

## STANDARDS COMMITTEE REPORT

REPORT TO:	Standards Committee		
DATE:	08 July 2025		
MEETING DATE	16 July 2025		
TITLE:	Member Dispensations		
REPORT AUTHOR:	Deputy Monitoring Officer		
OPEN/EXEMPT		WILL BE SUBJECT TO A FUTURE CABINET REPORT:	No

### **REPORT SUMMARY**

<b>PURPOSE OF REPORT/SUMMARY:</b>
To recommend that Standards Committee issue dispensations to all Members relating to Council Tax and Business Rates as set out below, until the next ordinary date of elections.
<b>KEY ISSUES:</b>
<p><b>Member Dispensations regarding Council Tax matters</b></p> <p>Members are directed to the contents of the report for the basis for granting the recommended dispensations.</p>
<b>RECOMMENDATIONS:</b>
<ol style="list-style-type: none"> <li>1. To issue dispensations to all Members for the following matters relating to Council Tax, until the next ordinary date of elections: <ol style="list-style-type: none"> <li>i. To participate and vote on the Budget and the setting of Council Tax, including where the interest is as the owner of an additional property or as beneficiary of Council Tax Support.</li> <li>ii. To participate and vote on any Council Tax discount, levy or premium on dwellings occupied periodically (second homes) and empty &amp; unfurnished properties, including where the interest is as the owner of an additional property.</li> <li>iii. To participate and vote on the Council Tax Support scheme for working age people, including where the interest is as a claimant of Council Tax Support.</li> <li>iv. To participate and vote on the scheme of Business Rates discretionary reliefs including where the interest is as a business rate payer in the Borough.</li> <li>v. To participate and vote on the scheme of Council Tax discretionary reliefs, including where the interest is as a beneficiary of the relief in the Borough.</li> </ol> </li> </ol>
<b>REASONS FOR RECOMMENDATIONS:</b>
To enable members to take part appropriately in Council business and to minimise the potential for misunderstanding and third-party challenge.

## 1. **Background**

- 1.1. The Localism Act 2011 requires each member of the Council to disclose to the Monitoring Officer their “disclosable pecuniary interests” (**DPI’s**), as defined in regulation.<sup>1</sup>
- 1.2. Under the Localism Act, a member who has a DPI in an item of business is prohibited from participating in discussion and prohibited from voting on the matter unless a dispensation has been granted (s.33 of the Localism Act).
- 1.3. Dispensations may also be granted for the following restrictions that otherwise apply:
  - 1.3.1. Where a matter arises at a meeting which directly relates to the financial interest or well-being of a member or their relative or close associate (and is not a DPI) then they must disclose the interest, and may not take part in any discussion or vote, or remain in the room.
  - 1.3.2. Where a matter arises at a meeting which affects the financial interest or well-being of a member or their relative or close associate, or of a body included in their “extended registerable interests” (**ERI’s**),<sup>2</sup> and the factors in paragraph 9 of Appendix B of the Code (Registering Interests) apply, they must disclose the interest, and may not take part in any discussion or vote, or remain in the room.
- 1.4. It should be emphasised that the interests above arise not only in respect of members themselves, but also their spouse/civil partner/co-habitee. This point is now clarified in the revised Code of Conduct approved by Standards Committee in its meeting on 25 March 2025.<sup>3</sup>
- 1.5. The granting of dispensations is delegated from Full Council to Standards Committee, (see paragraph E.14 of the Committee’s Terms of Reference). In 2013,<sup>4</sup> Standards Committee delegated authority to the Monitoring Officer to grant dispensations. However, as these recommendations are for ongoing dispensations on a significant matter, Standards Committee is asked to consider them.
- 1.6. Notwithstanding any grant of the recommended dispensations, members will be reminded that they may still wish to consider whether to participate in relevant business, where their personal circumstances are specifically affected to a material degree over and above other councillors and members of the public.

## 2. **Reasons for granting standing dispensations**

- 2.1. Under s.33 of the Localism Act, a relevant authority may only grant dispensations where it considers it appropriate to do so in the circumstances.<sup>5</sup> There is further a specific ground for dispensation if the authority “*considers that without the dispensation the number of persons prohibited ... from participating in any particular business would be*

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<sup>1</sup> The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012

<sup>2</sup> “Extended registerable interests” include unpaid directorships, and membership of or general control or management of a relevant body.

<sup>3</sup> See definition of “Partner” in the Code of Conduct.

