

NORTH YORKSHIRE COUNCIL
STANDARDS AND GOVERNANCE COMMITTEE

6 September 2024

Dispensation Request from Councillor Gostlow

1.0 PURPOSE OF REPORT

- 1.1 To present to the Committee, for determination, a request from Councillor Hannah Gostlow for a dispensation from the Standards and Governance Committee.

2.0 BACKGROUND

- 2.1 Section 33 of the Localism Act 2011 provides that a relevant authority may, on a written request made to the proper officer of the authority by a Member or co-opted Member of the authority, grant a dispensation relieving the Member or co-opted Member from the restrictions regarding speaking and voting in relation to disclosable pecuniary interests. Any dispensation requests for parish and town councillors relieving them from the requirements of their authority's Code of Conduct must therefore be made to the Clerk of the relevant parish/town council.
- 2.2 The Assistant Chief Executive Legal and Democratic Services and Monitoring Officer was designated by the 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).
- 2.3 Under North Yorkshire Council's standards regime, Members holding an other registrable interest (ORI) or a non-registrable interest (NRI) may also seek a dispensation in relation to that interest.
- 2.4 The power to grant dispensations to Members and voting co-opted Members under the new ethical framework was delegated by the Council to this Committee, after consultation with the Independent Persons.
- 2.5 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 and Governance Committee meeting cannot be convened and where the Monitoring Officer has consulted every available Member of the Standards and Governance Committee, all of whom consent to the granting of the dispensation.

3.0 DISPENSATION PROCESS

- 3.1 Under the Localism Act 2011 and delegated power from the Council, where a written request has been made to the Assistant Chief Executive Legal and Democratic Services and Monitoring Officer as Proper Officer, the Standards and Governance Committee has power to grant a dispensation to a Member from non-participation in relation to a disclosable pecuniary (and other) interest where the Committee concludes, after having had regard to all relevant circumstances, that:

- (a) without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;
- (b) without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;
- (c) granting the dispensation is in the interests of persons living in the authority's area;
- (d) without the dispensation each Member of the Authority's Executive would be prohibited from participating in any particular business to be transacted by the Executive; or
- (e) it is otherwise appropriate to grant a dispensation.

3.2 The Committee must decide whether the application fulfils any of the criteria set out in paragraph 3.1 and, if so, whether it is appropriate to grant the dispensation in the circumstances, after balancing the public interest in preventing a Member with an interest from taking part in Council business, against the public interest in the relevant constituents not being disenfranchised and their views being able to be put forward on the business in question.

3.3 If the Standards and Governance Committee is minded to grant a dispensation, it must consider the scope (for example whether the dispensation will allow the Member to speak, discuss and vote on the item or speak and discuss only) and the duration of it. Dispensations may be granted for a maximum period of 4 years.

3.4 Any dispensation granted will be recorded in writing.

4.0 DISPENSATION REQUEST BY COUNCILLOR GOSTLOW

4.1 Councillor Gostlow has emailed the Monitoring Officer to request a dispensation, until the end of this current Council term, in relation to her £1 shareholder membership of two community benefit not-for-profit organisations namely Knaresborough Connectors - [Home | Knaresborough Connectors](#) and Knaresborough Community Land Trust - [Knaresborough Community Land Trust \(knaresboroughclt.co.uk\)](http://knaresboroughclt.co.uk). Councillor Gostlow states that she is no longer on the board of directors for Knaresborough Connectors and has never been a director for Knaresborough Community Land Trust.

4.2 Councillor Gostlow is seeking a dispensation in relation to meetings of Knaresborough Town Council (including Full Council) for which she is an elected member, and in relation to North Yorkshire Council's Harrogate and Knaresborough Area Constituency Committee meetings regarding matters relating to either of Knaresborough Connectors and Knaresborough Community Land Trust. The Monitoring Officer has informed Councillor Gostlow that North Yorkshire Council's Standards and Governance Committee only has jurisdiction to grant dispensations to North Yorkshire Councillors and voting co-opted Members in relation to their interests under North Yorkshire Council's Code of Conduct for Members and that any request for a dispensation in relation to her capacity as a town councillor should be directed to the proper officer in that other authority. Councillor Gostlow's dispensation application should therefore be read in that context.

4.3 Councillor Gostlow has explained to the Monitoring Officer that she does not have a pecuniary interest and could never benefit from the organisations financially.

