

4. Reasons for Recommendation

4.1 The Monitoring Officer has introduced a standard application form for Members to complete when seeking a dispensation in order to make the process more efficient and transparent. This report serves to formally notify Members of the background, guidance and procedures related to this form.

4.2 A copy of dispensation forms will be kept with the Register of Members' Interests.

5. Consultation (including Overview and Scrutiny, if applicable)

5.1 None

6. Impact on corporate policies, priorities, performance and community impact

6.1 None

7. Implications

7.1 Financial

Implications verified by: **Rosie Hurst**
Interim Senior Management Accountant

There are no financial implications arising from the recommendation in this report.

7.2 Legal

Implications verified by: **Gina Clarke**
Governance Lawyer

Section 31(4) of the Localism Act 2011 provides that a Member who has a disclosable pecuniary interest in any matter to be considered at a meeting may not participate in any discussion or vote on the matter. However, by virtue of section 33, an authority may, on a written request by a Member, grant a dispensation relieving the member from either or both of the restrictions in Section 31(4). This is reflected in paragraph 54 and Appendix B of the Code of Conduct for Members.

Under the legislation the Council is given discretion as to what procedures it puts in place to grant a dispensation. The introduction of a standard form to enable members to apply for a dispensation and to evidence the recording of the decision, supports improving the Council's governance arrangements. It also provides greater transparency of the process and supports the Council in promoting and maintaining high ethical standards.

All information regarding Community Equality Impact Assessments can be found here: <https://intranet.thurrock.gov.uk/services/diversity-and-equality/ceia/>

7.3 **Diversity and Equality**

Implications verified by: **Natalie Smith**
Strategic Lead: Community Development and Equalities

There are no diversity and equality implications arising from the recommendation in this report.

7.4 **Other implications** (where significant) – i.e. Staff, Health Inequalities, Sustainability, Crime and Disorder, or Impact on Looked After Children

None

8. **Background papers used in preparing the report** (including their location on the Council's website or identification whether any are exempt or protected by copyright):

None

9. **Appendices to the report**

Appendix 1 – Dispensation Form

Report Author:

Jenny Shade

Senior Democratic Services Officer