

**REDDITCH BOROUGH COUNCIL**

**Audit, Governance and Standards Committee**  
2024

28<sup>th</sup> May

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**LOCALISM ACT 2011 – STANDARDS REGIME – DISPENSATIONS**

Relevant Portfolio Holder	To be confirmed
Portfolio Holder Consulted	-
Relevant Head of Service	Claire Felton, Head of Legal, Democratic and Property Services
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Wards Affected	All
Ward Councillor(s) consulted	N/A
Relevant Strategic Purpose(s)	An effective and sustainable Council
Non-Key Decision	
If you have any questions about this report, please contact the report author in advance of the meeting.	

**1. RECOMMENDATIONS**

**The Audit, Governance and Standards Committee is asked to RESOLVE that:-**

- 1) the previously granted general dispensation in relation to allowing Members to address Council and Committees in circumstances where a member of the public may elect to speak be re-granted under section 33 (2) of the Localism Act 2011, to allow Members to participate in and vote at Council and Committee meetings when considering these matters;**
- 2) subject to the caveat set out in paragraph 3.6 of this report in relation to setting the Council's Budget, the Audit, Governance and Standards Committee grants dispensations under Section 33 (2) of the Localism Act 2011 to allow all Members to participate in and vote at Council and Committee meetings when considering the setting of:
  - a) the Budget;**
  - b) Council Tax;**
  - c) Members' Allowances; and**
  - d) Council Rents;**
  - e) Non-Domestic Rates – Discretionary Rate Relief Policy and Guidance affecting properties within the Borough;****

- 3) **it be noted that all dispensations granted by the Committee take effect on receipt of a written request from Members for such a dispensation and where Members may have a Disclosable Pecuniary Interest in the matter under consideration, which would otherwise preclude such participation and voting; and**
- 4) **it be noted that any new or re-granted dispensations will remain valid until the first meeting of the Audit, Governance and Standards Committee following the next Borough Council Elections in 2025.**

## **2. BACKGROUND**

- 2.1 The purpose of this report is to provide members with an opportunity to consider and agree a number of general dispensations for all Councillors.

## **3. OPERATIONAL ISSUES**

- 3.1 Under s31 (4) of the Localism Act 2011 a Member who has a DPI in a matter under consideration is not permitted to participate in the discussion or vote on the matter unless s/he has first obtained a dispensation under s33.
- 3.2 Section 33 (2) includes a number of situations where a dispensation can be considered, but should be granted "only if, after having regard to all relevant circumstances" the Committee considers that one of those situations applies.
- 3.3 The statutory grounds under s33 (2) for the granting of a dispensation are where the authority –
  - “(a) considers that without the dispensation the number of persons prohibited by section 31(4) 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) considers that 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) considers that granting the dispensation is in the interests of persons living in the authority's area,
  - (d) if it is an authority to which Part 1A of the Local Government Act 2000 applies and is operating executive arrangements, considers that without the dispensation each member of the authority's Executive would be prohibited by section 31(4) from participating in any particular business to be transacted by the authority's executive, or
  - (e) considers that it is otherwise appropriate to grant a dispensation."
- 3.4 The consideration of whether to grant a dispensation under s33 was previously delegated to the former Standards Committee. This function subsequently transferred to the Audit, Governance and Standards Committee. All dispensations granted are valid until the first meeting of the Audit, Governance and Standards Committee following the next applicable Borough Council elections.
- 3.5 Dispensations, all of which require the advance approval of the Committee and a subsequent written request from the Member to the Monitoring Officer, currently fall within four categories:
- General Dispensations
  - Council Tax Arrears
  - Individual Member Dispensations
  - Outside Body Appointment Dispensations
- 3.6 It should be noted that under Section 106 of the Local Government Finance Act 1992 there is a caveat that any Member who is 2 months (or more) in arrears with their Council Tax payments cannot participate in any Council meeting concerning the budget. In the event that any Members are affected by the provisions of section 106, the statutory rule that they be barred from taking part in the budget decisions would prevail.

- 3.7 An amended version of the new Local Government Association (LGA) Model Code of Conduct was adopted at the Council meeting held on 23<sup>rd</sup> May 2022. As a result of this adoption, Members are now required to complete an 'Other Registerable Interests' (ORI) form to declare any ORIs.
- 3.8 Usually, the Audit Governance and Standards Committee would be asked to consider granting both general dispensations and individual Member dispensations together at the first meeting of the Committee in the municipal year.
- 3.9 The current general dispensations to Members are due to expire on the date of the first meeting of the Committee in the 2024/25 municipal year. It is therefore important to ensure that the Committee is provided with an opportunity to consider whether to grant these general dispensations at this first meeting.
- 3.10 However, the first meeting of the Committee in the 2024/25 municipal year is taking place much earlier than usual. This does not provide much time to consult with Members, particularly new Members, on any individual Member dispensations that they wish to request for this municipal year.
- 3.11 In this context, Officers will present a further report, focusing on individual Member dispensations, for the Audit, Governance and Standards Committee's consideration at the next meeting of the Committee in July 2024.

**4. FINANCIAL IMPLICATIONS**

- 4.1 There are no specific financial implications.

**5. LEGAL IMPLICATIONS**

- 5.1 Section 33 of the Localism Act 2011 provides that Dispensations can be granted in respect of Disclosable Pecuniary Interests ("DPIs").
- 5.2 Section 33 (1) requires that a Member must make a written request for a dispensation.

- 5.3 Section 33 (3) provides that a dispensation must specify the period for which it has effect, and that period may not exceed 4 years.

**6. OTHER - IMPLICATIONS**

**Relevant Strategic Purpose**

- 6.1 The issues detailed in this report help to ensure that there is an effective and sustainable Council.

**Climate Change Implications**

- 6.2 There are no specific climate change implications.

**Equalities and Diversity Implications**

- 6.3 There are no specific equalities and diversity implications.

**7. RISK MANAGEMENT**

- 7.1 The granting of general dispensations by the Committee will, subject to receipt of a written request from Members for such a dispensation, clarify, for the avoidance of any doubt, Members' ability to participate in and vote at Council and committee meetings on certain matters as part of the Council's decision-making process.

**8. APPENDICES and BACKGROUND PAPERS**

- Section 33 of the Localism Act 2011.
- Section 106 of the Local Government Finance Act 1992.
- Various reports to the former Standards Committee and Audit, Governance and Standards Committee.