



REPORT TO EMPLOYMENT PANEL

PORTFOLIO AREA: GOVERNANCE AND RESOURCES

Date of Meeting: 8 July 2011

Public

Inside Policy Framework

Title: Review of Essential User Allowances – after consultation
Report of: Assistant Director (Resources)
Report reference: RD.14/11

Summary:

On 4th January 2011, the Employment Panel approved proposals to consult with trades unions and staff on changes to the Essential Car User Allowances and Essential and Casual User mileage allowances. This report gives details of the responses received and invites Members to determine the arrangements the Council is to implement.

Recommendations:

To consider the recommendations in Section 4 of the report on the proposed changes.

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Note: in compliance with section 100d of the Local Government (Access to Information) Act 1985 the report has been prepared in part from the following papers: Report RD.67/10

1. INTRODUCTION

1.1 At their meeting of 4 January 2011, Members approved proposals to consult with trades unions and staff on:

- (i) changes to the Essential Car User Allowances and
- (ii) and mileage rates for both Essential and Casual Users.

All those currently in receipt of an Essential Car User Allowance (ECUA) and/or who have claimed mileage expenses during the period April 2009 to January 2011 were written to as part of this consultation. A copy of the letter is attached as appendix A.

In addition, all 'all-staff' e mail was circulated to ensure that all those with the potential to be affected were consulted.

1.2 In summary, the proposals consulted on were to:

- (i) set a minimum mileage which must be made for post holder to be eligible for an Essential Car User Allowance (1,750 per year) unless a review panel determine that other factors warrant the allowance
- (ii) reduce the number of engine size bands on which both the allowance and casual and essential car user mileage rates are paid
- (iii) give twelve months protection to current rates and user allowances.

1.3 The proposals, if adopted, will yield between £75,000 - £100,00 savings per year, depending on how many staff qualify for an essential user allowance after review and appeal stage.

2. RESPONSES RECEIVED

2.1 164 staff were consulted with directly by letter; 82 casual car users and 82 essential car users. 43 responses were received including 2 collective responses from groups of 14 and 12 members of staff.

The responses are given in full in Appendix B and the themes running through the staff responses are summarised below:

2.2 Welcoming a review of the scheme

2.2.1 In general staff welcome a review of the ECUA scheme for the following reasons:

- (i) The current scheme is seen as unfair, too costly and seen to encourage excessive use of employees' own vehicles
- (ii) The increase in allowance paid to staff has not kept up with the increased cost of running a car and Officers now pay more to run their cars for work purposes than they receive in allowances
- (iii) It is suggested that some staff who currently claim ECUA do so for historical reasons and/or as a means of increasing salary and not out of need to use their vehicle for work purposes. The same lump sum is paid to these staff as to those who use their car daily for statutory reasons and is an essential part of their job.

2.2.2 Although the review is welcomed, staff generally do not support the proposals being consulted upon.

2.3 Significant financial loss

Consultees suggest that:

- (i) the proposed changes will incur a significant financial loss for the Officers involved and it is suggested that Officers will be forced to use older less reliable cars, perhaps without adequate insurance, leading to breakdowns and days off the road, higher CO2 emissions, visits will not be made as Officers may be unwilling to use their vehicle for work and service levels will subsequently fall
- (ii) the rates paid are not in keeping with the Government's new rate of 45p per mile. For some Officers, the proposals are on top of those already imposed by the abolishment of the lease car scheme
- (iii) that the review should address the true cost of running a car for work purposes

2.4 Council's reliance on Officers use of their own vehicles to fulfil statutory duties

2.4.1 The Council is currently reliant on Officers using their own vehicles to fulfil statutory duties and there is considered a need to recognise and remunerate the true cost incurred by Officers in order to provide this work. The new scheme, some consultees suggest, is unfair, appearing to punish Officers who need to use their own car to fulfil their responsibilities.

2.5 Proposed minimum 1750 miles per annum to qualify for ECUA

2.5.1 Consultees suggest that:

- (i) allowances should be based solely on the needs of the post and not just the annual mileage attained
- (ii) that they keep their mileage to a minimum for sustainable reasons and that the new proposal will discourage this practice
- (iii) many posts within the Authority are short local journeys and will therefore not fulfil this minimum level to qualify for ECUA, even though the journeys are considered necessary to perform statutory duties
- (iv) that the proposed minimum mileage qualification level could lead to abuse of the new system with Officers putting in fraudulent claims or carrying out unnecessary journeys in order to complete the 1750 miles required to qualify for essential user status
- (v) that the threshold of 1750 miles p.a. is considered unfair for those staff who will fall just below that limit as compared to those staff who just exceed it will result in very different levels of allowance for Officers that require a car to fulfil their responsibilities.

2.6 Allowance bandings/Green issues

2.6.1 Consultees suggest that:

- (i) mileage rates should be paid on CO2 emissions rather than size of engine; a number of newer larger engines have better emissions than older smaller engines; there will still be an incentive, albeit reduced, to drive a car with a larger engine
- (ii) that bands could be based on the vehicle licence duty bands which reflect carbon emissions and reward Officers who choose to drive an efficient car
- (iii) that the new proposal does not adequately address sustainability and other green issues for reasons reported elsewhere in this document.

2.7 Review of journeys

2.7.1 Consultees suggest that:

- (i) a review of journeys made is necessary to determine whether better use could be made of pool/hire cars and that this may reduce the amount of mileage claimed

- (ii) that all journeys that start and finish in Carlisle are undertaken in a Council owned vehicle or a hired car, and thus break the need to drive to work and have a car at work for business journeys
- (iii) that the need to carry out unplanned reactive work within the Authority (without forewarning) may be inflexible/difficult to manage with pool cars.

2.8 Requirement to use a car 24 hours a day, 365 days a year

2.8.1 Consultees observe that a number of posts within the Council require staff to have their own vehicle available for emergency situations at all times and that these posts should be specifically considered in this review as their mileage may not reach the 1750 threshold required for the ECUA.

2.9 Requirement to carry equipment and respond to all weather conditions

2.9.1 Consultees suggest that:

- (i) Officers are required to carry out journeys reliably and safely in all weather conditions. The vehicles used are often have diesel engines which by their nature are bigger engines which will be penalised under the new scheme. Indeed, one Officer, after being stuck in snow/ice over the last 2 winters, now drives a 4x4 so they can respond to emergencies
- (ii) that a number of Officers are required to carry a pair of ladders in their car so are required to own a medium sized vehicle
- (iv) that additional wear and tear occurs for those Officers who are required to drive on muddy, hazardous sites and rough farm tracks.

2.11 12 month protection

2.11.1 Consultees suggest that 12 months protection is generally considered necessary by Officers, if the scheme is changed.

2.12 Further considerations required

2.12.1 Further suggestions made are that:

- (i) consideration should be given to those services where expenses are covered by fees from users of the service, as the proposed changes will not translate into like-for-like savings
- (ii) car allowances are influential in staff recruitment and retention and the new proposal may lead to difficulty filling certain posts

- (iii) it is necessary to provide services in a reliable and well maintained vehicle, increasingly in times where services are in direct competition with private sector companies. Any reduction in remuneration to do this will have an impact on ability to provide these services at the current level
- (iv) an allowance should be paid for the additional insurance required to use a car for work purposes
- (v) consideration should be given to the time and expense that could result from potential disciplinary action taken by the Council against staff not complying with the new policy
- (vi) a comprehensive review is required of all eligible Officers of the scheme to ensure that those receiving the allowance are those truly requiring it.

