

To: All Members of the Standards
Committee: Tina Barnes (Chair); Cllrs
Ayub, Brock, D Edwards, Khan, Livingston,
Robinson and Steele.
c.c. Standing Substitutes - Cllrs Eden and
Skeats

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26 June 2017

Your contact is: Michael Popham - Committee Services

Pursuant to Paragraph 3(b) of Section 100B of the Local Government Act 1972 (as amended) item 4 of this agenda (Request for Grant of a Dispensation) is supplementary to the agenda circulated on 21 June 2017 for the meeting of the Standards Committee on Thursday 29 June 2017 at 6.30pm, in Committee Room 1, Civic Offices, Reading.

NOTICE OF MEETING - STANDARDS COMMITTEE - 29 JUNE 2017

A meeting of the Standards Committee will be held on **Thursday 29 June 2017 at 6.30pm** in Committee Room 1, Civic Offices, Reading. The Agenda for the meeting is set out below.

AGENDA

	<u>PAGE NO</u>
1. DECLARATIONS OF INTEREST	
2. MINUTES OF THE MEETING OF 30 JUNE 2016	Previously circulated
3. TERMS OF REFERENCE AND ANNUAL REPORT	Previously circulated
4. REQUEST FOR GRANT OF A DISPENSATION	49

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READING BOROUGH COUNCIL
REPORT BY MONITORING OFFICER

TO:	STANDARDS COMMITTEE		
DATE:	29 JUNE 2017	AGENDA ITEM:	4
TITLE:	REQUEST FOR GRANT OF A DISPENSATION		
CHAIR:	TINA BARNES		
SERVICE:	LEGAL & DEMOCRATIC SERVICES	WARDS:	BOROUGH-WIDE
LEAD OFFICER:	CHRIS BROOKS	TEL:	0118 937 2602 / 72602
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1. PURPOSE AND SUMMARY OF REPORT

- 1.1 In accordance with Section 100B (4)(b) of the Local Government Act 1972, the Chair has agreed that this item of business should be added to the agenda by reason of special circumstances, in order that a decision on a request for a dispensation in relation to ongoing business of the Council can be determined without unnecessary delay.
- 1.2 To consider a request from Councillor Tony Jones seeking a dispensation for himself and Councillor Liz Terry (who is Cllr Jones' partner) to take part in business related to equal pay claims that have been made against the Council. The nature of Councillor Jones' interest in equal pay is that he is employed by UNISON which is representing a number of equal pay claimants.
- 1.3 Councillors Jones and Terry have been invited to attend this Standards Committee meeting in order that they can make representations in support of their applications for the grant of a dispensation.

2. RECOMMENDED ACTION

- 2.1 That the Committee considers the request for a dispensation from Councillors Tony Jones and Liz Terry to enable them to take part in business related to equal pay claims that have been made against the Council, and in so doing confirm or otherwise the following:

- (a) The existence of a disclosable pecuniary interest that needed to be declared by Councillors Jones and Terry with regard to business related to equal pay claims that have been made against the Council;
- (b) In the event that the Committee determines that Councillors Jones and Terry had a disclosable pecuniary interest to declare, having taken into account any representations by Councillors Jones and Terry, the local Members Code of Conduct and the Localism Act 2011, whether a dispensation should be granted to Councillors Jones and Terry to enable them to participate in business being transacted by the Council in respect of equal pay claims that had been made against the Council;
- (c) In the event that the Committee was minded to grant a dispensation, to determine the scope and period for which the dispensation to allow Councillors Jones and Terry to participate in business being transacted by the Council in respect of equal pay claims would apply.

3. POLICY CONTEXT

- 3.1 The Members Code of Conduct at Section 7.7 sets out the process by which a member can request a dispensation to take part in business in which they have a disclosable pecuniary interest.
- 3.2 Under Section 33 of the Localism Act 2011 ("The Act"), the authority may grant a dispensation to Members who have a disclosable pecuniary interest in an item of business being conducted at a meeting of the authority at which they are present, to allow them to participate in the discussion and vote on the item of business.
- 3.3 In such cases, the Member must make a written request for a dispensation to the Monitoring Officer. The Monitoring Officer will then put the request before the Standards Committee, to which the Council has delegated the authority to determine requests for dispensations.
- 3.4 Under Section 33(2) of the Localism Act 2011, a dispensation may only be granted where the authority (ie the Monitoring Officer and the Committee) consider, having had regard to all relevant circumstances, that :
 - (a) without the dispensation the number of persons prohibited from taking part in the item of business would be so great a proportion of the meeting to impede the transaction of the business;
 - (b) without the dispensation the representation of different political groups at the meeting would be so upset as to alter the likely outcome of any vote relating to the item of business;
 - (c) granting the dispensation is in the interests of persons living in the authority's area;
 - (d) each member of the authority's executive would be prohibited from participating in any particular business to be transacted by the authority's

executive (as the Council is operating a committee system of governance this eventuality is not currently relevant).

- 3.5 The Standards Committee will grant a dispensation for a specified period of time, which may not exceed four years.

