

# **CONSULTATION DOCUMENT**

## **Proposed Changes to the removal of car mileage allowance**

**Date: Wednesday – 8<sup>th</sup> May 2019**

### **Circulation:**

All staff

Corporate Consultative Forum Members

Schools based staff via The Link

Trade Union Representatives:

Tony Rawlings – UNISON Staff Side Officer

Ish Akhtar - UNISON Staff Side Officer

Bob Middleton, Unite Regional Officer

Asia Allison – GMB Regional Officer

Ade Horton – GMB Staff Side Officer

Ruth Serwotka NUT Regional Officer [Ruth.Serwotka@neu.org.uk](mailto:Ruth.Serwotka@neu.org.uk)

For information only:

Members, ARVATO, Slough Children's Trust, Headteachers via The Link

**PLEASE TAKE THE TIME TO READ THIS DOCUMENT AS IT MAY CONTAIN PROPOSALS WHICH WILL AFFECT YOU IN RESPECT OF YOUR ENTITLEMENT TO CAR MILEAGE ALLOWANCE.**

### **1. Introduction**

This document details the proposals to remove the £1,000 mileage allowance payable to staff upon completion of 1000 business miles in a tax year through a transitional arrangement as outlined in section 5.

### **2. Affected Staff**

The proposals affect all directly employed staff within the Council and who work at Council buildings or hubs (including schools) who are in receipt of a £1000 lump sum in respect of mileage for business use in excess of 1000 miles. This affects all staff on the following national terms and conditions:-

JNC for Chief Executives

JNC for Chief Officers

Soulbury terms and conditions

Teaching terms and conditions

NJC for Local Government Services (Green Book)

Slough school-based support staff, where the Local Authority is the employer i.e. community and voluntary controlled schools, are also affected by these proposals.

All employees will be notified electronically (email) of the release of the document and a copy of the document will be attached to the email. The document will also be available to read or

download in printed form from SBC Insite. For staff without access to the IT system printed copies will be made available.

Staff are encouraged to make any comments with alternative suggestions on the proposals by no later than Monday 24<sup>th</sup> June 2019 at 4 pm to the [mileage-consultation@slough.gov.uk](mailto:mileage-consultation@slough.gov.uk) email address.

Staff information sessions to go through these proposals will be held on Wednesday 8<sup>th</sup> May 2019. Also this briefing will be covering the consultation in relation to the proposed introduction of the car parking charges. The briefing sessions will be led by Neil Wilcox, Director of Finance and Resources and Joe Carter, Director of Regeneration as detailed below.

<b>Dates</b>	<b>Venue</b>	<b>Time</b>
8 <sup>th</sup> May 2019	Venus Room 2 and 3	10.00 a.m.
8 <sup>th</sup> May 2019	Venus Room 2 and 3	11.30 a.m.
8 <sup>th</sup> May 2019	Venus Room 2 and 3	2.00 p.m.
8 <sup>th</sup> May 2019	Venus Room 2 and 3	3.30 p.m.

### **3. Background – The Need for Change**

As the Council's budgets reduce and demand for services increases, it is important we ensure our limited financial resources are available to meet the needs of the Council in the future.

To be responsive we need to be agile and cost effective. This includes the benefits and terms and conditions on which we employ staff, striking a balance between a competitive employment offer and value for money for local taxpayers.

In the current financial climate the Council has to look at ways to achieve savings and has made every effort to reduce workforce costs without reducing staff. This has been through various routes such as service transformation, partnering arrangements and accommodation changes. The council continues to embrace smart working and encourage, where possible, staff to work remotely or from home.

The need to find further savings over forthcoming years has led to a further review of costs associated with the workforce, hence this proposal.

#### **3.1 Mileage Allowance**

The costs associated with mileage claims have been assessed and it has been identified that the £1,000 lump sum allowance paid to staff on reaching 1,000 business miles in a tax year is significant.

Further, these payments can be seen as a reward or incentive for achieving a high level of business miles and goes against the Council's policy on reducing carbon emissions.

Highlighted below is the number of staff that triggered the £1000 mileage allowance in the last two financial years:

- |   |
|---|
| <ul style="list-style-type: none"><li>• 2017/18 131 members of staff triggered the £1000 mileage allowance resulting in £131,000 being paid</li><li>• 2018/19 166 members of staff triggered the £1000 mileage allowance resulting in £166,000.</li></ul> |
|---|

The withdrawal of the payment of £1,000 could mean a saving equivalent to 6 f.t.e posts paid at the top of salary level 5, based upon the above figure.

Whilst this payment has been seen as compensation for the car's wear-and-tear, this is already factored into the HMRC recommended mileage rates of 45p per mile for all business mileage undertaken. The Council currently pays and will continue to pay this recommended mileage rate for any business miles undertaken.

#### **4. Purpose of Consultation**

The mileage allowance is a contractual term which is stipulated in contracts of employment. However, the payment of the mileage allowance is subject to review, variation and discontinuance at the Council's discretion and/or in light of operational needs.

In the spirit of staff engagement and in line with the values and behaviours the Council has adopted the Council wish to engage in a consultation exercise with staff and the launch of this document is the start of this consultation process.

