



DEVON & SOMERSET FIRE & RESCUE AUTHORITY

REPORT REFERENCE NO.	DSFRA/11/15
MEETING	DEVON & SOMERSET FIRE & RESCUE AUTHORITY (ORDINARY MEETING)
DATE OF MEETING	27 MAY 2011
SUBJECT OF REPORT	AUTHORITY APPROVED SCHEME OF MEMBERS ALLOWANCES – MILEAGE ALLOWANCE
LEAD OFFICER	Clerk to the Authority
RECOMMENDATIONS	<p>(a) <i>that, as provided for by the approved Scheme of Allowances and in line with the HM Revenues and Customs increase to the tax-exempt mileage rate, the Authority considers increasing the mileage rate allowance for the first 10,000 miles from the current rate of 40p per mile to 45p per mile;</i></p> <p>(b) <i>that, pending the decision at (a) above, the Clerk to the Authority be authorised to amend the approved Scheme of Allowances to reflect any new rate payable.</i></p>
EXECUTIVE SUMMARY	This report invites the Authority to reconsider, in accordance with its approved Scheme of Members Allowances, the rate per mile petrol allowance payable so as to align this with the new tax-exempt rate announced by HM Customs and Excise to operate from 1 April 2011.
RESOURCE IMPLICATIONS	The additional cost of any increase in the mileage rate allowance can be contained within the existing budget allocation.
EQUALITY IMPACT ASSESSMENT	Not applicable
APPENDICES	Nil.
LIST OF BACKGROUND PAPERS	The Local Authorities (Members' Allowances)(England) Regulations 2003 HM Revenue and Customs website.

1 BACKGROUND

- 1.1 The current regulations governing payment of Members' allowances require that the Scheme to operate for the next twelve months be approved prior to the commencement of the financial year in question. This Scheme should set out details of all allowances, including rates, payable.
- 1.2 In accordance with these regulations, the Authority approved the Scheme to operate for the 2011/12 financial year at its budget meeting on 14 February 2011 (Minute DSFRA/55 refers). This Scheme provides, amongst other things, for payment of a mileage allowance of 40p per mile for the first 10,000 miles claimed, this being the tax-exempt rate as set by HM Revenue and Customs at the time.

2. CURRENT POSITION AND PROPOSAL

- 2.1 Since approval of the Scheme, HM Revenue and Customs has announced that, with effect from 1 April 2011, the tax-exempt rate per mile for the first 10,000 miles claimed should increase from 40p to 45p per mile. The Authority's approved Scheme of Allowances provides that "...travel allowances for use of cars shall be adjusted as and when required in line with guidance from the Inland Revenue".
- 2.2 Consequently, the Authority is invited to consider increasing the rate per mile payable for the first 10,000 miles from 40p to 45p per mile in line with the revised tax exempt rate as set by HM Revenue and Customs with effect from 1 April 2011.

3. FINANCIAL IMPLICATIONS

- 3.1 The approved 2011/12 budget contains a total of £115,500 for Members Allowances, of which £15,500 is currently allocated for travel expenses. The total annual cost for travel claims, based upon 100% meeting attendance by each Member at a rate of 40p per mile, is estimated at £13,302. If the rate per mile was to increase to 45p per mile, then the estimated total annual cost (again, based on 100% meeting attendance by each Member) would be £14,965 – an increase of £1,663. This is still within the existing budget allocation. Additionally, it is unlikely that 100% attendance by each Member will be realised.

4. CONCLUSION

- 4.1 The Authority is invited to consider the contents of this report with a view to increasing, in line with HM Revenue and Customs tax-exempt rate and in accordance with the approved Scheme of Allowances, the rate payable per mile from 40p to 45p for the first 10,000 miles with the associated costs being borne from the existing, approved budget for Members Allowances in 2011/12. Consequent upon this decision, the Authority is also asked to authorise the Clerk to make the necessary amendments to the Authority's approved Scheme to reflect any new rate payable.

M PEARSON
Clerk to the Authority