

Gloucester City Council

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| Meeting: | Cabinet | Date: | 8 March 2017 |
| Subject: | Development of a Green Travel Policy | | |
| Report Of: | Cabinet Member for Environment | | |
| Wards Affected: | All | | |
| Key Decision: | No | Budget/Policy Framework: | No |
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| Appendices: | 1. Total Costs Associated with Travel (2015/2016) | | |
| | 2. Comparison of Costs Between Existing & Proposed Travel Options | | |
| | 3. Draft Green Travel Policy | | |

FOR GENERAL RELEASE

1.0 Purpose of Report

- 1.1 To propose the introduction of a Green Travel Policy for the organisation, supported by the introduction of an integrated staff business travel portal and the procurement of a modern and environmentally efficient fleet of vehicles.

2.0 Recommendations

- 2.1 Cabinet is asked to **RESOLVE** that:

- (1) The draft Green Travel Policy (contained at Appendix 3), and the procurement of an integrated staff business travel portal and a modern and environmentally efficient fleet of vehicles be approved;
- (2) The Independent Remuneration Panel be asked to consider incorporating the Green Travel Policy into the Scheme of Members' Allowances 2017-18.
- (3) The effectiveness of the policy be reviewed after 12 months of it being in operation.

3.0 Background and Key Issues

- 3.1 The Green Travel Plan report of February 2016 informed Cabinet that due to the ageing condition of existing pool vehicles resulting in poor environmental performance and increased running costs, it was intended to undertake a staff business travel survey in order to implement a different fleet arrangement that would provide environmental and financial benefits.

- 3.2 Between April and August 2016 the Council in partnership with Enterprise Rent-A-Car Ltd, through a procurement framework agreement, undertook a survey the aim of which was to review a number of aspects of employee mobility whilst at work.
- 3.3 Those staff conducting business journeys during the 5 month period were requested to record details of their journey via an online survey. Once collated this information was then to be analysed with a view to implementing a modern, flexible and practical fleet offering that delivered environmental sustainability improvements in addition to financial savings.
- 3.4 Over the 5 month survey period, a total of 1440 business related journeys were recorded by staff covering a distance of 18,600 miles. Key findings are as followed:
- Over 50% of journeys were undertaken by staff in their own vehicles, covering a distance of almost 8000 miles;
 - Only 12% of journeys were conducted using existing pool vehicle provision;
 - Rail travel although only accounting for 3% of journeys made up 30% of all miles travelled;
 - Over 200 journeys were conducted by bicycle or on foot covering a distance of 750 miles;
 - The frontline services of Planning, Environmental Health, Neighbourhood Management and Environmental Projects undertook over 40% of all journeys recorded accounting for over 66% of all miles generated.
- 3.5 Staff participation in the survey was positive, although it is recognised having reviewed the level of business travel claims submitted via the Council's SAP system, that a level of underreporting has occurred. The subsequent impact however is that the savings figure presented at para 8.3 are likely to be exceeded due to indicative figures being calculated on a smaller number of journeys and reduced mileage.
- 3.6 The introduction of a robust travel policy, supported by an online travel booking system where staff other than by exception, are expected to travel in the most cost effective and environmentally sustainable manner identified, this would also be likely to increase the savings figure.
- 3.7 The policy would be underpinned by the Council wishing to support staff to undertake business travel in the most environmentally sustainable and cost effective manner, however where staff chose not travel in this manner and use their own vehicle then they would not be reimbursed for their journey.
- 3.8 The new policy also focusses on safety which is essential in order for the Council to discharge its duty of care responsibilities. In practice staff would be required to confirm through the online booking portal that they were fit and compliant to take control of a vehicle, and if using their own vehicle that their vehicle was safe and compliant to use for work purposes.

