

Mr. Ken Foxe
Ken.foxe@gmail.com

Re: FOI request FOI/P178/2017

23rd October 2017

Dear Mr. Foxe,

I refer to the request which you have made under the Freedom of Information Act 2014 for records held by this body. I refer also to the acknowledgement of your request which was sent to you on 25th September 2017.

You requested the following records:

Copies of all records relating to the Departmental decision to eliminate the so-called "fresh start" that applied to mileage claims made by ministers in an election year.

I, Jake Byrne, Assistant Principal Officer have now made a final decision to grant your request of 25th September 2017.

The purpose of this letter is to explain that decision. This explanation has the following parts:

1. a schedule of all of the records covered by your request, and
2. a statement of how you can appeal this decision should you wish to do so.

This letter addresses each of these parts in turn.

1. Schedule of records

A schedule is enclosed with this letter, it shows the documents that this body considers relevant to your request. It describes each document.

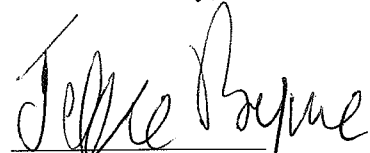
2. Right of appeal

You may appeal this decision. In the event that you need to make such an appeal, you can do so by writing to the Freedom of Information Unit, Department of Public Expenditure and Reform, Government Buildings, Merrion Street, Dublin 2. Your correspondence should include a fee of €30 (€10 for medical card holders) for processing the appeal. Payment should be made by way of personal cheque or postal money order made payable to the Department of Public Expenditure and Reform.

You should make your appeal within 4 weeks from the date of this notification, where a day is defined as a working day excluding, the weekend and public holidays. However, the making of a late appeal may be permitted in appropriate circumstances. The appeal will involve a complete reconsideration of the matter by a more senior member of the staff of this body.

Should you have any questions or concerns regarding the above, please contact me by telephone on 01 6045421.

Yours sincerely,

A handwritten signature in black ink that reads "Jake Byrne". The signature is written in a cursive style with a large, sweeping flourish at the end.

Jake Byrne
Assistant Principal Officer
Remuneration, Industrial Relations and Pensions
Department of Public Expenditure and Reform

00800-16: Fresh start for Ministers/Ministers of State in respect of mileage claim in the year of a

To: Minister	Author: Jake Byrne
Status: Completed	Owner: Jake Byrne
Purpose: Approval	Reviewers: David Denny
Division/Office: Remuneration and Industrial Relations	
Decision By:	

Final Comment

I agree to this. Paschal

Action Required

Approval sought to discontinue "fresh start" for Ministers/Ministers of State in respect of mileage claims in the year of a General Election

Executive Summary

1. The "fresh start" for Ministers/Ministers of State in respect of aggregate mileage in the year of a General Election has been the subject of recent attention in the press. Reports focussed on the perceived tax benefits available to Ministers/Ministers of State as the only group that retains the benefit of a fresh start.
2. The fresh start stems from the era when all Members of the Oireachtas received mileage for travel to and from their constituency to the Dáil. Historically, a new Dáil represented a fresh start for all Members. Provisions introduced in the 1990s allowed fresh start to apply to Ministers of State (Ministers were still provided with State cars and Garda drivers) so as to allow parity with Members.
3. SI 84/2010 introduced new arrangements for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance which has two strands - a Travel and Accommodation Allowance and a Public Representation Allowance – replacing a mileage based system.
4. The travel and accommodation element provides for payments in respect of travel and accommodation in bands based on the travelling distance from Leinster House, verified by attendance recording subject to a minimum attendance requirement in Leinster House.
5. Public servants who are transferred or promoted from one travelling post to another carry their aggregate mileage and do not receive a fresh start,

6. It is recommended that the "fresh start" provisions be dropped from the next election.

Comments

There are no Comments.

