

Taunton Deane Borough Council

Executive – 14 January 2009

Report of the Corporate Performance Officer and the HR Manager

Reducing Business Mileage by Private Vehicular Travel – Proposed ‘Grey Fleet’ Policy

(This matter is the responsibility of Executive Councillor Coles)

1.0 Executive Summary

- 1.1 ‘Grey Fleet’ refer to business miles driven by employees in their own vehicles
- 1.2 There are a number of reasons why we need to reduce the amount of grey fleet mileage and these include economic (reducing business costs), making more efficient use of staff time, reducing carbon emissions, reducing personal risk and reducing corporate risks.
- 1.3 A policy is proposed that will provide a consistent and clear approach to reducing grey fleet mileage. The policy challenges managers and staff to ask a series of questions before making a decision to travel:
 - Do I need to travel? Are there any alternatives?
 - If I need to travel then, as a priority, consider walking, cycling, public transport, pool cars (provision currently subject to a feasibility assessment) and hire cars
 - If grey fleet travel is authorised, then has the driver a full set of valid documentation?
- 1.4 All staff undertaking grey fleet travel will be required to present relevant documentation on an annual basis for checking. This includes a valid driving license, MoT certificate, tax and insurance certificates. This is critical to reduce corporate risk.
- 1.5 The policy has been designed to be flexible to ensure business efficiency.

2.0 Introduction

- 2.1 Grey Fleet refers to business miles driven by employees in their own vehicles, and claimed back at a fixed rate mileage.
- 2.2 Currently (2007/08) we have approximately 300 staff travelling 325,600 miles p.a. at a cost to the authority of £146,095.
- 2.3 There are a number of reasons why we need to challenge the amount of grey fleet mileage:

- Economic – We need to be economically efficient
- Staff Time – We need to ensure that staff spend the minimum of time travelling necessary to deliver their services effectively
- Climate Change – The Council is committed to reducing its carbon footprint
- Health & Safety – We need to reduce risk posed to staff when out on the road
- Risk – Reduce ‘corporate risk’ to TDBC and assist in duty of care responsibility
- Travel Plan – The TDBC Travel Plan promotes and supports sustainable travel

2.4 Grey fleet budgets have been cut by 10% from 1st October 2008.

2.5 There is now a need for a policy to guide a consistent approach across the Council to the reduction of grey fleet mileage.

3.0 The Proposed Policy

3.1 The proposed policy is attached at Appendix 1. The basics of the policy are that all managers and staff should adopt a consistent and logical approach to decisions regarding business travel. The following hierarchy of decisions are proposed:

1. Do I need to travel?

Can the need for the journey be removed by the use of a telephone conversation, teleconferencing or e-mail / letter?

2. If travel is necessary, then consider the following order of priority:

- Walking / cycling
- Bus or rail
- Essential car users / lease car
- Pool Car (feasibility currently being explored)
- Hire Car
- Grey fleet

This is depicted visually as a decision wheel (see Appendix 1, paragraphs 5.1 to 5.3):

3. If grey fleet travel is authorised, then has the driver a full set of valid documentation?

- Valid driving licence
- Full business insurance (including passengers)
- Up to date MOT and vehicle in a ‘roadworthy’ condition
- Tax

Managers will be required to check relevant documentation on an annual basis. This is to reduce corporate risk. This element of the policy will be

developed further by the Borough Council's Health & Safety Advisor who will shortly prepare a policy on Health & Safety Road Risk.

- 3.2 Managers will be encouraged to embed the approach to grey fleet travel within their service planning. This will maximise benefits and reduce any potential for confusion among staff. The policy has been designed to be flexible to ensure business efficiency.
- 3.3 TDBC managers, TDBC Travel Plan Group, UNISON and Staff Side have all been involved and consulted on the development of the draft policy.

4.0 Next Steps

- 4.1 To develop a communications plan so that staff are aware of the requirements of this policy. Staff shall be informed during February and March 2009.

5.0 Financial Implications

- 5.1 This policy is aimed at reducing business mileage (among other benefits). Travel budgets have already been cut by 10%, but it is hoped that further savings will result. This will be monitored on a regular basis.
- 5.2 There is one area of this policy that is subject to a feasibility assessment. At present it is unclear as to whether it is viable to provide pool cars. Potentially there are significant benefits. Staff travel surveys point to the fact that staff would like to have pool cars, so that they are not reliant on having to drive to work. Somerset County Council has a pool car scheme which is currently under review. We are speaking to SCC and others to get a better understanding of the benefits / costs, and how such a scheme may work in practice. Members will be kept informed of progress.

