

OPEN

Audit and Governance Committee

30 September 2024

Localism Act 2011 – General Dispensations

Report of: Interim Director of Governance and Compliance

Report Reference No: AG/27/24-25

Ward(s) Affected: All

Purpose of Report

- 1 This report recommends that the Committee amends and renews, for the period until the matter is again reported to the Committee following the local elections in May 2027, several general dispensations under the Localism Act 2011.

Executive Summary

- 2 The Localism Act 2011 mandates councils to promote and maintain high standards of conduct among Elected and co-opted Members. Members with a Disclosable Pecuniary Interest must not participate in Council business unless they obtain a dispensation under Section 33 of the Act. Dispensations, valid for up to four years, can be granted under specific conditions. The Committee has previously approved dispensations for Members to speak and vote on as outlined in Paragraphs 7 and 8 of this report.
- 3 The Committee is now requested to grant, for the period until the next report to the Committee after the local elections in 2027, the dispensations outlined in paragraphs 7, 8, 9 and 10 of this report.

RECOMMENDATIONS

The Audit and Governance Committee is recommended to:

1. Grant, for the period until the next report to the Committee after the local elections in 2027, the general dispensations for all elected and co-opted Members of Cheshire East Council as set out at paragraphs 7,8, 9 and 10 of the report.

Background

- 4 The Localism Act 2011 ('the Act') makes provision for the Standards regime. Under the Act the Council has a statutory duty to promote and maintain high standards of conduct by both its Elected Members and co-opted Members. The Council must also adopt a Code of Conduct setting out the conduct expected of elected and co-opted Members whenever they act in their official capacity as Members or co-opted Members.
- 5 The Council's Code of Conduct can be found on the Council's website at: [Councillors and councillor conduct \(cheshireeast.gov.uk\)](http://cheshireeast.gov.uk/councillors-and-councillor-conduct)
- 6 The Act seeks to prevent Members from participating in any business of the Council where they have a Disclosable Pecuniary Interest, unless they have sought a dispensation under Section 33 of the Act. Applications must be made in writing and dispensations may be sought for a period of up to four years. Dispensations may be sought on the following grounds:
 - That so many Members of the decision-making body have a disclosable pecuniary interest in a matter that the business of the meeting would be impeded;
 - Without a dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the outcome of any vote relating to the business;
 - The dispensation is in the interests of persons living in the authority's area;
 - No Member of Cabinet would be able to participate on the matter without a dispensation;
 - It is otherwise appropriate to grant a dispensation.

- 7 The Committee has previously agreed to grant dispensations to permit Members to speak and vote on the following general dispensations, and this report asks the Committee to renew these dispensations for the period until the matter is reported to the Committee again following the local elections in May 2027:
- Any allowance, payment or indemnity given to Members;
 - Any Ceremonial Honours given to Members;
 - Statutory sick pay under Part X1 of the Social Security Contributions and Benefits Act 1992 where they were in receipt of or entitled to receive such pay;
 - Setting the Council Tax or a precept under the Local Government and Finance Act 1992 (or any subsequent legislation);
 - Setting a Local Council Tax Reduction Scheme or Local scheme for the payment of business rates (Including eligibility for rebates and reductions) for the purposes of the Local Government Finance Act 2012 (or any subsequent legislation); and
 - School Meals or School Transport or Travelling expenses where the Member is a parent/guardian of a child in full time education or a parent governor (unless the matter relates specifically to the school the child attends).
- 8 The Committee has previously agreed that a dispensation should be granted to Members for such matters which may amount to a prejudicial or disclosable pecuniary interest relating to any allowance or other remuneration received from the Council in respect of Council duties or directorships of Council owned ASDVs. It is recommended that such a dispensation should again be granted, but that an additional dispensation should be granted to Members in respect of such other bodies in which the Council has a financial interest.
- 9 Committee members will be aware that the Boundary Commission are conducting a review of the Council's electoral arrangements. The review will take many months to conclude, but it is likely that there will be some changes to the Council's ward boundaries which may impact upon the Council's town and parish councils. It is therefore recommended that a further dispensation be granted which applies to any further community governance review of town and parish council governance arrangements which might become necessary as a consequence of the Boundary Commission's review. For example, this might apply to proposals to make consequential changes to town and parish council boundaries.

- 10 It is also recommended that a further dispensation be granted where a matter arises at a meeting which relates to the business of the Council and which has a direct financial impact on all Cheshire East Town and Parish Council's.

Consultation and Engagement

- 11 None

Reasons for Recommendations

- 12 To renew the previously agreed and other recommended general dispensations, in the interests of good governance and the effective conduct of public affairs.

Other Options Considered

Option	Impact	Risk
Do nothing	<p>The number of members prohibited from participating would impede the transaction of business.</p> <p>The representation of different political groups would be affected.</p> <p>It would not be in the interests of people living in the authority's area</p>	Decisions required of the Council not being made

Implications and Comments

Monitoring Officer/Legal

- 13 The Acting Monitoring officer is satisfied that these are set out in the body of this report.

Section 151 Officer/Finance

- 14 None

Policy

15

An open and enabling organisation
--

Equality, Diversity and Inclusion

16 None

Human Resources

17 None

Risk Management

18 Not putting in place the recommended general dispensations would mean that every Member would need to apply for a personal dispensation when the relevant matters arose. This would not be an efficient use of the Council's resources or in the public interest.

Rural Communities

19 None

Children and Young People including Cared for Children, care leavers and Children with special educational needs and disabilities (SEND)

20 None

Public Health

21 None

Climate Change

22 None

Access to Information	
Contact Officer:	Janet Witkowski Janet.witkowski@cheshireeast.gov.uk
Appendices:	None
Background Papers:	Councillors and councillor conduct (cheshireeast.gov.uk)