



RHONDDA CYNON TAF COUNTY BOROUGH COUNCIL

CABINET

22nd JUNE 2022

CAR MILEAGE REIMBURSEMENT RATE FOR COUNCIL EMPLOYEES

JOINT REPORT OF THE DIRECTOR OF HUMAN RESOURCES AND THE DIRECTOR OF FINANCE AND DIGITAL SERVICES

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1. PURPOSE OF THE REPORT

- 1.1 The purpose of the report is to determine the rate of reimbursement payable to Council employees who utilise their own vehicles for work related purposes.

2. RECOMMENDATIONS

- 2.1 It is recommended to:

- a) Continue with the increase in the rate of reimbursement payable to Council employees who utilise their own vehicles for work related purposes to the HMRC rate of 45p per mile as set out in the report.

3. REASONS FOR RECOMMENDATIONS

- 3.1 To continue with the increase in the rate of reimbursement payable to staff who use their own vehicles having regard to increasing fuel prices.

4. BACKGROUND

- 4.1 Since 2015 (effective from 1st May 2015) the Council had applied a Car Mileage reimbursement rate, payable to staff who utilise their vehicles for work related purposes, of 35p per mile.
- 4.2 The Council's budget strategy for 2022/23, as agreed by full Council on the 9th March, increased this rate to 40p with effect from the 1st April 2022.
- 4.3 During the ensuing period, fuel prices increased substantially and on the 1st April 2022 the Chief Executive determined to temporarily increase the rate to the HMRC rate of 45p per mile which was subject to review before the end of June 2022.
- 4.4 Fuel prices remain at a higher level, as shown in the below illustration :

Weekly road fuel prices over the 12 months to June 2022



Source:

Energy Prices Road Fuels and Other Petroleum Products
Weekly Road Fuel Prices

Publication date: 07-Jun-2022
 Data period: New data for week commencing 06 June 2022



- 4.5 The Council relies upon a dedicated workforce who deliver valued services across our communities, many of whom do so using their own vehicles. It is important that such staff do not suffer unduly financially as a consequence of the increased fuel prices and that service continuity is assured.
- 4.6 It is proposed that the rate at which staff are reimbursed for using their own vehicles is now reset to 45p per mile on an ongoing basis. This is the rate set by HMRC and is widely used across local government. It is proposed that the Council's rate follows that of the HMRC going forward, for example, in the event that HMRC determines to amend the rate.

5. EQUALITY AND DIVERSITY IMPLICATIONS / SOCIO ECONOMIC DUTY

- 5.1 Due regard has been given to the Council's public sector equality duties under the Equality Act 2010, namely the Public Sector Equality Duty and Socio-Economic Duty.

6. WELSH LANGUAGE IMPLICATIONS

- 6.1 There are no Welsh language implications as a result of the recommendations in this report.

7. CONSULTATION / INVOLVEMENT

- 7.1 The proposal will be advised to the Trade Unions.

8. FINANCIAL IMPLICATION(S)

- 8.1 The cost of the proposal, for the remainder of the financial year is estimated at £88k, which can be funded from existing available and one off resources and will be built into the Medium Term Financial Plan from 2023/24.

9. LEGAL IMPLICATIONS OR LEGISLATION CONSIDERED

- 9.1 The Director of Finance and Digital Services will put into effect the necessary arrangements in accordance with the Council's 'officer scheme of delegation'.

10. LINKS TO CORPORATE AND NATIONAL PRIORITIES AND THE WELL-BEING OF FUTURE GENERATIONS ACT

- 10.1 This proposal supports the Council's corporate priority of Living within our means - where services are delivered efficiently to achieve value for money for the taxpayer. Due regard has also been given to the Wellbeing of Future Generations (Wales) Act 2015.

11. CONCLUSION

- 11.1 The decision to increase the mileage rate will ensure that staff are appropriately reimbursed and seek to assure service continuity.