

Subject: Monitoring of Expenses and Taxable Benefits – Mayor, Elected Members and Senior Staff – 2013/14

Report to: Audit Panel

Report of: Executive Director of Resources

Date: 17 December 2013

This report will be considered in public

1. Summary

- 1.1 This report sets out the taxable benefits and expenses incurred by the Mayor, London Assembly Members and senior staff for the period 1 September 2013 to 31 October 2013.

2. Recommendation

- 2.1 **That the Panel notes the taxable benefits and expenses incurred by the Mayor, London Assembly Members and senior staff for the period 1 September 2013 to 31 October 2013.**

3. Background

- 3.1 This report presents taxable benefits and expenses claimed, processed and approved during the period 1 September 2013 to 31 October 2013. The reporting and monitoring of taxable benefits and expenses in a public meeting supports the transparency and openness of GLA activity to ensure accountability to Londoners. **Appendix 1** provides details of expenses for the Mayor and Assembly Members, **Appendix 2** provides details of taxable benefits for the Mayor and Assembly Members, and **Appendix 3** provides details of expenses for senior staff. There were no taxable benefits for senior staff.

4. Issues for Consideration

Taxable benefits – Travel card

- 4.1 The Mayor and Assembly Members are entitled to an annual six-zone travel card. Members have the discretion to decide how many zones they require. The provision of a travel card is a taxable benefit and travel cards issued during the period from 1 April 2013 to 31 October 2013 totalled £39,120. Details are set out at **Appendix 2**.

Business Expenses

Use of taxis

- 4.2 Taxi expenses reported during the period 1 September 2013 to 31 October 2013 totalled £106 for the Mayor and £32 for an Assembly Member. Senior staff incurred £516 on taxi expenses during this period.

Other expense claims

- 4.3 In the course of their official duties the Mayor, Assembly Members and senior staff may incur business expenses. Wherever possible, the Authority books services in advance and all valid business expenses are reimbursed in accordance with the approved Expenses and Benefits Framework.
- 4.4 During the period 1 September 2013 to 31 October 2013, the Mayor claimed £197 on Foreign Travel, £880 on Other Expenses and £13 on Other Domestic Travel. Assembly Members claimed £102 on Other Domestic Travel, £1,007 on Foreign Travel and £176 on Other Expenses. Senior staff claimed £807 on Other Domestic Travel, £4,490 on Foreign Travel and £11,410 under Other Expenses. The category of Other Expenses includes subsistence, civic hospitality, hotel accommodation, eye tests, subscriptions and other miscellaneous expenses.
- 4.5 The GLA also provides mobile devices for the Mayor, Assembly Members and senior staff for business purposes as appropriate. The cost of these devices, which are paid direct by the GLA, is not included in this report.

Statistics

- 4.6 Summary totals for the periods April 2012 to October 2012 and April 2013 to October 2013 show an overall increase in expenses incurred by the Mayor and Assembly Members. Inevitably, any comparisons during the course of the year will be heavily influenced by the scheduling of foreign visits and this is particularly evident for the period under review as Mayoral and Assembly elections took place during the comparable period a year earlier. Accordingly variances will only be reported at the end of the financial year.

| | April 2012 to March 2013 Total | April 2012 to October 2012 Total | April 2013 to October 2013 Total |
|-----------------------|---|---|---|
| | (£) | (£) | (£) |
| Taxi Expense Claims | 306 | 203 | 414 |
| Other Domestic Travel | 394 | 243 | 324 |
| Foreign Travel | 10,195 | 1,278 | 5,335 |
| Other Expenses | 3,241 | 429 | 1,730 |
| Total | 14,136 | 2,153 | 7,802 |

4.7 Summary totals for the periods April 2012 to October 2012 and April 2013 to October 2013 show an overall increase in expenses incurred by Senior Staff. Inevitably, any comparisons during the course of the year will be heavily influenced by the scheduling of foreign visits. Variances will only be reported at the end of the financial year.

| | April 2012 to March 2013 Total | April 2012 to October 2012 Total | April 2013 to October 2013 Total |
|-----------------------|---|---|---|
| | (£) | (£) | (£) |
| Taxi Expense Claims | 2,080 | 567 | 1,925 |
| Other Domestic Travel | 3,718 | 1,997 | 2,229 |
| Foreign Travel | 22,613 | 477 | 20,101 |
| Other Expenses | 16,723 | 750 | 15,925 |
| Total | 45,134 | 3,791 | 40,179 |

Exceptions

4.8 All expenses and benefits have been authorised and paid in accordance with the Expenses and Benefits Framework. The Framework provides for exceptions to be approved and during the period from 1 September 2013 to 31 October 2013 there are six such expenses claims listed in the table below.

| Claimant | Value (£) | Outside of the Framework | Reasons for approval |
|---|------------------|--|--|
| Chief of Staff and Deputy Mayor, Policy and Planning | 559.50 | Business entertaining dinner for 9 people - excess the limit of £50 per person | Expenses properly incurred on GLA business |
| Chief of Staff and Deputy Mayor, Policy and Planning | 15.20 | Working lunch abroad | Expenses properly incurred on GLA business |
| Chief Economic Advisor | 1275.70 | Business entertaining dinner for 20 people in Dubai - excess the limit of £50 per person | Expenses properly incurred on GLA business |
| Chief Economic Advisor | 15.20 | Working lunch abroad | Expenses properly incurred on GLA business |
| Chief Economic Advisor | 143.98 | Claims included expenses more than 3 months old | Expenses properly incurred on GLA business |
| Head of Media | 15.20 | Working lunch abroad | Expenses properly incurred on GLA business |

Carbon Emissions

4.9 The Authority is committed to reducing its carbon footprint and this has been reflected in the Expenses and Benefits Framework and there is an expectation that all claimants will use public transport wherever possible. The Authority calculates the carbon emissions on all flights and in line with the Government Carbon Offsetting Fund formulae pays the offsetting costs.

5. Legal Implications

5.1 Under section 127(2) of the Greater London Authority Act 1999 the Mayor is required to make arrangements for the proper administration of the financial affairs of the Authority and to secure that one of the Authority's officers, the Chief Finance Officer, has responsibility for the administration of those affairs. The Chief Finance Officer of the Authority is the Executive Director of Resources. The adoption of the Expenses and Benefits Framework is one of the arrangements made by the Mayor on the recommendation of the Chief Finance Officer for the good administration of the financial affairs of the Authority.

6. Financial Implications

6.1 **EXPENSES** - Total expenditure on business expenses for the Mayor and Assembly Members for the period 1 September 2013 to 31 October 2013 totalled £2,514 and for Senior Officers it totalled £17,223. These costs have been met from respective budgets.

6.2 **TAXABLE BENEFITS** - Expenditure on travel cards for Elected Members for the period 1 April 2013 to 31 October 2013 totalled £39,120. These are taxable benefits and have been met from the relevant budget.

List of appendices to this report:

Appendix 1 - Details of expenses for the Mayor and Assembly Members;

Appendix 2 - Details of taxable benefits for the Mayor and Assembly Members; and

Appendix 3 - Details of expenses for senior staff.

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| Local Government (Access to Information) Act 1985 |
| List of Background Papers: None |
| Contact Officer: Doug Wilson, Head of Financial Services |
| Telephone: 020 7983 4038 |
| E-mail: doug.wilson@london.gov.uk |