

# Subject: Monitoring of Expenses 2007/08 - Mayor and Elected Members

Report Number: 13

**Report to:** Audit Panel

**Date:** 17 July 2007

**Report of:** Martin Clarke - Interim Director of Finance & Performance

## 1. Recommendation

- 1.1 That the Audit Panel note the contents of this report

## 2. Background

- 2.1 The Audit Panel, as part of its terms of reference, is responsible for promoting probity and good practice within the GLA. The monitoring of expenses incurred by the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly, and Assembly Members of the Authority forms part of this responsibility.
- 2.2 The reporting and monitoring of expenses in a public meeting supports the transparency and openness of GLA activity to ensure accountability to Londoners.

### Details – use of taxis and London Transport

- 2.3 The provision of the taxi account service represents the best value for money option to enable the Mayor, Deputy Mayor, Chair and Deputy of the Assembly and Assembly Members of the Authority to fulfill their GLA duties and responsibilities. This option is cheaper than alternatives such as operating a pool car system or the use of private vehicles.
- 2.4 Taxi account costs and taxi expense claims incurred by the Mayor, Deputy Mayor, Chair and Deputy of the Assembly and Assembly Members from 1<sup>st</sup> April 2006 to 30<sup>th</sup> March 2007 totalled £21,875. This is shown in Appendix 1. For the period 1<sup>st</sup> April 2007 to 30<sup>th</sup> April 2007 the total was £1,177. This shown in Appendix 2. For information, the Government's Car and Despatch Agency accounts for 2005/06 show that the average direct cost of running the ministerial car scheme was £ 57,749 per vehicle.
- 2.5 The Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly and Assembly Members are entitled to an annual six zone travel card. Members have the discretion to decide how many zones they require. The provision of a travelcard is a taxable benefit. The cost of the travelcards issued is £33,816; this is shown in Appendix 1. To date the Mayor and three Assembly Members have not taken up this entitlement.

## **Details – Other expense claims**

- 2.6 In the course of their official duties the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly and Assembly Members incur business expenses. Wherever possible services are booked in advance by the Authority and all valid business expenses are reimbursed in accordance with Expenses and Benefits Framework.
- 2.7 The value of business expenses (Domestic Travel, Foreign Travel, and Other Expenses) incurred from 1<sup>st</sup> April 2006 to 30<sup>th</sup> March 2007 by the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly and Assembly Members total £59,927. An analysis is shown in Appendix 1. For the period 1<sup>st</sup> April 2007 to 30<sup>th</sup> April 2007 the value of business expenses incurred total £946. An analysis is shown in Appendix 2.
- 2.8 The category of Other Expenses includes Subsistence, Civic Hospitality, hotel accommodation, eye tests, professional and training course fees, subscriptions, telephone usage reimbursement, and other miscellaneous expenses.
- 2.9 The GLA also provides mobile phones for Assembly Members and Officers for business purposes as appropriate. The cost of these phones, which are paid direct by the GLA are not included in this report.

## **3. Issues for Consideration**

- 3.1 The total for the taxi account costs and taxi expense claims from 1<sup>st</sup> April 2006 to 30<sup>th</sup> March 2007 was £21,875. In comparison for the same period from 1<sup>st</sup> April 2005 to 31<sup>st</sup> March 2006, taxi account costs and taxi expense claims by the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly and Assembly Members was £12,100.

## **4. Strategy Implications**

- 4.1 It is expected that the majority of journeys will be undertaken by public transport in line with the principles of the Mayor's transport strategy. In support of this policy and to minimize the use of taxis, annual all zone travel cards are available to the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly, and Assembly Members.

## **5. Legal Implications**

- 5.1 It is a requirement in Section 8 of the Audit Commission Act 1998 that in auditing accounts, the auditor shall consider whether, in the public interest, he should make a report on any matter coming to his notice in the course of the audit, in order for it to be considered by the body concerned or brought to the attention of the public.
- 5.2 Under section 127(2) of the Greater London Authority Act 1999 (the Act) the Mayor is required to make arrangements for the proper administration of the financial affairs of the Authority and to secure that one of the Authority's officers, the Chief Finance Officer, has responsibility for the administration of those affairs. The Chief Finance Officer of the Authority is the Director of Finance and Performance. The adoption of procedures regulating the use of taxis and the provision of services for the Mayor, Assembly Members and Senior officers is one of the arrangements made by the Mayor on the recommendation of the Chief finance Officer for the good administration of the financial affairs of the Authority.
- 5.3 Under S.24(2) of the Act the Authority may pay to the Mayor and other elected members such expenses as are reasonably incurred in the conduct of GLA business.

## **6. Financial Implications**

- 6.1 Total expenditure of Travelcards, taxi account and expenses, and business expenses for the Mayor, Deputy Mayor, Chair and Deputy Chair of the Assembly and Assembly Members from 1<sup>st</sup> April 2006 to 30<sup>th</sup> March 2007 was £115,618. For the period 1<sup>st</sup> April 2007 to 30<sup>th</sup> April 2007 the total expenditure was £35,939.
- 6.2 The cost of the annual travelcards of £33,816 can be met from the budget provision for travel for Elected Members.
- 6.3 The costs incurred from 1<sup>st</sup> April 2006 to 30<sup>th</sup> March 2007 of £21,875 for the use of taxis can be met from the 2006/07 budget provision for travel. The total cost of other business expenses incurred for the same period was £59,927 and can be met from the budget provision for travel and subsistence, accommodation, catering, hospitality and telephones.
- 6.4 The costs incurred from 1<sup>st</sup> April 2007 to 30<sup>th</sup> April 2007 of £1,177 for the use of taxis can be met from the 2007/08 budget provision for travel. The total cost of other business expenses incurred for the same period was £946 and can be met from the budget provision for travel and subsistence, accommodation, catering, hospitality and telephones.

