

## **EMPLOYMENT MATTERS COMMITTEE**

**10 JUNE 2010**

### **REVIEW OF PAYMENT OF ESSENTIAL CAR USER ALLOWANCE**

Report from: Tricia Palmer, Assistant Director, Organisational Services

Author: Ralph Edwards, Head of HR Services (Schools)

#### **Summary**

This report details the Council's proposals to review the payment of the essential car user allowance.

#### **1. Budget and Policy Framework**

- 1.1 Car allowances lie within the Council's policy and budget framework and the Committee's terms of reference. Therefore, this is a matter for the Employment Matters Committee.

#### **2. Background**

- 2.1 The Council provides employees with car allowances and reimbursements when they are required to use their car for business use.
- 2.2 The National Conditions of Service (the Green Book, Part 3, paragraph 6.1) state: "Employees required to use their motor vehicles for the efficient performance of their duties will receive allowances for the use of their motor vehicle after being so authorized by the local authority. The local authority may determine whether the use is casual or essential and the cubic capacity of car considered appropriate."
- 2.3 As part of the budget setting process Members determined that savings be found (£200,000 a year) from a review of the payment of the essential car user allowance.

### **3. Definition of car user types**

#### **3.1 Essential users**

An essential user is an employee whose duties require them to have a car at their disposal at all times.

3.2 Currently essential car user status is determined by assessing the job description for the post against a number of criteria and also reviewing previous travel claims to assess patterns of travel. The criteria are:

- daily or near daily travel to premises other than the Council's principal offices, such as schools, private homes and business premises;
- daily or near daily travel outside Medway;
- duties that require the postholder to travel regularly to locations within Medway which are not well served by public transport;
- a frequent need to transport others, including clients and their families, to and from their homes;
- a need to work occasionally outside normal working hours, including being on call in case of emergencies;
- the occasional transport of bulky equipment.

3.3 The current criteria do not set a minimum number of annual business miles. There are currently a number of staff in receipt of essential user allowance who do not claim any mileage or do less than 1000 business miles a year.

3.4 Essential users receive an annual lump sum of £1,239 and a maximum of 50.5 pence per mile. There are currently 486 essential users employed in the council.

#### **3.5 Dedicated car users**

3.6 These are employees who are not able to plan their work in advance and where the post requires a significant number of journeys. For these people, the use of another type of transport other than a dedicated vehicle would be impractical and perhaps even seriously detrimental to the post holder's effectiveness and service delivery. In such cases, work is likely to involve two or more of the following factors:

- daily duties that are not known until the postholder arrives for work;
- duties that are wholly not site based;
- daily or near-daily duties that require the postholder to travel outside Medway at short notice;

- a daily, near daily or cyclical need to work outside normal working hours, including being on call in case of emergencies;
- daily or near daily duties that require the postholder to travel to locations within Medway that are not well served by public transport at short notice;
- a regular (weekly) need to transport clients and their families to and from their homes at short notice.

3.7 Dedicated users are entitled to access the lease car scheme, but may opt to accept essential car user lump sum and mileage rates.

3.8 Posts determined as having dedicated user status are:

- Social worker
- Care manager
- Care manager assistant
- Family worker
- Assistant family worker
- Educational Psychologist
- Education Welfare Officer
- General advisers and consultants.

Currently 277 employees receive essential car user lump sum and mileage rates. They are not included in the review.

### **3.9 Casual user**

3.10 A casual user is an employee for whom it is merely desirable that a car should be available when required.

3.11 Casual users are paid a maximum of 65 pence per mile. The mileage rate is dependent upon the cubic capacity of the car engine.

## **4. Options**

4.1 To leave the current essential car user scheme and criteria unaltered which is not cost effective, and will not achieve the required financial savings.

4.2 To introduce simplified criteria for awarding essential car user status. The criteria will be a requirement for an employee to undertake at least 1000 business miles per annum and to undertake daily or near daily travel.

