


<p>Non-Executive Report of the:</p> <p><b>Standards Advisory Committee</b></p> <p>Wednesday, 15 February 2023</p>	
<p><b>Report of:</b> Janet Fasan, Divisional Director, Legal Services and Interim Monitoring Officer</p>	<p><b>Classification:</b> Open (Unrestricted)</p>
<p><b>Dispensations under section 33 of the Localism Act 2011</b></p>	

<b>Originating Officer(s)</b>	Matthew Mannion – Head of Democratic Services
<b>Wards affected</b>	(All Wards)

## Executive Summary

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

## Recommendations:

The Standards Advisory Committee is recommended to:

1. Note the dispensations granted by the Monitoring Officer as set out in Paragraphs 3.5, 3.6 and 3.7.

### 1. REASONS FOR THE DECISIONS

- 1.1 This is a bi-annual noting report informing members of the Advisory Committee of the dispensations granted by the Monitoring Officer in relation to DPI's.

### 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 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.
- 3.4 **Specific Dispensation:** No Specific dispensations have been granted since the last report to the Committee on 23 June 2022.
- 3.5 **General Dispensation:** There is a continuing General Dispensation to 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.
- 3.6 A General Dispensation was granted to all Councillors for Full Council on 18 January 2023 for Agenda Item 8, a Motion concerning Tower Hamlets Homes. The Dispensation lasted for that Full Council meeting only. The Dispensation was granted on the grounds that:
- a) the representation of different political groups on the body conducting the business would be so upset as to alter the outcome of the vote on the matter; and
  - b) Granting the dispensation would be in the interests of persons living within the authority's area; and

- c) The number of DPIs in the matter would impede the transaction of the business.
- 3.7 A General Dispensation was granted to all Councillors for Full Council on 5 October 2022 for an Agenda Item regarding support for small businesses in the face of the energy bill crisis. The Dispensation lasted for the Full Council meeting on 5 October 2022 only. The decision to grant the dispensation was made due to the significant number of Members who had a DPI because they have businesses in the borough, and as a result:
- a) the representation of different political groups on the body conducting the business would be so upset as to alter the outcome of the vote on the matter; and
  - b) Granting the dispensation would be in the interests of persons living within the authority's area; and
  - c) The number of DPIs in the matter would impede the transaction of the business.
- 3.8 Guidance issued by DCLG in September 2013 (Openness and transparency on personal interests) stated 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.
- 3.9 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.
- 3.10 The General Dispensation set out in Paragraph 3.5 will apply until the next Mayoral and local elections in May 2026.

#### **4. EQUALITIES IMPLICATIONS**

- 4.1 There are no specific equalities implications arising from this report.

#### **5. OTHER STATUTORY IMPLICATIONS**

- 5.1 This section of the report is used to highlight further specific statutory implications that are either not covered in the main body of the report or are required to be highlighted to ensure decision makers give them proper consideration. Examples of other implications may be:
- Best Value Implications,
  - Consultations,
  - Environmental (including air quality),
  - Risk Management,
  - Crime Reduction,
  - Safeguarding.

5.2 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.

**6. COMMENTS OF THE CHIEF FINANCE OFFICER**

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

**7. LEGAL COMMENTS**

7.1 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 54 and Appendix B of the Code of Conduct for Members.

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**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