Background Papers: None  
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**The Mayor and  
Elected  
Members**

<b>2006-07 (1st April 2006 to 30th March 2007)</b>							
	Travelcard	Taxi Account	Taxi Expenses	Domestic Travel	Foreign Travel	Other Expenses	Total
	£	£	£	£	£	£	£
<b>Mayor</b>							
K Livingstone	-	138.90	591.51	806.40	23,670.88	10,293.61	35,501.30
<b>Deputy Mayor</b>							
N Gavron	1,640.00	1,370.47	1,510.77	86.85	9,781.09	8,342.75	22,731.93
<b>Chair of the Assembly</b>							
B Coleman	1,640.00	10,277.89	56.33	-	-	-	11,974.22
<b>Deputy Chair of the Assembly</b>							
S Hamwee	-	316.09	85.80	24.00	-	23.00	448.89
<b>Current Assembly Members</b>							
T Arbour	1,640.00	0.00	0.00	-	-	-	1,640.00
J Arnold	1,512.00	249.52	28.00	116.70	-	165.50	2,071.72
R Barnes	1,640.00	896.05	91.40	64.75	-	-	2,692.20
J Biggs	1,512.00	-	10.00	-	-	-	1,522.00
B Blackman	1,640.00	128.88	-	-	-	-	1,768.88
A Bray	888.00	131.82	-	-	-	1,247.21	2,267.03
D Doocey	1,640.00	93.72	33.60	-	-	13.44	1,780.76
L Duvall	1,640.00	522.50	-	-	-	-	2,162.50
R Evans	1,640.00	144.23	-	-	-	-	1,784.23
D Hockney	-	1,225.92	1,189.60	-	-	-	2,415.52
E Howlett	1,640.00	1,391.86	-	-	-	-	3,031.86
P Hulme Cross	-	77.13	-	-	-	-	77.13
D Johnson	1,640.00	35.20	57.80	4.60	-	-	1,737.60
J Jones	1,640.00	96.14	63.30	-	-	-	1,799.44
J McCartney	1,264.00	-	-	-	-	135.00	1,399.00
R Neill	1,640.00	341.09	-	112.00	807.75	990.85	3,891.69
A Pelling	1,640.00	-	-	-	-	-	1,640.00
G Pope	1,512.00	63.53	35.20	-	-	37.97	1,648.70
M Qureshi	1,640.00	77.04	-	33.60	204.00	-	1,954.64
V Shawcross	1,264.00	261.58	139.00	-	807.75	696.12	3,168.45
G Tope	1,640.00	53.24	90.20	-	813.01	648.49	3,244.94
M Tuffrey	1,264.00	-	-	-	-	-	1,264.00
<b>TOTAL</b>	<b>33,816.00</b>	<b>17,892.80</b>	<b>3,982.51</b>	<b>1,248.90</b>	<b>36,084.48</b>	<b>22,593.94</b>	<b>115,618.63</b>



## The Mayor and Elected Members

<b>2007-08 (1st April 2007 to 30th April 2007)</b>							
	Travelcard	Taxi	Taxi	Domestic	Foreign	Other	Total
	£	Account	Expenses	Travel	Travel	Expenses	£
	£	£	£	£	£	£	£
<b>Mayor</b>							
K Livingstone	-	24.20	-	-	-	429.19	453.39
<b>Deputy Mayor</b>							
N Gavron	1,640.00	53.54	-	-	360.05	-	2,053.59
<b>Chair of the Assembly</b>							
S Hamwee (from 9.5.07)	-	-	-	-	-	-	0.00
B Coleman (to 8.5.07)	1,640.00	695.51	-	-	-	80.00	2,415.51
<b>Deputy Chair of the Assembly</b>							
S Hamwee (to 8.5.07)	-	63.84	-	-	-	-	63.84
B Coleman (from 9.5.07)	-	-	-	-	-	-	0.00
<b>Current Assembly Members</b>							
T Arbour	1,640.00	-	-	-	-	-	1,640.00
J Arnold	1,512.00	30.58	-	-	-	-	1,542.58
R Barnes	1,640.00	75.90	-	-	-	-	1,715.90
J Biggs	1,512.00	-	-	-	-	-	1,512.00
B Blackman	1,640.00	-	-	-	-	-	1,640.00
A Bray	888.00	-	-	-	-	77.21	965.21
D Doocey	1,640.00	-	-	-	-	-	1,640.00
L Duvall	1,640.00	22.00	-	-	-	-	1,662.00
R Evans	1,640.00	-	-	-	-	-	1,640.00
D Hockney	-	72.82	-	-	-	-	72.82
E Howlett	1,640.00	-	-	-	-	-	1,640.00
P Hulme Cross	-	-	-	-	-	-	0.00
D Johnson	1,640.00	-	-	-	-	-	1,640.00
J Jones	1,640.00	-	72.00	-	-	-	1,712.00
J McCartney	1,264.00	36.52	-	-	-	-	1,300.52
R Neill	1,640.00	-	-	-	-	-	1,640.00
A Pelling	1,640.00	-	-	-	-	-	1,640.00
G Pope	1,512.00	-	-	-	-	-	1,512.00
M Qureshi	1,640.00	30.01	-	-	-	-	1,670.01
V Shawcross	1,264.00	-	-	-	-	-	1,264.00
G Tope	1,640.00	-	-	-	-	-	1,640.00
M Tuffrey	1,264.00	-	-	-	-	-	1,264.00
<b>TOTAL</b>	<b>33,816.00</b>	<b>1,104.92</b>	<b>72.00</b>	<b>0.00</b>	<b>360.05</b>	<b>586.40</b>	<b>35,939.37</b>