## **5. Advice and Analysis**

5.1 In the last financial year (2009/10) 54 staff received the essential car user allowance, but did not make a mileage claim. The cost of the essential user allowance is £66,906 (Appendix 1).

- 5.2 143 employees claimed less than 1000 business miles in 2009/10 at a cost of £213,503 at current rates. Had those employees been designated casual users the cost would have been £46,756, providing a saving to the Council of £166,747 at current rates (Appendix 1).
- 5.3 486 employees were designated as essential users in 2009/10. Should a revised mileage and usage criteria be introduced 197 employees would lose the essential user allowance. This would mean a potential saving of £233,653 in a full year.
- 5.4 It is intended to insert a flexibility clause into all essential car user contracts, which will give the Council the right to change an employee's car user status annually dependent upon the business mileage completed in the year.
- 5.5 A right of appeal will exist. Individual appeals will be sent in writing to the Head of HR (Schools) in the first instance for determination. Should it not be possible to resolve the issue raised a meeting will be arranged with the individual and their trade union representative or workplace colleague. An Assistant Director of the relevant Directorate will chair the meeting, supported by the Head of HR (Schools) or their representative. There will be no further right of appeal.
- 5.6 Mileage is to be calculated between January and December of each year and the appropriate allowance (essential or casual) will be applied in the following April.
- 5.7 A report will be sent to Assistant Directors in December each year to alert them to which employees are unlikely to meet the mileage criteria. There will be an opportunity at this stage to notify Human Resources of any mitigating circumstances e.g. maternity leave or sick leave or starting part way through the year, which may have had an impact. Each case will be considered on its merits. A report on casual users who meet the criteria will also be sent to Assistant Directors.
- 5.8 New appointees will be put on casual user rate unless they have been appointed to a post where the previous postholder was an essential user.
- 5.9 The business mileage of part-time staff would be assessed on a pro-rata basis to full-time staff. For example an employee working 18½ hours a week (50% of full-time) would need to do 500 business miles a year and use their car on a daily or near daily basis to qualify for a full essential user allowance.
- 5.10 Pool cars are to be available for staff. The Integrated Transport team is managing the scheme. Final details of the scheme and costs are still being worked on. Clearly the costs will reduce any savings made by the review of the essential car user allowance.
- 5.11 In order to vary an individual employment contract, the agreement of the employee is required. In the absence of an agreement, a unilateral variation of contract would involve terminating the existing contract and issuing a new contract containing the new flexibility clause. There would be a right of appeal.

## **6. Consultation**

- 6.1 Consultation has taken place with the trade unions at the Corporate Consultative Committee on 23 February, 3 April and 6 July 2009. Any final comments from the trade unions made at the Corporate Consultative Committee on 9 June 2010 will be reported orally to Employment Matters on 10 June 2010. The trade unions agreed with the principles of the proposals, although they sought to link the review to the issue of car parking at Gun Wharf. This review does not link to car parking at Gun Wharf in any way.
- 6.2 All essential car users were asked to comment on the proposals on 18 June 2009 and 15 March 2010. 134 staff made 465 comments, the main themes of which are set out in Appendix 2. The frequently asked questions (Appendix 4) deals with a number of the points raised.
- 6.3 Corporate Management Team were also consulted and support the proposals.
- 6.4 A Diversity Impact Assessment (DIA) has been undertaken. The screening form is at Appendix 3.
- 6.5 Frequently asked questions were posted on Connections (Appendix 4).

## **7. Risk Management**

- 7.1 The local authority may determine at a local level the criteria for awarding an employee essential car user status. Should the essential car user allowance be withdrawn from an employee there is always a risk that the employee could refuse to use their car for work, leading to inefficiency in work performance.
- 7.2 As the process for implementation, should Members agree to revise the scheme, is one of dismissal and re-engagement there is always the risk of unfair dismissal claims.
- 7.3 Clearly there is a risk of low staff morale should the essential user allowance be withdrawn, along with the possibility of a number of appeal hearings which will impact on Human Resources and management time and workload.

