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RESEARCH NOTE 47

Departmental use of Taxis and Chauffeured Cars

The business of Government, just like any other, often takes people out of the office. Whether for a meeting or an event, civil servants and ministers frequently have to travel, and sometimes a taxi or chauffeured car is the most appropriate way.

But in 2008, 19 (of the 20) Government departments spent in excess of £8 million on taxis and hired private cars between them.¹ Despite the availability of fairly reliable public transport – and decent pavements – public servants often opted for the more expensive taxi ride even when making a short journey. More worryingly, thousands were spent just paying for taxis to wait.

Not all of this £8 million was spent frivolously. Yet with Government departments under pressure to be more efficient, every penny of this spending must be put under scrutiny. The evidence from 2008 suggests that public officials are using cars for journeys which could be made with a cheaper alternative. Departments must now tighten up their rules, limiting the use of taxis to all but the most essential journeys.

Key findings:

- **19 (of the 20) Whitehall departments spent more than £8 million on taxis and hired car services between them**, averaging over £420,000 per department.
- Almost **£2.5 million was spent on taxis**.
- The **remaining £5.5 million was spent on the 'Government Car and Dispatch Agency' (GCDA)**. The **Department of Communities and Local Government** was the biggest user of the GCDA, spending over **£534,000**.
- **The Foreign and Commonwealth Office was the biggest spender**, with a bill for over **£1.2 million** just for its operations in the UK.
- In November 2008, **over £6,600 was wasted by just four departments, paying for taxis to wait**. This equated to a total of more than 28 hours of waiting.
- Addison Lee (and its affiliate Premier Despatch) was the most used private company, paid nearly **£835,000**.

¹ Data was not available for the Ministry of Defence



From data collated through Freedom of Information requests and Parliamentary Answers, the TaxPayers' Alliance has created a table of 'Departmental Use of Taxis and Hired Road Transport'.² For a copy of the FOI sent, please see Appendix C.

Only the Ministry of Defence refused to provide any information, but almost all departments refused or failed to release all of the information requested. Only four departments released information on the costs incurred through taxis waiting for pick-ups, despite the fact that contracted taxi services (such as Addison Lee and Premier Cabs) invoice their clients with a clear indication of miles travelled and costs incurred in wait time.³

Considering the fact that in November 2008 the Department for Health wasted over £2,800 just paying for taxis to wait outside (equivalent to £33,600 over a year), it is perhaps unsurprising that many departments did not want to release the information.

Nine departments failed – or refused – to release information on their use of the Government Car and Dispatch Agency's chauffeur and taxi services. Several claimed that the information was not centrally held, but as the same information was provided in a written parliamentary answer back in June 2008, this is clearly not the case.⁴ The GCDA's service is primarily for the use of senior ministers, and in 2008 the biggest users were Communities and Local Government (£534,000); Home Office (£477,000); and the Cabinet Office (£473,500).

The apparent lack of rigour in the scrutiny of these expense claims, among a majority of Whitehall departments, is worrying; as is the refusal to release information when it is requested. With as much as 70 per cent of taxi journeys claimed back on expenses (as they are in the Department for Work and Pensions), proper scrutiny and transparency are essential to ensuring taxpayers' get value for money.

Departments largely rely on their written 'guidance' to ensure that expense claims – such as taxis – are legitimate. The Department for Business Enterprise and Regulatory Reform's for instance, states that taxis or chauffeured cars should only be used in the following circumstances:⁵

1. For journeys for which there is no other suitable method of transport
2. When heavy luggage has to be transported to or from stations
3. Where a saving of official time is important and can be demonstrated

² See Appendix A, page 4

³ Addison Lee sample Invoice/Statement; appendix B

⁴ Hansard, 22 July 2008: HC Deb (2007-08) 116 WS

<http://www.publications.parliament.uk/pa/cm200708/cmhansrd/cm080722/wmstext/80722m0008.htm#08072253000880>

⁵ Departmental policy cited from the Department for Business Enterprise and Regulatory Reform FOI response 06/03/2009



Such guidance leaves too much room for abuse though; “no other suitable method of transportation” is open to interpretation, and “heavy luggage” is rather subjective. There will always need to be an element of discretion in the use of taxis, but when most people use public transport to travel to and from stations (even with heavy luggage) it is unclear why civil servants should be treated differently.

