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13 June 2008

TO: ALL MEMBERS OF THE PERSONNEL COMMITTEE

Dear Member

PERSONNEL COMMITTEE

Your attendance is requested at a meeting of the Personnel Committee to be held on **Monday, 23 June 2008 at 2.00 pm** in the Council Chamber to consider the following matters.

Yours sincerely



**Elizabeth Goodall
Chief Executive**

A G E N D A

1. APOLOGIES

2. DECLARATIONS OF INTEREST

Councillors are reminded of their obligations under the Code of Conduct to declare any personal and prejudicial interests.

3. MINUTES

To confirm the minutes of the meeting of the Committee held on 28 April 2008 (previously circulated) as a correct record.

4. DRAFT TRAVEL AND SUBSISTENCE POLICY

The General Manager (Development and Resources) will update Members on the preparation of a Travel and Subsistence Policy. Members are asked to note the progress made to date and provide comments on the draft Policy to enable it to be completed.

Members of the Personnel Committee

Cllr Peter Webb (Chairman)
Cllr John Tanner (Vice Chairman)
Cllr Barrie Cooper
Cllr Su Hunt
Cllr Richard Moyle
Cllr Mike Oliver
Cllr Chris Tomlinson

NORTH DORSET DISTRICT COUNCIL

PERSONNEL

23 June 2008

REPORT TITLE: Draft Travel & Subsistence Policy

Portfolio Holder: Cllr Peter Webb

Report Author: General Manager (Development & Resources)

Purpose of Report:	To update Members on the preparation of a Travel & Subsistence Policy To note the progress made to date and provide comments to enable the Policy to be completed. A revised Policy will be presented to Personnel Committee for approval.
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Statutory Authority: S.111 and S.112 Local Government Act 1972

Financial Implications: Additional cost associated with the 3 year transitional arrangements at £15k pa and cost savings at £55k pa thereafter. Break even in year 4.

Consultations required/undertaken: UNISON, UNITE, staff, SMT, Toolbox working group, employment law adviser

Recommendations: That Members note the draft Travel & Subsistence Policy provide comments and to select a preferred option.

BACKGROUND AND REASON DECISION NEEDED

1. The Council's Collective Agreement with the unions includes a review of the "tools" necessary for work: the Toolbox. The review is supplementary to the job assessment and pay grading which was completed and implemented on 31 March 2007: Job Evaluation.
2. The Council has an existing Leased Car Scheme (undated) – attached at Appendix A. The Policy has not been applied since at the latest 2003, when, in particular, new staff joining the Council have not been provided with lease cars or classified as Casual or Essential drivers, including those staff within a group of officers that perform the same jobs, but have lease cars provided. The Eligibility criteria is not well defined.
3. The Toolbox includes two principal areas: Travel & Subsistence and Working Hours. Revised Policies have been prepared for both following a review

during 2005 by a working group of officers with consultation late 2006 (staff and unions). The consultation comments and management response have been prepared and distributed to staff and unions.

4. The Council intranet has been used to disseminate information to staff and includes the draft Policies, question and answer forum, consultation comments, management response and project programme.
5. The Council now needs to complete both Policy documents. The draft Working Hours Policy will be presented to Members in the next 3 months; the Travel & Subsistence Policy is nearing completion and is provided to Members under cover of this report (Appendix B) for comment.
6. The Council's draft Policies provide local conditions underneath the National Agreement on Pay and Conditions of Service (Green book), which the Council, as far as is reasonable practicable, adheres to.

Basis of Revised Travel & Subsistence Policy

7. The main basis of the revised policy is:
 - a. To provide equity between posts through the classification and application of travel for work;
 - b. To provide a scheme that promotes equity and is affordable for the Council;
 - c. Ensuring that the policy promotes sustainable travel (sustainability appraisal);
 - d. Ensuring that the Council's and employees' health and safety responsibilities are reinforced and managed.
 - e. The definition of criteria for classification of posts required to travel by car for work: casual or essential (as defined by the National Joint Council);
 - f. Classification of all posts in to either essential or, by exception (recognising that some post will not require the member of staff to travel), casual drivers;
 - g. Providing an option for posts classified as essential drivers for staff to opt to use pool vehicles (as casual drivers);
 - h. The Council would retain pool cars for use by casual classified drivers;
 - i. Reimbursing travel in accordance with the National Joint Council rates, which are annually negotiated nationally between employer and unions;
 - j. The phasing out of the existing lease car scheme through implementation of the policy;
 - k. The introduction of a 3 year transitional period for all staff currently provided with lease cars (akin to the Job Evaluation pay protection period);
 - l. The option for essential drivers to request provision of a lease car (on terms at similar cost to the Council as the essential driver allowances);
 - m. Providing monitoring arrangements;