6.0 Corporate Priorities

- 6.1 This policy will help deliver the following Corporate Objectives:

Objective 6: Support the County Council as lead agency to limit the rate of growth of traffic congestion in Taunton

Objective 7: Support the County Council as lead agency to reduce the proportion of journeys to work made in Taunton by Single Occupancy Vehicles

Objective 17: To actively promote sustainability in Taunton Deane with a focus on climate change, energy efficiency and renewable energy, to reduce our carbon footprint on the environment

Objective 19: To provide value for money services where overall satisfaction with the Council is in the top quartile nationally, over 60% on national BVPIs perform above the English average and council tax charges are in the lowest quartile when compared with other English districts

7.0 Recommendation

7.1 The Executive is **recommended** to adopt the draft Grey Fleet Policy (Appendix 1).

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APPENDIX 1

GREY FLEET

1 Business Travel

- 1.1 Grey Fleet refers to business miles driven by employees in their own vehicles, and claimed back at a fixed rate mileage.
- 1.2 The Authority is responsible for meeting the cost of travel by its employees on official business. Official business means necessary travel when employees are on a public highway in the course of their work, including:
 - Driving between Council establishments for work purposes
 - Travelling to and from a place of work (e.g. 'site visits') where mileage is payable by the council
 - Travelling to and from a training venue, where travel for training has been authorised by the Council
- 1.3 It excludes commuting to the employee's normal place of work.

2 Drivers for Change

- 2.1 There are a number of reasons why we need to reduce our grey fleet mileage:
 - Economic – We need to be economically efficient
 - Staff Time – We need to ensure that staff spend the minimum of time travelling necessary to deliver their services effectively
 - Climate Change – The Council is committed to reducing its carbon footprint
 - Health & Safety – We need to reduce risk posed to staff when out on the road
 - Risk – Reduce 'corporate risk' to TDBC and assist in duty of care responsibility
 - Travel Plan – The TDBC Travel Plan promotes and supports sustainable travel

3 Context

Figures for 2007 / 08 show:

Total Grey Fleet Miles: 325,000 (approx)

Total Cost: £146,095

4 Necessity of Travel and Managing Travel Demand

- 4.1 Before contemplating any journey the following assessments need to be undertaken regarding the necessity of the journey:
 - Can the need for the journey or task be carried out equally well using Teleconferencing facilities, telephone, e-mail, or through correspondence?

- Can the meeting or need for the journey be postponed until a later date, or brought forward and then be combined with an additional requirement to travel, to reduce overall travel costs?
- Is a colleague already travelling to the same meeting or location by car, with spare capacity?
- If the journey is necessary, has it been approved by your Line Manager after all of the above considerations have been taken into account?*

4.3 Employees will only be reimbursed for travel expenses which they actually and necessarily incur in the course of official travel.

* Please refer to paragraph 6.2

5 Transport Hierarchy of Decision Making

5.1 It is the responsibility of Line Managers to ensure that their employees use the most efficient and economical means of travel, taking into account the cost of travel, the cost of subsistence and savings in official time. More expensive means of travel may only be authorised when justified on the grounds of business efficiency (ref paragraph 5.6 below), or to meet the needs of employees with disabilities.

5.2 At all times the following order of priority should be adhered to when travelling on official business:

- **Walk:** Walking can be a quick and convenient option, especially when travelling to and from destinations within a town centre
- **Cycle:** As a general guide, cycling is encouraged for all journeys within a general radius of three miles
- **Public Transport:** Public transport should be used wherever possible in order to reduce congestion and pollution on the roads
- **Lease Vehicle:** Lease car users (and those on 'lease allowances') are obliged to use their own lease / private vehicles in preference to pool car or hire car options
- **Pool Vehicle:** (feasibility currently being explored - not yet available)
- **Hire Car:** Is required for car journeys in excess of **120** miles return trip (excluding lease car users). Please refer to the TDBC hire car policy for further information
- **Private vehicle:** In certain circumstances, an employee may be authorised to use their own vehicle for journeys under **120** miles return

5.3 Further guidance is provided at Appendix A

5.4 There is a particular requirement that, where a car is the right travel option, then for all return journeys expected to exceed **120** miles, employees should hire a car through our corporate contract rather than use their own vehicle.

5.5 In exceptional cases (e.g. where there is a medical condition or disability) a journey in an employee-owned vehicle may **exceed 120 miles**. In these cases, authorisation will be required in advance of the journey from the appropriate Line Manager.

5.6 The above hierarchy of decision making should be adhered to as closely as possible. However, it is recognised that there will be times when strict adherence may jeopardise business efficiency. For example: Using either a very infrequent public

transport service or cycling excessive distances to undertake site visits. Managers will need to exercise their discretion and make a decision that balances the need to deliver an efficient service whilst reducing grey fleet mileage.

