

 Executive – 1 November 2017		Agenda Item No. <h1 style="text-align: center;">6</h1>
Title	Arrangements for Civic transport and support	
For further information about this report please contact	Amy Barnes Senior Committee Services Officer	
Wards of the District directly affected	All	
Is the report private and confidential and not for publication by virtue of a paragraph of schedule 12A of the Local Government Act 1972, following the Local Government (Access to Information) (Variation) Order 2006?	No	
Date and meeting when issue was last considered and relevant minute number		
Background Papers		

Contrary to the policy framework:	No
Contrary to the budgetary framework:	No
Key Decision?	No
Included within the Forward Plan? (If yes include reference number)	Yes
Equality Impact Assessment Undertaken	Yes/No (If No state why below)

Officer/Councillor Approval		
Officer Approval	Date	Name
Chief Executive	10/10/2017	Chris Elliott
Head of Service	10/10/2017	Andrew Jones
CMT	10/10/2017	Bill Hunt
Section 151 Officer	10/10/2017	Mike Snow
Monitoring Officer	10/10/2017	Andrew Jones
Finance	05/10/2017	Jenny Clayton
Portfolio Holder(s)	10/10/2017	Councillor Mobbs
Consultation & Community Engagement		
Emailed report to Procurement & Principal Accountant for comment 04/10/2017		
Final Decision?	No	
Suggested next steps (if not final decision please set out below)		
Recommendation 2.3 will be a matter for Council to consider as part of the budget setting process.		

1. **Summary**

- 1.1 This report outlines the options for changing the existing Civic transport arrangements for the Warwick District Council Chairman.

2. **Recommendation**

- 2.1 That Executive approves the sale of the current car used to transport the WDC Chairman, providing a one off lump sum estimated at £5,900, which is allocated to the Equipment Renewal Reserve.
- 2.2. That, subject to agreeing recommendation 2.1, Executive agrees to leasing an electric or hybrid vehicle, for use as the Chairman's car at a maximum cost of £3,900 per annum, to be funded as outlined in section 5 of the report; and notes that the decision on the choice of car would be made by the Deputy Chief Executive & Monitoring Officer in consultation with the Chairman and Vice-Chairman of the Council along with the Leader of the Council.
- 2.3 That, subject to agreeing recommendation 2.2, Executive recommends to Council that the budgets are amended to enable the cost of leasing a vehicle to be realised through salary savings and should be brought forward as part of the budget setting process.
- 2.4 That Executive notes the work undertaken to source a garage in Leamington to store the vehicle and agrees to release the current garage to enable it to realise its true commercial value.
- 2.5 To note the change in hours and role of the Chairman's Chauffeur post, to be monitored and revisited after 12 months and that following this, any permanent changes will be reported to Employment Committee for their consideration.

3. **Reasons for the Recommendation**

- 3.1 The current Chairman's car, a Mercedes E220, 4 door, 3 litre, diesel engine, is no longer a cost effective option to maintain. The running costs are high due to the engine size which is reflected in the road fund tax banding and combined with the MOT, servicing costs, AA Roadside Assistance and petrol has cost the Council £2,533 in the last financial year.
- 3.2 Investigations have shown that the car could fetch up to £5,900 if sold through a franchised dealer. Any leased car would retain the WDC livery and ownership of the personalised registration plate (K5 WDC) could be transferred to the relevant leasing company on the renewal of the car's lease. This would incur an administrative cost.
- 3.3 The leasing of an electric or hybrid vehicle from either Toyota, Nissan or Hyundai would cost a maximum amount of £3,900 per annum and the car could be replaced every three years dependant on the type of lease taken out. Three charging points are already available at Riverside House (RSH) and St Peters Car Park and there would be zero road fund tax to pay compared to £220 being paid annually.
- 3.4 Dependant on the type of lease taken out, this could include the provision of an annual service, and could include replacement tyres and breakdown cover, offering a saving of up to £350 per year (MOT = £150 & AA cover = £200/year).