Consultation

8. The unions were consulted on the draft Policy during late 2006 together with staff, including all lease car drivers. Since then the policy has been revised following the consultation comments and again issued to the unions for comments. Comments have been received from UNISON at a recent (29 April 2008) Job Evaluation steering group meeting and also through a letter from UNISON (extract of minute/copy of letter attached at Appendix C). UNITE has indicated that it is unlikely to provide comment on the Travel & Subsistence policy since the policy does not affect its members.
9. The aim is to reach agreement with the unions (UNISON in particular) and, if achieved, that would satisfy the Collective Agreement for job evaluation.
10. The UNISON comments received at the steering group meeting have been incorporated in to the revised draft Policy.
11. The letter from UNISON (19 May 2008) refers to advice received by Dorset County Council when it considered reviewing its travel policy in particular with respect to equal pay claims: based on inequality between male and female staff provided with vehicles for work.
12. The District Council has taken legal advice from its retained employment law specialist who has confirmed that there is a low risk of the District Council receiving an equal pay claim (ie different terms and conditions/pay for male and female workers) based on its current application of the existing Leased Car Scheme. Nevertheless, the application of the existing scheme provides inequality between staff performing the same job but being provided with different "tools" (cars) to do the job, which could lead to claims of inequality and/or grievance. This draft policy promotes equality.
13. It is unfortunate that UNISON has provided unsubstantial comments but also not agreed to the draft policy. This will form the basis of further discussions with the unions.
14. Ideally the Council should reach agreement with the unions through the Collective Agreement before implementing revisions to terms and conditions of contract, in order to enable implementation of the Policy through revisions to terms and conditions without the need to agree individually with each member of staff. UNISON has indicated that it does not intend to ballot its members on the revised Policy, as the unions did before the implementation of Job Evaluation. Furthermore, Collective Agreement with the unions on this draft Policy has not been achieved to date and therefore there is a risk, without a Collective Agreement, that the Council may not be able to implement changes to terms and conditions of contract.
15. Alternatively, the Council could seek to reach agreement with staff individually, rather than collectively. However, since the staff with which the Council would need to reach agreement include all lease car drivers and the policy proposes a detriment to their terms and conditions of employment, it is unlikely that those staff would agree (indeed the consultation reinforces this point).

16. The Council has benchmarked travel policies with other Councils through South West Provincial Employers which has indicated that the majority of authorities no longer provide lease car schemes and some have phased out such schemes. Alternatively, Councils have stopped lease car schemes without transitional or phase out arrangements, other than for example to provide protection for provision of current lease car provision during the period of employment contract; this option does not appear to promote equality or match the provisions for equality through Job Evaluation.

COSTS

17. The existing cost of the current travel arrangements including provision of lease cars, pool cars and casual mileage is assessed at £230k pa.
18. The financial break even point for the Council is 8,000 miles pa comparing the provision of essential user classification rates with casual user rates. However, there are only two officers that undertake more than 8,000 miles pa, with Building Control and Development Control officers amongst the highest mileage drivers at typically 4,000 to 6,000 miles pa.
19. However, the majority of posts that require travel by car drive in excess of 2,000 miles pa and therefore the proposed definition of essential driver classification is a post required to travel in excess of 2,000 miles pa.
20. Clearly a different definition of classification affects the number of posts classified as either essential or casual drivers and, in turn, the cost implications.
21. The cost of the existing lease cars is approximately 90k pa plus £60k pa fuel claim costs and £60k pool car fuel costs.
22. During the proposed 3 year transitional period the policy will increase costs by approximately £15k pa. Once the transitional period has ended the cost will decrease by approximately £55,000 pa.
23. The number of posts that may attract the Essential classification based on greater than 2,000 miles pa has been assessed and an evaluation made of the cost impact of introducing the proposed draft Policy over 5 years: see table below.