4. CONTRIBUTION TO STRATEGIC AIMS

- 4.1 One of the Council's strategic aims is to promote the participation of Reading people in local democracy through effective consultation and communication. This is only likely to be successful if people have confidence in the integrity of the Council and its members. The local Standards Committee will assist in building and maintaining that confidence.

5. EQUALITY IMPACT ASSESSMENT

- 5.1 Under the Equality Act 2010, Section 149, a public authority must, in the exercise of its functions, have due regard to the need to—
- eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 5.2 It is not considered that an Equality Impact Assessment (EIA) is relevant to the decisions arising from this report.

6. LEGAL IMPLICATIONS

- 6.1 The Secretary of State issued the Relevant Authorities (Disclosable Pecuniary Interests) Regulations, dealing with the definition, registration and declaration of pecuniary interests. The schedule from these Regulations is attached as an Appendix to the report setting out the categories of pecuniary interests, which are specified for the purposes of Chapter 7 of Part 1 of the Act.
- 6.2 A Member with a disclosable pecuniary interest in an item of business at a meeting may continue to be present at the meeting to make representations, answer questions and give evidence before leaving, subject to there being equivalent public speaking rights.
- 6.3 Under Section 30(3), the Localism Act 2011 places a duty on Members to register and disclose known pecuniary interests held by "relevant persons". These are the Members' spouse, civil partner, or any person with whom the Member is living as husband and wife or as civil partners. Therefore, the Act extended the legal requirement for public registration to include pecuniary interests held by spouses and partners, which in turn must be open for public inspection and published on the Council's website.

6.4 The 2012 Regulations in practice follow the previous Orders which implemented the relevant provisions of the 2000 Local Government Act, and require Members to register the same things. The main differences are as follows:

- The Localism Act 2011 has made the circumstances where pecuniary interests must be registered more complicated than the requirements of the 2000 Act.
- As mentioned above, the duty to register now extends to known pecuniary interests held by a "relevant person" - ie spouse or partner
- It is not clear whether the Member should register the extent / value of the interest as well as its existence. The old registration (2000) form specifically states that Members did not need to show the extent of their interest.
- The statutory requirement to register and declare no longer extends to other family members or close associates; and no longer uses the expression "relates to or is likely to affect" in relation to the holding of a disclosable pecuniary interest.
- There is no longer a duty to register gifts, or to register interests in public or charitable bodies where the Member has a position of general control or management.

6.5 On the last two bullet points above, there is a separation between Disclosable Pecuniary Interests (which have to be registered), and non-statutory (personal) interests, where there is not a duty to register but the Member is actively encouraged to do so in the interests of transparency and to avoid allegations of bias. It also encourages Members to declare at meetings interests which affect other family members or close associates, again in the interests of openness, transparency and the avoidance of bias; and not to participate in the discussion or vote and to leave the meeting if the interest is pecuniary.

7. FINANCIAL IMPLICATIONS

7.1 There is no specific budget implications associated with the Committee's consideration of a request for a dispensation from a member.

8. BACKGROUND PAPERS

Localism Act 2011

The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012 (SI 2012 - 1464) - Schedule describing categories of pecuniary interests is attached

SCHEDULE

<i>Subject</i>	<i>Prescribed description</i>
Employment, office, trade, profession or vocation	Any employment, office, trade, profession or vocation carried on for profit or gain.
Sponsorship	<p>Any payment or provision of any other financial benefit (other than from the relevant authority) made or provided within the relevant period in respect of any expenses incurred by M in carrying out duties as a member, or towards the election expenses of M.</p> <p>This includes any payment or financial benefit from a trade union within the meaning of the Trade Union and Labour Relations (Consolidation) Act 1992(1).</p>
Contracts	<p>Any contract which is made between the relevant person (or a body in which the relevant person has a beneficial interest) and the relevant authority—</p> <p>(a) under which goods or services are to be provided or works are to be executed; and</p> <p>(b) which has not been fully discharged.</p>
Land	Any beneficial interest in land which is within the area of the relevant authority.
Licences	Any licence (alone or jointly with others) to occupy land in the area of the relevant authority for a month or longer.
Corporate tenancies	<p>Any tenancy where (to M's knowledge)—</p> <p>(a) the landlord is the relevant authority; and</p> <p>(b)</p>

<i>Subject</i>	<i>Prescribed description</i>
	the tenant is a body in which the relevant person has a beneficial interest.
Securities	<p>Any beneficial interest in securities of a body where—</p> <p>(a)</p> <p>that body (to M's knowledge) has a place of business or land in the area of the relevant authority; and</p> <p>(b)</p> <p>either—</p> <p>(i)</p> <p>the total nominal value of the securities exceeds £25,000 or one hundredth of the total issued share capital of that body; or</p> <p>(ii)</p> <p>if the share capital of that body is of more than one class, the total nominal value of the shares of any one class in which the relevant person has a beneficial interest exceeds one hundredth of the total issued share capital of that class.</p>