2.13 Further suggestions

2.13.1 Further suggestions made by individual offers are that:

- (i) there is a single band of £700 p.a. for all essential car users (whatever the size of car), a mileage rate that truly reflects the fuel costs and a request that those travelling more than 5000 miles p.a. manage a reduction of 10%
- (ii) the current bands 1 and 2 are amalgamated and a payment made on the average of these current amounts. A similar amalgamation could be made for bands 2 and 3. This would reduce the lump sum payments for the over 1200cc band but would mean that the mileage payments are reflective of current fuel costs and is considered a more realistic option
- (iii) that the upper rate is maintained and restricted to those who actually do a high mileage, say 3000+ miles p.a.
- (iv) that a flat rate lump sum for an essential user, together with a flat rate mileage allowance would be fairer
- (v) due to the fluctuating oil price consideration mileage rates should be reviewed twice p.a.
- (vi) the ECUA scheme be scrapped all together as a means of making further savings and that payment for essential car use be made on a mile by mile basis; this would also allow for the discontinuation of free parking permits in the future
- (vii) entitlement to ECUA cannot be fairly allocated on mileage that was undertaken in a baseline year as it can change from year to year
- (viii) the HMRC rates should be adopted; these currently allow tax-free:
 - Cars: 40 pence per mile up to 10,000 miles, 25 pence per mile thereafter.
 - Passengers: 5 pence per mile (for each additional passenger)
 - Motorcycles: 24 pence per mile

Bicycles: 20 pence per mile

(vix) Senior Officers' car allowance should also be reviewed, in particular their retention of lease cars and use of cars with large engines, even though the number of business miles covered is very low.

3 COMMENTS ON CONSULTATION

3.1 Mileage Criteria

3.1.1 A number of comments have been made expressing concern over using mileage driven as the criterion to determine whether or not a post attracts an Essential User Allowance. Other criteria were suggested. The proposals provide for a review panel to consider those posts that would lose the Essential User Allowance to determine whether or not the job requires use of the employee's own car to fulfil it. This will deal with those concerns.

3.2 Mileage Rates

3.2.1 Staff have suggested that the mileage rates paid do not reflect the true cost of running a car, and some suggest using HMRC rates (which are a currently 45 pence per mile for a car driver). This rate takes account of the running costs for a car so would not require an additional allowance (ECUA) to be paid as well. It is not apparent whether or not those making this suggestion realise that this would result in lower expenses payments to all users. While this would be an attractive option for the Council in terms of cost and administration savings, it would lose the ability to require certain post holders to use their own car for work purposes which could result in higher transport costs and a less responsive service.

3.2.2 There was also the suggestion that mileage rates were based on emissions, rather than engine size, to encourage use of greener cars. National conditions of service use engine size as the basis to calculate allowances and mileage rates, and the proposals consulted upon still adhere to this principle. The Council will, if Members wish it, make representation to the Employers Organisation (via North West Employers) that further pay negotiations should consider changing the principle on which car allowances are based, but until, or unless, this is changed, Officers feel that the Council should keep to the principle of using engine size upon which to base allowances.

3.3 Recruitment Tool

3.3.1 It has been suggested that paying an Essential User Allowance is an effective recruitment tool. There is no evidence of this, and, two of the service areas that have proved hard to recruit to in the past (Environmental Health and Planning) currently have Essential User Allowances so this would suggest that the allowance makes no difference. The Council's pay policy provides for another method of addressing recruitment difficulties, i.e. Market Supplements.

3.4 Engine size banding

3.4.1 The proposals were to retain the lower engine size allowance and mileage rates and to combine the middle and upper engine size bands and pay at the rate for the middle band. Alternative suggestions have been made to keep to the principle of reducing the bands but calculate payment differently, all of which would result in a higher cost to the Council and do nothing towards encouraging people to use smaller cars.

4 **RECOMMENDATIONS**

4.1 Eligibility to receive an Essential Car User Allowance be determined by the annual business mileage carried by the post holder and that 1,750 miles per year (pro rata for part time staff) should be incurred before an Essential User Allowance is automatically awarded.

4.2 The review panel adjudicate where a post holder currently receives an Essential Car User Allowance who drives less than 1,750 miles per year (pro rata for part time staff) to determine whether or not the use of the employee's own car is essential to carry out the job effectively or whether some alternative arrangements would be sufficient. This would also apply where several staff occupy the same post but not all meet the mileage criterion. The review panel to consist of a representative from the service's management, personnel and chaired by an independent member of SMT.

4.3 The Essential Car User allowance be as follows:

- (i) For engine sizes up to and including 999 cc an allowance of £846 per year payable in 12 equal instalments
- (ii) For engines of 1,000 cc and above, an allowance of £963 per year payable in 12 equal instalments

- 4.4 Twelve months protection be applied to the ECUA paid and to any employee currently receiving an ECUA who loses it as part of changes, with effect from 1st September 2011.
- 4.5 Business mileage rates for all travel except that connected with training and/or when driving leased cars is paid at the following rates:

Category	Engine size up to and including 999cc	Engine size 1,000 cc and above
Essential Users for first 8,500 miles in a financial year	36.9 pence per mile	40.9 pence per mile
Essential Users for miles above 8,500 in a financial year	13.7 pence per mile	14.4 pence per mile
Casual Users for first 8,500 miles in a financial year	46.9 pence per mile	52.2 pence per mile
Casual Users for miles above 8,500 in a financial year	13.7 pence per mile	14.4 pence per mile

- 4.6 The rates and allowances be increased in line with any national agreements for an increase in the two lower bands.
- 4.7 Twelve month's protection be applied to the current engine size bands.
- 4.8 Agreed changes are applied to new Essential Users from the date of receipt of the allowance with no protection period.

5 IMPLICATIONS

- Staffing/Resources – impact on staff through withdrawal of the scheme. This impact is being minimised through protection.
- Financial – Anticipated savings are likely to be between £ 75,000 and £100,000, after the protection period.
- Legal – The Council's Essential Car User Scheme is incorporated into officers' terms and conditions of employment and, therefore, must be varied in accordance with proper procedure. This is similar to the recent changes implemented by the Council with regard to the Leased car Scheme. The first stage is to consult on any proposed revised scheme. This report details the results of that consultation.

Agreement between the employer and employee should be sought in the first instance with the giving of notice to terminate the relevant contract of employment and offer of re-employment on the less favourable terms instead only used as a last resort (which is effectively what would happen if officers did not voluntarily accept the revised term or condition). The response to any claim for unfair dismissal will be that negotiations failed to produce agreement and that there is some other substantial reason of a kind such as to justify the dismissal of an employee holding the position which the employee held (s.98(1)(b) Employment Rights Act 1996), and that the technical dismissal that occurs by reason of the giving of notice of termination of the former contract with the offer of continued employment on less favourable terms is substantially fair in accordance with s.98(4) of the Employment Rights Act 1996.

For such an argument to have a prospect of success for the employer the negotiation clearly must be thorough and genuine. That means that the employer will plainly have to explain why there is a good reason for the change in the Essential Car User Scheme. Such a good reason would have to be apparent in any event to demonstrate that the reason for giving notice in the absence of agreement was a "*substantial reason*".