## **8. Financial and Legal Implications**

- 8.1 The potential total annual savings to Medway of introducing simplified criteria for awarding essential car user status will be £233,653. Appendix 1 sets out the detailed figures. Clearly this figure is variable dependent upon actual business mileage claimed in a financial year.
- 8.2 An appropriate consultation must take place and notice to terminate the contracts of the employees concerned (12 weeks) and, at the same time, a new contract with the varied terms must be offered which will commence on the expiry of the notice period. The Council must give full contractual notice of termination or there may be potential claims for wrongful dismissal. During the notice period the old terms and conditions must be strictly adhered to, in order

to avoid claims for damages. It must be made clear to the employee that this is a new contract.

## **9. Recommendation**

9.1 That the Employment Matters Committee:

Agrees to:

- Fully consider the consultation responses received so far and if appropriate;
  - (i) Replace the current criteria for awarding essential car user status to a set business mileage criteria of 1000 per year and a requirement for an employee to use their car for daily or near daily travel and that such requirements should form part of the contractual terms of all new employees awarded essential user status.

Notes that:

- (ii) The Assistant Director, Organisational Services will undertake any further formal consultation required and dismiss and re-engage individuals where appropriate.

### **Lead Officer Contact**

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### **Background Papers**

None

**Table 1. Summary of all essential user 2009/10  
(as at 31st March 2010)**

**Appendix 1**

	Number of essential users	Mileage claimed	Mileage costs @50.5p	Lump Sum @£1239	Total Spent
Business Support	122	175,723	£88,740	£151,158	£239,898
Children & Adults (non Schools)	169	245,687	£124,072	£209,391	£333,463
Regeneration, Community & Culture	177	368,848	£186,268	£219,303	£405,571
Public Health	6	9,580	£4,838	£7,434	£12,272
Schools	12	6,594	£3,330	£14,868	£18,198
<b>Total</b>	<b>486</b>	<b>806,432</b>	<b>£407,248</b>	<b>£602,154</b>	<b>£1,009,402</b>

**Table 2. Summary of essential users with no miles claimed 2009/10**

	Number of essential users no miles	Lump Sum @£1239	Total Spent
Business Support	23	£28,497	£28,497
Children & Adults (non Schools)	16	£19,824	£19,824
Regeneration, Community & Culture	13	£16,107	£16,107
Public Health	0	£0	£0
Schools	2	£2,478	£2,478
<b>Total</b>	<b>54</b>	<b>£66,906</b>	<b>£66,906</b>

**Table3. Summary of essential users with less than 1,000 (excluding no miles claimed)**

	Number of essential users	Mileage claimed	Mileage costs @50.5p	Lump Sum @£1239	Total Spent	Mileage @ casual user rate 65.0p	Potential Saving
Business Support	42	16432	£8,298	£52,038	£60,336	£10,681	£49,655
Children & Adults (non Schools)	40	22694	£11,460	£49,560	£61,020	£14,751	£46,269
Regeneration, Community & Culture	50	26380	£13,322	£61,950	£75,272	£17,147	£58,125
Public Health	2	1423	£719	£2,478	£3,197	£925	£2,272
Schools	9	5003	£2,527	£11,151	£13,678	£3,252	£10,426
<b>Total</b>	<b>143</b>	<b>71932</b>	<b>£36,326</b>	<b>£177,177</b>	<b>£213,503</b>	<b>£46,756</b>	<b>£166,747</b>

**Table 4. Potential Total Savings**

Business Support	£28,497	£49,655	£78,152
Children & Adults (non Schools)	£19,824	£46,269	£66,093
Regeneration, Community & Culture	£16,107	£58,125	£74,232
Public Health	£0	£2,272	£2,272
Schools	£2,478	£10,426	£12,904
<b>Totals</b>	<b>£66,906</b>	<b>£166,747</b>	<b>£233,653</b>



