

REPORT TO: Standards Committee

DATE: 13th February 2013

REPORTING OFFICER: Monitoring Officer

SUBJECT: Dispensations & Budget Decisions

PORTFOLIO : Resources

WARDS: All

1.0 PURPOSE OF THE REPORT

1.1 To make Members aware of recent developments with regard to the requirement of dispensations for Members taking part in budget decisions.

2.0 RECOMMENDATION: That the report be noted.

3.0 SUPPORTING INFORMATION

3.1 Members will recall that in the old Standards Regime, an exemption was specifically granted in legislation to enable Members to take part in budget decisions without declaring interests. No such provision is contained within the Localism Act and the way in which legislation is drawn, leads to the conclusion that all Councillors residing within the Borough would have disclosable pecuniary interests in budget decisions involving Council Tax setting. Therefore, they would not be able to participate in decisions without seeking dispensations. Clearly this would involve every Member and would render decision making impossible.

3.2 Full Council received a report in April 2012 dealing with the forthcoming changes to legislation. At that meeting, the power to grant dispensations in cases where the number of declarations of interest would affect the quorum was granted to the Monitoring Officer with a right of appeal by the Member to the Standards Committee. This would allow all Members to seek dispensations quickly and simply and avoid difficulty at the Council meeting.

3.3 It should be noted that Brandon Lewis MP, the Local Government Minister, has recently criticised some Monitoring Officers for “gold plating” the Standards Regime. He has also written a letter which is attached as Appendix one expressing the view that dispensations are not required in budget and precept settings.

3.4 The Association of Council Secretary’s and Solicitor’s has since published an open letter to Mr Lewis in response, which is attached as Appendix two. In short, the Association’s position is that the legislation as enacted requires that declarations be made, and therefore dispensations need to be sought, to avoid the remote possibility of criminal sanctions. Many local authorities in the region are accepting this view and providing dispensations to Members.

4.0 POLICY IMPLICATIONS

4.1 None

5.0 OTHER IMPLICATIONS

5.1 None

6.0 IMPLICATIONS FOR THE COUNCIL'S PRIORITIES

6.1 **Children and Young People in Halton –**
None

6.2 **Employment, Learning and Skills in Halton –**
None

6.3 **A Healthy Halton -**
None

6.4 **A Safer Halton –**
None

6.5 **Halton's Urban Renewal –**
None

7.0 RISK ANALYSIS

7.1 No key issues have been identified which require control measures. Clearly, though, there will be a risk in the event that budget decisions are taken without due regard to prevailing legislation.

8.0 EQUALITY AND DIVERSITY ISSUES

8.1 The Report of itself does not contain specific equality and diversity issues.

9.0 LIST OF BACKGROUND PAPERS UNDER SECTION 100D OF THE LOCAL GOVERNMENT ACT 1972

None under the meaning of the Act.