- Corporate – the revised proposals are supported by SMT.
- Risk Management – the existing scheme has been shown to be unfair. Phasing out the scheme eliminates the Council’s exposure to the risks associated with an unfair scheme.
- Environmental – no direct impact, although some links with the Green Travel Plan.
- Crime and Disorder – no impact.
- Impact on Customers – no impact.
- Equality and Diversity – the phasing out of an unfair scheme is consistent with the Council’s approach to equality and diversity.

5 IMPACT ASSESSMENTS

Equality Impact Screening	Impact Yes/No?	Is the impact positive or negative?
Does the policy/service impact on the following?		
Age	No	
Disability	No	
Race	No	
Gender/ Transgender	No	
Sexual Orientation	No	
Religion or belief	No	
Human Rights	No	
Social exclusion	No	
Health inequalities	No	
Rurality	No	

Although there is no evidence of discrimination in application of the existing scheme, it has been demonstrated to be unfair and inconsistent with our pay policy.

Peter Mason
Assistant Director Resources

APPENDIX 1 – Consultation Letter to Staff

Dear

Formal consultation on amending the Essential Car user Allowance and mileage rates paid, including rates paid to Casual Users

Carlisle City Council has been looking at the Essential Car User Allowance Scheme (ECUA) and mileage rates paid to both Essential and Casual Users and believes that they need to change. This is the start of the formal consultation on these proposals.

You are being consulted as you are either:

- Receiving an Essential car User Allowance *or*
- You have a Principal Officer Lease Car but your post is entitled to either a lease car or ECUA *or*
- You have claimed Casual Car User expenses in 2009/10 or in this financial year

The reasons why the Council believes it needs to make these changes include:

- The aim of the ECUA is that it is paid to post holders in those jobs where a car is essential to carry out the work required. If a job changed, the payment of an ECUA was to be reviewed and, if no longer required, removed. In practice this rarely happens and some posts have an ECUA attached for historical reasons only.
- Some posts were given an ECUA as a means of increasing the salary rather than because it met the required criteria. The salary issue was resolved through job evaluation but the car allowance remained.
- It costs Carlisle City Council a considerable sum of money and may not necessarily be the most effective way of providing transport for work purposes (the cost in £2009/10 was £240,500). You will be aware of the pressures on the Council's budget and we believe that there is potential for considerable savings.
- The current system does nothing to encourage the use of smaller, less polluting cars, and this does not 'fit easily' with the sustainability agenda.

Therefore, the Employment Panel has asked me to consult on the following proposals:

- 1 Reduce the number of bands on which the ECUA allowance and mileage rates are paid from the current three to two (one band up to an engine size of 1,199 cc and a second band of 1,199 cc and above).

- 2 Review all those in receipt of an Essential Car User Allowance against the business miles claimed and set a minimum mileage of 1,750 miles per year (based on the year 2009/10) before an ECUA can be awarded to a job (pro rata for part time staff).
- 3 A review/ appeal process will be used for those currently in receipt of an Essential Car User Allowance and who claim less than 1,750 miles to determine whether or not their particular circumstances suggest they should be treated as a special case and continue to receive the allowance.
- 4 Reduce the number of bands on which the Casual Car User mileage rates are paid from the current three to two (one band up to an engine size of 1,199 cc and a second band of 1,199 cc and above).
- 5 Review the journeys made in each service area to see whether or not more pool cars or greater use of hire cars can be made.
- 6 Give twelve months protection to anyone losing an ECUA as a result of the review.
- 7 Start paying the new Essential Car User lump sum and Essential and Casual user mileage rates three months after the decision on the above proposals is taken.

Please let Jean Cross, Personnel Manager, have your views on the above proposals and any alternative proposals that still enables the Council to operate a viable scheme that can be applied fairly and non-discriminatorily. This phase of the consultation ends on 17th May 2011. Your views can be by e mail, memo, letter or via your trades union representative.

After the consultation period I will collate all views received and put these, together with any revised proposals I feel sensible in light of your feedback, into a report which the Employment Panel will consider. I will contact you again regarding final proposals after the Employment Panel has made it's decision.

I hope that whatever the Employment Panel determines, we can reach a mutually acceptable agreement. I need to make it clear at this stage that keeping the scheme unchanged is unlikely to be an option for the reasons given in this letter.

I look forward to receiving your views and will contact you again in due course.

Yours sincerely



Peter Mason
Assistant Director (Resources)

APPENDIX B – Full response from staff

Full responses from staff consulted on proposed amendment to Essential Car User Allowance.

As an essential user I received a letter regarding the proposed changes to the scheme, I would like to comment as follows on the proposed changes:

I would agree that a review is required of those currently in receipt of essential user allowance for their work. I know that there are officers within housing in receipt of the essential user allowance, but do not have their car available everyday or indeed are responding to reactive functions on a daily basis. I am sure this is likely to be the case across the Council. In this case pool cars could be used for the service.

A lot of my own work is in the city centre and car journeys are short, so most months my mileage claims are under 120. I do walk were possible, but this is not always practical when carrying out multiple visits across the city and carrying equipment. I have my car at work to respond to reactive complaints/emergencies and carry out proactive statutory functions of the Council. I would therefore not agree with a flat policy of a minimum mileage, to qualify for the essential user allowance. I think if the Council set the policy at this rate, then the system would be open to abuse and officers would carry out unwanted journeys just to get the mileage allowance over the designated 1750.

I would therefore agree that in particular circumstances officers should continue to receive the allowance if they are carrying out statutory functions of the Council and each ECUA post should be reviewed accordingly.

I also think that consideration should be given for additional insurance premiums incurred by officers for allowing their cars to be used for business mileage and carrying passengers. I know my insurance is around £125 more a year to be covered for this purpose, I know the premium is different depending on the profession.

In relation to the spilt for allowances, I think that this should be looked at like road taxation, as some new higher engine cars are more efficient emission wise than a smaller engine in an older car. If the policy is based on the polluter pays and is encouraging smaller engine cars then I think you should look at emissions from vehicles not engine size.

.....nature of environmental health requires all of us to carry out work over the entire council district and on occasion outside of normal working hours.

Whilst it is appreciated that the council is currently experiencing financial pressures it seems somewhat inequitable to try and improve that situation by seeking to pass some of those financial pressures on to its staff.

The proposals suppose that an essential user will be claiming at least 1750 miles per annum and so our comments are based on this assumption and the 2010 rates. With regard to the proposal to reduce the number of bands to two, if the bands were based on the current scales this would be to the detriment of staff. Most of the undersigned have cars with an engine size in excess of 1199cc and so would immediately lose £276 per annum from the lump sum. In addition if they covered just the 1750 miles and no more then they would receive a mileage payment reduced by £168. This gives a total loss of £444. This is a considerable sum of money at a time when staff are not receiving wage increases which are anywhere near the level of inflation and the fuel for the cars which they use for the job is becoming ever more expensive i.e. at the time of writing 138.9p per litre for standard diesel and 129.9p for standard unleaded at Hardwick Circus which it is understood is the Councils preferred supplier.

It is proposed that staff who do less than 1750 miles per annum will lose their essential user allowance. We think that just looking at the mileage which staff drive may not be the only sensible criteria on which to base this decision as currently some staff may do less mileage than this but actually use their car frequently to do short trips for work. We think the frequency of use should be borne in mind also.

