

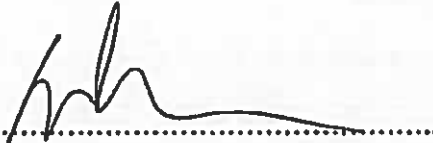
TRANSPORT PROVISION FOR THE MAYOR AND THE CHAIR OF COUNCIL

Mayor's preferred option

The Mayor has considered the attached options paper and his preferred option for transport provision to meet the future requirements of the Mayor and the Chair of Council is as follows:-

1. That the existing car lease be cancelled with immediate effect;
2. That a new lease be entered into as a matter of urgency to provide a car (Mercedes-Benz E Class (350 CGI)) for use in connection with official duties by the Mayor and, with the Mayor's permission, the Deputy Mayor.
3. That taxi cabs be utilised as necessary to meet the transport requirements in connection with official duties by the Chair of Council or Deputy Chair of Council.

Signed



Dated

19/5/11

(On behalf of) Mayor Lutfur Rahman

TRANSPORT PROVISION FOR THE MAYOR AND THE CHAIR OF COUNCIL – OPTIONS PAPER

1. Background

- 1.1 There is a need to provide suitable transport facilities for the Mayor and the Chair of Council to enable each to carry out their duties efficiently.
- 1.2 Under the former 'Leader & Cabinet' system, the Civic Mayor (now Chair of Council) was provided with a car and chauffeur for use in connection with official engagements. The car (currently a Chrysler 300c) is rented on a four-year lease and a policy is in place governing its use and replacement. The car is adapted to carry securely the Chair's chain and insignia. The current car is due for replacement – the substantive lease has expired and can be cancelled at any time.
- 1.3 The Leader of the Council had no dedicated transport provision but could use taxis where necessary to get to or from official meetings and other events, e.g. where no public transport was available or where the scheduling of events meant that it was unsuitable.

2. The elected Mayoral system

- 2.1 The provision above has continued for the first months of the Mayoral system but is proving unsuitable. Under the new system there is a concentration of executive duties in the position of elected Mayor, who is required to attend an increasing range of meetings in venues around the borough, often in quick succession. Despite having a similar constitutional role to the former Leader in this regard, the Mayor is also now being requested to undertake ceremonial duties more frequently. The Mayor's transport requirements have therefore increased and become more pressing.
- 2.2 Conversely, the Chair of Council has in the current year and especially since the change to a Mayoral system in October, undertaken fewer engagements than in previous years (est 300 in 2010/11, only 120 of which are since October, compared to an average of 500 p.a. in previous years), perhaps reflecting the lower profile of this post in the new system. As a result the car and chauffeur are not fully occupied.

3. The Constitutional position and Council decisions

- 3.1 In considering the appropriate solution there are a number of relevant constitutional factors:-
- 3.2 Article 5 of the Constitution states '....The Chair of Council will be the first citizen of the borough and will perform the majority of civic and ceremonial duties for the borough. The Mayor will perform those functions as the Council's representative where they relate to the

promotion of, or business of, the Council. Any future change to these arrangements will be a matter for the Council to determine.'

- 3.3 On 27th October 2010 the Council added into the Constitution a provision that: 'The former Mayoral Car and Chauffeur will be available only for civic duties and for the sole use of the Chair or Deputy Chair of Council'.
- 3.4 During the budget decision process 2011 the Mayor accepted a Labour amendment that said the Council would make provision to 'provide suitable transport for civic and ceremonial functions within London only for the sole use of the Chair and Deputy Chair of Council.'