TABLE 1
Evaluation of 5 year cumulative cost profile (£'k)

	Year 1	Year 2	Year 3	Year 4	Year 5
Transitional Costs	15	15	15	0	0
Policy savings	0	0	0	55	55
Cumulative cost difference	15	30	45	-10	-65

24. The cost estimates above are based on similar posts being classified the same (eg all Development Control officers are classified the same).
25. The financial break even point is in year 4 (and then ongoing) with initial cost increases through to year 3. The projections need to be built in to the Council's medium term financial plan.
26. It is demonstrated that this review is not focused on achieving cost savings for the Council in the short term but principally on providing equity between posts.
27. The cost estimate of applying the existing policy equitably without a transitional period is an additional £53k pa, which would have a significant impact on the Council's medium term financial plan and savings target.

OPTIONS

28. Options include:
 - a. Do nothing
 - b. Implement the draft revised policy (without Collective Agreement or individual Agreement)
 - c. Implement the draft revised policy (without Collective Agreement but with individual Agreement)
 - d. Implement the draft revised policy (with Collective Agreement)
 - e. Revise the proposed Policy
29. Option d is the preferred option but requires reaching agreement with the unions.

DIVERSITY AND CUSTOMER FOCUS

30. The proposed policy is intended to provide "tools" (a means of business travel) equitably for those posts that are locally designated as required to provide a vehicle.
31. It is important that the policy is clear and unambiguous and can be applied without equal pay challenge.

HUMAN RIGHTS IMPLICATIONS

32. There are no direct obvious human rights implications. Nevertheless, providing vehicles that are suitable for disabled drivers will be necessary; this is likely to be provided through adaptation of vehicles.

RISK MANAGEMENT

33. Do nothing
There remains inequality between some post provided with travel arrangements different to other similar/same jobs, with a risk of inequality claims and grievances.

34. Implement the draft revised policy (without Collective Agreement or individual Agreement)
There is a risk of claims that changes to terms and conditions of contract could not be implemented and would be successful if challenged.
35. Implement the draft revised policy (without Collective Agreement but with individual Agreement)
This option would enable the implementation of the policy but there is low risk of reaching agreement individually particularly for those post holders with detrimental terms and conditions.
36. Implement the draft revised policy (with Collective Agreement) – Preferred Option
This is low risk since it satisfies the Collective Agreement; further negotiation and agreement is needed with UNISON to achieve this.
37. Revise the proposed Policy
The proposed policy (attached) is considered the correct balance between promoting equity and affordability for the Council in the medium term.
Therefore, revising the proposed policy may result in compromise of equity and affordability.

RECOMMENDATION AND REASON

38. That Members note the draft Travel & Subsistence Policy provide comments and to select a preferred option.

Author: Stephen Hill
Date: 9 June 2008

Background papers:
Draft Travel and Subsistence Policy
Leased Car Scheme (undated)

DRAFT: June 2008

ISSUED: PERSONNEL COMMITTEE

TRAVEL AND SUBSISTENCE POLICY

The purpose of this policy is to ensure that:

- the Council's travel arrangements are managed cost effectively, efficiently and equitably;
- business travel is managed to reduce CO₂ emissions to a minimum;
- staff who require a car to carry out Council business are recompensed fairly, consistently and equitably;
- all car use complies with Health & Safety responsibilities;
- the Council can retain and recruit staff;
- the Council demonstrates its commitment to travel sustainability;
- there is clarity for expenses that may be claimed whilst on Council business; and
- managers have guidance when dealing with offers of employment to new staff