6 Further Practical Advice

- 6.1 Further suggestions to help save mileage and reduce costs are provided at Appendix B. You may have other ideas and suggestions that are not covered within Appendix B. Please e-mail your suggestions to: personnelassistants@tauntondeane.gov.uk. We will circulate suggestions to managers for their consideration.
- 6.2 Managers are asked to be proactive in planning to reduce grey fleet mileage. An open dialogue with staff is encouraged in order to fully understand the travel demands of the service. Consider producing a bespoke plan for how your own service will actively seek to reduce grey fleet travel (building on the guidance within the grey fleet policy). This will assist with delivering an efficient and effective approach to business travel. A clearly understood and communicated approach will avoid the need for staff to seek authorisation for every business journey.

7 Using a Private Vehicle

- 7.1 Payments may be made to allow employees to use their own vehicles for journeys **less than 120** miles, provided there is a benefit to the Department and the mileage rate represents the most cost effective means of transport for the journey.
- 7.2 Employees driving for work in their own vehicle must ensure that it always complies with the law, is in safe and roadworthy condition and is suitable for its purpose.
- 7.3 When claiming motor mileage in a private vehicle, the employee signs the declaration on the Travel and Subsistence claim form to recognise their obligations as follows:
 - to ensure that the vehicle meets the minimum safety specifications required by the Authority.
 - to ensure the vehicle is taxed and, where appropriate, has a valid MOT certificate
 - to ensure their motor insurance policy includes business use cover for the amount and type of mileage they undertake, and covers 'business' passengers. Please refer to **clause 9** for further information on insurance requirements
 - to ensure they possess a valid licence to drive the vehicle being used
 - to ensure the vehicle is in a sound and roadworthy condition at all times
 - to ensure the vehicle is not used inappropriately (e.g. unsecured load carrying, or hazardous off-road access). Please refer to **clause 10** for further information on conditions of use

8 Ongoing Governance of Private Vehicle Use

- 8.1 It is the responsibility of the Line Manager to:

- ensure employees understand their responsibilities to ensure vehicles are legal, safe and well-maintained
- check vehicle documents in advance of first use of vehicle for business purposes and at least annually thereafter
- follow monitoring, authorisation and reporting procedures to help manage transport usage
- lead by example

8.2 It is the responsibility of employees using their own vehicles for business to:

- present the vehicle's MOT certificate, insurance policy and service schedule for inspection in advance of first driving for work and thereafter on request by Line Manager
- present their driving licence for inspection in advance of first driving for work and thereafter on request by Line Manager
- notify Line Manager of any sanctions imposed on their licence, restrictions on ability to drive, material changes to insurance provision and vehicle defects
- cooperate with monitoring, authorisation and reporting procedures.

9 Insurance of Private Vehicles

- 9.1 Any member of staff who uses their car for business purposes must have a valid insurance policy in place and that should cover ANY passenger for when they are on official business.
- 9.2 Motor Mileage Allowance will only be paid where the employee holds an insurance policy that covers bodily injury to or death of third parties, bodily injury to or death of any passenger; and damage to the property of third parties, and permits the use of the car either in connection with the mileage allowance claimants' business, or the business of the employing department or agency. When first using their car on official business, employees must declare in writing that they know and understand the ownership and insurance requirements of the Authority and whether they meet those requirements.
- 9.3 It is the responsibility of the Line Manager to verify the insurance status of their employees, via either the original insurance document or a cover note. Any material changes to the employee's insurance provision shall be notified to the Line Manager.

10 Mileage Claiming Process

- 10.1 Mileage claims shall be paid to employees only when the relevant document and licence checks detailed in **clause 8.2** have been carried out and passed to the HR department to be placed on the employees file.
- 10.2 Mileage claims for return journeys **over 120 miles** in private vehicles shall be paid only where the employee has received prior authorisation for that journey from the designated authoriser.

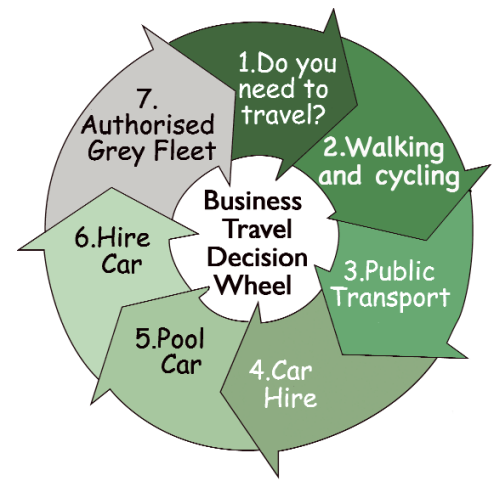
11 Managing Occupational Road Risk

11.1 Employees driving a vehicle on official business should familiarise themselves and comply with the Highway Code. In addition consideration should be given to safe driving practices. The Road Safety Act 2006 has added additional offences to include causing death by careless or inconsiderate driving. Where death by careless or inconsiderate driving is proven the likely sentence is 26 weeks to 2 years imprisonment. Therefore, when opting to drive on official business it is important to think about health and safety best practice, the following list includes some examples (this list is not exhaustive):








