



<u>Committee and Date</u> Standards Sub-Committee
25 <sup>th</sup> March 2015
10.00 am

<u>Item No</u>
<b>6</b>
Public

## APPLICATION FOR DISPENSATION

**Responsible Officer** Claire Porter

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### Summary

- i) To consider granting a dispensation to Councillors Karen Calder and Michael Wood who have disclosable pecuniary interests in matters concerning IP&E (Trading) as the Councils appointed Directors of IP&E (Trading) Ltd.

### Recommendations

- A. That, in accordance with section 33(1) of the Localism Act ("the Act"), the Committee grants a dispensation from Section 31(4) of the Act 2011 to Councillors Karen Calder and Michael Wood to participate in the discussion and to vote on matters which relate to IP&E (Trading) Ltd at meetings of Shropshire Council (including cabinet and any other formal decision making committees) on the grounds that it is in the interests of persons living in the Councils area.
- B. That the dispensation granted in A above last for a period until 04 May 2017 or such time as the disclosable pecuniary interest no longer applies, whichever is sooner.

### Report

- 1 The Localism Act 2011 (S31(4)) requires that a member with a disclosable pecuniary interest in any matter discussed at a meeting may not participate in the discussion of voting on the matter. The Shropshire Council code of conduct requires also that a member with a disclosable pecuniary interest must withdraw from the room or chamber where the matter is being considered.

2. S33 of the Act sets out the circumstances in which dispensations may be granted to members with disclosable pecuniary interests as follows:

“A relevant authority may grant a dispensation under this section only 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.”
3. The Act also states that a member must submit a written request for a dispensation explaining why the dispensation is desirable. The Standards Committee has authority to decide if it is appropriate to grant the dispensation.
4. Written requests have been received from Councillors Karen Calder and Michael Wood.
5. It may be considered to be in the interests of the people who live in the authorities area to grant the dispensation to the Councillors who are the Directors of this wholly Council owned company as without it, they will be prevented from reporting to the Council with regard to the performance of the company and from being involved in making decisions about the company which are in the interests of the Council.
6. In accordance with Paragraph 33(1) of the Localism Act 2011 a dispensation can be granted to participate and vote in all matters considered at meetings of the Council, (including cabinet and any other formal decision making committees) which affect IP&E (Trading) Ltd
7. Any dispensation granted cannot cover participation in respect of the relevant business after four years from the date of dispensation.

8. The Committee needs to consider whether Councillors Calder and Wood should be granted a dispensation.
9. In reaching decisions on each applicant, the Committee needs to have in mind the circumstances and nature of the item of business to be considered and the public interest in having their views represented.

**List of Background Papers (This MUST be completed for all reports, but does not include items containing exempt or confidential information)**

None

**Human Rights Act Appraisal**

The recommendations contained in this report are compatible with the provisions of the Human Rights act 1998

**Environmental Appraisal**

N/A

**Risk Management Appraisal**

The need to maintain confidence in the local democratic process.

**Community / Consultations Appraisal**

N/A

**Cabinet Member**

N/A

**Local Member**

N/A

**Appendices**

None