Environmental Health is a mixture of proactive and reactive work and so staff will have their cars at work available for use by the council but the actual level of use will be determined by external factors such as complaints from the public etc. The nature of reactive work also makes it very difficult to make use of pool cars as it is not known from one day to the next what work will come in and its location.

Given the above we believe that the council should not amend the scheme for those staff who can demonstrate a need to use their vehicle frequently in connection with their job.

We are of the opinion that the authority is actually currently getting a very good deal as the staff provide a vehicle as required for their job for which the authority currently pays £23.83 per week plus mileage for an employee with a car over 1200cc. A quote from Glen Rental (the authorities preferred supplier) shows that the long term hire of a 1.2 Renault Clio or similar will cost £118.65 per week plus fuel! So it would appear that the authority is already making a considerable saving over current market rates.

I feel that Building Control surveyors should be made a special case. Unlike most other essential users we use our cars every single working day. We get paid the same amount of lump sum as someone who only uses their car once a week or even less.

Additional wear and tear is encountered on our vehicles due to the nature of our jobs. We have to use our vehicles to visit some projects which can be down rough farm tracks and we have to go out in all weather conditions , including snow and ice .We also take our vehicles onto hazardous building sites.

If part of the argument is that the reduction is for “green issues” why are the rates not linked to emissions rather than on CC?

Due to the fluctuating oil price consideration should be given to looking at the mileage rates twice a year.

A Building Control surveyor needs to get a pair of ladders in their car so they need to have a medium sized vehicle.

Due to Building Control being self funding, and having to cover its cost via the charges it levy's its customers. The savings made to Carlisle City Council by reducing the mileage rates will be greatly reduced as most of the cost of mileage is paid for via our charges (2/3rds).

Why cannot the essential user allowance be added onto the mileage rate rather than in a lump sum .i.e. an extra 20p per mile. That would mean that for instance ,if a person was off on holiday or long term sick ,no lump sum would have to be paid. Also if you do a high mileage you would receive proportionately greater than someone who does a lower mileage , therefore receiving more recompense to maintain your vehicle.

As an aside, why not charge staff who do not require their car for work duties, a parking charge?

Within my role as a Building Control Surveyor the use of a car is ESSENTIAL to carry out my statutory duties for Carlisle City Council.

My car is used every day for visits to construction sites throughout the city and it's rural locations checking that the building works comply with current legislation. So the use of a car is paramount for me and the essential payments assure that the car is available for work at all times.

Building Control Surveyors will cover approx 30,000 miles per year and must be the top users within the council's Essential Car User Scheme that warrant the current payment.

I will cover on average 5,000 miles a year doing my duties and can pick up mechanical problems with some of the rural locations we visit (farms etc). Tyres can be replaced quite often due to nails and various on site hazards. In winter conditions greater risks are taken with my car in attending essential site visits. My car insurance is higher than for domestic use only due to business usage, year on year these premiums rise.

I feel it's unfair the some essential users receive the same allowance when their cars are not used very often for council related works. Why pay the lump sum to these users? They do not incur wear and tear!

The increasing rising cost of fuel is also a growing concern and should be looked at least twice a year.

There appears to be no recognition for low Co2 emission cars which do help towards the councils green issues

Due to the current restructure in building control and losing 2 members of staff greater use of my vehicle will be required to cover a larger site area. This will no doubt add further depreciation to my car due to the extra mileage required for building control to deliver the service.

Building Control should in my opinion be taken as a special case due to the unique usage of cars and the true essential requirement.

The use of a small car is not suitable for everyone, I have three sons, two of them are over six feet tall, so a small car with a small engine is not an option for me.

Also we in building control have to transport ladders etc for work purposes, so a small car is not practical either.

You claim that one of the issues is the sustainability agenda, but surely if this is the case, the mileage rates should be paid on CO2 emission rates, rather than engine size. Many of the newer larger engines have better emissions than older smaller engines.

If the ECUA is reduced then the likely hood is that officers will have to run older cars, which will result in higher CO2 emissions, and more breakdowns etc which could affect service delivery.

In Building Control we use our cars every day, do in the region of 5000 miles each year, and have to visit sites with un made roads and getting a nail in your tyre is an occupational hazard. The ECUA is essential to maintain our cars.

On the other hand, there are some officers within the council who do more than the 1750 mile per annum, but only use their car on one specific day per week, but would still receive the same lump sum as those of us who have to use our cars every day .

As Building Control is self financing, most of the savings made by cutting the ECUA will not be received by Carlisle City Council, as it is paid for by our clients. (should Building Control be made a special case because of this?).

In the current climate where oil prices are rising sharply, the mileage rate should be fixed twice per year, to reflect this.

Suggestion that ECUA should be paid pro rata for part time staff.

Review of the scheme is long overdue and welcomed.

1. Reducing the number of bands on which the allowance is paid

Whilst no details on the proposed banding allowances has been provided, taking account of the prime purpose to cut costs it is reasonable to assume that this change is intended to reduce the level allowances paid in relation to engine size. This is solely intended as a cost cutting exercise using green travel as an excuse. Paying more in allowance for higher polluting cars is clearly wrong and is not an effective solution to reducing environmental impact of the scheme. These increased costs on the Officers resulting from a cut in the allowances may result in, for example, an Officer who has one family car buying a second small car solely for works use, whereas before they would have just used the family car. This will increase the carbon footprint of the scheme due to build, running, and decommissioning costs for a car that would otherwise be unnecessary, as well as increasing the number of vehicles on the road, and the associated costs this brings such as the loss in the quality of life, increased pollution/road maintenance/risks of death and injury etc that this extra vehicle brings. It would be more appropriate to base the bands, however many you choose, on the vehicle licence duty bands which reflect carbon emissions, and giving a higher rate to the less polluting cars, which are not necessarily those with the smallest engines, would clearly be the way ahead to incentivise the use of low pollution cars and help prove the Councils green credentials.

2. Review of those in receipt of the allowances

This is long overdue as the allowances should be paid only to those whose use of a car is essential to carry out the functions of their job. However, this should not be based on a presumption that those doing more than 1750 miles need the allowance. To use mileage as an indicator of necessity could encourage fraudulent claims for mileage in an effort to pass the 1750 mile “finishing post” to qualify for essential user status during future scheme review years. As the qualifying years when these reviews will be undertaken will not be known this could encourage ongoing fraudulent claims and or excessive mileage being travelled. Assessment of need should be based on need alone and this could be determined from the job descriptions, which of course are all up to date following Job Evaluation, and the application of some common sense

3. Appeal process

Basing the allowance on need will do away with the appeals panel who would have nothing to determine. This in itself, if not a saving, is the removal of a future cost of time and resources.

4. Reducing the number of bands on which the allowance is paid (Casual Car User Scheme)

As per point 1

5. Review of journeys

A review of journeys is essential to determine if there could be better use of pool/hire cars. However, there are a number of posts where journeys need to be made without any forewarning, and waiting for a day to hire a car or get use of a pool car would result in Officers failing to carry out their duties in accordance with adopted policies. Clearly any review should take account of need and not just short term savings which could result in Officers being put in a position where they could potentially be disciplined for not complying with Council Policy because they were complying with Council Policy. Clearly such a situation which would result in a great deal of upset and unnecessary expenditure must be avoided.

6. Protection

Continuing a costly perk, even for a further 12 months, that has been enjoyed by some for many years is not an aid to cost savings, and the scheme should be withdrawn from those who do not qualify immediately.

