


Non-Executive Report of the: Standards (Advisory) Committee 19 th October 2017	 TOWER HAMLETS
Report of: Asmat Hussain, Corporate Director, Governance and Monitoring Officer	Classification: Unrestricted
Dispensations under section 33 of the Localism Act 2011	

Originating Officer(s)	Mark Norman Legal Advisor & Deputy Monitoring Officer
Wards affected	All

Summary

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

Recommendations:

- (1) That the Advisory Committee note the specific dispensation granted by the Monitoring Officer detailed in paragraph 3.2 of the report.
- (2) That the Advisory Committee note and consider the proposed General Dispensation and future arrangements detailed in paragraphs 3.5 to 3.8 of the report.

1. REASONS FOR THE DECISIONS

- 1.1 The terms of reference for the Advisory Committee currently provide that the Monitoring Officer may request the Advisory Committee to establish a Dispensations Sub-Committee to advise on any application made by a Member for a dispensation under section 33 of the Localism Act 2011.
- 1.2 This report informs members of the Advisory Committee of the dispensation granted by the Monitoring Officer at the Council meeting held on 20 September 2017 and a proposed General Dispensation to be granted by the Monitoring Officer to all Members on specified matters that may affect so many Councillors that the Council or relevant Committee would be impeded if the dispensation were not granted.

2. ALTERNATIVE OPTIONS

- 2.1 Not applicable.

3. DETAILS OF REPORT

- 3.1 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 and leave the room whilst the agenda item is discussed and voted on.
- 3.2 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.
- 3.3 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 areas; 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.

3.4 **Specific Dispensation:** The Monitoring Officer agreed to a dispensation for full Council on 20 September 2017, in relation to agenda item 12.18 which was a motion regarding the public sector pay cap. Members considered they might have a DPI because the lifting of the pay cap would result in potential financial benefit for either themselves or their spouse/partner.

3.5 The Monitoring Officer was satisfied that without the dispensation:

- the number of persons prohibited from participating in the item of business at the Council meeting would impede the transaction of the business: and
- the representation of different political groups at the Council meeting would be so upset as to alter the likely outcome of any vote relating to the business.

The Monitoring Officer therefore granted a dispensation for the duration of the Council meeting.

3.6 **General Dispensation:** Subject to the views of the Advisory Committee, the Monitoring Officer intends granting a General Dispensation to all Members 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: and
- (c) Determining an allowance, travelling expense, payment or indemnity for Councillors.

3.7 Guidance issued by DCLG in September 2013 (Openness and transparency on personal interests) states that the DCLG view is 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.

3.8 The dispensation for Council Tax relates to a Member's DPI and does not affect a Member's obligation under Section 106 of the Local Government Finance Act 1992 to declare and not vote if they are 2 months or more in arrears with their Council Tax when voting on setting the Council's budget.

3.9 The General Dispensation will apply until the next Mayoral and local elections in May 2018 after which a further report will be submitted to the Advisory Committee.

3.10 **Future Arrangements:** The Monitoring Officer will be introducing a standard application form for Members to complete when seeking a dispensation in order to make the process more efficient and transparent. As part of that process the Monitoring Officer intends to seek amendments to the Council

Constitution to make it a requirement for the view of either the Dispensations Sub-Committee or the Chair of the Advisory to be sought before any dispensation is granted on the grounds specified in paragraph 3.3 (c) or (d) above. The Monitoring Officer will continue to be responsible for granting dispensations on the grounds specified in paragraph 3.3 (a) and (b) above with the option of consulting the Chair or Sub-Committee if necessary.

4. COMMENTS OF THE CHIEF FINANCE OFFICER

4.1 There are no specific financial implications arising out of this report.

5. LEGAL COMMENTS

5.1 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 4.1 of the Code of Conduct for Members.

6. ONE TOWER HAMLETS CONSIDERATIONS

6.1 There are no specific anti poverty or equal opportunity implications arising out of this report.

7. BEST VALUE IMPLICATIONS

7.1 The Monitoring Officer will be introducing a standard application form for Members to complete when seeking a dispensation in order to make the process more efficient and transparent.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

8.1 There are no environmental implications arising out of this report.

9. RISK MANAGEMENT IMPLICATIONS

9.1 The introduction of a standard application form for Members to complete when seeking a dispensation should enable Members to better manage the requirement to make appropriate declarations of DPI's at meetings.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

10.1 There are no crime and disorder reduction implications arising out of this report.

Linked Reports, Appendices and Background Documents

Linked Report

- NONE

Appendices

- NONE

Local Government Act, 1972 Section 100D (As amended)

List of "Background Papers" used in the preparation of this report

- NONE

Officer contact details for documents:

- N/A