

**URGENT BUSINESS AND SUPPLEMENTARY INFORMATION****Council****16 July 2012**

Agenda Item Number	Page	Title	Officer Responsible	Reason Not Included with Original Agenda
10.	(Pages 1 - 8)	Chairman's Allowance	Head of Law and Governance	Resource & Performance Scrutiny Board meeting held after agenda dispatch

*If you need any further information about the meeting please contact James Doble, Democratic and Elections james.doble@cherwellandsouthnorthants.gov.uk, 01295 221587*

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## Council

### Allowance for Chairman of the Council

16 July 2012

### Report of Head of Law and Governance

#### PURPOSE OF REPORT

To consider the recommendations of the Resources and Performance Scrutiny Board in relation to the proposal to pay an allowance to the Chairman of Cherwell District Council.

This report is public

#### Recommendations

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Council is recommended to:

- (1) Agree that an allowance of £2000 be paid to the Chairman of the Council with effect from the municipal year 2012/13.
- (2) To agree the Resources and Performance Scrutiny Board Recommendations detailed below:
  - (1) That an allowance of £2000 be paid to the Chairman of Cherwell District Council for the municipal year 2012/13 with immediate effect
  - (2) That the scheme of reference for the Chairman's allowance (Appendix 1) be adopted
  - (3) That officers be requested to review the Chairman's budget operating period so that it is aligned in terms of with the municipal year as opposed to the financial year.

#### Executive Summary

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##### Introduction

- 1.1 At the 16 May 2012 Council meeting, Members considered a report proposing that an allowance be paid to the Chairman of Cherwell District Council.
- 1.2 Council resolved "That consideration of the proposal to pay an allowance to the Chairman of the Council with effect from the municipal year 2012/13 be

deferred to the July meeting of Council and that the Resources and Performance Scrutiny Board be requested to review the proposals and report back to Council.”

- 1.3 The Resources and Performance Scrutiny Board considered the proposals at two meetings and have agreed the recommendations set out above for consideration by Council.

### **Proposals**

- 1.4 At the 12 June 2012 Resources and Performance Scrutiny Board meeting, Members considered information on legislation relating to civic dignitaries allowances, Cherwell District Council’s civic ceremonial budget expenditure, expenses of previous Cherwell District Council Chairmen and allowances paid to Civic Heads in neighbouring and other local authorities. The Democratic and Elections Manager was also present at the meeting to answer Members’ questions about the proposal.
- 1.5 Members considered in detail the difference between the payment of an allowance for the civic and ceremonial role of the Chairman permitted under the Local Government Act 1972 in contrast to the payment of a special responsibility allowance under the Local Authorities (Members’ Allowances) (England) Regulations 2003 for the administrative role.
- 1.6 The Board noted that the issue of a Special Responsibility Allowance was under active consideration by the Independent Remuneration Panel although there were currently no plans for a Special Responsibility Allowance to be recommended. Consequently, the Board focussed their deliberations on the payment of an allowance for the civic and ceremonial element of the role.
- 1.7 At this meeting, the Board agreed, in principle that an allowance should be paid to the Council Chairman as this would help ensure no Member felt precluded from accepting the position of honour due to concerns about potential personal financial cost. Members also agreed that it was extremely important that a Scheme of Reference be developed to ensure transparency to the public about what was and was not covered by the allowance. The Scheme would also provide clarity for the Council Chairman.
- 1.8 At the 10 July 2012 Resources and Performance Scrutiny Board meeting, Members considered additional information including feedback from former Council Chairmen, detailed information from neighbouring authorities detailing their provisions for Chairman’s allowances and civic budgets and a draft Council Chairman Scheme of Reference.
- 1.9 The Council Chairman Scheme of Reference is attached at appendix 1 and recommended for approval by Council.
- 1.10 The Board concluded that an allowance of £2000 per year to be paid to the Chairman in a lump sum upon taking office. The allowance should cover the expenses of office, e.g. clothing; subsistence; sundry donations including collections and raffle tickets; drinks at official events.
- 1.11 The purpose of the Chairman’s budget is to support his/her activities as Chairman (within the available budget as set annually) and full details are

included in the Council Chairman Scheme of Reference.