Councillor Gostlow believes they are both 'asset locked' organisations and so although she has a £1 share in both, she could never earn any money from them apart from having her £1 returned if she withdrew her share. She has no decision-making rights apart from at the individual AGMs.

- 4.4 The Knaresborough Community Land Trust is included in Councillor Gostlow's North Yorkshire Council registration of interests forms as a charitable body, which is an other registrable interest (ORI).
- 4.4 If there is an item of business due to be considered at a meeting which **directly relates** to the financial interest or wellbeing of one of Councillor Gostlow's other registrable interests, then, without a dispensation, Councillor Gostlow would need to declare the existence and nature of her interest to the meeting, speak if the public can but then not participate in any vote on the matter and withdraw from the meeting room for that item unless she has a dispensation.
- 4.5 If the item of business doesn't directly relate to the organisation, but could more indirectly **affect** its finances or wellbeing, then Councillor Gostlow may have a Non-Registrable Interest in the agenda item. She would need to declare the existence and nature of her interest to the meeting, and consider whether the matter affects the organisation's financial interest/wellbeing more than it affects that of the majority of inhabitants of the division affected and, if so, whether a reasonable member of the public knowing all the facts would believe it would affect her view of the wider public interest:
- i. if yes, then Councillor Gostlow may speak if the public can but must otherwise take no part in the discussion or vote and must leave the meeting room unless she has a dispensation;
 - ii. if no, the matter does not so affect the organisation's financial interest/wellbeing, then Councillor Gostlow can speak and vote in the usual way after declaring the interest.
- 4.5 Councillor Gostlow feels it is important to support these organisations in her community and to also get involved to fully understand the work they are doing. She also states that she feels it is important as one of only two Knaresborough division NYC councillors that she could take part in discussion and decision making related to her community and these two community benefit societies if it were to be included on an agenda for the North Yorkshire Council's Harrogate and Knaresborough Area Constituency Committee meetings.
- 4.6 Councillor Gostlow has therefore submitted a written dispensation request form to the Monitoring Officer. A copy is attached at **Appendix 1** to this report. As mentioned earlier, the Committee can only consider dispensation requests from North Yorkshire Councillors and voting co-opted Members in relation to North Yorkshire Council's Code's requirements and her application should therefore be read in this context. Councillor Gostlow is therefore deemed to be seeking a dispensation in relation to meetings of North Yorkshire Council's Harrogate and Knaresborough Area Constituency Committee regarding matters relating to either of Knaresborough Connectors and Knaresborough Community Land Trust.
- 4.7 Councillor Gostlow believes that application grounds a, b, c and e (as set out above) are applicable:
- (a) without the dispensation the number of persons prohibited from participating in any particular business would be so great a proportion of the body transacting the business as to impede the transaction of the business;

- (b) without the dispensation the representation of different political groups on the body transacting any particular business would be so upset as to alter the likely outcome of any vote relating to the business;
- (c) granting the dispensation is in the interests of persons living in the authority's area;
- (e) it is otherwise appropriate to grant a dispensation.

Even if a dispensation is granted by the Committee, the interest would still need to be declared by Councillor Gostlow and she would need to state to the meeting that she is relying on a dispensation to fully participate.

4.8 The Committee is therefore requested to consider and determine the dispensation request from Councillor Gostlow to enable her to speak, fully participate and vote on matters relating to Knaresborough Connectors and Knaresborough Community Land Trust at meetings of North Yorkshire Council's Harrogate and Knaresborough Area Constituency Committee, such dispensation to last until the end of this current Council term.

5.0 FINANCIAL IMPLICATIONS

5.1 There are no significant financial implications arising from this report.

6.0 LEGAL IMPLICATIONS

6.1 The legal implications are set out in the body of this report.

7.0 ENVIRONMENTAL/CLIMATE CHANGE IMPLICATIONS

7.1 There are no significant environmental/climate change implications arising from this report.

8.0 EQUALITIES IMPLICATIONS

8.1 There are no equalities implications arising from this report.

9.0 CONCLUSION

9.1 That the Committee determines the submitted application by Councillor Gostlow for a dispensation.

10.0 RECOMMENDATIONS

10.1 That the Committee considers and determines the application for a dispensation by Councillor Gostlow.

10.2 That, should the Committee be minded to grant the dispensation requested, the Committee determine the scope, grounds and duration of the dispensation.

BARRY KHAN
Assistant Chief Executive Legal and Democratic Services and Monitoring Officer

Background Papers:

- The Localism Act 2011

County Hall
NORTHALLERTON

23 August 2024