

NORTH YORKSHIRE COUNTY COUNCIL

STANDARDS COMMITTEE

6 March 2020

Dispensations Granted**1.0 PURPOSE OF REPORT**

- 1.1 To inform the Committee about dispensations granted to County Councillors by the Monitoring Officer under delegated powers.
- 1.2 To ask the Committee to formally consider the dispensation granted to County Councillor Harrison for future meetings.

2.0 BACKGROUND

- 2.1 The Monitoring Officer was designated by the County Council as Proper Officer to receive written requests by Members/voting Co-opted Members for a dispensation under section 33 Localism Act 2011 relieving them from either or both of the restrictions on participating in the discussion and vote on a matter where they have a disclosable pecuniary interest (DPI).
- 2.2 The power to grant dispensations to Members and voting Co-opted Members under the ethical framework was delegated by the Council to this Committee, after consultation with the Independent Persons.
- 2.3 Power was also delegated to the Monitoring Officer to grant dispensations (after consultation with the Independent Persons) where the timescales are such that a Standards Committee meeting cannot be convened and where the Monitoring Officer has consulted every available Member of the Standards Committee, all of whom consent to the granting of the dispensation.

3.0 DISPENSATIONS GRANTED BY MONITORING OFFICER**County Councillor Arthur**

- 3.1 On 23 October 2019, a dispensation was granted by the Monitoring Officer, under delegated powers, to County Councillor Karl Arthur, to enable him to speak, vote and be included within the quorum at meetings of the Transport, Economy and Environment Overview and Scrutiny Committee when the Committee is considering business relating to Passenger Rail Updates, until the date of the next local government elections in 2021.
- 3.2 The matter could not await the next scheduled meeting of the Standards Committee as there was an item on the agenda of the Transport, Economy and Environment Overview and Scrutiny Committee's meeting the following day, 24 October 2019, regarding the Passenger Rail Updates, which updated the Committee on rail developments (including national reviews) and forthcoming changes for North Yorkshire, along with an overview of the rail industry. The Committee was being asked to note the update and was not being asked to take any decisions.
- 3.3 Councillor Arthur has a disclosable pecuniary interest (DPI) in items relating to the Passenger Rail Update as his employer, Network Rail, is registered as a DPI on his

interests form (along with his role as a level crossing keeper) and was mentioned in the relevant report; there was also the possibility of a perception that Councillor Arthur's place of employment was referenced. He would therefore have needed to declare the interest at the start of the item and leave the room, in the absence of any dispensation.

- 3.4 The Monitoring Officer did not consider that Councillor Arthur's participation would be likely to give rise to any risk of bias/predetermination or the appearance of such as the Overview and Scrutiny Committee was only being updated on the issues and was not taking any decisions; it was therefore unlikely that a reasonable person would feel there was such a risk
- 3.5 After consultation with the available members of the Standards Committee and Independent Persons, the Monitoring Officer granted the dispensation to enable Councillor Arthur to fully participate in the agenda item as the dispensation was in the interests of persons living in the authority's area, the public interest may favour his participation and it was appropriate to grant the dispensation. The dispensation will last until the date of the local government elections in 2021.

County Councillor Harrison

- 3.6 On 18 February 2020, a dispensation was granted by the Monitoring Officer, under delegated powers, to County Councillor Michael Harrison, to enable him to speak, vote and be included within the quorum at meetings of the Council, Executive and committees when they are considering business relating to Treasury Management, until the date of the next local government elections in 2021.
- 3.7 Councillor Harrison had made the following written application to the Monitoring Officer:

From time to time executive and council meetings include Treasury Management reports detailing loans and lending limits with financial institutions that the Council operates. Occasionally they will include loans and limits with companies that form part of Lloyds Banking Group (e.g. Bank of Scotland, Halifax, Lloyds). My role with Lloyds is as a Cyber Security manager within the Chief Security Office (that is, the part of the bank that governs information, cyber and physical security part of the bank). I have no connections with any part of the Group that deals with any form of lending or treasury functions.

Whilst the link between my full time employment and some of the finer details within our own treasury management reports is tenuous, in the interests of transparency I would like to formally request a dispensation to vote on Treasury management items.

The matter could not await the next scheduled meeting of the Standards Committee as there was an item on the agenda of the County Council's meeting the following day, 19 February 2020, regarding the approval of the Council's Treasury Management Strategy 2020/21. The Strategy concerns investing large sums of money in banks, some of which will be owned by Lloyds Banking Group.

- 3.8 Councillor Harrison has registered in his registration of interests form that he is employed by Lloyds Banking Group. This is therefore a disclosable pecuniary interest (DPI) for him. He would therefore have needed to declare the interest at the start of the item and leave the room, in the absence of any dispensation.
- 3.9 After consultation with the available members of the Standards Committee and Independent Persons, the Monitoring Officer granted the dispensation to enable

Councillor Harrison to fully participate in the agenda item as the dispensation was in the interests of persons living in the authority's area and it was appropriate to grant the dispensation. The treasury management process is controlled by professional officers and Members do not influence how much is put into each bank, therefore Councillor Harrison would gain no financial interest in participating in approving the Treasury Management Strategy. The dispensation will last until the date of the local government elections in 2021.

3.10 Whilst the Monitoring Officer was liaising with the available Standards Committee Members and Independent Persons, a request was made for this dispensation to be considered in more detail and that the dispensation be reviewed at the next meeting of the Standards Committee.

3.11 The Committee is therefore requested to review and determine the dispensation requested by Councillor Harrison.

4.0 CONCLUSION

4.1 Members are asked to note the dispensations granted by the Monitoring Officer under his delegated powers and to review and determine the dispensation requested by and granted to Councillor Harrison.

5.0 RECOMMENDATIONS

5.1 That the Committee notes the dispensations granted by the Monitoring Officer under delegated powers.

5.2 That the Committee reviews and determines the dispensation requested by Councillor Harrison.

BARRY KHAN

Assistant Chief Executive (Legal and Democratic Services) and Monitoring Officer

Background Papers:

None

County Hall
NORTHALLERTON

26 February 2020