- 3.9 Paragraph 8.2 sets out the cost of a proposed fleet solution and this consists of 3 on-site pool vehicles for shorter journeys and the ability to hire vehicles for longer journeys. Research has suggested that companies who provide such a service would usually enter into a 'no fee' period for the first 30 days whilst the programme is implemented, to ensure that the Council receives maximum benefit and to ensure that all employees understand their obligation, feel comfortable with all modes of travel available and fully understand the benefits that will be delivered.
- 3.10 In line with the policy staff would be required to book any business journey they wished to make by motor vehicle, train, plane, bus or taxi via an online portal. In doing so and entering their journey requirements the online portal would highlight the most cost effective and environmentally sustainable way to undertake that journey and prompt them to travel in that manner. Only by exception (through Service Manager / Head of Service approval) would an employee be able to travel via a different method and this flexibility would need to be built into the policy in order to deal with situations such as emergencies etc. The portal would allow an employee to book a pool car or hire car accordingly but this would require staff to plan their business journeys and in doing so question the need for or the value of the journey in line with the travel hierarchy as laid out within the draft policy.
- 3.11 The procurement of a new fleet of pool vehicles will also provide an opportunity for the Council to green its fleet with the inclusion of an electric car(s). In doing so, it will also be our intention to increase the number of inner city electric charging points by installing two such points within our North Warehouse Car Park.
- 3.12 In order that maximum benefit can be secured from the Policy and to ensure a consistent approach across the organisation, it is recommended that its application extends to elected Members. Allowances for travel costs incurred by Members are governed by the Scheme of Members' Allowances and the Scheme states that, where Members incur travel costs in the undertaking of Approved Duties under the Scheme, they be reimbursed at the same rate as for staff, and the Scheme states the current rates. By applying the Green Travel Policy to Members it would stipulate that, as with staff, travel costs would only be reimbursed if Members travelled using the most environmentally sustainable and cost effective manner. In practical terms travel arrangements could be booked on behalf of Members by the Democratic and Electoral Services Team, or by the Corporate Support Team in the case of Cabinet Members. Any changes to the Scheme of Members; Allowances should first be considered by the Independent Remuneration Panel (IRP) who in turn may choose to make a recommendation to full Council, therefore it is recommended that the IRP be asked to consider incorporating the Policy into the Scheme for 2017/18.

4.0 Asset Based Community Development (ABCD) Considerations

- 4.1 There no identified ABCD considerations in respect of this report.

5.0 Alternative Options Considered

- 5.1 **Maintain Existing Fleet** – as mentioned previously in the report the Council's existing pool vehicles are ageing, deteriorating in condition and becoming increasingly expensive to keep on the road. In addition the existing vehicles provide no branding opportunities for the Council due to their age and condition. Maintaining the existing fleet is not considered prudent.

- 5.2 **Provide no Fleet** – there are a growing number of Councils that do not provide a fleet of vehicles for its staff to undertake business journeys. This does result however in an increase in mileage reimbursement costs and the Council having limited ability to bring about environmental improvements in how staff travel whilst at work. Furthermore it is considered that provision of a fleet of pool vehicles is a positive indication that as Council we wish to support staff in how they undertake their work acknowledging that in the last several years a number of changes have been made to travel and parking entitlements.

6.0 Reasons for Recommendations

- 6.1 Establishing a fleet of business vehicles that are environmentally credible is important given our ambassadorial position within the City and County and recognises the importance the Council attaches to green travel through its Green Travel Plan 2014 – 2018.
- 6.2 As we continue to secure value for money in everything we do as a Council it will be important that any fleet of vehicles we provide are both practical (based on need) and cost effective to deliver, run and maintain. A modern and green fleet offering has been forecasted to deliver annual savings in excess of £7000 with further possible financial opportunities from disposal of current fleet and sponsorship of new vehicles.
- 6.3 Providing a fleet of business vehicles based on business need, will support Officers in undertaking their roles more efficiently within our communities and will also present the Council with an opportunity to promote itself more visibly through branding etc.