Detailed Information

1. The concept of a "fresh start" for Ministers/Ministers of State in respect of aggregate mileage in the year of a General Election has been the subject of attention in the press in recent times. Reports focussed on the perceived tax benefits available to Ministers/Ministers of State as the only group that retains the benefit of a fresh start.
2. **Background:** The mileage year for all staff (including Ministers/Ministers of State) claiming the recoupment of costs incurred while using their own cars on official business runs from 1 January to 31 December. A higher recoupment rate applies for the first 6,437KM (4,000 miles) with a lower rate applying thereafter for all other mileage. Public servants who are transferred or promoted from one travelling post to another carry their aggregate mileage and do not receive a fresh start. However, arrangements in place since the 1990s allow a "fresh start" for Ministers/Ministers of State in respect of claims for mileage in the year of a General Election. A fresh start enables a claimant to make claims at the higher rate within mileage bands.
3. The fresh start arrangements stem from the time when all Members of the Oireachtas received mileage for travel to and from their constituency to Dáil Éireann. Historically, each new Dáil represented a fresh start for all Members. Provisions introduced in the 1990s allowed fresh start arrangements apply to Ministers of State (at that stage Ministers were still provided with State cars and Garda drivers) so as to allow parity with Members.
4. SI 84/2010 replaced the mileage system for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance which has two strands - a Travel and Accommodation Allowance and a Public Representation Allowance. The travel and accommodation element provides for

payments in respect of travel and accommodation in bands based on the travelling distance from Leinster House, verified by attendance recording subject to a minimum attendance requirement in Leinster House. Paragraph 4.6 (6) of SI 84/2010 specifically provides that a Minister/Minister of State shall not be entitled to be paid on the basis of the bands. Ministers/Ministers of State are excluded from the banding based system as they are permitted to recoup motoring costs on a mileage basis.

6. Ministers/Ministers of State are required to provide their own cars and continue to receive mileage in order to recoup the costs incurred. The existing arrangements allowing for a fresh start for Ministers/Ministers of State have remained in place. These arrangements leave Ministers/Ministers of State who continue in office as the only recipients who may benefit from a fresh start within a calendar year.

7. Informal contacts with a number of Departments indicate that Ministers/Ministers of State do not routinely claim a fresh start. It appears that most of those appointed or reappointed as Ministers/Ministers of State continue with the aggregate mileage carried forward from previous appointments either in the same ministry or in a new appointment.

Recommendation:

It is recommended that the current concessions should be withdrawn with effect from the appointment of the next Government as they are a relic of the former system. SI 84/2010 replaced the mileage system for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance and broke the link with Members mileage and the need for a fresh start. There is no longer a need to provide for parity between the two groups and it is recommended that Ministers/Ministers of State would henceforth operate on the same annual basis as public servants generally claiming mileage.

Subject to your agreement we will notify Departments of the new arrangements by circular letter.

Fresh start for Ministers/Ministers of State in respect of mileage claim in the year of a General Election

I am directed by the Minister for Public Expenditure and Reform to refer to arrangements in place since the 1990s which allowed for a “fresh start” for Ministers/Ministers of State in respect of aggregate mileage in the year of a General Election.

Changes in recent years to travel facilities provided to members of the Oireachtas introduced under SI 84/2010 replaced the mileage system for Members with a system based on distance bands. The introduction of the banding system meant that Ministers/Ministers of State are only group of public servants entitled to fresh start.

It has been decided that as Ministers/Ministers of State are would henceforth operate on the same annual basis as public servants generally claiming mileage

these arrangements are no longer appropriate. The arrangements will be abolished with

SI 84/2010 replaced the mileage system for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance and broke the link with Members mileage and a fresh start.

There is no longer a need to provide for parity between the two groups and it is recommended that Ministers/Ministers of State would henceforth operate on the same annual basis as public servants generally claiming mileage.



An Roinn Airgeadais, Áras Talmhaíochta,
Sráid Chill Dara, Baile Átha Cliath 2.

Department of Finance, Agriculture House
Kildare Street, Dublin 2. Tel. 767571 Fax. 616570

E105/17/83

24 November 1992

Confidential

Dear Personnel Officer

I am directed by the Minister for Finance to refer to this Department's Letter to Personnel Officers dated 23 April 1990 about the motor mileage provisions of Ministers of State.

The Minister wishes to remind Departments that, in line with revised arrangements introduced in 1990 for Members of the Oireachtas generally in relation to the calculation of mileage allowances in any year in which a General Election occurs, a new mileage year for serving Ministers of State will begin on polling day (25 November 1992) and end on 31 December 1992.