Review of Essential Car User Allowance – Summary of Employee Consultation Emails

**Total number of emails received 2009/10 = 134**

No. received          Comment/Concern

**ENVIRONMENT**

- 21          Concern of the impact on the environment (using cars to reach criteria) is discouraging green working practices and time efficiency
- 34          Those who have been or will be actively seeking to reduce travel and work to greener practices will be penalised in terms of reaching the criteria

**NEED FOR VEHICLE**

- 52          Car essential to role
- 12          Public transport/car pool unsuitable due to type of work/logistics/disability
- 28          Is part of contract terms and conditions/job description
- 39          Not reached mileage (sometimes due to small local area) but car still essential to role
- 2          Workplace inaccessible without car

**HEALTH & SAFETY ELEMENT**

- 15          Vehicle required for personal safety/lone worker
- 26          Need to transport equipment/clients

**CRITERIA**

- 22          Not claimed mileage (due to workload/short journey)
- 44          Concerned as part timer/secondee/maternity/long term sick/term time only
- 6          Meet mileage criteria but not near daily use criteria
- 8          As roles change, concern that will be penalised if there is a period where they are desk bound/not travelling as far as usual/someone on the team gets an area further away
- 3          Clarify near daily travel

**OTHER**

- 31          Allowance considered as part payment towards costs and wear and tear
- 12          Concern as have entered into financial arrangements on the understanding that the allowance was part of salary

- (business insurance/car loans)
- 3 Not fair to review now considering the economy
- 9 Have those who have not claimed mileage been investigated to see if they actually use their vehicles as per the criteria

## **POSITIVE**

- 25 Understand/support the need for review

## **POSSIBLE IMPACT**

- 16 Would change working practices
- 16 Not prepared to use cars if not compensated
- 6 Would reconsider employment with the council
- 4 Council should be supporting workers – not good for morale
- 4 Could prove detrimental to recruitment as Medway Council would not be competitive
- 3 Disappointed, as particular post in question makes/saves a considerable amount of money for the Council already
- 7 Will cost council more in long term due to worse productivity
- 14 Concern over car park space (loss of space/increase need for spaces as more people bringing cars in)
- 3 Shouldn't be judged on previous year as roles may/have changed

## **SUGGESTIONS (in order of popularity)**

- Look at requirements of role and base on that, rather than number of miles covered
- Pro-rata for those who do not work full time
- Special dispensation should be made for fraud investigators due to unsociable hours/requirements of job (4 people requested)
- Introduce car pools
- Will expect the council to provide alternative transport if travel is required as part of job description

## **OTHER COMMENTS**

The wording of the review suggests consultation is just an exercise, needed as part of the process.

What proposals have been made for phasing out the allowance?

When the new system is introduced, please issue guidance to avoid misinterpretation. Keep allowance with no additional mileage claims.

I feel I would be subsidising the Council to work for them.

The mileage form is complicated.

Will the 1000 miles be reviewed in the future? This has remained the required amount for some years.

If you reduce the criteria, that doesn't help as we still have wear and tear to our vehicles.

Casual mileage payment is not adequate re-imbusement.

Consider those working outside Gun Wharf who need to travel there.

Remove the allowance and increase the mileage rate.

Reduce criteria – suggestion of asking if use of car is over 50% of working days.

Review special allowance available.

How does the disabled employees' being considered separately fit into the criteria and on what ground?

Why are the allowance and mileage payments taxable?

Why are payments not increased to match inflation/petrol?

Why is insurance excess not included in the lump sum?

This is a cut in services and has an immediate impact on salaries.

Monitor over a number of years and then make payment as a lump sum at the end.

Cease banding for car engine size.



