

LONDON BOROUGH OF TOWER HAMLETS

COUNCIL MEETING

WEDNESDAY 18th SEPTEMBER 2013

**REPORT IN RELATION TO THE
EXECUTIVE MAYOR'S CAR**

**REPORT OF THE ACTING CORPORATE DIRECTOR,
RESOURCES**

1. INTRODUCTION

- 1.1 Full Council, on 26th June 2013, requested that the Council's Section 151 Officer review the business case and public value for money discerned from the retention of the Mayor's private car and provide a report back to the next full Council meeting.

2. RECOMMENDATIONS

- 2.1 That the Council note the report in relation to the Executive Mayor's car.

LOCAL GOVERNMENT ACT, 1972 (AS AMENDED) SECTION 100D

***LIST OF "BACKGROUND PAPERS" USED IN THE PREPARATION OF
THIS REPORT***

Background paper	Name and telephone number of and address where open to inspection
None	n/a

3. BACKGROUND

- 3.1 This report is presented to Council in response to a series of resolutions tabled at the 26th June 2013 full Council, whereby it was resolved that the Council's S151 Officer be required "to review the business case and public value for money discerned from the retention of the Mayor's private car and report back to the next full Council meeting".
- 3.2 The decision to provide suitable transport facilities for the Executive Mayor, and separate arrangement for the Chair of the Council was made in 2011 following a detailed options appraisal. That decision was taken after it was deemed existing arrangements were unsuitable to enable the Mayor to carry out his increasing range of meetings in venues around the Borough, and following a decision of full Council in October 2010 that precluded the Executive Mayor from having access to the former Mayoral car and chauffeur.
- 3.3 The options appraisal incorporated the following considerations;
- Council owned/leased vehicle and employment of a driver
 - Car hire and chauffeur on a contract basis as required
 - Hire of taxis as required,
- It concluded that the two posts of Executive Mayor and Chair of the Council had distinct transport requirements and sharing a single vehicle between the two posts would not be suitable for operational reasons. Given this conclusion and taking account both the options appraisal presented to him, and being mindful of what Council had resolved, the Mayor, in his executive capacity, determined the current transport arrangements. That determination took account of the number of engagements, use of mayor's time, and existing staffing arrangements
- 3.4 The executive decision was made for the Council to lease a vehicle and retain employment of the existing driver.

4. CONSIDERATION

- 4.1 The costs of the Executive Mayor's car have been analysed to identify both fixed and variable costs. Fixed costs are deemed to be employee costs, vehicle lease and insurance, with the variable costs fuel. The car was leased in accordance with the Council's financial regulations.
- 4.2 The total cost of the Executive Mayor's car is approximately £42,300 per annum, although this may vary based on usage. Over 90% of the costs are fixed.
- 4.3 Determination of the Mayor's transport arrangements is an executive function and this decision was based on a detailed options appraisal as outlined above.

- 4.4 This review has concluded that the rationale for the original 2011 decision has not changed, and furthermore there would be costs associated with changing the existing arrangements if the Mayor felt that was appropriate.
- 4.5 This review has also identified that these transport arrangements for the Executive Mayor are not unique, and based on information available from elsewhere that annual costs, as outlined in paragraph 4.2 above are deemed comparable.

5. LEGAL COMMENTS

- 5.1 The Council may put in place arrangements to support delivery of the Executive Mayor's functions under Part 1A of the Local Government Act 2000 and related legislation. The making of such arrangements is an executive function.
- 5.2 The Council is subject to a best value duty under section 3 of the Local Government Act 1999 to "make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness".
- 5.3 The present report is provided on a noting basis and offers an opportunity for the council to scrutinise the arrangements in place in relation to the Executive Mayor's car.

6 COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 6.1 This report describes the finance review of the costs of the Executive's Mayor's car and the financial implications are included in the report.

7. ONE TOWER HAMLETS CONSIDERATIONS

- 7.1 There are no One Tower Hamlets implications arising from the recommendation.

8. RISK MANAGEMENT

- 8.1 There are no direct risk management actions arising from this report.

9. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

- 9.1 There are no specific implications arising from the recommendation.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

- 10.1 The content of this report has no implications for crime and disorder reduction.

11. EFFICIENCY STATEMENT

- 11.1 The report sets out how the current transport arrangements contribute to the efficient use of time for the Executive Mayor in fulfilling his duties.