Departments are also reminded that a further "fresh start" for mileage purposes should not be allowed to Ministers of State who are appointed following the election of a new Taoiseach unless such appointments take place more than three months after the start of their most recent mileage year. Given that, as indicated above, a new mileage year will begin on 25 November 1992 and that the "normal" mileage year will start again on 1 January 1993, Ministers of State who are appointed before 1 April 1993 should not be granted a further fresh start on assuming office.

Please take appropriate steps to ensure that the foregoing arrangements are implemented by your Department.

Yours sincerely

M Scanlan

M Scanlan

Personnel & Remuneration Division

*ms wldh 10183
1/12/92*

4/2 J. O'Connell

*Mr M Kelly
for your attention
please.*

*B. O'Riordan
26/11/92*

I had made an inquiry with one government department about why a minister had been able to claim at the higher 59c per kilometre rate for the first 6,437 kilometres twice in a single year.

I understand that it has been established that the specific claim referenced in this instance was made in error and that the Minister in question has since rectified the matter.

In respect of subsistence matters, in general Ministers are treated for subsistence on the same basis as other public servants. Regulations introduced from 1983 provided that Deputies living more than 10 miles from Leinster House and who used their own cars would be paid the same mileage rates as paid to civil servants. Deputies living within the 10 mile limit were paid a flat rate travel allowance for attendance at meetings of the House or Committee meetings. In the main, this system continued (with periodic updates) until 2010 at which stage new arrangements were introduced under SI/84/2010.

The 2010 SI provided, inter alia, that part of the parliamentary standard allowance for a relevant period is paid in respect of travelling facilities for distances from the member's normal place of residence to and from Leinster House and to cover for overnight expenses and travel expenses which the member is obliged to incur in the performance of his or her duties as a member of Dáil Éireann. These arrangements replaced payments to members based on mileage. The arrangements in place for the Ministers continue to reimburse on the basis of travel rates for mileage undertaken.

With effect from 1 January 1987 all Ministers of State were treated as having a mileage year starting on 1 January and ending on 31 December. In May of 1987 it was further decided that the arrangements for Ministers of State would allow them to start

afresh at the (then) initial rate for 0 – 2000 miles, on assuming office. These arrangements were further qualified in in 1992 when the mileage year was re-defined so that in any year in which a General Election occurs, there will be 2 “short years” – the first starting on 1 January and ending on dissolution day, and the second starting on polling day and ending on 31 December. Otherwise, the mileage year will be the January/December year.

It was also noted that the arrangement whereby a Minister of State on first taking up office is allowed a “fresh start” for mileage purposes, provided the appointment occurs more than 3 months after the start of the mileage year as outlined above, would continue to apply.

The Department Finance was to be consulted in any case in which an initial appointment as Minister of State occurs less than 3 months after the start of a new mileage year.

This Department said they had engaged in discussions about this and DPER had confirmed that this was in order, based on a letter that I'm attaching to this email.

I wanted to find out what the logic behind this was, whether it had been checked with Revenue whether this should be allowed for tax purposes, and if DPER think it is justified that ministers will effectively get an extra €2,000 tax-free in travel expenses this year.

The Revenue Commissioners have long regarded the public service rates as being adequate to reimburse the costs of cars and motoring where an individual uses their own car for business reasons.

DPE126/005/2015

30 November 2016

**Abolition of the ‘fresh start’ provision for claiming mileage by
Ministers and Ministers of State in years where a General Election occurs**

Dear Personnel Officer,

I am directed by the Minister for Public Expenditure and Reform to refer to arrangements in place since the 1990s which allowed for a “fresh start” for Ministers and Ministers of State in respect of aggregate mileage in a year where a General Election occurs and a new Dáil is established.*

Changes in recent years to travel facilities provided to Members of the Oireachtas introduced under S.I. 84/2010 replaced the mileage system with a system based on distance bands. The introduction of the banding system meant that a fresh start was no longer warranted on the establishment of a new Dáil as mileage is no longer aggregated.

While Ministers and Ministers of State could claim a fresh start in their mileage year, in reality the use of the provision for a fresh start has largely fallen into disuse.

It has been decided that Ministers and Ministers of State should be treated on the same annual basis as public servants generally in respect of mileage. In future, Ministers and Ministers of State will no longer be able to claim a fresh start for their aggregate mileage in a year where a General Election occurs.

