

CHESHIRE EAST BOROUGH COUNCIL

CABINET

Date of meeting: 16th June 2009
Report of: Democratic Services Manager
Title: Accommodation and support for the Charter Trustees

1.0 Purpose of Report

- 1.1 To inform Cabinet of requests for support from the Crewe and Macclesfield Charter Trustees, and for a decision to be made upon how the Council might respond.

2.0 Decision Required

- 2.1 That the requests for support from the Crewe and Macclesfield Charter Trustees be noted and that a decision be made upon the Council's response.
- 2.2 That consideration be given to the requests from Macclesfield Charter Trustees that:
- 2.2.1 Their potential deficit of £1500 for the year 2009/10 be met by the Council.
- 2.2.2 The cost of their insurance be met, and that they be indemnified, by the Council.
- 2.3 That, if officer support is to be provided to the Crewe and Macclesfield Charter Trustees, this will commence as soon as a member of staff can be appointed to do this work.

3.0 Financial Implications 2009/10 and beyond

- 3.1 The Crewe and Macclesfield Charter Trustees have precepted £27,930 and £5,000 respectively. Crewe have indicated that £7,510 may be available to pay the Council for officer support and accommodation, whereas Macclesfield do not believe they have sufficient funds to pay the Council anything. The Democratic Services Manager has indicated that additional staffing resources costing approx. £40,000 will be required in 2009-10 to meet the requirements of the two new bodies.
- 3.2 In addition to these direct staffing costs Macclesfield Charter Trustees have requested an additional £1,500 to support their activities and that the Council provide insurance cover for them. The cost of the latter request is being investigated but will result in further additional expenditure for the Council. If the contribution from Crewe of £7,510 is secured, the net cost of supporting the Trustees is likely to be approx. £40,000, for which Democratic Services do not currently hold a budget. If Members wish to agree to support the Charter

Trustees as requested, then it is recommended that temporary funding of up to £40,000 from the 2009-10 transitional budget to reflect the phasing of savings, be approved. This will be utilised to the extent to which the service is unable to absorb the additional costs within its existing base budget. For the following financial year the Trustees could either precept at a level to fully meet their costs and the costs of support from the Council or alternatively the Council agree further temporary funding.

5.0 Legal Implications

- 5.1 Charter Trustees are precepting authorities who should cover their running costs to the extent that support services can be procured from the Council if necessary or from elsewhere if so desired. The precepts for 2009/10 have already been set.
- 5.2 Charter Trusts will cease to exist once a parish or town council is created for their area (a petition for a town council has been received from Crewe and, if supported by the Council, the earliest date for its creation would be March 2010).

6.0 Risk Assessment

- 6.1 Failure to administer Charter Trustees appropriately carries an associated reputational risk for this Council and the LGR process.

7.0 Background and Options

- 7.1 Both Crewe and Macclesfield Charter Trustees wish to receive support from Cheshire East Borough Council in respect of their activities.
- 7.2 The Charter Trustees Regulations 2009 provide for the Charter Trustees to make arrangements for the discharge of their functions by a committee or an officer of theirs, or of this Council. The Regulations further provide for accommodation to be made available by the Council on terms to be agreed by the Council and the Charter Trustees. Neither require this to be done without charge.
- 7.3 The Crewe and Macclesfield Charter Trustees have precepted £27,930 and £5,000 respectively. If these sums are now insufficient to meet their aspirations, they must operate at a reduced level or seek support from elsewhere.
- 7.4 The Charter Trustees have an important role, set out in the Regulations, of preserving "historic property, privileges, rights and traditions presently enjoyed by local residents." They have considered how they wish to carry out this important role and believe that certain levels of support will be required in order to do so. The Charter Trustees wish to be supported by the Council by the provision of officer resources and accommodation.

- 7.5 Of the £27,930 raised by the Crewe Charter Trustees, indications have been given that £7510 could be made available to fund the cost of officer support and accommodation. A formal decision upon this is yet to be made by the Charter Trustees.
- 7.6 The Macclesfield Charter Trustees have given consideration as to how the £5000 raised might be used to support their activities. They indicate that there will be no surplus funds to cover the cost of officer support and accommodation and that there will, in fact, be a deficit of £1500 arising from their proposed activities which they ask the Council to meet. They also ask the Council to cover the cost of insurance of items they hold and the cost of indemnification of the Charter Trustees.
- 7.7 Whilst Macclesfield and Crewe Charter Trustees understand the financial constraints within which they must operate, they also clearly see the importance of their role. Macclesfield Charter Trustees would want to arrange 5 significant events each year: Civic Sunday, Carol Service etc, plus up to two Mayoral visits etc per week. Crewe Charter Trustees have been less specific about their proposed activities, but there is no reason to believe that these will be of a smaller scale than those of Macclesfield.

There will clearly be the need for administrative support: taking calls, dealing with correspondence, and making Mayoral bookings etc, but there will also be other needs. These will include those relating to the servicing of meetings, occasional legal advice, accountancy advice at precept-setting meetings etc.

In total the support needs of the Charter Trustees will not be insignificant and cannot be provided under the existing structure.

- 7.8 As far as it is possible to do so, it is anticipated that the combined officer resource needed to properly service the requirements of the Crewe and Macclesfield Charter Trustees will be at least 0.5 FTE at Grade 9.
- 7.9 Provided that the Council had priority use of the Mayoral and other meeting accommodation at the Council's premises, the Council could choose to offer reasonable use of these facilities to the Charter Trustees, subject to the agreement of the Democratic Services Manager. If the accommodation were to be provided without charge, this would be a further cost to this Council.
- 7.10 Members will be aware of the Community Governance Review petition received in respect of the Crewe town area. As a consequence of the petition, a significant amount of work will need to be undertaken over the coming months in order to comply with the requirements of legislation and Government guidance. The agreed structure of Democratic Services does not provide for the one-off and significant resource implications arising from the Review. This issue is linked to the Charter Trusts because any new Crewe Council would supercede the Charter Trustees.
- 7.11 In addition, there are other elements of work which could, along with the above matters, be regarded as "transitional". A fair estimate of the total resource

implications of the Charter Trustee work and other transitional work would equate to one FTE at Grade 9. Any contribution from the Crewe and Macclesfield Charter Trustees would go some way to limiting the financial impact of the proposal for the Council but they would need to precept at a higher level to fund this level of service provision in future. If the precept were not raised for 2010-11 then the Council may need to agree further temporary funding for next financial year.

- 7.12 It is therefore recommended that transitional funding of up to £40,000 be used to cover the balance cost of employing one FTE Grade 9 officer for the current financial year, on the basis that the Democratic Services Manager will allocate this resource appropriately between the various elements of work and support identified in this report.

8.0 Reasons for Recommendation

- 9.1 In order to provide adequate support to the Crewe and Macclesfield Charter Trustees and the Community Governance Review work which must now be carried out.

For further information:

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Background Documents: Charter Trustee Regulations

Documents are available for inspection at:

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