4. Budgets

- 4.1 The current 'Chair of Council' budget includes provision of approximately £46k p.a. to cover the car lease (£7k), management costs, insurance and fuel (8k) and the Chauffeur's employment costs [REDACTED]
- 4.2 The Mayor's Office budget does not include any specific sum for transport but taxis are charged to the office budget. Expenditure on taxis amounted to approx £2.5k for the period November 2010 to February 2011 (therefore estimated £8k in a full year)

5. Options

- 5.1 Options for the future including the cost and other implications, and an assessment of each, are set out on the attached schedule.
- 5.2 There are three main ways of meeting transport requirements where public transport is not suitable, and the attached options are varying combinations of these:-
- (a) Council owned- or leased-vehicle and driver (as currently for the Chair). In relation to the procurement of any new leased car, it is proposed that the Council would prioritise reduced environmental impact and would seek sponsorship to reduce the cost. Subject to this, it is unlikely that the overall cost will decrease significantly. Leasing costs vary from £5k to £8.6k p.a. depending on the car but the management/insurance/Chauffeur costs [REDACTED] remain constant.
 - (b) Chauffeur and car hire on a contract basis as required. Typically this would cost approximately £40 per hour or £150 per 3-4 hour engagement/£300 per day on a contract basis. Pre-booking is required.
 - (c) Taxis - efficient and flexible, taxis are available at short notice. Typical cost £50 per event. May not be suitable for some civic engagements.

5.3 It has been suggested that the Council's decision restricting use of the existing car and chauffeur to the Chair/Deputy Chair, may be ultra vires and that such decisions are executive matters. Legal advice could be sought on this but in fact as set out below sharing a car is unlikely to be a suitable option for operational reasons.

6. Conclusions

6.1 If it is possible to restrict the number of engagements to a level agreed in advance (e.g. 150 p.a.), the cheapest option is not to have a car/chauffeur at all but to contract with a Chauffeur Hire company and a Taxi company to provide services for the Mayor and Chair as necessary. However this would give rise to redundancy for the existing Chauffeur (and associated one-off costs).

6.2 For higher/more flexible levels of usage, leasing a car and employing a Chauffeur does represent better value, but strict adherence to the Council's decision that the car & chauffeur are for the sole use of the Chair is not the best use of the resource.

6.3 Opting for a reduced specification vehicle is unlikely to reduce the costs significantly as the car leasing charge itself represents a relatively small proportion of the overall cost. The chauffeur costs the Council significantly more than the car.

6.4 The two posts have distinct transport requirements and sharing a single vehicle between the two posts is unlikely to be suitable for operational reasons. Sharing a chauffeur may be an option (subject to legal advice that it does not contravene the Constitution) but will take careful management and will need back up.

6.5 Options 'B' (No 'Council' car, use hire vehicles/taxis as required) and 'E' (Lease car for the Mayor) on the attached schedule would seem to have the fewest disadvantages as listed in the 'comments' column. Which of these is preferred will depend on the expected level and/or certainty of usage over the year.

7. Car leasing options

7.1 In discussion with the Council's fleet operations manager, indicative information has been obtained on some of the leasing options available should the Council decide to lease one or more cars in connection with the future transport requirements of the Mayor and/or Chair. This is set out in the table below:-

Model	Approx cost p.a. (all plus approx £3.5k p.a. insurance and management charge)	CO2 emissions (g/km)	Comments
Audi A6 (2.8 V6 FSI saloon)	£8k	196	

Chrysler 300c (3.5 V6 saloon)	£6.5k	260	As current Chair's car
Jaguar XF (3.0 V8)	£8k	249	
Lexus RX (450h)	£8.6	148	Hybrid
Mercedes-Benz E Class (350 CGI)	£6.5k	205	
Toyota Prius (T4 1.8)	£5k	92	Hybrid

8. Recommendations

8.1 That the existing car lease be cancelled with immediate effect and either:-

(a) That no replacement car be procured and a Chauffeur Hire service, or taxis as required, be used on a contract basis for both the Mayor and Chair, subject to a limit on the number of engagements p.a. as set out in Option 'B' overleaf; or

(b) That one new lease car be procured for the use of the Mayor only, with taxis or a Chauffeur Hire service being used as required for the Chair as set out at Option 'E'.