The revised system will come into effect with the commencement of the 33rd Dáil. HR units with queries about this should contact Travel.Policy@per.gov.ie in the first instance.

Yours sincerely,

Jake Byrne
Assistant Principal
Remuneration, IR and Pensions

* Letters to Personnel Officer dated 23 April 1990 and 24 November 1992 refer (Ref: E105/17/83)

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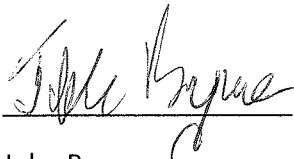
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Fresh start for Ministers/Ministers of State in respect of mileage claim in the year of a General Election

1. The concept of a “fresh start” for Ministers/Ministers of State in respect of aggregate mileage in the year of a General Election has been the subject of attention in the press in recent times. Reports focussed on the perceived tax benefits available to Ministers/Ministers of State as the only group that retains the benefit of a fresh start.
2. **Background:** The mileage year for all staff (including Ministers/Ministers of State) claiming the recoupment of costs incurred while using their own cars on official business runs from 1 January to 31 December. A higher recoupment rate applies for the first 6,437KM (previously 4,000 miles) with a lower rate applying thereafter for all other mileage. Public servants who are transferred or promoted from one travelling post to another carry their aggregate mileage and do not receive a fresh start. However, arrangements in place since the 1990s allow a “fresh start” for Ministers/Ministers of State in respect of claims for mileage in the year of a General Election.
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4. SI 84/2010 replaced the mileage system for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance which has two strands - a Travel and Accommodation Allowance and a Public Representation Allowance.
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6. Ministers/Ministers of State provide their own cars and continue to receive mileage in order to recoup the costs incurred. The existing arrangements for a fresh start Ministers/Ministers of State have remained in place. These arrangements leave Ministers/Ministers of State as the only recipients of a fresh start.
7. Informal contacts with a number of Departments indicate that Ministers/Ministers of State do not routinely claim a fresh start. It appears that most appointed or reappointed as Ministers/Ministers of State continue with the aggregate mileage carried forward from previous appointments either in the same ministry or in a new appointment.

8. The opportunity for a fresh start is an infrequent event as it is linked to the occurrence of General Election. The low uptake may be linked to a lack of corporate knowledge/memory in Departments of the fresh start arrangements.
9. The Payroll Shared Services Centre (PSSC) has confirmed that a fresh start does not apply automatically and that the expenses processing system requires an intervention in order for a fresh start to take place.

10. Recommendation:

It is recommended that the current concessions should be withdrawn from the appointment of the next Government as they are a leftover of the former system. SI 84/2010 replaced the mileage system for Members with a system based on distance bands as part of the new Parliamentary Standard Allowance and broke the link with Members mileage and a fresh start. There is no longer a need to provide for parity between the two groups and is recommended that Ministers/Ministers of State would henceforth operate on the same annual basis as all other staff claiming mileage.

00800-16: Fresh start for Ministers/Ministers of State in respect of mileage claim in the year of a General Election

- **Status:** Completed
- **To (Final Reviewer):** Minister
- **Purpose:** Approval
- **Division/Office:** Remuneration and Industrial Relations
- **Access on Completion:** Private & Confidential
- **Final Review By:**
- **Author:** [Jake Byrne](#)
- **Owner:**

[Jake Byrne](#)

- **Reviewers:**

[David Denny](#)

Final Comment

I agree to this.
Paschal

Action Required

Approval sought to discontinue "fresh start" for Ministers/Ministers of State in respect of mileage claims in the year of a General Election

Executive Summary

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Detailed Information

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Recommendation:

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Subject to your agreement we will notify Departments of the new arrangements by circular letter.

DPE126/005/2015

30 November 2016

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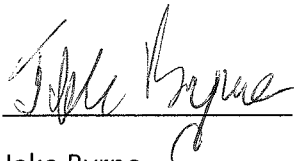
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The revised system will come into effect with the commencement of the 33rd Dáil. HR units with queries about this should contact Travel.Policy@per.gov.ie in the first instance.

Yours sincerely,



Jake Byrne
Assistant Principal
Remuneration, IR and Pensions

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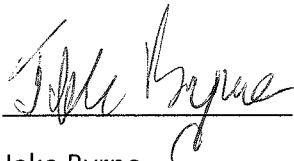
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