1.0 Introduction

- 1.1 The Council encourages reducing the need for travel, healthy alternatives to motorised transport for short journeys, use of "clean green" fuels, reduction of CO₂ emissions and car sharing.
- 1.2 The Council's travel arrangements will be in accordance with the National Agreement on Pay and Conditions of Service (Green Book). Posts will be classified as either Essential drivers or, if not Essential drivers, as Casual car drivers. The classification of each post will be determined by Senior Management Team (SMT) assessed against a consistent set of criteria. An Appeal process to SMT will be available should staff consider that the classification of their post is incorrect.
- 1.3 In respect of all new posts the travel provisions will be applied on a consistent and rigorous basis with each case being examined individually.
- 1.4 In accordance with the National Agreement, it is for the District Council to decide those officers who require the use of a motor vehicle for the efficient performance of their duties, and to determine whether those duties are of such a nature that it is essential for them to have a motor car at their disposal whenever required.
- 1.5 When SMT decides that a post warrants classification as an Essential User, that decision must be submitted to Personnel, also Payroll and the relevant Team Leader.
- 1.6 The classification of users should be specific to the post and not the person and may therefore change if an individual's post within the Council changes.

- 1.7 The following measures will be introduced to protect health and safety. Drivers will be asked annually to provide copies of driving licences, insurance certificates/schedules and MoT certificates to be kept on file by the Council. A risk assessment will be completed with each driver annually and drivers must inform the Council when penalty points are added/removed from their licence. Drivers are responsible for safety of themselves and passengers; the Council will require checking of pool cars and assist with safety checks on private cars.
- 1.8 A separate policy will be prepared for health and safety whilst undertaking Council business travel.
- 1.9 Appendix 4 describes the process for claiming expenses for travel and subsistence.
- 1.10 This policy may be revised at any time and is planned to be reviewed in September 2010.

2.0 Sustainability Appraisal

- 2.1 The Council is committed to reducing its corporate CO₂ emissions including those arising from travel. Action is planned to achieve the Council's corporate target (the National Indicator) through a working group that will report to and be monitored in accordance with the Council's performance management framework.
- 2.2 The Council supports and operates a Car Sharing Scheme through carsharedorset.com, enabling staff to register and start to reduce pollution, travel costs and congestion.
- 2.3 The Council will consider modifications to dual fuel, LPG or "clean green" fuels for pool cars or leased cars and already has vehicles using LPG.
- 2.4 Most business journeys are long and therefore there is limited scope for walking or cycling. However, communicating by walking and cycling is a possibility which the Council encourages including through the provision of pool cars for business travel whilst at work and providing cycle racks and showers.
- 2.5 The Council's pool cars achieve the minimum environmental factors highlighted in this policy (see Appendix 2, 5 Environmental Factors).
- 2.6 The Council is committed to ensuring that transport for Council business is sustainable. A Travel Plan will be prepared by December 2009, which through consultation with staff will establish the existing baseline of sustainable transport and an action plan for improvement.

3.0 Pool Cars

- 3.1 The Council will retain a limited number of pool cars for use by Casual car drivers and for travel associated with those services that have a dedicated pool car provided. The Council will consider modification to pool cars for disabled drivers.
- 3.2 Those staff designated as Casual drivers are expected to use Pool cars when travelling on Council business. However, if after checking availability, a pool car is not available, staff may use their own vehicle and be reimbursed at the NJC rate for casual drivers. Monitoring of Casual drivers will be reinforced to establish patterns of high use,
- 3.3 Enforcement staff (or other undertaking at risk site visits) may use a Pool car (subject to availability) when making such visits. In addition, casual drivers will be permitted to use their cars if the journey / time makes the use of own car more cost effective.

4.0 Casual

- 4.1 All posts that are not classified as Essential drivers will be classified as Casual car users and are expected to use Pool cars for business travel.
- 4.2 Casual drivers will be reimbursed in line with NJC mileage rates.

5.0 Essential

- 5.1 The criteria for continuing Essential User status is:

'an officer whose normal work for North Dorset District Council requires them to have a vehicle available for their primary use at all times whilst at work to enable them to carry out their duties. Typically there will be a requirement for either the vehicle to be used on the majority of working days, to undertake a significant number of business miles per annum (i.e. in excess of 2,000 miles per annum), use of vehicles during evenings or for emergency use.

Staff who need a vehicle for regular evening and weekend out of hours work will be classified as Essential Users.

