

**Heather Wakefield, Brian Strutton, Peter Allenson  
Trade Union Side Secretaries  
NJC for Local Government Services  
1 Mabledon Place  
London  
WC1H 9AJ**

20 October 2010

Dear Heather, Brian and Peter,

### **NJC CAR ALLOWANCE RATES**

We have been approached by Keith Dixon and Peter Gregory - the Technical Advisers employed to determine the NJC Car Mileage rates - asking whether we wish them to start work on their report for 2011/12.

In every one of their reports since 2002, they have advised that the formula that they use to calculate the rates is no longer fit for purpose and that a major review is long overdue.

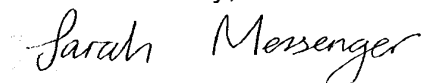
In their 2010 report they state, "*the most important areas for review have not changed for a number of years and include:*

- *The capacity classes for Groups Two and Three should be the subject of a review.*
- *The cost of operating diesel engined vehicles should be researched for possible factoring into future reviews.*
- *The formula in respect of issues of this nature should be reviewed."*

You will recall that at the recent NJC meeting the Employers expressed their desire to begin discussions with you on Green Book terms and conditions. The Employers' Side believes that a review of the NJC rates should form part of those discussions but should not be restricted simply to the issues raised by Keith and Peter.

Consequently, the Employers are of the view that the 2011 report should not be commissioned at this stage and that the current 2010 mileage rates should continue to apply (if necessary beyond 1 April 2011) until such time as the NJC agrees an alternative method of recompense.

Yours sincerely,

A handwritten signature in black ink that reads "Sarah Messenger".

Sarah Messenger, Employers' Secretary