

Agenda Item No: 5
Report To: Overview and Scrutiny Committee
Date: 23 October 2012
Report Title: Transportation costs
Report Author: Senior Scrutiny Officer



Summary:	As part of the budget scrutiny review of the 2012/12 budget the Task group wanted to be able to take a closer look at transportation costs to understand how costs varied from year to year.
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Key Decision: No

Affected Wards: None

Recommendations: **The Committee is asked to note the report.**

Policy Overview: None

Financial Implications: N/A

Risk Assessment No

Background Papers: none

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Purpose of the Report

1. The Budget Scrutiny Task Group considered a report from Personnel and Finance on costs under the various transport budget headings and looked at variations in costs from year to year. This report summarises the Task Group's findings for the O&S Committee.

Background

2. During the scrutiny of the council's 2012/13 draft budget, the Task Group noted that, in some areas, transportation costs varied from year to year. This was not a concern, but the Task Group considered it would be useful to have more detail of the background costs behind the final figures.
3. The Budget Scrutiny Task Group met on the 17th September 2012 and considered a report from Personnel and Finance which provided information on transport expenditure and cost variations

Transportation Costs

4. Transport costs incurred by the council include lease car subsidies/cash alternatives, essential user allowances, business mileage expenses and public transport costs. These costs are part of each service's budget.
5. Some officers in the council are designated as 'essential users' – the primary reason for this designation is that, in order to do the job they are employed to do, the use of a car is essential. Those officers are entitled to choose either a lease car subsidy/cash alternative or an essential user allowance. These benefits are taxed. Officers are also allowed to claim travel expenses for business use – either the cost of public transport or mileage.
6. Since 2009, the number of 'essential users' has been reducing every year – as roles are replaced the opportunity is taken to review the designations for that role. In addition, the total amount claimed for business mileage has been reducing every year and may be expected to reduce further if officers, when working out of the office, are enabled to work more generically (i.e. being able to co-ordinate tasks for more than one service department).

Conclusion

7. Having considered and discussed the report, the Task Group were satisfied that the Council was working to make the best and most economical use of travel costs and have no doubt that this was being done efficiently and that the issue was under constant review.

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