BERR officials spent over £130,000 on ordinary taxis in 2008, which equates roughly to 2,229 journeys from Whitehall to Heathrow, or 18 journeys a day to the St Pancras Eurostar terminal, (going on Addison Lee’s set prices for such journeys). Some expenditure on taxis is to be expected by such a large department. But a bill this big reflects a considerable number of taxi rides, many of which were journeys that could just as well have been made by bus.

Matthew Elliott, Chief Executive of the TaxPayers’ Alliance, said:

“Current spending on taxis and chauffeured cars is excessive. When ordinary businesses are trying to save money by getting employees to take the bus, it is only fair that public officials do the same. Some taxi rides on the taxpayers’ pound are unavoidable, but too much is being spent on the luxury of convenience while cheaper options are available.”

To discuss the research, please contact:

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Appendix A

Departmental use of taxis and chauffeured cars in 2008*

Department	Total amount in fares, £				Wait Time	Amount Charged, £	Total Spent, £
	Addison Lee	Premier Despatch	Other	Government Car & Dispatch Agency	November 2008	2007-08	
Attorney General's Office	-	-	5,880	182,628	58 min	5	188,508
Business, Enterprise and Regulatory Reform	-	-	129,823	345,400	-	-	475,223
Cabinet Office	-	72,067	-	473,500	-	-	545,567
Children, Schools and Families	3,544	-	57,020	98,211	-	-	158,775
Communities and Local Government	-	-	95,017	534,294	-	-	629,311
Culture, Media and Sport	31,834	-	6,211	268,500	445 min	185	306,546
Defence†	refused	refused	refused	-	refused	refused	-
DEFRA††	-	-	72,671	386,258	-	-	458,929
Foreign and Commonwealth Office	394,611	-	526,094	355,700	-	3,607	1,276,405
Health	329,126	-	64,722	10,115	1,295 min	2,849	403,963
Home Office	no response	no response	no response	477,000	no response	no response	477,000
Innovation, Universities and Skills	no response	no response	no response	248,000	no response	no response	248,000
International Development	refused	refused	refused	226,900	refused	refused	226,900
Justice	refused	refused	refused	307,900	refused	refused	307,900
Northern Ireland Office	-	-	274,000	329,000	-	-	603,000
Scotland Office	-	-	25,122	43,676	-	-	68,798
Transport	-	-	22,182	272,700	-	-	294,882



Department	Total amount in fares, £				Wait Time	Amount Charged, £	Total Spent, £
	Addison Lee	Premier Despatch	Other	Government Car & Dispatch Agency	November 2008	2007-08	2007-08
Treasury	refused	refused	refused	341,900	refused	refused	341,900
Wales Office	-	-	15,611	201,413	-	-	217,024
Work and Pensions	3,675	-	361,980	415,900	-	-	781,554
Totals	£762,790	£72,067	£1,656,333	£5,518,995	1,798 min	£6,647	8,010,185

*** Notes on the table:**

- All figures (unless otherwise stated) refer to spending in the calendar year 2008.
- Figures in black were provided in response to a Freedom of Information request made in February 2009 (see Appendix C).
- Figures in red were given in response to a Parliamentary Question (July 22 2008) and apply to spending in the financial year 2007-08. <http://www.publications.parliament.uk/pa/cm200708/cmhansrd/cm080722/wmstext/80722m0008.htm#08072253000880>
- The Ministry of Defence, Department for International Development, Ministry of Justice and the Treasury refused to provide any useable information.
- The Home Office and Department for Innovation, Universities and Skills both failed to respond to the FOI request.
- Details of wait times and the costs incurred were refused largely on the grounds that such information is not held centrally, and obtaining it would exceed the cost limit set by the FOI act.
- Totals may not sum due to rounding.

