



Committee and date
Standards Committee

3 July 2012

4 pm

Item No

6

Public

APPLICATION FOR DISPENSATION

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Summary

To consider whether a dispensation should be granted to the Leader of Shropshire Council, Councillor Keith Barrow, who has a disclosable pecuniary interest as the Councils appointed Director of IP&E 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 Councillor Barrow to participate in the discussion and vote on matters which relate to IP&E 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 of four years or such time as Councillor Barrow ceases to be a director of IP&E Ltd, 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. A written request has been received from Councillor Barrow as follows:

“I have registered a disclosable pecuniary interest in a contract which is to be made between the Authority and the IP&E Ltd which is a body corporate of which I am the Councils appointed Director. IP&E Ltd is a wholly Council owned company.

In accordance with Paragraph 33(1) of the Localism Act 2011 I would be grateful if I could be granted a dispensation 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 Ltd on the grounds that, as a director of the company, my participation in such matters would be in the interests of persons living in the area covered by Shropshire Council.”

5. Any dispensation granted cannot cover participation in respect of the relevant business after four years from the date of dispensation.
6. The Committee needs to consider whether Councillor Barrow should be granted a dispensation.
7. 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