- 5.2 Essential drivers will be reimbursed in line with the NJC rates annual lump sum and mileage rates.
- 5.3 Drivers that are classified as Essential users, and therefore reimbursed in accordance with the NJC rates, are required to provide a vehicle for business mileage.
- 5.4 However, if Essential drivers do not want to or cannot provide a car for work there is an option to use a Pool car (subject to availability) without receiving the Essential user allowance. Furthermore, disabled drivers requiring use of a modified car may use their own modified vehicle.
- 5.5 Appendix 3 describes the Assisted Car Purchase Scheme that is available for drivers designated as Essential users.
- 5.6 Essential users are able to accept an option to receive a lease car provided by the Council. The option attracts a benchmark figure the same as the NJC annual lump sum for Essential users and with business mileage paid, initially set at 10p per mile (to match the Dorset County Council rate applicable at any time).

6.0 Other Matters

- 6.1 Appendix 1 describes the transitional arrangements for existing lease car drivers.
- 6.2 Drivers of pool cars and Essential drivers and those accepting the lease car option may be asked to provide their drivers licence. In addition, Casual and Essential drivers may be asked to provide a copy of their MOT and insurance certificates.
- 6.3 Lease car holders who decide to relinquish their lease car at the end of a lease period should have their travel status reviewed by their line managers. Provided that the employee continues to meet the criteria for Essential User status at the point when the lease contract ends, Essential User status will be reinstated.
- 6.4 Lease car option drivers are required to have their cars available at all times for business travel (other than when they are absent on leave or off sick).

6.5 The lease car option requires staff to enter into a contract with the Council's chosen supplier (currently ING) for 4 years.

6.6 New appointments and access to the lease car scheme

If an employee is appointed to a post that carries the Essential user classification, and therefore the lease car option (see above), transfer of an existing lease car from another employer may be allowed, subject to agreement by the General Manager. Where this occurs, the lease car contract will be for the duration of the existing lease arrangement only.

The scheme for the lease car option for Essential drivers is described in Appendix 2.

DRAFT

TRAVEL POLICY

APPENDIX 1

Transitional Lease Car/Essential User Arrangements

1. Staff that currently have a lease car provided by the Council will be subject to transitional arrangements to enable implementation of this policy.
2. Lease car drivers would be compensated for the change in terms of conditions of employment.
3. The method for bringing the current lease arrangements to an end and varying the Council's contribution will be as follows:
 - a) those staff with a lease car would be given the option to opt out of the lease car scheme and, if classified as an Essential or Casual user, move to that designation:
 - In the case of moving to Essential user classification to receive buy out at £2,600 pa for 3 years from the date of implementation of this policy.
 - In the case of moving to Casual user classification to receive buy out at £3,600 pa for 3 years from the date of implementation of this policy.
 - b) Those staff with a lease car where the lease term expires after implementation of this policy, (and who do not opt out of the existing lease scheme) may retain their lease car at the current benchmark value and then, at the end of the lease revert to either Casual or Essential designation with the following compensation being applied for the remainder of the 3 year protection.
 - In the case of moving to essential users to receive buy out at £2,600 pa for the remainder of 3 years from the date of implementation of this policy.
 - In the case of moving to casual users to receive buy out at £3,600 pa for the remainder of 3 years from the date of implementation of this policy.

APPENDIX 2

DRAFT TRAVEL POLICY

Leased Car Option

1. Eligibility

The scheme is open as an option to staff identified as requiring a car to carry out their duties in accordance with the Essential driver criteria.

Essential drivers taking this option will be provided with a lease car for 4 years and will not normally be permitted to return the car to the Council within that lease period, unless the employment contract is ended.

2. Council Contribution

The Council will contribute an amount, the “cash limit” (the same as the NJC annual lump sum for Essential drivers) towards the cost of the lease vehicle plus the cost of insurance, which will be reflected within the mileage rate. This is considered to be equitable with the Essential user rate, which includes the cost of insurance, wear and tear and road fund licence.

Business mileage will be assessed on the basis of the last two years’ estimated mileage and any known changes in the work pattern that are likely to take place. Senior Management Team will assess the estimate of business mileage.

The vehicle cost incorporates the provision, running and maintaining over a four year period, it does not include a relief vehicle in the event of a breakdown (however, see 11 below).