7. Payment

This is a somewhat presumptuous point in that it assumes that the proposed changes to the Allowances that are being considered, and of which we do not know the full extent are a foregone conclusion. However, if agreed the new rates should be paid from the decision date, or at least from the first full pay month after the decision date.

General Comments

Whilst there are a number of forces driving this consultation/alteration to the mileage allowances, it is clear that the primary driver is cost savings. However, for many years the annual increase in the allowances has not kept pace with inflation and this has resulted in a situation where those using their cars are subsidising the scheme/employer from their own pocket, this is unacceptable, Officers are paid to work, they should not expect to pay to work. This review is an ideal opportunity to correct this imbalance by setting a realistic level of allowance. The allowance rates must reflect the true cost of using your vehicle for work, and not be seen as a means of forcing Officers to subsidise the Service they provide.

The use of pool cars and hire cars must not result in extra costs, or a higher carbon footprint. Common sense not dogma must prevail. For example the current costly and ineffective scheme to order train tickets results in higher ticket costs due to the Agents fees, and the fact that some Officers were using their own discount cards when purchasing tickets and passing that saving to the Council. Further costs arise from this scheme due to printing costs and staff time in processing the ticket application, which did not arise previously when you bought your ticket and claimed it

back on expenses. Common sense must be applied in order to avoid a similar situation. Indeed if such wasteful schemes were removed from the systems we are forced to employ, and as a result of this each employee could save 10 minutes of time a day, based on a staffing level of 600 that would be 6000 minutes a day or 100 hours, which if we take pay point 12 as an average (you will of course not have to guesstimate) a daily saving of over £1000, which multiplied up to a yearly level is quite considerable. Further cost savings on things like printing, postage etc will further add to these savings. Of course the majority of these savings will not result in a reduction in the budget as we will remain employed, but it would result in Officers having more time to do our jobs and provide the service to the Community they deserve

Conclusion

The Essential/Casual car users allowances should be based solely on the needs of the post, and not a presumed need based on mileage.

The amended scheme should redress the shortfall in payments that have resulted in Officers having to pay more to run their cars for work purposes than they receive in allowances.

The scheme should be used not just to cut costs whilst hiding behind the fig leaf of green travel, but incorporate real, well thought out, and carefully considered green measures to encourage responsible car use.

As previously highlighted the cost of running a car for the benefit of the Employer is not met by the allowances. Of course those who have the allowance as a perk do benefit and the money saved by removing these posts from the scheme should be used to pay towards those who actually need to use their car.

Introducing allowances that are set at a level that penalises users will be counterproductive, visits won't get made, service levels will fall, there is likely to be an increase in complaints leading to a rise in costs associated with dealing with these. Officers could find themselves in a position where they can't or won't subsidise the Employer resulting in disciplinary action being taken against them for not carrying out their job as efficiently as the Employer expects and this is unacceptable.

Of course pool cars could be utilised but the mileage would still be the same, and the Councils choice of car is somewhat lacking when it comes to fuel efficiency and meeting green objectives.

I write to object to these proposals which come at a time when the costs of providing a car for work use are at the highest they have ever been and still rising. To cut this allowance when pay is frozen and inflation is high and rising is very unfair. To reduce

the banding and therefore the mileage rate as well is doubly unfair with fuel prices as they are. Staff will in effect be subsidising City Council business travel.

To discontinue the band for cars over 1200cc for so called green reasons is totally disingenuous as many such cars are more efficient than lower capacity ones and totally ignores the reasons why we may have higher capacity cars. In my own case, for example, I have reverted to a 4X4 as having had a 2 wheel drive for two years was repeatedly stuck in snow/ice over both of the last two winters which if continued would have prevented the very emergency response for which I get this allowance. Like many council staff I am a rural dweller without access to public transport services, as such we have no practical alternative to car use and already bear the additional and rising costs of this.

We have been urged by the council to reduce business mileage and many of us have done so by diligent action and, if the threshold for this scheme is lowered, our action in response to council policy is now to be held against us.

In my own case my duties involve being available and where required responding to emergencies on a 24/7 365 day a year basis and this can only be done by having my own car available at all times, there is no alternative transport option available to allow me to so respond. This also means that my wife and I do not have the option of only having one car. If the proposed minimum mileage is applied then I would lose the allowance unless treated as a special case (about which there would be no certainty).

In the event that I had to use public transport for day to day work (which for emergency response isn't possible) then since my day to day business includes meetings at locations which are remote from public transport hubs the taxi fares (where such is possible) would be extremely high and unacceptably long working days would result for many meetings.

1. Firstly, and most importantly, many of the post descriptions advertised in the past 10 years, include for Essential car user allowances and this is reflected in the subsequent Employee/employer contracts. I am unsure as to what legal precedence has been set to allow its removal – for whatever reason.

2. Many officers were directly influenced on joining the City ,by the Post Package, including Salary, holidays, flexi time and car allowances. I appreciate the current climate does not provide the luxury of officers leaving employment due to enforced condition efficiency changes. If, however, we have to add it back, in years to come, in order to attract competent staff it could prove an interesting challenge with existing officers.

3. Certain posts attracted the essential car allowance to ensure that officers were always in a position to react to a need to instantly attend a site/meeting/incident. Despite the small City area , it is debatable if walking is an option in many of these circumstances.
4. The City is entitled to assume that those receiving Essential Car allowance have a vehicle at hand each working day, for the purpose of City business. If the Essential user allowance is lost, with the new criteria, then some may chose not to use it for work.
5. Will the Emergency planning officers or Crisis Management team be exclude and retain their current status, to ensure they are available to react 24/7.
6. Reducing the bands and indeed a reduction in the lump sums themselves would appear to be acceptable in the interest of savings.
7. If we are serious about the sustainable agenda, then we should encourage it with a greater essential lump sum for vehicles below 1000cc or even better, there should be only 1 band with the sum dictated by the lower cc band.
8. I question if it is acceptable to lose the allowance, due to lack of annual miles, as clearly some sustainable green officers' may well be managing their mileage to a minimum. Whereas others may manage to a maximum mileage.
9. Introducing more pool cars may warrant better rules of use ,as clearly 1 vehicle may be needed for instant reactive/emergency requirements.
10. Do the current and proposed rates/mile reflect the dramatic increases in fuel costs, during the past 9 months.

My personal view ,whilst embracing and influencing many of the above observations, would be a single band of £700/year for all essential car users (whatever size of car), a mileage rate that truly reflects the fuel costs and a request that those travelling more than 5000 miles /year manage a reduction of 10%.

This letter is submitted collectively by Officers in Development Management. This isn't because it is the easier option but that the nature of the work undertaken on a daily basis is very similar and the impact of the proposed changes will be uniformly met across the board.

It is recognised that Councils across the country are facing financial pressures and that changes are being made as a result. The payment of the Essential Car Users Allowance (ECUA) and Casual Users allowances is obviously one way in which the Council can reduce its outgoings by reducing the amount paid to Officers for using their own vehicles in the execution of their duties.

On reading Mr Mason's letter, this would appear to be an obvious target. In highlighting the reasoning for the proposed changes, the letter explains the need to

save money and encourage the use of smaller, less polluting cars. There are two further reasons give.

