

## Democracy and Standards Committee 16<sup>th</sup> November 2021

Report Title	Review of Members' Allowances 2022 - Dispensation
Report Author	Adele Wylie – Director of Legal and Democratic & Monitoring Officer

### List of Appendices

None

#### **1. Purpose of Report**

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- 1.1. To seek a dispensation for North Northamptonshire Councillors and any co-opted members to allow them to remain in a meeting room, take part in any discussion and vote on any matter relating to any office they hold within the Council for which they receive an allowance. The dispensation will also apply to any outside body to which they have been appointed by North Northamptonshire Council for which they receive a taxable income or allowance. It is proposed that the dispensation be granted until May 2024.

#### **2. Executive Summary**

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In order for the Council to discuss and vote upon any recommendations arising from the Review of Members' Allowances due to take place in 2022, the Committee is asked to consider granting a dispensation under the provisions of the Localism Act 2011 to allow members to discuss and vote upon a matter in which they have a disclosable pecuniary interest.

#### **3. Recommendations**

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3.1 That the Democracy and Standards Committee:

- (i) grants a dispensation until 31<sup>st</sup> May 2024 to all members in relation to discussing and voting on any Council matter as a result of an interest that may arise due receiving an allowance from North Northamptonshire Council;
- (ii) grants a dispensation until 31<sup>st</sup> May 2024 in relation to discussing and voting on any Council matter as a result of an interest that may arise due receiving a taxable income or allowance from any outside body to which they have been appointed by North Northamptonshire Council; and

- (iii) strongly advises all members to review, and update, if necessary, their Declaration of Interests Form and ensure that receipt of an allowance from North Northamptonshire Council is included on their form.

### 3.1 Reason for Recommendations:

Section 31 (4) of the Localism Act provides that where a Member or Co-opted Member of the Council has a disclosable pecuniary interest in a matter under consideration at a meeting such member may not:

- a) participate, or participate further, in any discussion of the matter at the meeting, or
- b) participate in any vote, or further vote, taken on the matter at the meeting.

Part 4.4 of the Constitution of North Northamptonshire Council empowers the Democracy and Standards Committee to grant dispensations to Members and co-opted Members from requirements relating to interests.

## **4. Report Background**

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- 4.1 At its meeting held on 25<sup>th</sup> February 2021, the North Northamptonshire Shadow Authority approved a Scheme of Members' Allowances for the North Northamptonshire Council to take effect from 1<sup>st</sup> April 2021 until the scheme is amended or revoked by the Council.
- 4.2 The Scheme of Members' Allowances was approved following receipt of recommendations from the Council's Independent Remuneration Panel, one of which was that the allowances scheme should be reviewed in a year's time, when experience of operating the new decision-making structure would have accumulated.
- 4.3 It is anticipated that the Independent Remuneration Panel will shortly begin its work on the forthcoming review of the Members' Allowance Scheme. In anticipation of receipt of the Panel's report in 2022, the Committee is requested to consider granting a dispensation to all members of North Northamptonshire Council to allow them to discuss, and vote on, such recommendations when they are received.
- 4.4 A relevant local authority may grant a dispensation under Section 33 of the Localism Act 2011 if, after having had regard to all relevant circumstances, 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.
- 4.5 A dispensation under Section 33 of the Localism Act 2011 must specify the period for which it has effect, and the period specified may not exceed four years.

## **5. Implications (including financial implications)**

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### **5.1 Resources and Financial**

- 5.1.1 There are no resources or financial implications arising from the proposals.

### **5.2 Legal**

- 5.3 All elected members are bound by the code of conduct for councillors (the code). The code places a number of obligations on each member for which they are personally accountable and responsible.
- 5.4 There is legal uncertainty as to whether receipt of an allowance paid by the council may amount to disclosable pecuniary interest when considering council business.
- 5.5 A number of local authorities have obtained legal opinion from differing Queens Counsel and the advice varies as whether it is or is not a disclosable pecuniary interest. Therefore, to err on the side of caution and safeguard all members, council is requested to grant a dispensation that may arise from the receipt of such an allowance to all members and co optees.

### **5.6 Risk**

- 5.6.1 If a dispensation was not granted, any decisions arising from the forthcoming review of Members' Allowances may not be able to be taken.

### **5.7 Consultation**

- 5.8 Members of the public will be invited to make representations to the Independent Remuneration Panel as part of the review.

### **5.9 Consideration by Scrutiny**

- 5.9.1 None

## **5.10 Climate Impact**

5.10.1 There are no climate/environmental impacts arising from the proposed recommendations in this report.

## **5.11 Community Impact**

5.11.1 There are no community impacts arising from the proposed recommendations in this report.

## **6. Background Papers**

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6.1 North Northamptonshire Shadow Authority (25<sup>th</sup> February 2021) – Report and minutes.