7.0 Future Work and Conclusions

- 7.1 Subject to approval, the Green Travel Policy would be implemented during early Summer 2017. The policy will be communicated with relevant Trade Unions and staff prior to implementation. If the full Council, following a recommendation from the IRP, approves the inclusion of the Policy within the Scheme of Members' Allowances then it will apply to Members as soon as it is implemented.
- 7.2 Moving forward further consideration will be given to how the Council can further encourage its staff to travel in a more environmentally conscious manner. Emerging ideas include 'pay as you go' parking at Castlemeads Car Park to reduce the number of staff bringing their car into work each day because 'they have paid for it' or permitting those staff who car share to utilise the Ladybellgate Car Park as an incentive due to its closer location to the Docks offices.
- 7.3 Investigation will also be undertaken into the viability of introducing a small number of electric car charging points into North Warehouse or a similar location that will serve both Council vehicles but also be available to other users by arrangement. Many companies specialising in this area of work, undertake a free site survey & quotation and we would look to utilise such an opportunity in line with procurement rules subject to the report being approved.

8.0 Financial Implications

- 8.1 Appendix 1 illustrates the total cost of supporting staff business travel in 2015/2016 which was £28,000. A significant proportion of this cost is mileage reimbursement for those staff using their own private cars for business journeys.
- 8.2 Appendix 2 illustrates the total costs of supporting staff business travel in the 5 month period of April 2016 – August 2016, which was £11,200. It has previously been stated in the report however that this figure is likely to be based on an underreporting of journeys to some degree. Extrapolating this figure out over 12 months would result in the Council supporting staff business travel in 2016/2017 at a cost of £26,680.
- 8.3 Appendix 2 also illustrates the cost of an alternative fleet offering utilising 3 on-site pool cars for shorter journeys and hire car availability for longer journeys. In the same 5 month period the cost of an alternative fleet offering supported by a green travel policy is £8210, a saving of £2990. Extrapolating this figure out over 12 months indicates that moving to such a solution would as a minimum save the Council over £7000 annually in supporting staff business travel.
- 8.4 Additional financial benefits would be realised in Year 1 of such a solution as the Council would be able to dispose of its current pool vehicles either for re-sale or scrap value. Additionally it would be prudent to investigate the viability of new pool vehicle being utilised for sponsorship opportunities, similar to that of our new fleet of recycling trucks.

(Financial Services have been consulted in respect of this Report)

9.0 Legal Implications

- 9.1 The Council will comply with the Council's Contract Rules to procure the integrated staff business travel portal and the modern and environmentally efficient fleet of vehicles as set out in recommendation 2.

(One Legal have been consulted in respect of this Report)

10.0 Risk & Opportunity Management Implications

- 10.1 There are very few if any risks associated with what is being proposed as part of this report. The opportunities from procuring a new fleet of business vehicles however are many and include –
- Reduction in on-going costs associated with current ageing fleet which can be disposed of;
 - Assist with Council promoting its green credentials;
 - Helps Council minimise its environmental impact and carbon footprint;
 - Encourages staff who use their car for business journeys to leave their car at home;
 - Assists the Council in making further progress in respect of its Green Travel Plan, and
 - Provides an opportunity for the Council to promote its brand more visibly.

11.0 People Impact Assessment (PIA):

11.1 The PIA screening stage was completed and did not identify any potential or actual negative impact, therefore a full PIA was not required.

12.0 Other Corporate Implications

12.1 Sustainability

The current fleet of vehicles available to staff are nearing their end of their useful life. Provision of a new fleet supported by a travel policy and integrated journey booking system will introduce sustainability in respect of availability and range of vehicles and environmental benefits through regular replacement of vehicles and the most cost effective travel option being recommended.

12.2 Staffing & Trade Union

Subject to approval of this report the Green Travel Policy will be discussed with relevant Trade Union's and communicated to staff and Members in order to obtain their view's and assist the Council in providing a practical and cost effective fleet offering.