- you should ensure that you familiarise yourself with the controls of any hire car before setting off
- you must never use a mobile telephone whilst driving, and should instead switch it off to avoid the possibility of distraction
- you must never eat or drink whilst driving
- you should not light a cigarette whilst driving
- you should not apply make-up whilst driving
- at all times you must obey speed limits, and never drive faster than road or driving conditions safely allow. Avoid incentives to speed and allow time at the start of any journey for delays en-route: congestion, hold-ups and bad weather
- make sure that you are fit to drive: do not undertake a long journey (longer than an hour) if you feel tired
- plan your journey to take sufficient break: a minimum break of at least 15 minutes after every two hours of driving is recommended
- you must be able to read a new style number plate from a distance of 20 metres (66 feet). If you need to wear glasses, or contact lenses you must wear them at all times whilst driving

Appendix A The Business Travel Decision Wheel

Taunton Deane Borough Council is committed to reducing the environmental, financial and social impact from its business travel. This means both looking at ways to reduce miles travelled and also identifying methods of transport with lower carbon emissions per mile, reduced cost to the public purse and improved safety for the employee and those around them.



Staff and managers must make the following assessments prior to making each business journey:

<p>1. Do you need to travel?</p> 	<p>Can the need for the journey be achieved through a telephone call, e-mail, or audio or conferencing facilities ? If 'yes', these should always be the first option to help remove CO₂ emissions and the bulk of the cost per journey.</p>
<p>2. Can the journey be carried out by walking or cycling?</p> 	<p>Walking and cycling can be quick and convenient options. They also deliver health benefits. Walking is encouraged where possible, especially where walking time to the destination would not exceed 15 minutes. Alternatively, most destinations within Taunton are within three miles of Deane House. This is considered to be convenient cycling distance. Cycling is encouraged where possible.</p>
<p>3. Can the journey be carried out by public transport? Bus or rail (incl. bike and rail).</p> 	<p>Public Transport can be convenient for journeys between urban centres. It is safer than the car, generally results in lower emissions and can be more business efficient, taking into account ability to work, eg. train journeys road delays etc. A folding bicycle is available for rail journeys (useful if the destination is more than 15 minutes walk from the rail station).</p>
<p>4. Are you an Essential Car User? or do you have a Lease Car?</p> 	<p>If you are an Essential Car User or have a Lease car, then you are obliged to use it in preference to the Pool Car and Hire Car options. For each journey, please consider whether you are able to offer a lift to another colleague who may be travelling to the same destination/appointment.</p>
<p>5. Is there a pool car available for the journey?</p> 	<p>Pool cars are newer cars managed and maintained for employee usage. By maximising use of the pool car fleet, carbon emissions and costs can be reduced.</p>
<p>6. Will a hire car be cost effective?</p> 	<p>For round trips over 120 miles employees are required to use a pool car or hire car as an alternative to grey fleet. Hire cars provide better value for long journeys and typically have lower emission levels than grey fleet vehicles.</p>
<p>7. Where none of the above options are available, authorised grey fleet may be used for round trips under 120 miles.</p> 	<p>Employees may only use their grey fleet vehicle for journeys under 120 miles provided they are able to display to their line manager that they have a valid driving licence, full business insurance, up to date MOT and service history.</p>



APPENDIX B: Reducing mileage / reducing costs

Additional suggestions:

- Take a digital camera with you on all sites visits and record all information with pictures – this may save the need for repeat visits
- Use Google Earth – e.g. do you need to check landscape features? Google Earth may save you a site visit
- DLO staff - make DLO vans available to casual car users, thereby reducing costs
- Crematorium staff - use 'cemetery lorry' when available, thereby reducing costs
- Plan rail travel earlier to take advantage of cheaper tickets
- Consider the use of electronic seminars / webinars to avoid the need to travel
- Satnav – services with high mileage to consider purchasing a Satnav – this could avoid wasted mileage on unfamiliar journeys
- Pooling of tasks by area – consider pooling routine inspections for a full day / half day at a time e.g. all inspections within Wellington. And then consider whether you can use public transport
- Arrange meetings to take place at the most accessible / central location
- Arrange site visits to / from home if there are accompanying savings in business miles travelled
- Consider setting a mileage reduction target for your service. Make this data visible. You may want to consider a competition between different services