- 3.5 The revisions to the post of Chairman's Chauffeur would realise savings of up to £5,900 per annum. This would therefore, cover the annual cost of leasing a new car.
- 3.6 At present, the Chairman's car is stored in a District Council owned garage in Warwick. Due to the desirable location of the garage, there are a number of options available if the lease was relinquished. It could provide either; an ongoing income if rented out; or could be sold off privately providing a much needed parking provision for residents or businesses in Warwick.
- 3.6.1 If the garage was leased out on the same basis as similar HRA garages in the area, it could return a minimum income of £9/week (£468/year). However, due to its desirable location this could be an opportunity to realise a higher income – for example, if employees of businesses in Warwick were currently prepared to pay for an annual car park permit for Linen Street car park at a cost of £607.50, there may be an appetite for renting a large garage for a comparable rent.
- 3.6.2 Early indications from local agents have shown that there is a market for selling garages of a similar type and location ranging from approximately £20,000 dependant on condition. However, it is likely to achieve more at auction with agents already advising they would have customers who would be interested.
- 3.7 Monitoring the hours of the Chairman's attendant post has revealed that in reality, the average working week for the post holder was lower than the 30 hours a week that was contracted for.
- 3.8 Prior to advertising the vacancy, the post's hours would be reduced to 20 hours per week, to be monitored and revisited after 12 months to assess the situation. The post is currently attached to Salary Grade H £16,284 to £17,243 (Full Time Equivalent per annum plus Employer's Costs) and the reduction in hours could achieve a saving of just over £5,900 a year.
- 3.9 In addition, the job description would be re-evaluated to allow more flexibility for the role to support the whole Democratic Services team i.e. if all hours were not used in a week, the remainder could be utilised to assist the Chairman's personal Assistant or the Committee Services team.
- 3.10 As demonstrated in recent years, the Democratic Services team is placed under pressure during election periods and the additional resource could be used to help free up valuable officer time at Riverside House. In addition, the plans for the new HQ do not include on site storage for elections equipment; this could be stored off site and possibly not even in Leamington. The potential to utilise an additional driver during this timeframe would be valuable.

4. **Policy Framework**

4.1 **Fit for the Future (FFF)**

The Council's FFF Strategy is designed to deliver the Vision for the District of making it a Great Place to Live, Work and Visit. To that end amongst other things the FFF Strategy contains several Key projects.

“The FFF Strategy has 3 strands – People, Services and Money and each has an external and internal element to it. The table below illustrates the impact of this proposal if any in relation to the Council’s FFF Strategy.”

FFF Strands		
People	Services	Money
External		
Health, Homes, Communities	Green, Clean, Safe	Infrastructure, Enterprise, Employment
<u>Intended outcomes:</u> Improved health for all Housing needs for all met Impressive cultural and sports activities Cohesive and active communities	<u>Intended outcomes:</u> Area has well looked after public spaces All communities have access to decent open space Improved air quality Low levels of crime and ASB	<u>Intended outcomes:</u> Dynamic and diverse local economy Vibrant town centres Improved performance/productivity of local economy Increased employment and income levels
Impacts of Proposal		
Improvement of service which in turn benefits communities.	Provision of a more environmentally friendly car, improved air quality and lower emissions.	Improvement of service to ensure profile of Council is maintained.
Internal		
Effective Staff	Maintain or Improve Services	Firm Financial Footing over the Longer Term
<u>Intended outcomes:</u> All staff are properly trained All staff have the appropriate tools All staff are engaged, empowered and supported The right people are in the right job with the right skills and right behaviours	<u>Intended outcomes:</u> Focusing on our customers’ needs Continuously improve our processes Increase the digital provision of services	<u>Intended outcomes:</u> Better return/use of our assets Full Cost accounting Continued cost management Maximise income earning opportunities Seek best value for money
Impacts of Proposal		
Re-evaluation & monitoring of the job description & role will add resilience to the service.	Improvements of Civic service provided for the residents of and visitors to the District.	Release of depreciating asset, potential to maximise income opportunity with release of garage in Warwick. Three year lease of car allows for monitoring of costs and opportunity to secure a better deal.

4.2 Supporting Strategies

Each strand of the FFF Strategy has several supporting strategies in this report the proposals seek to contribute to the Council’s Medium Term Financial

Strategy in delivering savings but at the same time continuing to deliver the service.

4.3 Changes to Existing Policies

4.3.1 There are no proposed changes to existing policies within the report.

4.4 Impact Assessments – No impact assessment has been undertaken for this report as it does not relate to the protected characteristics of the Equalities Act.

5. Budgetary Framework

5.1 This proposal would realise salary savings of just over £5,900 annually which would more than cover the annual leasing costs.

5.2 There is a current allowance of £25,000 in the Equipment Renewal Reserve for the maintenance of the Chairman's car. This would no longer be needed as the lease would be covered from the proposed salary savings. In addition, the one off income from the sale of the car would be added to the Equipment Renewal Reserve.

5.3 Savings would also be realised from Civic budgets due to the removal of the Road Fund Tax needing to be paid, AA Roadside Assistance and lower, if not zero, fuel costs being covered, as detailed in section 3.1. It should be noted that, in recent years, whilst the budget is £1,100, expenditure has been in excess of this. The £1,100 budget plus salary savings, in excess of the leasing costs, will be returned to the General Fund Balance.

5.4 In addition, there is the potential to generate further income through the sale or rental of the existing garage in Warwick.

6. Risks

6.1 The main risk arising from this proposal is the potential perception of a drop in prestige for the Chairman. The Chairman is the first citizen of the District and with this it brings prestige and responsibility for the Council.