Firstly, where a post holder who was entitled to ECUA changed roles and was no longer entitled to the allowance, the Council failed to properly review the situation and continued paying the allowance.

Secondly, despite salary review through Job Evaluation, some posts were given the allowance as a means of increasing the salary.

It is apparent that the proposed changes do not address the latter two reasons stated by Mr Mason.

This aside, there has to be a recognition that for a lot of staff the ECUA is not a perk of the job. Officers are taxed on a proportion of the allowance and, as the title of the scheme states, it is 'essential' to undertaking and implementing the services of the Council.

The AA has calculated that for a diesel vehicle, with an initial purchase price of £12,000, the combined standing and running costs in 2011/2012 for 5000 miles (the closest figure the annual mileage claim) will be 44.82 pence per mile. The higher the value of the vehicle, the greater the cost. This figure was calculated based on fuel costs of 130.7 pence per litre. The equivalent cost for a petrol car is 46.67 pence per mile, based on a fuel price of 133.3 pence per litre.

In the space of three months, since the beginning of the consultation period, the cost of a litre of diesel has risen by 8 pence per litre and is currently at 141.9 pence. This is not to mention the increasing costs of motoring insurance and additional standing charges. The spiralling cost of motoring is recognised by the Government and the Chancellor recognised this in his 2011 Budget speech, in which George Osborne said:

"I am also proposing to increase the Approved Mileage Allowance Payments. This mileage rate has not increased at all since 2002, making those who depend on their car for work increasingly worse off. It will now increase from 40 pence to 45 pence per mile."

The Council is taking a contrary view to that of the Government. If the payment of 40 pence per mile is recognised at a national level by the Government as being inadequate, why is the payment of 40 pence per mile to Officers at the City Council considered acceptable?

It seems that the formula presented is a mirror image of the scheme used by Eden District Council. The Eden DC mileage and essential user payments scheme was subject to staff consultation in the autumn of 2009 with the Council adopting the

scheme and the mileage rates, etc. with effect on 1 April 2010. It should be noted that the average Supermarket price per litre in September 2009 for unleaded petrol was **104.2p** and for diesel **105.2p**. The respective prices in April 2011 were **133.3p** and **139.5p**. No evidence has been submitted with the consultation to justify the below par payments being suggested to Officers in the execution of the Council's duties.

All aspects of the Council's transport costs should be considered. It seems unreasonable that Officers within the Council are being asked to make sacrifices, in terms of lower mileage payments and cessation of lease car agreements, yet Senior Officers are still entitled to retain lease cars, many of which are 'not the smaller, less polluting cars'. Continuation of this practice equally does not 'fit easily with the sustainability agenda'. Furthermore, it is believed that some Senior Officers are still paid ECUA despite the fact that they may only undertake a handful of miles per year. Again, this relates to our earlier point about the need for a comprehensive overview of eligible Officers.

In undertaking site visits for planning related matters, it would be unreasonable to use a pool or shared-use lease cars. On any given day within the Development Management team, there are likely to be two or three planning Officers, including Enforcement officers undertaking site visits throughout the Council's extensive area. With the statutory timescales to be followed in dealing with applications it is essential to have the flexibility to enable Officers to undertake site visits that would not be possible if only 'official' vehicles were to be used. Enforcement of planning control frequently requires an immediate response that can only be achieved if the Enforcement Officers have immediate access to a vehicle. For the Council to retain the ability to meet statutory planning targets, without having to invest significantly in an official car fleet, it is necessary for Development Management Officers to be able to use their own personal vehicles. In recognition of this situation entitlement to an ECUA which is based on a true recovery of *real* costs, is paramount. The diverse areas administered by the Council means that reliance on public transport as an alternative to car use is impossible.

In short, the Council cannot undertake its statutory planning control duties without the relevant officers having instant access to cars whether 'official' or personal. The costs incurred by an Officer in using a personal car should be at a proper rate consistent with the true costs incurred. If the Council wishes to take steps to adopt sustainable travel policies for staff it should do so within a sensible, realistic timescale and on a consistent basis across the all sectors of Council, Officers and Members.

The sudden 'hit' of the current proposals, based as they are on a narrow section of car users and adopting unrealistic parameters is considered inappropriate and demonstrates a lack of awareness of the Council's reliance on Officers agreeing to make the cars available for official use.

The consultation letter refers to the current system not encouraging the use of smaller vehicles and therefore, does not "fit easily" with the sustainability agenda". The rebanding of the scheme does nothing to improve this situation. All that is proposed is that the two existing smaller brackets would be merged into one with a reduced payment across the board. By introducing a minimum mileage, surely this would encourage additional journeys which may otherwise be linked making the scheme unsustainable?

The annual mileage of 1750 miles is an artificial ceiling. The role of Development Management Officers is directly related to the economy and the allocation of work. Given the importance of the requirement to visit sites and have a car available in a road worthy condition to do this, it seems unreasonable to risk the removal of eligibility of post holders under the ECUA in periods of economic downturn.

There is a further complication with the proposed ceiling in that, with regard to causal users, the scheme should be based on an analysis of where the job requires the post holder to travel on an ad hoc basis for business purposes. In this instance, the use of a pool car may be preferable and if unavailable for any reason, the use of the post holder's own vehicle may be used subject to the approval of the Line Manager.

Whilst some revision to the scheme may be necessary, it is unfair to punish Officers who need to use their car in conjunction with their duties and the execution of a statutory function on behalf of the Council. An overview of post holders who continue to receive ECUA payments by historic or salary boosting purposes should be the first port of call.

If it can be proven that changes to the scheme are still required, it could be that bands 1 and 2 (451–999cc and 1000-1100cc) are amalgamated and a payment made on the average of these current amounts. A similar amalgamation could be done for bands 2 and 3 (1000-1199cc and over 1200cc). This would reduce the lump sum payments for the 'over 1200cc' band but would mean that the mileage payments are reflective of current fuel costs. Post holders will lose out financially to a degree due to the increased running costs and inevitable future rises in fuel costs; however, this would be a more realistic option.

In conclusion, it is considered that any changes need to address the latter two conditions raised by Mr Mason and, in so doing, not only recognise that the use of a car, (to a greater or lesser extent), is essential to carry out the job but also that such a review may lead to greater savings.

The proposed changes are also flawed in that, they fail to recognise the *real world* engine capacity of cars in use by Officers; the proposed mileage rates and allowances penalise staff required to use their cars to aid the Council to carry out Statutory responsibilities; they are divisive and unfair without a comprehensive overview; in the absence of additional pool cars it will hinder service delivery; penalises those reducing their mileage albeit encouraging others to make journeys; and does not take account of how the economy influences workload.

As a building control surveyor, I use my car every day that I am at work because I have inspections to carry out every day. I feel that the changes are unfair to us Building Control surveyors because the costs we incur will not be covered if the essential car users allowance and mileage rate are reduced. I think that we are unique in that we use our cars every day and that as we do in the region of 5000 to 6000 miles per year, the rates for us should be increased, not decreased. Further to this, I feel that the if the council is wanting to reduce carbon emissions, any new rates should be based on a cars carbon emissions, not engine size.