The principal costs are:-

- a) finance Costs
- b) routine servicing and repairs due to fair wear and tear (including puncture repairs)
- c) Road Fund Licences.
- d) membership of a motoring organisation (eg Homestart, Relay and Recovery)

3. Insurance

The Council currently provides comprehensive insurance including windscreen/window replacement. The employee will pay any cost incurred over and above the appropriate “cash limit”. The employee will pay the standard excess charge demanded by the insurer and any additional excess demanded by the insurers as a result of age, driving record, choice of car etc. Other named individuals - e.g. partner, children, etc can be included in the cover but any costs above the allocated cash limit must be met by the employee.

4. Employees Contribution

The employee will be responsible for paying directly or by deduction from salary the following costs:

- a) Any cost of providing the vehicle over and above the appropriate cash limit.
- b) Any insurance cost over the insurance cash limit.
- c) The cost of making good on the removal of accessories fitted at the employees request.

- d) Any accident excess demanded by the insurers.
- e) The cost of any excess private mileage, above that agreed when the lease was taken out.
- f) The cost of repairing all damage not caused by fair wear and tear and not covered by insurance, eg damage to body work, lights, interior, tyre exhausts, use of wrong fuel etc however caused. Vehicles will be inspected at the end of the lease by the hire company. Drivers will be required to pay for any apparent damage.
- g) All excess parking charges, parking fines or other fines which may be incurred.

5. **Environmental Factors**

The Council supports the aims of sustainability. The following criteria have been agreed which all vehicles must meet:

- i) at least 85% recyclable and address environment protection - e.g. reduced cfcs and water-based paints (as certified by the manufacturer);
- ii) a minimum combined fuel consumption achievement of 35 mpg (as notified by the Department of Transport's guidelines);
- iii) use oxycats or catalytic converters;
- iv) must have a driver's airbag;
- v) must have side impact protection at a minimum height of 300mm.

6. **Council Image**

The Council provides cars for use on Council business and is keen to see that all vehicles provide an appropriate image. For this reason, requests for convertibles or high fuel consumption cars or cars with fewer than four seats will be refused.

7. **Other factors affecting choice of car**

Most dealer/factory fitted options or accessories may be included but the employee will have to pay any additional costs if the cash limit is exceeded as a result of their inclusion.

Accessories may be fitted by the employee provided approval is received from the line manager. Accessories fitted by the employee remain the employee's property but, if removed at the end of the lease, any damage must be made good at the employee's expense. No refund of expenditure is made to the employee on return of the car in respect of any accessories not removed.

Towing is permitted, provided a suitable tow bar has either been included in the initial specification of the car or has subsequently been approved by the Personnel Manager and purchased and fitted at the employees expense.

Employees new to the Council classified as Essential drivers and accepting the lease car option may be expected to use an existing pool car for an initial period.

The Council reserves the right to disallow an application for a lease car.

8. Use of Car

The car must be available for council business at all times (other than servicing arrangements). It may also be used for all reasonable social and domestic purposes. Under no circumstances is the vehicle to be used for business purposes other than on behalf of the Council.

Employees with leased car option will be expected to use them for all business travel, provided it is the most sustainable form of transport. For example, public transport including the train may be more appropriate. Rail fares will only be reimbursed where it has been authorised by the appropriate Team Leader or General Manager in advance.

Where two or more employees are travelling together and one employee has a leased car, the leased car must always be used. Employees will be expected to organise their business travel in the most economic manner.

Employees may make their lease car available to another member of staff during the period of office opening hours. This should be done by mutual agreement with the lease car driver and, if required, the driver of the vehicle would be required to pay an insurance excess in the event of an accident.

9. Obligations of the User

The driver is specifically responsible for the following:-

- a) filling with and paying for all fuel.
- b) regularly checking and topping up with oil, battery and brake fluids, coolant levels and anti-freeze in winter.
- c) keeping tyres to correct pressures.
- d) presenting the car for servicing in accordance with the manufacturer's recommendations and for annual MOT tests.
- e) notifying their Team Leader or General Manager or the Chief Executive of any Court summons for a driving offence, fine, endorsement or any accident involving a named driver of the vehicle.
- f) cleaning, polishing and valeting the car.

