



Northumberland

County Council

STANDARDS COMMITTEE

10 JUNE 2020

APPLICATION FOR DISPENSATION – Councillor J.G. Watson

Report of the Monitoring Officer

Executive Member: Councillor Nick Oliver, Corporate Services & Cabinet Secretary

Purpose of report

To request that Standards Committee grant a dispensation to Councillor J.G. Watson who has submitted the attached application in relation to his appointment, in February 2020, as a Partner Fund nominated non-executive director on the Board of Border to Coast Pensions Partnership Ltd (“**BCPP Ltd**”), which constitutes a registerable personal interest under Annex 3 of the Northumberland Members’ Code of Conduct as well as a disclosable pecuniary interest under Sections 29 and 30 of the Localism Act 2011.

Recommendations

That the Standards Committee:

- (i) **Grants a dispensation to Councillor J.G. Watson, who has submitted an application, to allow him to participate fully at meetings of the Pension Fund Panel, Council, and Tyne and Wear Pension Fund’s Pensions Committee in relation to matters concerning BCPP Ltd, save for any discussions or decisions on the remuneration of BCPP Ltd’s directors.**
- (ii) **Approves the dispensation for a maximum of four years.**

Link to Corporate Plan

This report is relevant to the “We want to be efficient, open and work for everyone” priority included in the NCC Corporate Plan 2018-2021.

Key issues

1. The provisions on dispensations are significantly changed by the Localism Act 2011. The Act allows the Council to grant dispensation in the following circumstances for a specified period of time not exceeding 4 years:

- (i) That so many members of the decision-making body have Disclosable Pecuniary Interests (DPIs) in a matter that it would “impede the transaction of the business”. In practice this means that the decision-making body would be inquorate as a result;
 - (ii) That, without the dispensation, the representation of different political groups on the body transacting the business would be so upset as to alter the outcome of any vote on the matter;
 - (iii) That the authority considers that the dispensation is in the interests of persons living in the authority’s area;
 - (iv) That without the dispensation no member of the Executive would be able to participate on the matter;
 - (v) That the authority considers that it is otherwise appropriate to grant a dispensation.
2. At its meeting of 2 May 2012, Council delegated authority in respect of (i) and (iv) above to the Monitoring Officer to determine. In the case of applications for dispensations in relation to (ii), (iii) and (v) above these have been delegated to the Standards Committee to determine.
 3. Councillor Watson’s written request for a dispensation is enclosed. It falls into category (iii) and (v) above for which there is no guidance, in statute or common law, to assist with the interpretation.

Background

1. Councillor Watson was appointed as a non-executive director of BCPP Ltd on 5 February 2020, a paid position which gives him a disclosable pecuniary interest (“DPI”).
2. Unless a dispensation is granted by the Standards Committee, this DPI will prohibit him from participating in the business of the Pension Fund Panel, which he chairs, when business involving BCPP Ltd is considered.
3. Following merger of Northumberland County Council Pension Fund into Tyne and Wear Pension Fund, which is expected to come into force in June 2020, unless a dispensation is granted, this DPI will also prohibit him from participating in the business of the Tyne and Wear Pension Fund’s Pensions Committee Panel on which he is likely to sit as the Council’s representative, when business involving BCPP Ltd is considered.
4. Councillor Watson’s written request for a dispensation, together with the supporting advice obtained from leading Counsel (both enclosed) provide the rationale for granting the requested dispensation.

5. This request was first discussed by the Standards Committee at its meeting on 16 January 2020. Although the meeting was quorate, there were only three voting members present. At the meeting it was proposed that Councillor Watson's dispensation be granted, however, there was no seconder for this proposal and so no vote was taken. There is considered to be no impediment in law to this matter being brought before the Committee again for fresh consideration

Councillor Watson has, therefore, requested that his dispensation request be considered again by the Standards Committee.

6. In summary, granting the dispensation will allow for Councillor Watson's:
- close involvement in the governance of BCPP Ltd to represent all twelve of the LGPS funds within the BCPP pooling arrangement, which provides a public benefit, and
 - continued full involvement in the efficient operation of NCC's Pension Fund Panel, full Council and Tyne and Wear Pension Fund's Pensions Committee (save for any discussion of BCPP Ltd's directors' remuneration), which also provides a public benefit.

Implications

Policy	None significant
Finance and value for money	None significant
Legal	Legal advice obtained is enclosed
Procurement	None
Human Resources	None significant
Property	None
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	An equalities impact assessment is not considered necessary in this instance
Risk Assessment	None significant
Crime & Disorder	None significant
Customer Consideration	None significant
Carbon reduction	None
Health and Wellbeing	None

Wards	All
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Background papers

Localism Act 2011
 Northumberland County Council Arrangements for dealing with standards allegations under the Localism Act 2011

Report sign off

	Full Name of Officer
Monitoring Officer/Legal	
Service Director Finance & Interim S151 Officer	
Relevant Executive Director	
Chief Executive	
Portfolio Holder(s)	

Author and Contact Details

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