6.2 The Chairman's role is a very public one and is often 'judged' on appearances. However, there is the opportunity to generate a 'good news' story with regards the Council encouraging 'green' vehicles, which underpins Members' commitment to improving air quality across the District.

7. Alternative Option(s) considered

7.1 Continue with the status quo; however this has been discounted because the car is depreciating and will begin to cost more money annually.

7.2 Sell the existing car and buy a new one. This option has been discounted because it would cost the Council more money because the income from the Mercedes would be unlikely to cover the cost of a new vehicle. This would also incur higher running costs because the breakdown cover and servicing costs would need to be covered. In addition, the road fund tax and MOT costs would also need paying due to the age of the car that we would be able to afford.

7.3 Sell the car and do not replace with anything. This option has been discounted because it would result in the services of a taxi company being employed as and when necessary to driver the Chairman around. During recent months this has been necessary due to the ill health and subsequent retirement of the

Chairman's Attendant. To date this service has been provided by Brookline and the costs for this currently stand at £538.20.

The Council could decide not to offer a driver service at all, requiring any future Chairmen or Vice Chairmen to either drive themselves to events or make other arrangements.

- 7.4 A Council owned vehicle could be purchased or leased for use by any Council employee. Whilst this would avoid a vehicle being left idle for periods of time, it could also be difficult to manage if the Chairman was to be the main priority user. The cleaning and general maintenance of the car would also have to be managed appropriately.
- 7.4.1 If a hybrid car was leased it may alleviate concerns that one 'charge' would only allow for about 100 miles and should the Chairman be attending more than a few events in a day, charging time would have to be factored in or the car would run out of charge on the way home. However, research has shown that in the last two years, the majority of events have been contained in a 10 mile radius of the town hall. Out of 109 events, only seven were up to 20 miles distance away with one or two trips venturing further afield. 86 of the 109 journeys were within five miles of the Town Hall and 38 of those were in Leamington itself (see appendix A).
- 7.5 Any incoming Chair could liaise with their associate Town Council to agree lift sharing. Whilst this can have an environmental advantage there are issues relating to insurance which could prove problematic. In addition, some of the more rural Councillors may find it difficult to strike up strong relationships with their nearest Town Council.
- 7.6 The garage in Warwick could continue to be used to store the car. However, it is not located near to RSH which can cause logistical difficulties and it is not fulfilling its true commercial value. A cheaper option would be to rent an existing Council garage in Leamington or to leave the car in the RSH car park.

8. **Background**

- 8.1 The post of Chairman's Attendant has been in existence at WDC for a number of years. The last post holder was in the role for 23 years until his recent retirement.
- 8.2 The opportunity has therefore been taken to reassess the suitability of the post, hours required and consider the financial issues the current vehicle has raised.
- 8.3 Discussions with Royal Leamington Spa Town Council were undertaken because they took the decision to move to leasing a hybrid vehicle a number of years ago. In addition, they had chosen to amend the Chairman's Attendant role to better suit the needs of the Council.
- 8.4 The Chairman can attend numerous civic events in any one year, dependant on the individual Member's take on the role. Some Chairmen have chosen not to attend many events other than the bare minimum (ie. Council meetings and formal engagements such as Remembrance Services) whilst others have viewed it more as a full time role, accepting invitations from across the area as well as hosting their own civic events.

- 8.5 Whilst the role of Chairman has been discussed informally, at present there is no set standard. Members may choose to undertake a review of this role in the future.
- 8.6 As a guide, the current car has covered 11,230 miles in 3 years – an average of 3743 miles a year. The maximum journey length was approximately 200 miles there and back when the Chairman used to attend the Queens Garden Party. This opportunity is now offered to employees with over 30 years' service who travel to London independently and can claim back travel expenses. The trend for accepting civic invitations from far afield has altered and most journeys are undertaken within Warwickshire and the West Midlands (see appendix A).
- 8.7 This Council is committed to ensuring it investigates options for 'greener' ways of working and is mindful of the issues relating to Air Quality which affect all residents in the District but especially in concentrated areas of the towns. This was reflected in a recent discussion by Licensing and Regulatory Committee members who asked officers to investigate the potential of encouraging Hackney Carriage / Private Hire Drivers to choose energy efficient cars when they opt to upgrade their vehicles.
- 8.8 In January 2016 the Council took the decision to secure funding from the Department of Transport Office of Low Emission Vehicles to cover 75% of the cost of leasing five electric vehicles for use as pool cars for an initial period of two years and installing associated charging infrastructure. These cars are kept in the car park at RSH and are used by officers across the Council to undertake home visits and site inspections.
- 8.9 The UK Government offers an incentive for buyers of Ultra Low Emissions Vehicles. The scheme favours buyers of 100% electric vehicles which could result in a government grant of between £4,500 to £6,000 towards the cost of the vehicle.