

<b>AMENDMENT TO DISPENSATIONS PREVIOUSLY GRANTED - LONDON ENERGY LIMITED</b>	
<b>STANDARDS COMMITTEE</b>	<b>CLASSIFICATION:</b>
<b>MEETING DATE (2021/22)</b> 16 February 2022	<b>OPEN</b>
<b>WARD(S) AFFECTED</b> N/A	
<b>Director</b> Dawn Carter-McDonald, Director of Legal & Governance and Monitoring Officer	

## 1. SUMMARY

- 1.1 This report relates to dispensations for Members as a consequence of appointments to the North London Waste Authority and London Energy Limited. It follows on from, and makes corrections to, a report presented to the Standards Committee on 17 February 2021.

## 2. RECOMMENDATIONS

**The Standards Committee is asked to note the amendment to the previous report dated 17 February 2021.**

## 3. BACKGROUND

### North London Waste Authority

- 3.1 North London Waste Authority (“NLWA”) is the statutory joint waste disposal authority for north London and as such is responsible for the disposal of waste collected by seven north London boroughs (the constituent boroughs):
- The London Borough of Barnet
  - The London Borough of Camden
  - The London Borough of Enfield
  - The London Borough of Hackney
  - The London Borough of Haringey
  - The London Borough of Islington
  - The London Borough of Waltham Forest
- 3.2 NLWA is established as a statutory joint waste disposal authority under Schedule 1 to the Waste Regulation and Disposal (Authorities) Order 1985. The Authority’s main waste disposal functions are set out in section 51 of the Environmental Protection Act 1990. 3.4. The Authority has a membership of 14 councillors, with each constituent borough appointing two councillors. The London Borough of Hackney appointments are a function of the executive and

made by the Mayor, as set out in the Constitution. Substitute members are not permitted (i.e. another Councillor may not attend meetings as an NLWA member if the appointed member is absent).

### LondonEnergy Limited

- 3.3 NLWA is the sole shareholder in LondonEnergy Ltd (“LEL”). This is a company which operates an energy from waste facility and other waste facilities at the Edmonton EcoPark in Enfield, and waste transfer stations and reuse and recycling centres in the north London area. NLWA has a waste services contract with LEL for disposal of the waste delivered by the constituent boroughs.

### Previous Report to Standards Committee

- 3.4 At its meeting on 17 February 2021, the Standards Committee considered a report seeking dispensations for a number of members of the Council with regards to their appointments to NLWA / LEL and dispensations were granted in respect of each of the three Councillors named in that report.
- 3.5 It has since come to light that the report erroneously referred to Councillor Coban and Councillor Nicholson as having been appointed to LEL. Councillor Coban was at that time (and indeed remains) a Council representative on NLWA but he is not, and never has been, appointed to LEL. Councillor Nicholson had at that time been appointed to NLWA whilst Councillor Rennison was on maternity leave, but he was not appointed to LEL to ‘cover’ Councillor Rennison during this period.

## **4. CURRENT POSITION ON APPOINTMENTS TO NLWA AND LEL**

- 4.1 At its meeting on 24 May 2021, Cabinet noted the appointment by the Mayor of two representatives to the NLWA - Councillor Coban and Councillor Chapman - for the period of one year to expire in May 2022.
- 4.2 In respect of LEL, the Council is not responsible for the appointment to the Board, as that is solely a matter for LEL to determine. Councillor Rennison was appointed as a Non-Executive Director with effect from 24 January 2021. It is understood that Councillor Rennison’s appointment arose as she was, at that time, the Vice Chair of NLWA and she remains a Non-Executive Director notwithstanding that she is no longer a Council appointee to NLWA. Non-Executive Directors receive £13,285 per annum as compensation for their time given to undertaking this role.

## **5. DISPENSATIONS**

- 5.1 A paid directorship amounts to a disclosable pecuniary interest (“DPI”) within the meaning of the Localism Act 2011 and The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012.

5.2 The existence of a DPI means that, unless a dispensation has been granted, the Councillor in question may not participate in any discussion of matters relating to that interest at any meeting of the Council and must leave the room whilst the matter is under discussion until after a vote has been taken.

5.3 A dispensation may be granted if:

- (a) the number of persons prohibited from participating in the meeting would be so great a proportion as to impede the transaction of the business
- (b) without the dispensation the balance of political groups on the committee would be affected and affect the outcome of any voting
- (c) granting dispensation is in the interests of residents
- (d) each member of the executive would be prohibited from participating in any particular business to be transacted by the executive
- (e) it is otherwise appropriate to grant a dispensation.

In respect of cases falling within (c) and (e) above, only the Standards Committee may grant such a dispensation, in all other cases it is a matter for the Monitoring Officer to determine.

5.4 As the Standards Committee voted to grant Councillor Rennison a dispensation in respect of LEL at its meeting on 17 February 2021, no further action is required. No dispensation is required to be granted to either Councillor Coban or Councillor Chapman with regards to their appointment to NLWA as this would amount to a personal interest rather than a disclosable pecuniary interest.

## **6. COMMENTS OF THE GROUP DIRECTOR, FINANCE AND CORPORATE RESOURCES**

6.1 The costs associated with LEL are borne by the company, and have no substantial implications for the finances of the Council. There are no financial implications arising from the Standards Committee granting this dispensation.

## **7. COMMENTS OF THE DIRECTOR OF LEGAL AND GOVERNANCE SERVICES**

7.1 The power to grant a dispensation in such circumstances is outlined under section 33 of the Localism Act 2011.

7.2 The legislation states that the Council may grant a dispensation only if, having had regard to all relevant circumstances, any of the grounds referred to in paragraph 5.3 above is made. Any dispensation granted under section 33 must specify the period for which it has effect, and the period specified may not exceed four years.

## **APPENDICES**

None

## BACKGROUND PAPERS

Report to Standards Committee on 17 February 2021 entitled "DISPENSATION - London Energy Limited - Non-Exec Director Appointments"

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