<b>Directorate</b>  <b>Business Support Department</b>	<b>Name of Review</b> <b>Review of essential car user status</b>	
Officer responsible for assessment  Sandra Steel/Ralph Edwards	Date of assessment  <b>4 May 2010</b>	New or existing?  <b>Proposed changes to existing policy</b>
<b>Defining what is being assessed</b>		
<b>1. Briefly describe the purpose and objectives</b>	The main objective of the review is to change the current criteria for assessing essential car user status to include a minimum business mileage criteria and to change all those current essential users who do not meet the new criteria to casual user.  There are also some other objectives for the review, these are to: <ul style="list-style-type: none"> <li>• provide a more cost effective scheme for the Council in times of budget pressures</li> <li>• withdraw essential car user allowance to all staff who are in receipt of the essential user allowance and do not claim any mileage.</li> </ul>	
<b>2. Who is intended to benefit, and in what way?</b>	<ul style="list-style-type: none"> <li>• The Council will benefit as it will be seen to be implementing more greener measures i.e. pool cars will be available.</li> <li>• Budget holders will benefit from the savings the review will create.</li> <li>• Employees will benefit from knowing that the Council is operating a transparent and fairer system.</li> </ul>	
<b>3. What outcomes are wanted?</b>	<ul style="list-style-type: none"> <li>• The implementation of the review which will lead to the benefits as detailed above.</li> </ul>	
<b>4. What factors/forces could contribute to or detract from the outcomes?</b>	<b>Contribute</b> <ul style="list-style-type: none"> <li>• Commitment from senior managers to support the review.</li> <li>• Line managers ensuring staff are aware of the changes and why the changes are being proposed;</li> <li>• Trade Unions ensuring staff are aware of the changes and why the changes are being proposed;</li> <li>• An understanding from all staff that the review is seen to be fair and justified.</li> <li>• Effective communication to staff.</li> </ul>	<b>Detract</b> <ul style="list-style-type: none"> <li>• Failure to support the implementation of the review by all levels of management and/or trade unions.</li> <li>• Poor communication to staff;</li> <li>• The scheme not being implemented fairly and transparently;</li> <li>• Data incorrect;</li> <li>• Staff unrest and refusal to use their car for business use.</li> </ul>
<b>5. Who are the main stakeholders?</b>	Members, Managers, employees, trade unions.	
<b>6. Who implements this and who is responsible?</b>	Tricia Palmer, Assistant Director, Organisational Services	

<b>Assessing impact</b>
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<p><b>7. Are there concerns that there <u>could</u> be a differential impact due to <i>ethnicity/ racial groups</i>?</b></p>	<p><b>No</b></p>	<p>5.6% of staff affected are from minority ethnic communities compared to 94.4% from either White B, White I or White O:. However, when compared to the ethnicity breakdown of total workforce i.e. 4.52% from minority ethnic communities this would not be considered significant enough to warrant further investigation other than regular monitoring and review.</p>
<p><b>What evidence exists for this?</b></p>	<p>The review has been discussed with the trade unions and no disadvantage has been identified.</p>	
<p><b>8. Are there concerns that there <u>could</u> be a differential impact due to <i>disability</i>?</b></p>	<p><b>No</b></p>	<p>There is a slight imbalance in the number of disabled people affected, however this is not statistically significant.</p>
<p><b>What evidence exists for this?</b></p>	<p>3.2 % of the total staff group affected has declared a disability, when compared to the total workforce of 2.37%. This does indicate a slight imbalance which would not warrant further investigation at this stage but should be monitored as part of the regular monitoring and review.</p>	
<p><b>9. Are there concerns that there <u>could</u> be a differential impact due to <i>gender</i>?</b></p>	<p><b>Yes</b></p>	<p>There is a gender imbalance with 31.6 % male :68.4 % female:. However, the gender balance of the total workforce equates to 22.9% male: 77.1% female. This would not be considered significant enough to warrant further investigation other than regular monitoring and review.</p>
<p><b>What evidence exists for this?</b></p>	<p>The mileage figures for part-timers who will be affected by the review (i.e. predominantly female group) have been pro-rata'd up to equate to that of a full-time equivalent. This includes term-time only staff. This will alleviate this group of staff from being disadvantaged using the mileage criteria.</p> <p>The review has been discussed with the trade unions and no disadvantage has been identified.</p>	
<p><b>10. Are there concerns there <u>could</u> be a differential impact due to <i>sexual orientation</i>?</b></p>	<p><b>No</b></p>	<p>There are no concerns that lesbian, gay and bisexual people will be specifically disadvantaged as part of this review.</p>
<p><b>What evidence exists for this?</b></p>	<p>The review has been discussed with the trade unions and no disadvantage has been identified.</p>	
<p><b>11. Are there concerns there <u>could</u> be a have a differential impact due to <i>religion/belief</i>?</b></p>	<p><b>NO</b></p>	<p>There are no concerns that people observing particular religions or beliefs (Including none) will be specifically disadvantaged as part of this review.</p>
<p><b>What evidence exists for this?</b></p>	<p>The review has been discussed with the trade unions and no disadvantage has been identified.</p>	
<p><b>12. Are there concerns there <u>could</u> be a differential impact due to <i>age</i>?</b></p>	<p><b>NO</b></p>	<p>The age bands are representative of the workforce and the review does not impact on any particular age range.</p>