- 1.12 As part of the review, the Board also considered the budget provision and arrangements for the Chairman's/Civic budget and agreed that officers be requested to review the Chairman's budget so that it is aligned with the municipal year.

### **Conclusion**

- 1.13 The Board confirmed their support for the proposal to pay an allowance of £2000 to the Chairman of Cherwell District Council for the civic element of the role and agreed a Scheme of Reference which will ensure transparency and provide clarity about what is and is not covered by the allowance.
- 1.14 All of the background information and evidence considered during the review is available on request from Democratic and Elections.

### **Key Issues for Consideration/Reasons for Decision and Options**

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The following options have been identified. The approach in the recommendations is believed to be the best way forward

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|---------------------|---------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Option One</b>   | To agree to pay a Chairman's allowance of £2,000 per annum in line with the provisions set out in the Council Chairman Scheme of Reference. |
| <b>Option Two</b>   | To pay a Chairman's allowance at a different level                                                                                          |
| <b>Option Three</b> | Not to pay a Chairman's allowance.                                                                                                          |

### **Implications**

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|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial:</b>       | The allowance can be met from within existing member services budgets.<br>Comments checked by Sarah Best, Assistant Accountant 01295 22                                                                                                                                                                                                                                  |
| <b>Legal:</b>           | Under section 3 (5) of Chapter 70 of Local Government Act 1972 Council gives the power to provide an allowance to the Chairman to cover the cost of expenses incurred in carrying out the cost of their office. Therefore the proposals set out in this report are in line with legislation.<br>Comments checked by Kevin Lane, Head of Law and Governance 0300 0030 107 |
| <b>Risk Management:</b> | The proposals in this report help mitigate risk against the council through providing a clear and transparent scheme                                                                                                                                                                                                                                                     |

within which the Chairman's allowance will operate.

Comments checked by James Doble, Democratic and Elections Manager 01295 221587

**Wards Affected**

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All

**Document Information**

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<b>Appendix No</b>	<b>Title</b>
Appendix 1	CDC Chairman of the Council Scheme of Reference
<b>Background Papers</b>	
None	
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# Chairman of the Council

## Scheme of Reference

### 1. Introduction

The Chairman of the Council is regarded as the 'First Citizen of the District' and the 'Ceremonial Head of the Council', although the Chairman has few legal powers. As a serving district councillor, the Chairman should remain politically impartial.

This Scheme of Reference is intended as background guidance for the Chairman of the Council on the nature of his/her duties together with the financial and support arrangements provided.

The Chief Executive, Head of Law and Governance/Monitoring Officer and the Democratic and Elections Manager will be available to discuss or advise the Chairman on any issues relating to their role as Chairman.

### 2. Role of the Chairman<sup>1</sup>

The Chairman (and Vice-Chairman) of the Council will be elected by full Council annually.

The Chairman (and in his/her absence, the Vice-Chairman) will have the following responsibilities:

- to uphold and promote the purposes of the Constitution, and to interpret the Constitution within meetings of Council when necessary;
- to preside over meetings of Council so that its business can be carried out efficiently and with regard to the rights of Councillors and the interests of the community;
- to ensure that the Council meeting is a forum for the debate of matters of concern to the local community and the place at which Members who are not in the Executive or do not hold Committee chairs are able to hold the Executive and Committee Chairmen to account;
- to promote public involvement in the Council's activities;
- to be the conscience of the Council; and
- to attend such civic and ceremonial functions as the Council and he/she determines appropriate.

Neither the Chairman nor Vice-Chairman of the Council can be a member of the Executive.

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<sup>1</sup> As set out in the Constitution of Cherwell District Council

### **3. Protocol**

Under the Local Government Act 1972 the Chairman of the Council is First Citizen of the District and at events within the District takes precedence over everyone except the Queen's representative. If the Vice-Chairman is attending an engagement in place of the Chairman, s/he takes the same precedence.

