

Tabled Document 2

The author of this letter is happy for it to be tabled. They are satisfied that the answers to their questions have been addressed on the other letter that has also been tabled.

Dear Simon,

I genuinely hope you and those persons in a position of authority will take on board my following comments. I feel they are well founded and fair on both a fiscal and moral basis.

I note that the following bandings were used to identify the amount of miles claimed by the 77 staff who receive the ECU Lump Sum (para.5.3 of the "REPORT TO THE EMPLOYMENT COMMITTEE MEETING OF 14th DECEMBER 2016"):

Mileage range	Number of Users
Over 5,000 miles	2
2,001 to 4,999 miles	6
1,501 to 2000 miles	10
1,001 to 1500 miles	13
501 to 1,000 miles	19
1 to 500 miles	20
No miles claimed	7
Total	77

I do not feel the prescribed new payment structure of just three bands is satisfactorily fair:

Essential User Only	£963 for staff claiming car mileage in excess of 2,000 miles per year.
	£480 for staff claiming 1,000 to 2,000 miles per year.
	£240 for staff claiming 0 to 999 miles per year.

For example, a user doing 20 miles a year would receive only £240 less than a user doing 1,920 miles per year, while a user doing 1,920 miles per year would receive £480 less than a user doing 2,020 miles per year.

It would, in my opinion, be a fairer and more responsive policy if just two additional bandings were introduced, for example as follows:

Essential User Only	£963 for staff claiming car mileage in excess of 2,000 miles per year.
	£722.25 for staff claiming 1,500 to 1,999 miles per year.
	£480 for staff claiming 1,000 to 1,499 miles per year.

	£360 for staff claiming 500 to 999 miles per year.
	£240 for staff claiming 0 to 499 miles per year.

I note that 60% of users (46 of 77 users) would, based on current mileage claim figures, still see their ECU Lump Sum payments reduced by half or more. Significant savings would be achieved by the Council.

There is an argument that staff who do no miles per year should receive nil payment. However, it may be that the 7 staff who did no miles over the counting period require their roles to be reviewed to determine whether the roles should qualify for ECU. If a nil payment band were to be introduced, there would, without question, be a temptation for users to claim one business trip per year when the value in it for them is £240. With this in mind, a nil band is unlikely to be practicable.

I appreciate there may be reasons which affect total mileage over a 12 month period which raise other sensitivities and complexities for the way the system works. For example, if someone is on sick leave for a number of months, or maternity leave for a period between each 1st April – 31st March, or starts or leaves employment mid-year.

I also believe it is only fair and reasonable that the ECU Lump Sum figures ultimately proposed are adjusted to reflect annual inflation since 2011 and that the policy requires them to be, thereafter, adjusted on an annual basis in line with the CPI. Is it fair to undertake your thorough review of ECU, Lump Sums etc. without acknowledging the real term financial impact to staff of rising inflation since 2011? Staff wages being frozen against inflation (which, as you know, occurred for a number of years following the last recession) and national negotiations for public sector annual wage inflation rises are a separate matter. As you have pointed out, ECU Lump Sums are not a part of staff wages. ECU Lump Sums should reflect the costs of using a car for work purposes. These costs have risen significantly since the £963 figure was adopted in 2011 and are likely to continue to do so in the years ahead.

My sincere thanks for your consideration of the above.