10. Fuel Allowance

Leased car option drivers will be reimbursed the cost of fuel used for business mileage only, initially set by the Council, at the annual rate of 10p per mile (to match the Dorset County Council rate applicable at any time). Claim forms should be completed on a daily basis and submitted monthly and must include odometer readings, dates of travel and destination.

11. Replacement Car

The Council will make its best endeavours to provide a replacement Pool car within one working day in the event of the car being unavailable due to accident damage, theft or mechanical breakdown.

12. Inspection

The employee must make the car available for inspection at any reasonable time by persons authorised by the Council or the hire company. They will make their driving licence available at least annually and must inform the Council of any driving prosecutions or points added to the licence.

13. Premature Termination

The option, if taken up, requires an early redemption charge of during year 1: 100% of the annual cost (eg £2,600), normally during year 2: 50% of the annual cost (eg £1,300) and thereafter no charge. This is based on redeemed cars being reallocated as pool cars. If they are joining another employer, it may be possible to transfer the hire agreement to the new employer.

14. Assisted Car Purchase Loans

Outstanding car purchase loans from the Council must be repaid before delivery of a leased car.

15. Income Tax

Employees in the scheme will be assessed for income tax on the benefit-in-kind element.

16. This guide to car leasing provides a general outline only. All drivers will be required to sign a formal agreement to confirm the terms on which their car is supplied.

APPENDIX 3

DRAFT TRAVEL POLICY

Assisted Car Purchase Scheme

The Council may grant loans to Essential car drivers under the assisted purchase scheme.

1. Eligibility

Those eligible to participate in the scheme are those recognised by the Council as Essential car users.

2. Amount of Loan

The maximum loan that will be granted will be £12,500. The Council will require a minimum contribution from the employee of 20% of the value of the vehicle.

3. Second hand vehicles

All second hand vehicles will require an exhaust emissions test carried out within the past 5 weeks. Where a vehicle is sold by a major franchise dealer with a full warranty for six months or longer, a certificate of value and an estimate of the vehicle life, no further report will be required.

Vehicles which do not have a fully comprehensive warranty for six months will require a report from an independent qualified automobile engineer approved by the Council.

4. Restrictions on Vehicles

No loan will be granted for a period exceeding the estimated life of the vehicle taking account the officer's private and business mileage. Vehicles must be adjudged suitable for the performance of the official duties required of the employee.

5. Interest Charges

Interest rates charged and the method of calculating interest will be by adding an agreed rate of interest (currently 4.45% fixed flat rate, circa 8.4% APR) on to the original amount of the loan. This means repayment of the loan and payment of the interest charge will be by equal monthly instalment.

6. Insurance

Employees granted loans will be required to produce evidence of comprehensive and business use insurance to their General Manager or the Senior Personnel Advisor on such occasions as these officers may consider necessary.

7. Default on Loans

It is not the Council's practice to require a performance bond or to retain ownership of the vehicle. However, in the event of default they will take steps to recover any outstanding debt by way of legal action.

8. **Availability**

A vehicle on which a loan is granted shall be made available whenever required for the performance of the employee's official duties.

APPENDIX 4

DRAFT TRAVEL POLICY

Travel and Subsistence Claims

Travel claims

Qualifying travel expenses are approved travel expenses which involve business journey, which are journeys which members/employees have to make in the performance of their duties

Ordinary commuting means any travel between a permanent work place and home or any other place which is not a workplace. A workplace is a place where the members/employees attendance is necessary for the performance of the duties.

Qualifying subsistence costs are those attributable to the journey in question. The costs of meals and accommodation may be claimed where a member/employee is required to be away from the workplace during the day or to stay away from home overnight. Before costs are incurred agreement should be reached with the authorising manager on the likely level of expenditure.

Related expenses can include other costs which form an integral part of the cost of the business journey such as car parking and toll fees.

Employees responding to an emergency call-out out of normal hours to the workplace can claim travel related expenses.

Before arranging to travel on Council business the most economic means of travel should be investigated. Pool cars should be used in preference to Casual users' private cars where possible.

