



**POLICY AND RESOURCES SCRUTINY COMMITTEE –  
21ST JANUARY 2014**

**SUBJECT: WHOLE-AUTHORITY MILEAGE AND EXPENSES EXPENDITURE  
FINANCIAL YEAR 2012-13**

**REPORT BY: ACTING DIRECTOR OF CORPORATE SERVICES AND SECTION 151  
OFFICER**

---

**1. PURPOSE OF REPORT**

- 1.1 To inform Members of the expenditure on Mileage and Expenses Claims for the 2012/13 financial year as processed via payroll, and, as requested at the Policy and Resources Scrutiny meeting of 4 December 2013.

**2. SUMMARY**

- 2.1 Members requested additional information to clarify the previous years expenditure on mileage and expenses at a special Policy and Resources Scrutiny Committee meeting to discuss the Medium Term Financial Plan and Workforce Implications held on the 4<sup>th</sup> of December 2013.
- 2.2 The report provides information as requested.

**3. LINKS TO STRATEGY**

- 3.1 The Council has a number of corporate strategies and this report deals with the use of resources in the achievement of those strategies. This report has clear links to workforce planning and Medium Term Financial Plan (MTFP) strategies.

**4. THE REPORT**

- 4.1 Members requested detail of the all authority expenditure on expenses, both mileage and subsistence, at Policy and Resources. This is provided in Table A, Para 4.3. The total spend on all categories of expenses (less business mileage) for the financial year 2012/13 equated to £121,582.
- 4.2 Included amongst the breakdown of the expenditure in Table A are 3 mileage related payments. These are payments for mileage expenses for attendance at Training Courses (paid at 55p per mile), excess mileage payments when an individual's base is moved at the Council's direction (paid at 45p per mile), and an allowance for carrying passengers in a private vehicle on Council business (paid at an additional 5p per mile). Two of these payments are currently made in line with agreed HMRC (Her Majesty's Revenue and Customs) approved rates, which mean that the employee claiming the expenses does not incur a tax liability.

- 4.3 The detailed analysis of the total payments made in the Financial Year 2012/13 are provided in Table A overleaf.

Table A – Subsistence Expenses Breakdown FY2012/13

Expense Item	Amount Paid Out	Note:
Car Parking & Tolls	£4,340.10	
Travel Fares	£4,193.69	
Food & Beverages	£2,887.51	(Breakfast, Lunch etc)
Miscellaneous Expenses	£37,439.44	(£28k of this is in Schools)
Excess Travel	£12,613.26	
Non taxable Travel Expenses	£4,505.52	
Out of Pocket Expenses	£78.03	
Overnight Allowance	£393.30	
Passenger Allowance (Mileage)	£22,909.00	
Relocation Expenses	£1,488.00	
Subsistence Non Taxable	£10,710.68	
Training Mileage	£800.34	
Disturbance Allowance	£19,223.12	(100% EDT– Social Services)
<b>Total</b>	<b>£121,581.99</b>	

- 4.4 Members will be aware that the current rate for mileage payments for the main body of CCBC staff is at the rate of £0.55p per mile. There are a small number of staff on the Soulbury Terms and Conditions, who would be covered by different arrangements. To enable a fair comparison to be undertaken we have separated the main body of Council Staff from those that would be accounted for in the Housing Revenue Account (Housing and WHQS), Schools and Soulbury groups to ensure that the analysis was not over inflated. This analysis is provided in Table B below. This data shows that £1.495m was paid to the main body of Council staff under the current mileage payments scheme.

Table B – Mileage Payments Financial Year 2012/13

Section	Total
Housing – Mileage	£129,826
WHQS – Mileage	£42,671
Schools Mileage	£63,325
Soulbury – Mileage	£24,322
<b>2012 - 13 Mileage – All other Employees</b>	<b>£1,495,099</b>
<b>Total</b>	<b>£1,755,243</b>

- 4.5 In the range of proposals presented at the special Policy and Resources Scrutiny Committee meeting on the 4th of December 2013, there was a proposal to adopt the HMRC approved rate for mileage payments i.e. £0.45p per mile. This presented the potential for a projected cost saving estimated to be in the region of £250k per annum. Table C demonstrates a comparison of the savings figures that would be delivered on a “like for like comparison” with the payments made in financial year 2012/13. From research we have conducted through the HR Directors Network, 19 of the other Welsh authorities have either already implemented or have an agreed implementation date for adopting the HMRC rate. Caerphilly County Borough Council is one of the 3 remaining Authorities.
- 4.6 The data in Table C demonstrates that a savings figure of £272k would be achieved on this comparative basis. Members will be aware that a slightly lower figure of £250k was highlighted in the MTFP savings proposals. This figure was used to be prudent, recognising the possible impact of other measures introduced to reduce travelling, and to ensure that we

could confidently deliver the savings target.

Table C – Estimated Savings of Adopting HMRC Rate

<b>Section</b>	<b>Savings</b>
Housing – Mileage	£23,605
WHQS – Mileage	£7,758
Schools Mileage	£6,291
Soulbury - Mileage	£16,638
<b>2012 - 13 Mileage – All other Employees</b>	£271,828
<b>Total</b>	<b>£326,119</b>

## **5. EQUALITIES IMPLICATIONS**

- 5.1 This report is for information purposes, therefore the Council's Equalities Impact Assessment (EqIA) process does not need to be applied, as the mileage rate is fixed and is regardless of an employee's circumstances and background.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 As detailed throughout the report.

## **7. PERSONNEL IMPLICATIONS**

- 7.1 As detailed throughout the report.

## **8. CONSULTATIONS**

- 8.1 There are no consultation responses that have not been reflected in this report.

## **9. RECOMMENDATIONS**

- 9.1 It is recommended that Members note the contents of the report.

## **10. REASONS FOR THE RECOMMENDATIONS**

- 10.1 Members have requested the data.

## **11. STATUTORY POWER**

- 11.1 Local Government Act 1972 and 2000.

Author: Gareth Hardacre, Head of Workforce and OD  
Tel: 01443 864309, Email: [gareth.hardacre@caerphilly.gov.uk](mailto:gareth.hardacre@caerphilly.gov.uk)  
Consultees: Nicole Scammell, Acting Director of Corporate Services and Section 151 Officer  
Dan Perkins, Head of Legal and Democratic Services  
Gail Williams, Monitoring Officer  
Cllr. C Forehead, Cabinet Member for Human Resources and Governance  
Cllr. K Reynolds, Deputy Leader and Cabinet Member for Corporate Services