APPENDIX: MAYOR AND CHAIR OF COUNCIL - OPTIONS FOR TRANSPORT PROVISION

OPTION	COST	COMMENTS
<p>A. Status Quo: Renew existing car lease for Chair; use taxis as required for Mayor.</p>	<p>£54k as now (assume £8k taxis for Mayor)</p>	<p>Within budget and complies fully with Constitution/Council decisions. But does not meet the requirements of the Mayor, and the Chair's car and chauffeur would remain under-utilised</p>
<p>B. No car: Terminate existing car lease and do not replace the car. Use Chauffeur Hire service on contract basis, or taxis as required for both the Mayor and Chair.</p>	<p>From £50k depending on usage Mayor: Assume 2 x Chauffeur Hire events plus 4 x Taxi journeys per week (£15k + £10k pa) Chair: Assume 3 x Chauffeur Hire events plus 1 x Taxi journey per week (£22.5k + £2.5k pa)</p>	<p>Within budget and complies fully with Constitution/Council decisions. Meets all transport requirements <u>but</u> to ensure stays in budget would need a strict limit on the number of engagements p.a.. Existing Chauffeur redundancy (& associated one-off costs).</p>
<p>C. Sharing car: Terminate existing car lease and procure one new car (of lower spec and improved eco-performance) for use by both the Mayor and</p>	<p>Total £50k to £65 k depending on usage Lease £6k plus management & fuel £6k plus</p>	<p>Good use of resources, but impractical as sharing would require strict advance booking and very little flexibility. Unlikely therefore to meet the Mayor's requirements.</p>

<p>Chair.</p> <p>Taxis or Chauffeur Hire agreement to be used to cover clashes in requirements and holidays.</p>	<p>Chauffeur [redacted] as now.</p> <p>Plus from £5k taxi costs to £15k Chauffeur Hire costs for back up</p>	<p>Also contrary to the Constitution and the Council's decisions (car for 'sole use' of Chair)</p>
<p>D. One car – for Chair only</p> <p>Terminate existing car lease and procure one new car (of lower spec and improved eco-performance) for the use of the Chair only.</p> <p>Taxis or Chauffeur Hire agreement as required for the Mayor.</p>	<p>Total £53k to £70k depending on Mayor's usage of Taxis or Chauffeur Hire.</p> <p>Lease £6k plus management & fuel £6k plus Chauffeur [redacted] as now.</p> <p>Plus from £8k taxi costs to £25k Chauffeur Hire costs for Mayor.</p>	<p>Complies with the Constitution/Council decisions. Flexible arrangement which would meet the transport needs of both.</p> <p>But poor use of resources as the Chair's car and chauffeur would remain under-used. In addition may give rise to confusion in the community about the relative profile of the two roles.</p>
<p>E. One car – for Mayor only</p> <p>Terminate existing car lease and procure one new car (of lower spec and improved eco-performance) for the use of the Mayor only.</p> <p>Taxis or Chauffeur Hire agreement as required for the Chair.</p>	<p>Up to £65k depending on Chair's usage of Taxis or Chauffeur Hire.</p> <p>Lease £6k plus management & fuel £6k plus Chauffeur [redacted] as now.</p> <p>Chair: Assume 2 x Chauffeur Hire events plus 2</p>	<p>Would comply with Constitution and Council decisions (subject to HR advice about Chauffeur redeployment) and would meet the transport needs of both posts (subject to secure storage for chair/insignia).</p> <p>Estimate based on limiting Chair's engagements to 2 per week on average plus 2 taxi journeys.</p>

	<p>x Taxi journey per week (£15k + £5k pa)</p>	
<p>F. Two cars Terminate existing car lease and procure two new cars (of lower spec and improved eco-performance) – one each for Mayor and Chair. To share chauffeur with back up drivers as required.</p>	<p>Est. £66k Leases £12k, management and fuel £12k, chauffeur [redacted] as now; Back up driver est £15k depending on usage</p>	<p>Strictly speaking doesn't comply with Constitution and Council decisions (Chauffeur for 'sole use' of Chair) Would be seen by some as wasteful (although in fact cheaper than some other options, and is good use of resources, especially the chauffeur). Would meet most requirements of both parties but limited flexibility and diary planning required to avoid additional costs arising from 'emergency' taxi use.</p>
<p>G. Two cars and two chauffeurs As F above but with a separate chauffeur for each post.</p>	<p>Est. £84k</p>	<p>Complies fully with Constitution/Council decisions. Provides a full service and meets all transport needs. But expensive and a poor use of Chauffeur resource.</p>