

**Report to:** Functions Committee  
**Date of Meeting:** 8<sup>th</sup> May, 2008  
**Report of:** Head of Human Resources  
**Title:** Review of Travel Allowances

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1. **SUMMARY**

The attached report contains the conclusions of the Travel Allowance Review group and proposes a new Travel allowance policy to replace existing arrangements. The purpose of the review was to reduce the number of employees travelling to work in their own cars in line with the Council's Green Travel Policy, to promote the use of travel by bicycle and to cut the costs of travel allowance.

**RECOMMENDATION**

That the proposals in the attached report and the new Travel Allowances be approved.

Contact Officer:

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Report approved by Tricia Taylor, Corporate Director

### 3.0 DETAILED PROPOSAL

#### 3.1 Introduction

Following the introduction of car park charging for the Town Hall car park, a review of travel allowances has been undertaken for three main reasons:-

- To reduce the number of employees bringing their cars to work as part of the Council's Green Travel Policy
- To review the number of employees designated as essential users and to check whether all these allowances could be justified. Such a review has not been conducted for c 4 years
- To make a decision as to whether essential users should be charged for car parking
- To consider the introduction of a pool car scheme which would further reduce the costs of travel by council employees
- To review the bicycle allowance provisions to encourage the use of cycling as a green form of transport both to and from work and during working time

3.2 The Travel Allowance Review Group was led by the Director(Better Watford) and was attended by relevant officers including the Trade Union Liaison Officer. UNISON was then consulted on the resultant report to CMB.

3.3 The existing policy defines an essential user as:-

- An employee who travels more than 1000 miles pa for work reasons
- Alternatively, travels 500 – 999 miles per year and requiring regular use of a car for 10-15 hours per week
- Responds to emergencies/exceptional journeys

3.4 The process followed to identify which posts should retain their essential user car allowance was to write to the officers concerned explaining that a review was taking place and asking them to record all journeys for a three month period and their mileage and explaining that the results would determine whether the post retained the essential allowance in future. This was done because only c 50% of existing essential users were submitting mileage claims. The group then reviewed the results. Heads of Service were then consulted to review the results and current and future use of vehicles. The final list of proposed essential users has the

agreement of all Heads of Service(although there a couple of posts where there is room for consultation.) Unison have also been consulted on the proposed changes to travel allowances

#### **4.0 Proposals**

4.1. It is proposed that pool cars are used wherever possible. Casual users and former essential users would be expected to use them wherever practical for mileage done during the working day. The Council would be as flexible as possible to maximise the use of pool cars (eg some-one on call could take the pool car home in the evening and weekends). The exceptions would be when:

- A pool car could not be used to perform a job if the frequency of use results in the car being used by only one person
- A pool car cannot be used for the exclusive use of a small number of officers to enable them to perform their job
- Where it is not reasonable for people on call to use a pool car

Using these three exception rules, the number of posts requiring the post-holder to be an essential user reduces to 21. This means that 31 posts would lose an essential user car allowance. A list of posts where essential user allowances are retained is attached at Appendix 1. It is proposed that these remaining post-holders would not be charged for car parking since they are using their own cars for work purposes.

Vehicles would be available at three main sites – the Town Hall, depot and Radius House. Current usage suggests that the most effective use of pool cars would be to share them amongst a group of discrete posts –e.g. parks staff, refuse and street cleaning supervisors and planners. The three main areas where car usage is greatest have agreed to manage the pool cars they would use at their three sites. The remaining usage at the Town Hall could be managed by either Facilities or the corporate management support team.

The anticipated financial saving from introducing pool cars taking into account their costs would be a minimum of £15, 800.

- 4.2 To encourage the use of cycles as a mode of transport both to and from work and for work reasons CMB proposes:
- a) the introduction of a cycle loan
  - b) the increase of cycle mileage rates to the lower casual car user rate(i.e 42.9p per business mile)

## 5.0 **Issues**

Various issues have arisen during the consultation. Perhaps the most important is the issue of recruitment and retention where employees have become accustomed to receiving an essential user allowance as part of their normal remuneration.

Where there is a potential market case, a market supplement should be considered. If the proposals are agreed consultations should take place with the union and the staff concerned on the methodology for removing the essential user allowances.

In relation to other issues raised, such as travel directly to a meeting away from the normal workplace from home, or from a meeting at a different location to the employee's home, where the manager can agree in advance the payment of casual mileage. Similarly where an employee has parking restrictions on their road, again, potentially casual mileage could be paid.

## 6.0 **Policy**

The attached policy has been written to enact the results of the Travel Allowance review and is put forward for consideration and approval.

RECOMMENDED that the conclusions of the Travel Allowance review and the attached policy are approved.

## 7.0 **IMPLICATIONS**

### 7.1 **Financial**

The Director of Finance comments that the implications are referred to in the report.

### 7.2 **Legal Issues (Monitoring Officer)**

The Head of Legal and Democratic Services comments that removal of essential car allowance will require amendments to the affected staffs' contracts. The

Council cannot unilaterally vary a contract of employment. If the employee does not agree it will be necessary to terminate their existing contract and offer them a new one on the amended terms.

7.3 Staffing

The Head of HR comments that this issue will involve some upset for the staff concerned and will need sensitive handling.

7.4 Accommodation

There are no implications in this report.

7.5 Equalities

These are no implications in the report.

7.6 Community Safety

There are no implications in the report.

7.7 Sustainability

These are contained in this report.

Appendices

Travel Allowances policy

Background papers:

Report to CMB from Travel Allowance Review Group

If you wish to inspect or take copies of background papers please contact the officer named on the front page of the report.