What evidence exists for this?	The review has been discussed with the trade unions and to date no disadvantage has been identified.	
13. Are there concerns that there <u>could</u> be a differential impact due to <i>being transgendered or transsexual</i> ?		There are no concerns that indicate that transsexuals or those being transgendered will be specifically disadvantaged by this review.
	NO	
What evidence exists for this?	The review has been discussed with the trade unions and no disadvantage has been identified.	
14. Are there any <i>other groups</i> that would find it difficult to access/make use of the policy, or who might experience unfavourable treatment (e.g. people with caring responsibilities or dependants, those with an offending past, or people living in rural areas)?		As the review is focusing on business mileage there should be no other employees from other groups adversely affected by the review.
	No	
What evidence exists for this?	The review has been discussed with the trade unions and to date no disadvantage has been identified.	
15. Are there concerns there <u>could</u> be a differential impact due to <i>multiple discriminations</i> (e.g. disability <u>and</u> age)?	YES	There is potentially an impact on females who declare a disability as this group is proportionally higher than males with disabilities. Measures will be put in place to ensure all those declaring a disability will be treated individually so they will not be disadvantaged as a result of this review.

Conclusions & recommendation		
16. Could the differential impacts identified in questions 7-15 amount to there being the potential for adverse impact?	YES	There is potential for adverse impact on two main groups, i.e. part-time female staff and those who declare a disability. In both cases measures have or will be put in place to ensure these groups are not unfairly disadvantaged and where appropriate, as in cases of disability, reasonable adjustments will be made to ensure disabled staff are not disadvantaged as a result of the review.
17. Can the adverse impact be justified on the grounds of promoting equality of opportunity for one group? Or another reason?		Not applicable

Recommendation to proceed to a full impact assessment?		
NO, BUT ...	What is required to ensure this complies with the requirements of the legislation?	Ensure part-time staff are awarded the same allowance as full-timers (per Green Book) and their 2009/10 mileage is pro-rata'd up to the equivalent of a full-timer.

<b>Action plan to make minor modifications</b>		
<b>Outcome</b>	<b>Actions (with date of completion)</b>	<b>Officer responsible</b>
Staff involved in reviewing the policy		

<b>Planning ahead: Reminders for the next review</b>		
<b>Date of next review</b>		
<b>Areas to check at next review (eg new census information, new legislation due)</b>		
<b>Is there <i>another group</i> (eg new communities) that is relevant and ought to be considered next time?</b>	Check that the policy continues to be accessible and fairly applied to existing and potential members of the Council's workforce, including any additional demographic groups.	
<b>Signed (completing officer/service manager)</b>	<b>Date</b>	
<b>Signed (service manager/Assistant Director)</b>	<b>Date</b>	



## ESSENTIAL CAR USER ALLOWANCE REVIEW

### FREQUENTLY ASKED QUESTIONS

1. Question:  
Why is the Council reviewing the payment of essential car user allowance?

Answer:

In keeping with other local authorities budget pressures have led to a review. Although cost is an important factor, there are other reasons, namely:

- Essential car user status is currently determined on a subjective basis, and not linked to business mileage.
- There are currently a number of staff in receipt of the essential car user allowance who do not claim any mileage or do less than 1,000 business miles a year.