The Chairman of Cherwell District Council always takes precedence over the Mayors of the Town Councils.

The Chairman's badge on the Chain of Office is worn by the Chairman of Cherwell District Council during his/her Civic Year when representing the District Council at civic and community events.

### **4. Invitations to the Chairman**

Local organisations may invite the Chairman to attend any event they are organising. Invitations should be sent to the Chairman's Personal Assistant who will contact the event organiser to confirm arrangements.

A list of engagements attended by the Chairman will be submitted to each Council meeting for information.

### **5. Administrative Support**

The Chairman will have a Personal Assistant<sup>2</sup> who will provide a level of professional support for the civic and ceremonial activities associated with the role of Chairman of the Council.

The Personal Assistant to the Chairman sits within the Law and Governance service area and reports to the Democratic and Elections Manager.

In the absence of the Personal Assistant to the Chairman, the Democratic and Elections Team will provide support.

### **6. Chairman's Budget and Chairman's Allowance**

#### **Chairman's Allowance**

Under the Local Government Act 1972, a principal council may pay the Chairman an allowance which it thinks reasonable for the purpose of meeting the expenses of those offices. This is often known as 'civic dignitaries' allowance'.

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<sup>2</sup> The Personal Assistant will provide 0.3FTE support for the Chairman



Cherwell District Council believes that no serving councillor should be excluded from accepting the role of Chairman due to concerns about the potential personal financial cost to meet the expenses of office. Therefore, in addition to the basic allowance paid to all councillors, the Chairman shall receive an additional allowance.

The allowance paid to the Chairman of Cherwell District Council is £2000 per year of office.

The purpose of the allowance is to cover the expenses of office, e.g. clothing; subsistence; sundry donations including collections and raffle tickets; drinks at official events.

The Chairman's allowance will be paid annually as a lump sum upon appointment as Chairman.

### **Chairman's Budget**

The purpose of the Chairman's budget is to support his/her activities as Chairman (within the available budget as set annually) including:

- Mileage for attendance at official events to which the Chairman has been invited in his/her official capacity as Chairman of the Council<sup>3</sup>
  - Claims are to be submitted on the Chairman's claim form within two months of the expense being incurred and paid at the standard rate for Members mileage.
- Tickets for the Chairman and consort to attend events within the United Kingdom to which the Chairman has been invited in his/her official capacity as Chairman of Cherwell District Council
  - The Chairman's Personal Assistant is authorised to purchase tickets to events to the value of £50 per ticket. The purchase of tickets for events costing more than £50 must be authorised by the Head of Law and Governance.
- Travel (e.g. train/taxi) within the United Kingdom for attendance of the Chairman and Consort in his/her official capacity as Chairman of Cherwell District Council.
  - The Chairman's PA will be responsible for making travel arrangements.
  - If the Chairman arranges his/her own travel, this will come out of the Chairman's allowance. However, in exceptional circumstances at the discretion of the Head of Law and Governance, the Chairman may submit and receive payment for a travel claim.
  - Any requests not included in this Scheme of Reference for the official representation of the Chairman of Cherwell District Council (and his/her consort), including attendance at any events outside the United Kingdom should be submitted to the Executive for consideration and approval
- Arranging events for the Chairman

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<sup>3</sup> Any queries as to what constitutes an official event are to be determined by the Head of Law and Governance

- The Chairman's Personal Assistant will be responsible for arranging events in consultation with the Chairman and the Head of Law and Governance.
- Associated expenditure for Annual Council
- Training
- Gifts at the end of the Chairman's term of office
- Refreshments for events hosted by the Chairman
- Maintenance of the Chairman's Chain

### **Budget Monitoring**

Budget Monitoring of the Chairman's budget will be undertaken as part of the regular Law and Governance budget monitoring and the Chairman will be advised as necessary.

### **Departure of Chairman**

Should the Chairman of the Council cease to hold office during their term of appointment, the Head of Law and Governance will be responsible for determining the appropriate consequential arrangements in light of the circumstances.