

Report of	Meeting	Date
Monitoring Officer	Governance Committee	17 January 2013

GRANTING OF A DISPENSATION FOR ALL MEMBERS ON THE SETTING OF COUNCIL TAX

PURPOSE OF REPORT

- To authorise the grant to all members of Chorley Council a dispensation to enable them to participate in setting the rate of Council Tax charged by the Council for 2013/14.

RECOMMENDATION(S)

- That the Governance Committee grant a dispensation to all Chorley Councillors to allow them to participate and vote at any meeting this municipal year at which the Council Tax rate for the Borough is set.

EXECUTIVE SUMMARY OF REPORT

- Under the previous standards regime, the legislation granted to members an exemption from the requirement to declare a prejudicial interest and leave the meeting when the council tax rate was set. This was to reflect the fact that all members would be financially affected by the decision.
- The new standards regime no longer refers to prejudicial interests but instead talks in terms of pecuniary interests. The regime has been localised and there are no longer any blanket exemptions to allow members to participate in a decision when they have a pecuniary interest.
- The Localism Act does provide for the granting of a dispensation when sufficient numbers of members would be prevented from participating in a decision so as to affect the ability of the Council to properly reach that decision.
- All members of Chorley Council are financially affected by the setting of the council tax rate.
- It is appropriate in this circumstance to grant a dispensation to all members to enable them to participate and vote on the setting of Council Tax for the borough.

Confidential report Please bold as appropriate	Yes	No
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CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Involving residents in improving their local area and equality of access for all		A strong local economy	
Clean, safe and healthy communities		An ambitious council that does more to meet the needs of residents and the local area	

BACKGROUND

9. In July Chorley Council adopted a Code of Conduct which complied with the requirements of the Localism Act. Part of the requirements related to pecuniary interests. Members are required to provide a disclosure of their pecuniary interests and an online procedure has been implemented to facilitate this. Many members have already completed their disclosure under this system.
10. The effect of a member having a pecuniary interest is to prevent them participating in debates or the voting on an agenda item which impacts on their pecuniary interest. When such an item appears on an agenda, the member is required to declare that they have a pecuniary interest and leave the meeting prior to the item being presented to the meeting.
11. All members will reside within the Chorley Council borough boundary, therefore they will all be affected by the setting of the rate of Council Tax. Having an interest in land in the borough (to include renting) is a discloseable pecuniary interest. As a result all members may have been required to declare this interest and not participate in the meeting. This would mean that this item could not be decided.
12. Under the previous standards regime, this issue did not arise as there were statutory exemptions which included allowing members to participate in the setting of council tax. These blanket exemptions no longer apply, almost certainly because the scheme is supposed to have local implementation with little central interference.
13. The legislation does provide for the granting of dispensations in particular circumstances to include where the number of persons affected by the interest would impede the proper conduct of Council business. Clearly this applies in this instance.
14. The legislation also requires for the dispensation to be granted for a fixed period of time. It is proposed that the dispensation is granted until 1 May 2013, with the consideration of the dispensation being added as a standing item at the first meeting of the Governance Committee each municipal year. Whilst dispensations can be granted for up to 4 years, granting the dispensation annually will ensure that this is not overlooked. It will also overcome any confusion that may arise in relation to members who are elected to the Council after the dispensation has been granted.

IMPLICATIONS OF REPORT

15. This report has implications in the following areas and the relevant Directors' comments are included:

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal	X	Integrated Impact Assessment required?	
No significant implications in this area		Policy and Communications	

COMMENTS OF THE STATUTORY FINANCE OFFICER

16. There are no financial implications in this report.

COMMENTS OF THE MONITORING OFFICER

17. None save those contained in the report.

Chris Moister
Monitoring Officer

There are no background papers to this report.