All authorised claim forms should be submitted monthly to payroll. Claims must be submitted within three months of the month within which travel is claimed or the entitlement to reimbursement may be lost. All claims for reimbursement should be accompanied by relevant receipts. Payment will not be made if the receipt is not attached

Essential and Casual Drivers

Essential and Casual drivers will be reimbursed in line with the NJC lump sum and mileage rates.

Lease car option holders

Essential drivers accepting the lease car option will be eligible to claim business mileage at the lease car rate published and reviewed each year by the Council. These rates will be published on the intranet.

Other car drivers

It is expected that Pool cars are used by Casual drivers when travelling on Council business.

If a pool car is not available staff may use their own cars provided they are insured for business use.

It is recognised that the cost of a journey by car includes not only the fuel costs but also associated costs such as insurance, tax and wear and tear etc. The Council will reimburse the cost of business travel based on the average mileage rate published each year by the NJC.

Journeys by train

Train tickets will be booked within your department.

Alternatively a receipt should be obtained on purchase of a rail ticket and attached to the claim form for reimbursement. The Council will only reimburse the cost of second class or cheap day return rail fare.

When travelling in London the purchase of a travel card will cover all underground/bus travel.

Journeys by taxi/bus/coach

If a business related journey is undertaken by this means a receipt/ticket should be attached to the claim form for reimbursement.

Hotel bookings

Where overnight accommodation is required hotel bookings should be made within department. Discounted rates are available by booking through the Local Government Travel Club.

The current recommended rates for hotel accommodation are given on the Intranet and Premier Travel Inn is the recommended hotel we use.

Some hotels will bill the Council direct for accommodation charges. If the hotel is unwilling to do this a receipt should be obtained on payment and attached to the claim form for reimbursement. The Premier Travel Inn will invoice the Council directly.

Subsistence

Subsistence may be claimed when a member/employee is required to be away from the workplace during the day or to stay away from home overnight.

Daily amounts may be claimed (with receipts) by the member/employee for the following:

Leave home before 7.30am	Breakfast
Required to be away from work between 12noon - 2pm (for the whole 2hr period)	Lunch
Arrive home after 7.30pm	Dinner

Current rates of subsistence rates and the overnight allowance are given on Intranet and are in accordance with NJC rates.

***NDDC Employment Policy
Equal Opportunities in Employment Policy & Procedure
Issue No: 1***

***Consultation with staff: [date]
Made by Cabinet: [date]
Effective date: [date]***

EXTRACT FROM MINUTE OF JOB EVALUATION STEERING GROUP
29 APRIL 2008

The following are comments received by Alan Martin, but are not a majority Unison view:

- Can vehicle modifications (to meet the needs of disabled employees) be included?
Agreed for pool cars when required.
- Lease car driver compensation is still inadequate.
- Car loan interest rate is not competitive. SH commented that the rate is currently around 8.4%APR which at the moment is more competitive as other interest rates have risen.
- The £12,500 cap on car loans is not very generous as some people may need larger, more expensive cars for personal use eg for towing a caravan etc. SH said that the car loan scheme will be available to all essential users and it is unknown how many loans would be required; the facility needs to be affordable for the Council.

AM made some informal comments as follows:

- Page 2: *“an officer whose normal work for North Dorset District Council requires them to have a vehicle available for their primary use at all times ...”* AM asked that “excluding annual leave and sickness” be added to this paragraph. SH agreed.
- Appendix 2, page 5: *“The vehicle cost incorporates the provision, running and maintaining over a three year period”* – this should read **four** year period.
- Appendix 2, page 5: Under the heading “Insurance” – what is the cash limit? If this does not refer to an insurance cash limit, it should be moved, or the heading should be changed to reflect what the cash limit refers to. SH to speak to Anthony Reed and will let AM know what the insurance excess is.
- Appendix 4, page 11: travel claims – *“Claims must be submitted within two months of the month within which travel is claimed or the entitlement to reimbursement is lost”* – AM asked if this time limit could be extended to 3 months but to encourage staff to submit the forms quicker towards the end of the financial year. Also, could *“is lost”* be changed to “may be lost”? SH agreed.