

## 7 July 2016 – Written Responses to Questions

### Questions on the Leader's Statement

From Cllr Thornton

*"How much was in the 2016/17 and the 2015/16 budgets for T2020 and transformation projects?"*

Written response:

*"It has been previous practice to use reserves to cover the cost of transformational change and therefore there was no specific Revenue budget earmarked for the T2020 programme.*

*The MTFP is a key element of the Finance Strategy and budget setting report, in both years it was very clear about the need to make future savings and the requirement to fund those savings from reserves. The 16/17 Finance Strategy report presented to P&R in February 2016 included the emboldened statement in relation to the NHB reserve:*

**"Officers recommend that this balance be ring fenced subject to a further report to this Committee focusing on transformational support."**

*The authority to vire budgets is included within the Financial Procedure Rules of the Council, specifically section 3 Budgetary Control.*

*Virements have been undertaken from various budget head underspends in 2015/16 and 2016/17 to facilitate the iESE spend in line with the budgetary control rules. An element of the Best Value Budget was available to use for the iESE scoping exercise in 15/16, no other specific budget provision was included."*

From Cllr Thornton

*"Why was there nothing in the 2015/16 budget and why not in the 2016/17 budget and is this not a departure from the 2015/16 and 2016/17 budgets?"*

Written response:

*"No it is not a departure from the 2015/16 and 2016/17 budgets. Please refer to the previous answer which states that it was made very clear in both years that significant savings would be required and would need to be funded from reserves."*

From Cllr Clark

*"I understand that iEse, that we have a partnership with them. Is this a local authority company? How much was the entry fee and what were our reasons for joining?"*

Written response:

*"It is not a local authority company. It is a social enterprise company operating in the public sector, the reason for joining was because we know from experience that we have to resource change because if we do not the demands of keeping the day job*

*going mean that we would not be able to concentrate on the future and on delivering services in up to date ways and realising the benefits from the new technologies available which our customers use and increasingly wish to access services in different ways.*

*Membership fee of £1."*

From Cllr Clark

*"It doesn't appear, it seems to be so small that iEse appear to have missed Ryedale Council off their list of partners or maybe they've just failed on their website but my concern is more than that. My concern is that this is a local authority company that we have joined as you Leader has just said, so if we've joined this Techal company and it's therefore subject to the Teckal rules, my understanding is from the Standing Orders, under responsibility for Council functions - and I'll read out to you 1.0 F, "Only the Council will exercise the following functions - All policy matters, new proposals relating to significant partnerships with external agencies and local authority companies". So on that basis we've done that. Could you tell me when that decisions to go down the iEse route was made by Full Council? If not I believe you've broken the Council's Constitution. And that really does require an answer now Chair."*

Written response:

*"The relationship with iESE is not classed as a 'significant partnership with external agencies and local authority companies'."*

From Cllr Clark

*"If the Leader prefers I will refer my next question to the CX because it follows on from that statement which she has just made. It doesn't say all significant decisions to work with local government companies, it says all. But let's just accept that because we have to have flexibility. So far and the CX's authority without going to Committee is £50k - I don't know the figure for June but the figure up until the end of May of £60,307 and there is commitment to considerably more. How does that fit in with the Financial Standing Orders, financial regulations and responsibility for Council functions?"*

Written response:

*"See answers above re Financial Procedure Rules. There has been no breach of the Financial Standing Orders. The Chief Executive has used under spends and vired money from budgets which is completely in line with the Financial regulations."*

From Cllr Clark

*"If the Council Standing Orders and Financial Regulations are being broken is it not your duty to know at least the simple one that the limit of the CX's expenditure is £50k? Is it not your duty to know that if we're going into a partnership costing hundreds of thousands that it is to go to Full Council under the Tekal agreement not something that you will duck by saying that you will give a written answer later? Is that a question you can answer?"*

Written response:

*"This statement is factually incorrect. The Council Standing Orders and Financial Regulations have not been broken. Money has been vired from budget under spends over two years."*

From Cllr Joy Andrews

*"If RDC and iEse have an internal agreement, which I think we do, why are we paying them 50p per mile in travel expenses, which is above what we pay staff?"*

Written response:

*"This is what was agreed and detailed in the information the Chief Executive has already provided in the Towards 2020 support from iESE transformation model November 2015."*