† The Ministry of Defence does not use the GCDA

†† Data from April 2008 to January 2009

Appendix B

Addison Lee sample invoice for taxi hire*

35-37 William Road
London NW1 3ER
t: 020 7387 8888
e: info@addisonlee.com
www.addisonlee.com



SORTED REFERENCE SUMMARY

INVOICE/STATEMENT

Your Account No	Customer	Invoice Date	Invoice No.	Page No.
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]	1

REFERENCE	JOBS	EXTRAS	PRICE	MINS	WAIT	MISC	TOTAL
1037	2	0	105.65	0h 15m	5.75	0.00	111.40
123/5762	1	0	63.55	0h 40m	15.33	0.00	78.88
1256	1	0	59.65	0h 0m	0.00	0.00	59.65
2067	1	0	61.60	0h 30m	11.50	0.00	73.10
3025	2	0	183.65	2h 25m	55.58	0.00	239.23
3054	3	0	200.40	1h 0m	23.00	0.00	223.40
[REDACTED]	1	0	79.15	0h 40m	15.33	0.00	94.48
5299	2	0	143.45	0h 0m	0.00	0.00	143.45
5624	4	0	215.20	0h 0m	0.00	0.00	215.20
627873874888	1	0	53.80	0h 0m	0.00	0.00	53.80
[REDACTED]	1	0	53.80	0h 0m	0.00	0.00	53.80
[REDACTED]	1	0	88.90	0h 0m	0.00	0.00	88.90
[REDACTED]	1	0	53.25	0h 30m	14.50	0.00	67.75
[REDACTED]	1	0	118.15	0h 20m	7.67	0.00	125.82
[REDACTED]	1	0	69.40	1h 20m	30.67	0.00	100.07
[REDACTED]	1	0	75.25	0h 0m	0.00	0.00	75.25
[REDACTED]	2	0	68.10	0h 25m	9.58	0.00	77.68
[REDACTED]	1	0	46.00	0h 0m	0.00	0.00	46.00
[REDACTED]	1	0	67.45	0h 0m	0.00	0.00	67.45
[REDACTED]	1	0	7.75	0h 0m	0.00	0.00	7.75
[REDACTED]	1	0	53.80	0h 0m	0.00	0.00	53.80
[REDACTED]	1	0	55.75	0h 0m	0.00	0.00	55.75
[REDACTED]	1	0	85.00	0h 15m	5.75	0.00	90.75
[REDACTED]	1	0	57.70	0h 20m	7.67	0.00	65.37
[REDACTED]	1	0	53.80	0h 0m	0.00	0.00	53.80
NO REF	6	0	412.50	0h 35m	13.41	0.00	425.91
[REDACTED]	3	0	202.20	0h 35m	13.42	0.00	215.62
[REDACTED]	1	0	59.65	0h 45m	17.25	0.00	76.90
[REDACTED]	1	0	0.00	0h 0m	0.00	0.00	0.00
[REDACTED]	1	0	32.35	0h 0m	0.00	0.00	32.35
Total	46	0	2,826.90	10h 35m	246.41	0.00	3,073.31

Software Solutions from ROCS 020 7383 4447

* Details redacted in the interests of privacy.



Appendix C

Freedom of information request for details of the use of taxis and chauffeured cars in 2008

Dear Sir/Madam,

I am writing to obtain information about certain costs associated with the Department for XXX use of taxis in 2008.

To outline my query as clearly as possible, I am asking for details of the Department's spending on taxis, private chauffeur services and the Government Car Service, only in the UK, throughout 2008.

1. By name, which taxi companies and chauffeur services were used by the UK offices of the department in 2008, and how much was paid to each of these and the Government Car Service in that same year.
2. Taxi company invoices note the 'wait time' incurred by taxis under 'add-on charges'.

What was the total amount of 'wait-time' incurred by taxis or chauffeured cars during November 2008? What was the total charge for that 'wait time' during November 2008?

3. The number of taxi or chauffeured car journeys in 2008 where the total distance was a mile or less.

Similar requests in the past have encountered a refusal on cost grounds. If this is considered to be the case here, we are willing to receive all the necessary documents and calculate the information requested ourselves. Alternatively, we welcome an invitation to come and inspect the documents on site.

My preferred format to receive this information is electronically, but if that is not possible I will gladly accept hard copies. I understand that under the Freedom of Information Act, I am entitled to a response within 20 working days.

I would be grateful if you could confirm in writing that you have received this request.

Yours sincerely,

XXX