.....comments below, in order of the listed proposals outlined in your letter:-

1. My car is over 1200cc and I would see a reduction of approximately £20 per month with the higher band being discontinued, plus a 20% reduction in the per mile rate, however I understand cost savings must be made.
2. I work reduced hours, 32/37, therefore pro rata I would need to travel 1513 miles per year out of the 1750 for full time hours. In 2009/10 I did 1388 miles, almost 92% of the pro rata target. I believe my car is essential for the work that my job entails, as I am instrumental in the delivery of the statutory service, and feel that the people involved in this service should be considered carefully.
3. I would definitely appeal the decision to set the minimum mileage at 1750 for full time hours, as my mileage is just short of the planned minimum required to keep the ECUA.
4. This does not affect me as I am not a Casual Car User.

5. This is a very good idea. I personally plan and collate my out of office visits (when possible) to maximise them in a particular area, so I am not claiming unnecessary mileage, however I'm often called out unexpectedly to site to resolve construction issues..... A pool car may not be available at that time and therefore I am reliant on using my own car.

6. I hope to continue to receive the ECUA, however I would welcome a 12 months protection should it not happen.

7. I have no comment.

Please note that while not wishing to be singled out as a special case perhaps exactly that should be done to Building Control since most of the expenses related to running the section are covered by the fees paid directly by applicants when they submit their applications. Therefore these changes will not translate into a like-for-like saving when compared with any other department in the authority.

These proposals are on top of those already imposed by the authority abolishing the lease car scheme thus barring the opportunity for those officers without lease car to acquire one. This will also impose hardship on those who do have a lease car who will then have to find substantial funding for a replacement vehicle when theirs is taken away from them in April of next year.

It needs to be pointed out that Building Control as a single department will clock up the most substantial mileage of any department in the authority. This is a direct result of the function of the department – each officer is out on a daily basis inspecting building sites throughout the area of the council. Weather conditions vary from extreme cold to extreme heat, road conditions can vary from long farm tracks to motorways. We need a car that is capable of coping with virtually any road in any weather while providing good economy and reliability

As a direct result of our duties all of our cars are all different but share essential common attributes – they are diesels and can carry a substantial load in terms of equipment and occasionally colleagues. Diesels by their nature tend to be bigger engines.

It is felt that the omission of the upper band will have an adverse effect on us based on the car that we need to do our jobs properly and safely.

If the rates are such that individual officers need to choose their car based on capacity rather than suitability there are serious reservations regarding the ability of the officers to maintain their standard of service in terms of reliability. There could also be issues regarding personal safety

Further to point 1 may I respectfully suggest that the upper rate is maintained but perhaps restricted to those who actually do a genuinely high mileage for the authority

– say 3000+ miles per year?

The Building Control surveyors and Building Control Technician use their cars every day to carry out site inspections. Unlike some other essential users we use are cars for work on a very regular basis. We get paid the same amount for providing a car as someone who only uses their car once a week or even less.

If part of the argument is that the reduction is for “green issues” why are the rates not linked to emissions rather than on cc? Due to the fluctuating oil price consideration should be given to looking at the mileage rates twice a year.

A Building Control surveyor needs to get a pair of ladders in their car so they need to have a medium sized vehicle.

Due to Building Control being self funding and having to cover its cost via the charges it levy's its customers the savings made to Carlisle City Council by reducing the mileage rates will be greatly reduced as most of the cost of mileage is paid for via our charges (2/3rds).

Additional wear and tear is encountered on our vehicles due to the nature of our jobs. We have to use our vehicles to visit some projects which can be down rough farm tracks, rural locations, have to go out in all weathers conditions including snow and take our vehicles onto building sites.

The risk is that if the remuneration for using our vehicles for work is cut that people will not maintain their vehicles as well which may result in additional breakdowns and people not having their car on the road as often, using the vehicle in a dangerous condition or not being adequately insured while on Council business. If people cannot afford to change their car as often, due to the cut in the essential users allowance then the average number of days per year when essential users cars are not available to the City Council due to breakdowns, or being off the road will increase. While people do not take a job because of a specific part of the remuneration it is part of the overall package and may cause people to consider what they want. The costs of filling a vacant post can mount up.

The workloads per officer are still there, the jobs are not getting any closer together but the payment levels for using your own car are being reduced. It makes it difficult to maintain the service levels that we provide while fighting for work in competition with the private sector. In order to bring in revenue we have to be able to offer a customer based service which involves being available to inspect projects out on site. As part of this surveyors need to be able to get out onto site in a reliable vehicle. Although some surveyors do not have a lease car they are entitled to apply for one. The lease car scheme is also due to be withdrawn. Surveyors who have a lease car

have been consulted on the proposal although those surveyors who do not have not been consulted. Is this an oversight as they could have applied for one?

Also since this consultation started the cost of fuel has been rising every week by almost a penny a Litre.

In my opinion the rates should be increased not decreased. I just want reimbursed fairly.

Further to the consultation on the Council essential user mileage scheme I confirm that I agree with the comments that my Building Control Surveyors/Principal Building Control Surveyor have made and would add that they have to carry out regular inspections on a daily basis across the City Council area in order to discharge the Building Regulations and requirements of the Building Act. These inspections are made in all weathers and down road of very different conditions – from motorways to unmade farm tracks. Therefore they need to have a vehicle that is well maintained and in a reliable condition. One of the way that this is ensured is that they are paid to have a vehicle available so any withdrawal or reduction in this payment could cause problems in our ability to service our work and carry out the inspections that our customers have paid us to do.

My Principal Building Control surveyor and myself participate in the voluntary out of hours dangerous structure call out scheme. This is to ensure public safety within the City Councils area in the event of a incident when a building is reported as dangerous. In order to carry this out we need to have a vehicle available to get to the incidents. I have been called out at 2.05 a.m. before so a vehicle is needed in order to allow us to respond to these incidents quickly. Any withdrawal of the essential users scheme would impact on this part of our job and could result in a threat to life/public safety. Neither of us achieved the proposed 1750 miles during the year to qualify for essential users allowance.

As part of the restructuring scheme that has occurred within Economic Development we have lost two qualified Building Control Surveyors and are going to replace them with one Building Control technician. This is going to result in everyone carrying out more calls and therefore additional mileage will be incurred by each officer (although the previous total should not be increased). Currently the principal Building Control officer does not achieve the proposed threshold mileage of 1750 to be paid essential users rates although his mileage total will undoubtedly increase due to the restructuring that has been carried out.

It seems unfair that the council effectively 'reward' for driving a car with a greater capacity. Would it not be better to base the split on emissions to reward those that

choose to drive efficient car? I feel that a flat rate lump sum for an essential user, together with a flat rate mileage allowance would be fairer.

The current mileage rates being set once a year does not reflect the regular rises in fuel costs. Mileage rates should be assessed more often.

Building control meets its costs partly from its own income and partly from a 'rate borne' portion (approx 2/3 1/3) any saving on our car expenditure would only show 1/3 of the saving as a saving to the authority.

Building control officers are required to inspect sites all year and in all weather conditions. The nature of the stop start driving is very wearing on vehicles and the car users allowance does not reflect this heavy wear and tear.

If the authority does not adequately reimburse employees for the use of their cars for work purposes there is a likelihood that the employees will attempt to run cars that are not adequately insured and maintained. Poorly maintained cars would be less efficient and prone to breakdowns, and could cause wasted time for the authority.