The purpose of this consultation is:

- to listen to your comments and suggestions
- to consider alternatives that meet the identified objectives
- to understand where there may be negative impact for staff that has not previously been considered and find ways of reducing that impact to a minimum

It will not be possible to reply to every individual response, however, all will be considered and generic responses provided.

#### **5. Proposals**

The details of the proposals are outlined below:

- 5.1 Remove the £1,000 mileage allowance payable to staff upon completion of 1,000 business miles in a tax year with effect from 1<sup>st</sup> October 2019

To minimise any hardship to staff, it is proposed to:

- give 12 weeks notice as of 1<sup>st</sup> July 2019 (subject to the outcome of the consultation) to allow staff time to plan and make the necessary adjustments to financial commitments where necessary;  
and to offer
- a transitional arrangement whereby staff that reach 1,000 business miles by 30<sup>th</sup> September 2019 will be eligible to receive a £500 mileage allowance. After this date, no further payments will be made.

Further, in order to mitigate against the removal of this allowance the Council will be continuing their offer of a Car Salary Sacrifice Scheme which will be available to staff (subject to certain qualifying criteria). Under this scheme employees will be able to access a brand new, fully insured and maintained car and benefit from tax and national insurance savings through sacrificing a portion of their gross salary. Staff will also be able to access pool cars and bikes to assist with their travel in relation to work.

## **6. Counter proposals**

Any counter-proposals or comments around the proposals from individuals or groups of affected staff and the trade unions should be put in writing to a specified email address:- [mileage-consultation@slough.gov.uk](mailto:mileage-consultation@slough.gov.uk).

Counter-proposals should aim to meet the objectives of helping to achieve budget savings.

Subject to the results of the consultation and the consideration of counter-proposals, it is intended to implement these proposals starting from 1<sup>st</sup> October 2019.

## **7. Consultation and opportunities to influence the proposal**

These proposals will be subject to a minimum 45 (calendar) day consultation period with all staff and their accredited Trade Union Representatives. The consultation period commences on the 8<sup>th</sup> May 2019 and will conclude on 24<sup>th</sup> June 2019

## **8. Communication with staff**

All staff will be notified electronically (via email) of the release of this document and a copy of the document will be attached to the email. The document will also be available to read or download in printed form from SBC Insite. For staff without access to the IT system printed copies will be made available.

Should staff have individual questions or wish to discuss personal situations, 1-2-1 surgeries can be arranged throughout the duration of the consultation period at mutually convenient times. For Individual 1:1 Surgeries please contact [mileage-consultation@slough.gov.uk](mailto:mileage-consultation@slough.gov.uk).

Staff will be invited to submit responses to the consultation and although it will not be possible to reply to every individual response, all will be considered and generic responses provided. Where appropriate 'Frequently Answered Questions (FAQs)'s will be added to SBC Insite.

## 9. Proposed Implementation Timetable

The proposed timetable is outlined below:

<b>Dates</b>	<b>Action</b>		
May 2019	Trade Union Briefing		
8 <sup>th</sup> May 2019	Commencement consultation. Proposals issued to affected staff and Trade Union and circulated as per circulation list.		
May and June	<b>Staff Briefings</b>		
	8 <sup>th</sup> May 2019	Venus Room 2 and 3	10.00 a.m.
	8 <sup>th</sup> May 2019	Venus Room 2 and 3	11.30 a.m.
	8 <sup>th</sup> May 2019	Venus Room 2 and 3	2.00 p.m.
	8 <sup>th</sup> May 2019	Venus Room 2 and 3	3.30 p.m.
	<b>Further briefings will be arranged throughout the consultation period and will be notified via all user emails</b>		
Throughout consultation period	121 Surgeries – Should staff have individual questions or wish to discuss personal situations, 121 surgeries can be arranged throughout the duration of the consultation period at mutually convenient times.  Any individual wanting a personal 121, should contact:- <a href="mailto:mileage-consultation@slough.gov.uk">mileage-consultation@slough.gov.uk</a>  Responses to consultation should be sent to the following email address :- <a href="mailto:mileage-consultation@slough.gov.uk">mileage-consultation@slough.gov.uk</a>		
Monday 24 <sup>th</sup> June 2019	End of formal consultation period and any formal responses to be sent to the following email address by 4pm:- <a href="mailto:mileage-consultation@slough.gov.uk">mileage-consultation@slough.gov.uk</a>		
Week commencing 24 <sup>th</sup> June 2019	Consultation responses considered to remove £1000 car mileage allowance lump sum with effect from 1 <sup>st</sup> October 2019		
Week commencing 1 <sup>st</sup> July 2019	Consultation response issued.		
Week commencing 1st July 2019	Subject to consultation ...12 weeks notice given to remove the £1000 mileage allowance with effect from 1 <sup>st</sup> October 2019		
1 <sup>st</sup> October 2019	£1000 car mileage allowance ceases.		
October 2019	Any staff who reach 1000 miles during 1 <sup>st</sup> April to 31 <sup>st</sup> September 2019 will receive £500, which will be paid in October payroll run.		

## 10. Concluding Remarks

These proposals will assist the Council in making the required savings, minimising the need to further reduce the workforce and striking a balance between a competitive employment offer and value for money for local taxpayers.

A handwritten signature in black ink, appearing to read 'Neil Wilcox', with a horizontal line underneath the name.

Neil Wilcox  
Director of Finance and Resources