<sup>4</sup> Meeting on 15 February 2013 – minutes [here](#). The Monitoring Officer is required to report any such dispensations to the next meeting of Standards Committee

<sup>5</sup> Other specific grounds are listed in s.33(2).

*so great a proportion of the body transacting the business as to impede the transaction of the business.”*

- 2.2. Standing dispensations have been recommended in the interests of efficiency, because the issues covered by the recommended dispensations are recurring.
- 2.3. For the avoidance of doubt, none of the above dispensations shall override the effect of s.106 of the Local Government Finance Act 1992, which bars a Member from voting on the Budget item if they have an outstanding Council Tax debt of over two months.

#### Recommendation 1

- 2.4. Members of the Council will normally be Borough taxpayers. Their interest in the setting of Council Tax will normally be similar to any other resident liable to pay Council Tax.
- 2.5. Government Guidance, and LGA Guidance on the Model Code, confirm that a member's status as a Council Taxpayer does not create a DPI. However, consistent with practice at other local authorities, the recommended dispensation is intended to put beyond question that such members are entitled to participate in the ordinary setting of the Budget and Council Tax without any breach of the Code of Conduct.
- 2.6. The recommended dispensation would also permit members to take part in Budget debates where:
  - 2.6.1. They own an additional home (whether in use or empty); and/or
  - 2.6.2. They are the beneficiary of Council Tax Support (CTS).
- 2.7. In practical terms, matters relating to additional/empty homes and CTS are brought for decision as a single Budget item. Given the significance of the Budget, it would be contrary to the interests of debate if members were prevented from debating or voting on the whole of the Budget item due to an interest in one of the Council Tax elements. Further justification is set out below in respect of the specific interests.

#### Recommendation 2

- 2.8. The recommended dispensation would apply to business taking place in meetings other than the Budget Full Council.
- 2.9. The ownership of second homes is prevalent within the Borough, and given the nature of the current debate, it would be appropriate to allow members with second homes to participate in business relating to tax on second homes in the interests of more representative debate.<sup>6</sup>
- 2.10. From time to time members will also own empty homes. Again, given the (lower) prevalence of empty homes in the Borough, the potential range of reasons for this, and the nature of the current debate around the issue, it would be appropriate to allow members with empty homes to participate in business relating to tax on those homes in the interests of more representative debate.

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<sup>6</sup> By way of example, in the Full Council meeting on 30 January 2025, six members were required to leave the meeting for the item on Second Homes Council Tax.

### Recommendation 3

- 2.11. The recommended dispensation also applies to business taking place in meetings other than the Budget Full Council.
- 2.12. The CTS scheme affects numerous residents within the Borough: where any member has this interest, therefore, it will be common to many other residents. It is appropriate in that context that members should be able to participate in this business notwithstanding this interest. Conversely, the debate could be viewed as less representative if members who received CTS were excluded.<sup>7</sup>

### Recommendations 4 and 5

- 2.13. The policies in respect of the reliefs under these recommendations are reviewed periodically by members.
- 2.14. Members participate in many of the groups to which business rates discretionary reliefs are available, and advocate for those groups. Members may also be beneficiaries of discretionary Council Tax relief schemes.
- 2.15. In both cases, members affected by those schemes will be representative of the wider group of beneficiaries of the schemes. It is appropriate and in the interests of representative debate that members with either of those interests should be able to participate in business relating to these reliefs.

## **GENERAL**

### **3. Policy Implications**

The recommendations are made in the interests of broadening debate and simplifying the conduct of business relating to Council Tax and related matters, and therefore support the Council's policymaking.

### **4. Financial Implications**

There are no specific financial implications arising out of this report.

### **5. Legal Implications**

The Code of Conduct implements various statutory requirements on the Council. The 2012 Regulations and the 2011 Act regulate the application of these dispensations, and the recommendations have taken them into account, as set out in this Report.

### **6. Options considered**

One alternative course would be not to grant the dispensations, on the basis that the relevant interests should be treated strictly. For the reasons set out it is recommended that more representative debate will take place if those members are permitted to participate.

A further alternative would be to only grant dispensations on a case-by-case basis. However, this may involve substantially more work over time, and potentially on an

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<sup>7</sup> By way of example, in the Full Council meeting on 30 January 2025, six members were required to leave the meeting for the item on Second Homes Council Tax.

expedited basis, as members may only apply for dispensations shortly before the relevant meeting.

**7. Environmental Considerations**

None arising out of this report.

**8. Equality Impact Assessment**

Attached

**9. Risk Management Implications**

None

**10. Background Papers**

None