The limit of 1750 miles to qualify for the lump sum should be reconsidered with regard to the BC principals post, for two reasons;

- The principal's post is required to be able to respond to out of hours emergency call outs, as well as call outs during the working day. This can only be facilitated if a car is available. This means the post holder must provide a car and meet the associated costs. Due to the 'transformation' the building control team has been greatly reduced. This means that the principal's post will have to cover inspections. The post holder will have to provide a car, and will incur costs accordingly.
- The post holder will have to provide their own car. It will not be possible to facilitate either of the above using the 'pool car' system. Without a lump sum the post holder will have to provide a car at their own expense.

While I appreciate that the car allowances are not designed as a supplement to a salary it needs to be recognised that when considering a post a prospective applicants will consider the overall package. This will consist of the salary and all associated 'benefits' including car allowances, holidays, removal costs. Also with regard to retention of staff the cutting someone's income will not be helpful.

Personally I stand to lose a lease car entitlement and have to provide my own car for work, without any allowance. This will be a considerable drain upon already tight personal finances.

I welcome the proposal to restructure the mileage rates which currently rewards the use of large-engined cars. I wrote to the council many years ago about this curious anomaly but received no reply.

Just one comment about the new proposals:- it is a step in the right direction but I cannot understand why the council still intends to keep two engine classes. This means that there will still be an incentive to have a larger engine (although a reduced incentive). Is there any logic in this?

Having worked on the City Council's Green Travel Plan, I very much welcome this review of the Essential and Casual car user schemes. I believe that the current system of payments is too costly, unfair and encourages excessive use of employees' own vehicles. I welcome any review that attempts to introduce a less costly and fairer system, and one that encourages alternative means of transport for the benefit of staff, taxpayers, the City Council, and the local and global environment. Given the financial savings that are required to be made (reference to "pressures on the Council's budget" above), I believe that Carlisle City Council can no longer afford to pay Essential Car User Allowances at all.

I propose that the Council scraps the Essential Car User Allowance scheme altogether. This review is a rare opportunity to end the scheme, and (like the recent decision of central Government not to provide free parking at NHS hospitals) this decision should be taken on the basis that Carlisle City Council needs to save "every penny."

The problem with a threshold like this is that there is always going to be people just above the threshold, and people just below the threshold. So, an employee who has driven 1,800 miles will receive the essential user payments, whereas another employee who has "only" driven 1,700 miles will be deemed a casual user. If this was applied to employees driving 1200cc (or larger) cars in 2010-11, the payments would be as follows:

Employee A: (1,800 miles x £0.505 per mile) + £1,239 = £2,148.

£2,148 / 1800 = £1.19 per mile.

Employee B: (1,700 miles x £0.65 per mile) = £1,105.

The proposed allocation of the Essential Car User Allowance would give the 1800 mile employee an additional 54 pence per mile on top of what any Casual Car User would be entitled to. This is unfair on those who need to drive on City Council business, but fall beneath the threshold. To allow anyone to receive more than £1.00 on average for every mile they have driven on City Council business, when there is such a need to cut costs, can no longer be justified.

Additionally, the mileage undertaken by staff changes from year to year, and therefore the entitlement to Essential Car User Allowances cannot be fairly based on what mileage was undertaken in the baseline year. Some people will be below the 1,750 in 2009-10 but above it in 2010-11 and vice versa. Therefore the Essential Car User Allowances cannot be fairly allocated on mileage that was undertaken in a "baseline" year.

Finally, the ECUA is a major obstacle to removing another perk enjoyed by employees, namely free car parking, which is costing the City Council at least £200,000 every year (£756 x minimum 265 employees). It would be contradictory to pay people to bring their car to work (ECUA), whilst at the same time charging them for parking permits. By scrapping the ECUA, this will allow the discontinuation of free parking permits in the future, which will be a vital step towards helping the City Council balance its budget in future years.

The only equitable solution is for Carlisle City Council to have a policy that acknowledges that for the vast majority of staff it will be essential to use their car at some point to carry out the work required (and therefore they are in that sense "essential users") and that payment to recognise this will be made exclusively, fairly and non-discriminatorily on a mile by mile basis. This can only be done if fixed payments (ie the Essential Car User Allowance) are scrapped altogether.

The point (that a review/appeal may be required for staff who claim less than 1750 miles p.a.) is seemingly admitting that the 1,750 miles threshold will not be fair, and is "backpedalling" by trying to appease some of those who will fall below it. However, on the basis that some staff will not receive the payment, and the scheme will still be unfair, it would be far simpler, fairer and less bureaucratic for Carlisle City Council to take this opportunity to bite the bullet and scrap the Essential Car User Allowance scheme altogether and pay people on a "mile by mile" basis. This would make the review / appeal process (more expense to the City Council) unnecessary.

Leaving two bands for Casual Car User Mileage Rates, will still not encourage the use of smaller, less polluting cars, as those using a car with an engine cc of 1,199 or less will still get a smaller payment than those driving 1,200cc (or larger) engine cars. The aim of the review will not have been achieved. Up until 2001, Central Government had four bands for the HMRC (approved tax-free) rates which rewarded drivers of vehicles with larger engines. They recognised that these rates did not

encourage the use of smaller, less polluting cars, and so from 2002 there has been a single tax-free rate for all cars.

Alternative proposal: Adopt the HMRC rates which currently allow tax-free:

Cars: 40 pence per mile up to 10,000 miles, 25 pence per mile thereafter.

Passengers: 5 pence per mile (for each additional passenger).

Motorcycles: 24 pence per mile.

Bicycles: 20 pence per mile.

Because these rates are tax-free, they would stop the transfer of money (tax deducted from employees on the current mileage payments they receive) back from Carlisle City Council to Central Government. In other words, all the money paid out for mileage would go to the employee, as it should.

I agree with this (review journeys made in service areas and look at use of pool cars/hire cars), and hope that a conclusion can be drawn that it is far cheaper for employees to use hire vehicle for journeys over 90 miles in one day, and that new guidelines are drawn up for when hire cars should be used in preference to employees claiming mileage. It should be the ultimate target for Carlisle City Council that all business journeys undertaken on behalf of the City Council that start and finish in Carlisle are undertaken in a City Council owned vehicle or a hired vehicle. This would eliminate any incentive for employees to make money out of journeys that are not totally necessary, and would be another justification for ending "essential user allowances." This would also break the link between the need for employees to drive to work, and the need to have a car at work for business journeys. Ultimately, Carlisle City Council would no longer require any employee to drive to work, the decision regarding which mode of transport any employee uses for commuting would be determined exclusively by personal circumstances. This should be a priority of any workplace Green Travel Plan.

No strong feelings (for twelve months protection to anyone losing an ECUA as a result of the review).

I very much hope that Carlisle City Council takes on board all arguments for abandoning the ECUA scheme and on that basis only the new Casual user rates will be relevant.

I am currently on a casual user rate and would comment as follows.

Reduction in the number of bands: I understand the requirement for amending and updating the policy and have no objections to the mileage rates being reduced or lowered, as long as mileage continues to be paid to employees who need their vehicle for their job.

Pool Cars: There is one pool car within my department which is primarily used for Vehicle enforcement (Abandoned Vehicle inspections) and still remains essential to the role. I would however recommend that this vehicle is transferred into our newly formed department of 'Partnerships' and is made available to the other 3 colleagues within the team when not in use by the vehicle officer. This may help to reduce the amount of mileage claimed, but will not always be a viable option and therefore casual/ essential mileage rates will still need to be made available to these officers.

Protection: I agree that protection needs to be given where people are losing out as part of the review.
