

Business Planning: Business Case proposal

Project Title: Reduction in Staff Mileage

Committee: General Purposes Committee

2021-22 Savings: -£564,000

Brief Description of proposal: We have seen a significant reduction in staff car mileage since the start of the 2020/2021 financial year, predominately due to Council staff having to work from home because of the Coronavirus pandemic. This has resulted in a cultural shift for the organisation towards travelling less and enabling successful remote working with our colleagues while still serving the needs of our residents. This is an opportunity to reduce staff mileage budgets longer term across all Council service areas for 2021/2022.

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Business Leads / Sponsors:

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Finance Business Partners, Corporate
Finance

1. Please describe what the proposed outcomes are:

This is an opportunity to reduce staff mileage budgets on a permanent basis which will enable a saving of £564,000 to be realised for the 2021/22 financial year and £186,000 thereafter to support the budget deficit.

The current pandemic has accelerated a cultural and behavioural shift for the organisation towards working remotely and travelling less, while still being able to successfully serve the needs of our residents. Working remotely has reduced the commuting time for staff.

A reduction in staff travel will also help the Council to deliver its pledge of net zero carbon emissions by 2050. Low carbon transport is one of the priority areas in the Council's Climate Change and Environment Strategy, which has a specific action to "Encourage staff to use public transport or cycle where possible to minimise other business travel carbon emissions". Data from the mileage and expenses claims system shows that staff travelled over 5 million miles in 2019-20, which accounted for 1,803 tonnes CO₂e greenhouse gas emissions. This is already a sizeable

reduction from the previous year (6.3m miles, 2,292 tonnes CO₂e in 2018-19). There is a Council target to reduce our indirect (scope 3) emissions by 50% by 2030 and so future work in this area will look at Sustainable Travel for Work more strategically. This could mean increasing the Council's use of pool or hire cars (which could be electric). Other Councils have already begun trials on these kinds of ideas.

2. What evidence has been used to support this work, how does this link to any existing strategies/policies?

This business case proposal is based on the evidence gathered by Finance for quarter one and quarter two of the 2020/21 financial year. The quarter one mileage saving in the People and Communities directorate alone was £300,000.

The 2021-22 savings target of £564,000 has been calculated on the assumption that the combined savings for quarters one and two will be similar to a single quarter of the current year (2020-21) and will fall to 10% of the current level in quarters three and four, remaining at this level thereafter.

These assumptions take into account that there is likely to be a significant increase in travel post-COVID given that many of the Council's services work effectively face-to-face and our operating model is centered on being close to our Communities. However, it is recognised that the pandemic has also rapidly increased usage of digital meeting and video conferencing tools. As such we do not expect that staff mileage will ever return to previously seen levels because of these technological advances.

The Council is investing in Information Technology, digital tools and techniques and our data capabilities to enable improvements to remote working. These investments are set out in the finance tables (section 3) of our Business Plan.

3. Has an options and feasibility study been undertaken? Please explain what options have been considered.

An options and feasibility study is not necessary for this business case proposal as it based on the assumption that current working practices will continue where practical post-COVID. Business Partners in Finance will work with Budget Managers to review staff mileage budgets and recoup the savings.

4. What are the next steps/ actions the Council should take to pursue it? Please include timescales.

High Level Timetable

Task	Start Date	End Date	Overall Responsibility
Drafting and issuing of messages to staff encouraging continued remote working where practical and promoting use of fleet vehicles and green methods of travel such as cycling (which can be claimed at 20p a mile – a lower rate than car); utilise Camweb and Friday Focus	February 2021	March 2021	Communications Team
Review mileage budgets for services and incorporate savings	March 2021	April 2021	Finance Business Partners, Budget Managers

5. Could this have any effects on people with Protected Characteristics including poverty and rural isolation? If so please provide as much detail as possible.

There are no disproportionate effects on those with protected characteristics. It is recognised that staff are located across the County and beyond, but staff mileage budgets are not being permanently removed, just reduced. Staff are already encouraged to think of alternative modes of transport and these messages can be incorporated into the communication about reduction of staff mileage budgets. This forms part of the wider strategy on How we Work and will continue to be developed as new ways of working emerge.

6. What financial and non-financial benefits are there and how will you measure the performance of these? Are there any dis-benefits? These MUST include how this will benefit the wider internal and external system.

Key Benefit	Measure	Baseline	Target & Timescale
Reduction in spending on staff mileage allowances	Monthly monitoring and reporting of financial position against budgeted spend	2019-20 mileage spend (£3.49m)	£564k saving in 2021-22, £186k ongoing saving from 2022-23
Reduction of our carbon footprint	Greenhouse gases from employee	2,292 tonnes CO ₂ e (2018-19)	Reduce by 50% by 2030

	mileage (excludes commuting, mileage from pool cars or other council vehicles)		
Key Benefit	Measure	Baseline	Target & Timescale
Increased staff uptake of green travel alternatives such as public transport and cycling	Staff travel survey	Pre-COVID-19 proportion of staff using private cars (baseline figures to be calculated)	See above
Increase in flexible working opportunities and emphasis on alternative meeting options for staff	Staff travel survey and increase in staff satisfaction measureable via the pulse monthly engagement surveys	Pre-COVID-19 staff working patterns	See above.

7. Are there any identified risks which may impact on the potential delivery of this? What is the risk if we do not act?

The extensive and abrupt shift in working practices as a result of the pandemic provides a key opportunity to accelerate the cultural shift towards remote working. It is unlikely that such an opportunity will be presented in the future given there will be a gradual return to office based working (albeit likely to be lower than pre-COVID-19 times), and so it is an appropriate time to act and ensure we are encouraging more sustainable ways of working.

However, we need to ensure that the advantages of reducing travel are balanced with the need to work closely with our communities; the financial target for this saving has therefore been set at a conservative level to take full account of this requirement.

8. Scope - What is within scope? What is outside of scope?

Staff car mileage budgets across all service areas are within scope, as are the budgets for cycling and motorbike allowances at 20p and 24p per mile respectively. Changes to the per mile allowances are not within scope.