

EXECUTIVE SUMMARY

- DATE:** 10 January 2018
- SUBJECT:** Exercise of delegated authority to grant dispensation to Councillors in relation to their registerable personal interests as Directors of the Newcastle International Airport Limited
- REPORT OF:** Monitoring Officer

The purpose of this report is to record the decision of the Monitoring Officer to grant dispensations under Section 33 of the Localism Act 2011 to:

1. Councillor Simon Henig, Leader of Durham County Council
2. Councillor Iain Malcolm, Leader of South Tyneside Council

The dispensation will permit the Councillors to participate in decisions of the North East Combined Authority, notwithstanding their registerable personal interests as Directors of Newcastle International Airport Limited.

RECOMMENDATIONS

The Monitoring Officer is recommended to grant dispensations for a period of two years, in accordance with the previous practice. The dispensations will accordingly expire at midnight on 9 January 2020.

1. Background

- 1.1 Requests for dispensation have been received by the Monitoring Officer from the following in relation to their registerable personal interests as Directors of the Newcastle International Airport Limited:
1. Councillor Simon Henig, Leader of Durham County Council
 2. Councillor Iain Malcolm, Leader of South Tyneside Council
- 1.2 Copies of letters requesting dispensation are attached.
- 1.3 By Annex 4 to Part 6.1 of the North East Combined Authority (**'NECA'** or **'the Authority'**) Constitution, the Governance Sub-Committee holds a delegation from the Leadership Board to consider and grant dispensations under Section 33 of the Localism Act 2011. A request to convene a Sub-Committee was made to the Governance Committee on 5 December 2017, but that meeting was not quorate and accordingly could not determine the issue. The members present agreed that

the Monitoring Officer should utilise the delegation made to the Monitoring Officer at its meeting on the 27 February 2015. On 27 February 2015, the Governance Committee considered a paper (first presented on 9 December 2014) in relation to the granting of dispensations in favour of members of the Leadership Board who are also members of the Airport Board. That Committee also granted delegated authority to the Monitoring Officer to grant dispensations when requests are not received in time for consideration by the Committee.

1.4 The dispensations granted by the committee, for two years, at its meeting on the 27 February 2015 expired on 26 February 2017.

1.5 It is noted that the Code of Conduct for Members includes pre-existing dispensations in relation to the matters listed below but these are not areas that are likely to be considered by the Leadership Board or Members of the Constituent Authorities save perhaps for indemnities to Members and the setting of the annual precept. The pre-existing dispensations are:-

- Housing
- School meals or transport
- Statutory sick pay
- An allowance, payment or indemnity given to Members
- Any ceremonial honour given to Members and
- Setting the Council Tax or precept

2. Proposals

2.1 To grant dispensation to each of the Councillors for a period of two years.

3. Reasons for the Proposals

3.1 The decision will:

(1) In respect of the dispensations, support the proper functioning of Leadership Board and the authority's governance and respect for the statutory requirements.

(2) Dispensation provides parity of participation of all Authority Leaders.

4. Alternative Options Available

4.1 Not to grant the dispensation. This would create difficulties both politically and practically, given that the Leaders of all NECA Authorities are members of the NAIL Board and a failure to grant this dispensation would create a practical imbalance in the treatment of the Areas Leaders.

5. Next Steps and Timetable for Implementation

5.1 The decision will be communicated to the Councillors by letter from the Monitoring Officer as soon as the *Call-in period* for the decision has expired.

6. Potential Impact on Objectives

6.1 The issue of dispensations relates to the good governance of the Authority and its decision-making.

7. Financial and Other Resources Implications

7.1 There are no specific financial implications arising in relation to this report

8. Legal Implications

8.1 Where a written request for a dispensation is submitted by a Member to the Monitoring Officer the Governance Sub-Committee may grant a dispensation to enable a Member to participate or participate and vote where they have an interest in the at item which would otherwise require them to leave the meeting. The power to grant such dispensations is contained within the Localism Act 2011.

9. Key Risks

9.1 There are no risk management implications directly arising from this report.

10. Equality and Diversity

10.1 There are no equality or diversity implications directly arising from this report.

11. Crime and Disorder

11.1 There are no crime and disorder implications directly arising from this report.

12. Consultation/ Engagement

12.1 The Chair of the Governance Committee has been consulted about the need to convene a Governance Sub- Committee meeting. The Monitoring Officer has consulted internally about the need to issue a short term dispensation to cover the December meeting of the Leadership Board and concluded that this was unnecessary as no NIAL related issues appeared on the Forward Plan for that meeting.

13. Other Impacts of the Proposals

13.1 None

14. Appendices

14.1 Appendix 1: Dispensation requests from each of:

- Councillor Simon Henig, Leader of Durham County Council
- Councillor Iain Malcolm, Leader of South Tyneside Council

15. Background Papers

15.1 Governance Committee paper “Request for Dispensation” dated 9th December 2014, considered by that committee on 27 February 2015

16. Contact Officer(s)

16.1 Name: Peter Judge
Title: Monitoring Officer
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17. Sign Off

- 17.1
- Head of Paid Service: ✓
 - Monitoring Officer: ✓
 - Chief Finance Officer: ✓

18. Glossary

18.1 Authority - North East Combined Authority

NECA - North East Combined Authority

NIAL - Newcastle International Airport Limited