



Walsall Council

Standards Committee – 8th October 2012

Members' interests - dispensations

1. Summary

At the meeting of Council held on 25th June 2012, it was agreed amongst other things to delegate power to grant dispensations to the Standards Committee and the Monitoring Officer as set out in this report.

2. Recommendations

- (1) That the changes outlined in this report to the regime of granting dispensations to members and co-opted members in respect of disclosable pecuniary interests, be noted.
- (2) To note that Council on 25th June 2012 delegated power to grant dispensations in respect of disclosable pecuniary interests as set out in paragraph 3.5 of this report.
- (3) That a Sub-Committee, without the requirement for political balance, be established for considering applications for dispensations not otherwise delegated to the Monitoring Officer with the terms of reference as set out in paragraph 3.6 of this report.

3. Report detail

- 3.1 The provisions on dispensations have been significantly changed under the Localism Act 2011. The following paragraphs summarise the new grounds for considering a dispensation and suggest how decisions could be made on them.
- 3.2 Previously, a member who had a prejudicial interest could apply to the Standards Committee for a dispensation on two grounds:
 - (a) that at least half of the members of the decision-making body had a prejudicial interest;
 - (b) that so many members of one political party had a prejudicial interest in the matter that it would upset the result of the vote on the matter.

3.3 In future, a dispensation can be granted in five circumstances as follows:

- (a) That so many members of the decision-making body have disclosable pecuniary interests in a matter that it would "impede transaction of the business". In practice this means that the decision-making body would be inquorate as a result;
- (b) That, without the dispensation, the representation of different political groups on the body transacting business would be so upset as to alter the outcome of any vote on the matter. This assumes that members are predetermined vote on party lines on the matter, in which case it would be inappropriate to grant a dispensation to enable them to participate;
- (c) That the authority considers that the dispensation is in the interests of persons living in the authority's area;
- (d) That, without a dispensation, no member of the Cabinet would be able to participate on this matter; or
- (e) That the authority considers that it is otherwise appropriate to grant a dispensation.

3.4 Any grant of dispensation would need to specify how long it last for, up to a maximum of 4 years.

3.5 In addition the Localism Act gives a discretion for the consideration of dispensations to be delegated to a Committee or Sub-Committee or to the Monitoring Officer. The Council on 25th June 2012 delegated power to the Monitoring Officer to decide dispensations on grounds (a) and (d) as set out in paragraph 3.3 above, as these grounds are objective. The other grounds (b), (c) and (e) are more subjective and Council agreed therefore to delegate power to decide on these grounds to the Standards Committee after consultation with the Independent Person.

3.6 The Committee may wish to establish a Dispensations Sub-Committee to consider applications for dispensations on its behalf with the following terms of reference:

- (a) The Dispensations Sub-Committee will comprise 4 elected members without the requirement for political balance as agreed by Council.
- (b) A Chairman will be elected at the beginning of each meeting of the Sub-Committee.
- (c) The Sub-Committee may seek the views or advice of one of the Independent Persons and the Monitoring Officer.

Background papers

The Localism Act 2011

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