Background Documents: None

Appendix 1 - Costs Associated with Staff Travel Claims and Upkeep & Running of Pool Vehicles (2015/2016)

| Item | Cost (£000's) |
|------------------------------------|----------------------|
| Grey Fleet | |
| Mileage Reimbursement | 19.6 |
| Pool Vehicles (x3) | |
| MOT / Maintenance / Repairs | 1.9 |
| Licenses | 0.7 |
| Insurances | 1.8 |
| AA Cover | 0.2 |
| Pool Car Fuel | 3.4 |
| Total | 28 |

Appendix 2 – Comparison of Costs between Existing & Proposed Travel Options during Survey Period of 5 Months (Apr 16 – Aug 16)

| EXISTING | | | | PROPOSED | | | |
|--------------|--------------------------------|--------------------------------|---------------------------------|--------------------------------------|-----------------------|---|---------------------------------|
| Month | Mileage Reimbursement (£000's) | Cost of Pool Vehicles (£000's) | Total Cost of Solution (£000's) | Cost of 3 Car Club Vehicles (£000's) | Cost of Fuel (£000's) | Cost of Hire Vehicles above Baseline (£000's) | Total Cost of Solution (£000's) |
| Apr | 2.7 | .6 | 3.3 | 1.14 | .48 | .38 | 1.96 |
| May | 2 | .6 | 2.6 | 1.14 | .36 | .34 | 1.8 |
| Jun | 2.1 | .6 | 2.7 | 1.14 | .38 | .34 | 1.82 |
| Jul | 1.1 | .6 | 1.7 | 1.14 | .2 | .13 | 1.43 |
| Aug | .4 | .6 | 1 | 1.14 | .08 | .02 | 1.2 |
| Total | 8.3 | 3 | 11.3 | 5.7 | 1.5 | 1.21 | 8.21 |

Appendix 3 – Draft Green Travel Policy



Gloucester City Council is committed to encouraging greener travel by its staff and Elected Members. To do so the Council endorses the following principles for greener travel supported by the provision of an online integrated business travel portal:

- To reduce the need to travel;
- To increase awareness among staff of travel choices and their implications;
- To facilitate and promote more active modes of travel;
- To encourage staff to commute to work by walking, cycling and using public transport and reduce in particular, single occupancy car journeys;
- To encourage the use of sustainable and cost effective forms of transport on business Journeys;
- To maximise the efficiency of fleet vehicles and hire availability vehicles where these are identified as the most sustainable and cost effective form of travel
- To ensure the Travel Policy is embedded into existing corporate and departments processes reviewed on a regular basis

The travel hierarchy upon which this Travel Policy is based is provided below:

- Is there a need to travel – can a telephone call, tele-conference, video conference, email exchange or use of google maps (etc.) deliver the same outcome;
- Walking / cycling – the healthiest and cheapest forms of transport, negligible carbon emissions flexibility;
- Public transport – reduced carbon emissions particularly if travelling as a group but does come with issues or reliability and congestion.
- Pool Car & Hire Car – access to a clean, fully serviced and well maintained vehicle does prove popular and can reduce carbon emissions particularly where journeys are shared.
- Air Travel – sometimes the only viable option. High in carbon emissions and thus high in cost but sometimes may be cheaper in monetary terms for other long distance modes of travel.
- Private car – sometimes the only option due to need but better if a shared trip

Every business journey you undertake will require planning and where you are considering undertaking your journey by vehicle then that will require to be pre-planned (unless exceptional circumstances) through the Council's online business travel portal

Once you have submitted your business journey details, the portal will direct you to travel in the most sustainable and cost effective manner available and this will include, pool car and hire car. Other than by exception you will be expected to travel in the most sustainable and cost effective manner and if you choose not to do so and use your own personal car for business travel then the Council will not reimburse that journey.