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<b>PART B:</b>	<b>RECOMMENDATIONS TO COUNCIL</b>
<b>REPORT TO:</b>	<b>POLICY AND RESOURCES COMMITTEE</b>
<b>DATE:</b>	<b>23 JUNE 2011</b>
<b>REPORT OF THE:</b>	<b>HEAD OF ORGANISATIONAL DEVELOPMENT LOUISE SANDALL</b>
<b>TITLE OF REPORT:</b>	<b>REVIEW OF CIVIC BUDGET</b>
<b>WARDS AFFECTED:</b>	<b>ALL</b>

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## **EXECUTIVE SUMMARY**

### **1.0 PURPOSE OF REPORT**

1.1 This report considers the Civic Budget.

### **2.0 RECOMMENDATION**

2.1 That Council is recommended to approve a reduction of £3,000 in the Civic budget.

### **3.0 REASON FOR RECOMMENDATION**

3.1 Members approved at Full Council a motion to review the Civic budget, the recommendation produces an efficiency saving for the Council.

### **4.0 SIGNIFICANT RISKS**

4.1 There are no significant risks in approving the recommendation.

## **REPORT**

### **5.0 BACKGROUND AND INTRODUCTION**

5.1 When considering the Council's budget for 2011/2012 at Council on the 21 February 2011 it was resolved "That in the light of the budget predictions for 2012/2013 and beyond a review of the costs associated with the Chairman and Vice Chairman be undertaken and considered by the Policy & Resources Committee at its meeting on the 23 June 2011 and if necessary Full Council".

5.2 The total budget for 2011/12 for Chairman and Vice Chairman allowances, travel and hospitality is detailed in the table below:

	<b>2011/2012 Budget (£)</b>
Chairman's Allowance	6,950
Vice Chairman's Allowance	1,220
Chairman's Travelling	9,020
Civic Hospitality	2,500
<b>Total</b>	<b>19,690</b>

5.3 The main role of the Chairman is to act as the non-political, civic and ceremonial head of the District of Ryedale . The role of the Chairman also includes:

- Chiring meetings of the Council;
- Communication with private and voluntary sector organisations across the District;
- Acting as official host to visitors to the District;
- To represent the District at ceremonial events;
- To promote public involvement in the Council's activities.

5.4 In addition the relevant part of the Council's constitution states that The Chairman, and in his/her absence the Vice-Chairman, will have the following role and function, to:-

- attend such civic and ceremonial functions as the Council and/or he/she considers appropriate.

5.5 Section 2(2) of the Local Government Act 1972 provides that "*For every district there shall be a council consisting of a chairman and councillors.*" The election of the Chairman is the first item on the agenda at the annual meeting of Council in May of each year. If a Council fails to elect a Chairman, the Council is not properly constituted and cannot make any decisions. Accordingly there is a legal requirement to appoint a Chairman and Vice-Chairman of Council.

5.6 Parliament has provided that the Chairman has social precedence in the district but not so as to affect Her Majesty's royal prerogative. So when the Sovereign visits the District the Lord-Lieutenant meets her and presents the Chairman of Council.

## **6.0 POLICY CONTEXT**

6.1 This report is in line with existing Council policy.

## **7.0 CONSULTATION**

7.1 No consultation has taken place in relation to this report.

## **8.0 REPORT DETAILS**

8.1 Each of the allowances will be considered in turn.

### **Chairman and Vice Chairman Allowances**

8.2 The Chairman's Allowance is in effect used as an expenses budget rather than an allowance to the Chairman as an individual. The Vice Chairman's Allowance is paid as a lump sum at the start of the year to the individual.

8.3 The Chairman's Allowance is spent on various causes for example; civic service,

wreaths for Remembrance Sunday, net cost of the Ryedale District Council Annual Council Dinner.

- 8.4 Any unspent money at the end of a civic year has in previous years been allocated by the relevant Chairman to specific Charities. In 2010/2011 the Chairman repaid the underspend on the budget to the Council.

#### **Travel**

- 8.5 The Chairman's Travel budget is primarily associated with the costs of running the civic car. The costs include the following; fuel (converted to dual fuel, LPG), tax (road fund), and maintenance. Other travel costs are also charged to this area, for example when the Chairman uses their own vehicle for civic business.

- 8.6 The civic car was purchased in 2002/03 and there is no capital provision set aside for its replacement. Its current market value is estimated between £2,000 to £2,500. The civic car was used 54 times in 2008/9, 26 times in 2009/10 and 8 times in 2010/11 financial years.

- 8.7 The summary of the costs of the Civic Car are detailed below:

<b>Year</b>	<b>Civic Car Costs (£)</b>	<b>Mileage paid to Chairman (£)</b>	<b>Total (£)</b>	<b>Budget (£)</b>
2007/2008	7,764	291	7,965	8,820
2008/2009	4,699	740	5,439	9,000
2009/2010	7,524	49	7,573	8,760
2010/2011	1,885	116	2,001	8,760

#### **Hospitality**

- 8.8 The Civic Hospitality budget is for the Ryedale District Council civic dinner. This is an annual event that the Chairman hosts inviting a range of people including other Civic Heads from North Yorkshire including Lord Mayor and Sheriff of York, Lord Lieutenant of North Yorkshire, High Sheriff of North Yorkshire, Chairman's Chaplain, RAF Flyingdales, representative from North Yorkshire Police and the MP for Ryedale. At the present time other districts continue to hold civic dinners with the exception of Selby District Council.

#### **Comparisons**

- 8.9 Research indicates that within the 7 district authorities in North Yorkshire Scarborough and Harrogate have the largest civic budgets followed by Ryedale. Craven, Richmondshire and Hambleton have c£14k budget with Selby having the smallest budget of just under £7k.

- 8.10 When looking specifically at Chairman, Vice Chairman allowances Ryedale has the highest budget compared to other local authorities in North Yorkshire, apart from Harrogate.

#### **Conclusions**

- 8.11 Below is a table summarising the total budgets and actual spend over recent years.

<b>Year</b>	<b>Total Budget</b>	<b>Actual Spend</b>	<b>Underspend</b>
2008/2009	20,440	15,200	5,240
2009/2010	20,540	16,471	4,069
2010/2011	20,540	7,459	13,081

- 8.12 As can be seen the Civic budget has consistently underspent. Even with the reduction to £19,690 for 2011/2012 (the budget was reduced by £1,350 as part of the One-11 Root and Branch review) it is reasonable to consider that the budget could be reduced by £3,000 with little impact. Clearly the circumstances and views of the individual Chairman can affect the level of spend in any year.
- 8.13 Members will need to consider the level of support it considers appropriate for the Civic role in light of the information provided within this report. The level of spend is less than 0.3% of the Council's net revenue budget. Any savings whilst welcome towards the projections for 2012/2013 will not significantly impact on the ongoing work to balance the budget.

## **9.0 IMPLICATIONS**

9.1 The following implications have been identified:

- a) Financial  
Financial savings may be available to the Authority should members choose.
- b) Legal

A distinction needs to be made between :

(i) Members Allowances which are governed by the Local Authorities (Members Allowances) (England) Regulations 2003. This establishes the need for the Independent Remuneration Panel which makes recommendations to Council on levels of allowances;

(ii) The Council may grant the Chairman and Vice-Chairman an allowance which it thinks reasonable for the purpose of meeting the expenses of those offices under the (s3)(5), and s5(4), of the Local Government Act (1972). This is often known as 'civic dignitaries allowance'.

This report relates to the allowance under paragraph (ii) above.

- c) Other  
There are no other implications arising from this report.

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**Background Papers:**  
None.