2. Question:  
If I lose my essential car user allowance can I refuse to use my car on Council business?

Answer:

All posts, which previously carried Essential Car User Allowance, will in future be designated as casual car users. On that basis the expectation is that employees will ideally have access to transport for the efficient undertaking of duties but would not be required to have a vehicle available at all times. However where travel is a regular requirement of the job employees will have to make sure that transport is available for the majority of the time.

3. Question:  
Ending the essential car user status for some staff may have recruitment implications if other authorities continue to have it for their employees?

Answer:

Local authorities have reviewed the criteria for the payment of the essential car user allowance (such as Kent Country Council), or have a similar requirement in terms of the number of business miles to be undertaken in a year to be eligible for the essential user allowance (such as Bexley Council). Sevenoaks District Council and Canterbury City Council require essential car users to do at least 2500 business miles per annum.

4. Question:  
I am an essential user now – will I be able to get a car loan if I lose the essential car user allowance?

Answer:

No. Only employees who are designated, as essential or dedicated users who have not taken up the leased car option are eligible for the assisted car purchase scheme.

5. Question:  
Will there be a car pool?

Answer:

Yes. The Council intends to enter into an arrangement for the contract hire of Peugeot cars (initially 3 vehicles). The pool cars will be managed by the Integrated Transport Team.

6. Question:  
When will the essential car user allowance be withdrawn?

Answer:

If members approve the change, affected staff will be given 12 weeks contractual notice to cease payments of the essential car user allowance.

7. Question:  
Will I have the right to appeal?

Answer:

Yes. An appeal process is to be consulted upon with the trades unions.

8. Question:  
If you remove my essential car user allowance will there be a period of protection for that allowance?

Answer:

It is recognised that removing an individual's essential car user allowance will be a concern to them, but there are some sound reasons for doing this.

Firstly we want to recompense staff fairly for business mileage, and secondly, we want to ensure that we are doing this in a consistent way for all staff. In future, you will be able to claim any business mileage at casual car user rates. These rates give fair recompense of costs as they are above the HMRC recommended rate (40p per mile for the first 10,000 miles annually), which take account of fuel depreciation business insurance, servicing, tyres and tax when an individual uses their own car for business.

9. Question:  
If I am an essential car user and subsequently lose my essential car user status will I lose my car parking space?

Answer:

No. The review of essential car user allowances is not linked to car parking in any way whatsoever.

10. Question:  
I thought that the essential car user allowance was a nationally agreed condition of service that cannot be removed?

Answer:

National conditions of service which the Council adheres to state that employees required to use their motor vehicles for the efficient performance of their duties will receive allowances for the use of their motor vehicles on business only after being so authorised by the local authority. The local authority may determine whether the use is casual or essential and the cubic capacity of car considered appropriate.

11. Question:  
I have been on maternity leave/long term sickness during the past 12 months and therefore could not achieve the 1,000 business miles required – will I be penalised?

Answer:

No. Under such circumstances the past mileage total for the previous year would be taken into account, as well as discussion with your Assistant Director, to confirm your eligibility to receive the essential car user allowance.

12. Question:  
I only work part-time. I will not be able to achieve the 1,000 business miles. Am I being discriminated against?

Answer:

No. The business mileage of part-time staff would be assessed on a pro-rata basis to full-time staff. For example an employee working 18½ hours a week (50% of full-time) would need to do 500 business miles a year and use their car on a daily or near daily basis to qualify for a full essential user allowance.

13. Question:  
What happens if I lose my essential car user allowance status, but meet the criteria in the future?

Answer:

The intention is that all essential car users will be issued with a revised contract of employment containing a flexibility clause. The flexibility clause would enable you to revert to essential car user status should you meet the criteria for the following financial year.