

North Tyneside Council
Report to Cabinet
Date: 14th May 2012

ITEM 6 (h)(ii)(h)

**Title: Budget Proposal to
remove a Pool Car**

Portfolio(s): Environment

**Cabinet Member(s): Councillor
Ed Hodson**

Report from Directorate: Community Services

Report Author: Phil Scott, Head of Environmental Services (Tel: 0191 643 7295)

Wards affected: All Wards

PART 1

1.1 Purpose:

The purpose of the report is to provide information in order to enable Cabinet to consider the options in relation to the Budget proposal to delete the remaining Pool Car, in order to save £0.005m, in accordance with the Implementation Plan agreed by Cabinet on 28th March 2012 in relation to the Council Strategic Plan 2012/2015 and the 2012/13 Budget.

1.2 Recommendation(s):

It is recommended that Cabinet:

- (1) Note the content of the report.
- (2) Consider the options set out in paragraph 1.6.

1.3 Forward Plan:

This report appears on the Forward Plan for the period 1st May 2012 – 31st August 2012.

1.4 Council Plan and Policy Framework

This report relates to the proposal in the 2012/13 Budget to remove a Pool Car and has relevance to Priority 1: Sustaining our front line services within the Council but only spending what we can afford, in the Council Strategic Plan 2012/15.

1.5 Information:

- (a) The provision of Pool Cars was originally introduced following the Council's relocation of staff to Quadrant as part of our hub and spoke model of accommodation. The move to Quadrant saw approximately 1300 staff being relocated with provision of 545 car parking spaces. With car parking at a premium, employees based at Quadrant were encouraged to travel to work using public transport or alternative methods of travel, for example, cycling to work. In March 2010, 2 Pool Cars (Fleet Numbers 5103 and 5104) were provided as part of this initiative, to encourage alternative means of travel to and from work, and provide employees with a means of transportation between sites whilst at work.
- (b) In September 2010 the Pool Car provision was reduced from 2 vehicles to 1 based on the following vehicle usage data:
 - i. Vehicle Fleet No 5103
Availability 100% - Average annual vehicle utilisation rate 27.8%
 - ii. Vehicle Fleet No 5104
Availability 100% - Average annual vehicle utilisation rate 20.5%

This clearly identified that the vehicles were under utilised.

1.5.1 Pool Car Usage 2011/12 (Fleet No 5104)

- (a) From April 2011 through to March 31st 2012 the remaining Pool Vehicle Fleet No 5104 has been booked for use on 192 occasions by 18 employees, 129 of the 192 bookings were made by two individual employees. The vehicle was driven a total of 3,447 miles, and used 338.30 Litres of fuel, and the following vehicle utilisation data applies:

Vehicle Fleet No 5104

Availability 100% - Average annual vehicle utilisation rate 11.25%

- (b) In terms of vehicle utilisation rates, the Council has set a target of 30% vehicle utilisation rate for its core fleet of vehicles. This is regarded as Local Authority Best Practice. Officers are currently challenging any vehicle utilisation below 20% in terms of transport needs, and the overall vehicle fleet is being reduced where appropriate. The current Pool Car vehicle utilisation rate of 11.25% is well below the target 30%.

1.5.2 Vehicle Costs (Fleet No 5104)

The annual hire charge of the vehicle is £4,943 and fuel costs were £436.14. The total annual cost to provide this vehicle 2011/12 was £5,379.14.

1.5.3 Quadrant Car Park New Car Parking Policy and Introduction of Charges

- (a) The proposal to delete the Pool Car coincides with the implementation of the new Quadrant Car Parking Policy that now includes a charge for parking. The Policy ensures that access to the car park remains fair and safe for all users, and that the number of passes issued does not exceed the capacity of the car park. A points system has been introduced that ensures parking is available at the Quadrant site to those staff who:
- i. Need to use a car in order to do their job
 - ii. Need to regularly use a car to travel between other council venues
 - iii. Would be unable to get to work without using a car
 - iv. Work unsocial hours.
- (b) The introduction of Car Parking Charges was agreed by Council in March 2012 as part of the 2012/13 budget setting process. Whilst provision of car parking to staff is not a statutory requirement, it is recognised that the introduction of charging for car parking may result in individuals reviewing their personal travel plans. This may include determining whether or not to pay to park, and/or use other transport methods to and from work.
- (c) As part of the new Car Parking Policy the Pool Car is identified in the Equality Impact Assessment (EIA ref 1592) as being provided to reduce any negative impacts relating to the introduction of the car parking policy. However, it must be noted that, the provision of a Pool Car is also not a legal requirement and if removed, individuals will need to review their individual travel plans in order to undertake work related journeys and claim appropriate travel allowances. This will have to be taken into consideration in the EIA.

1.5.4. Potential Issues

- (a) Individual employees may have chosen not to apply for a car parking permit, in the assumption that a Pool Car would be available to assist in undertaking work related journeys. There is therefore, a potential that demand for the Pool Car may increase.
- (b) Users of the Pool Car and trade unions have been consulted on the proposal to delete the Pool Car. Feedback from the consultation process is summarised as follows:

Employees find the Pool Car an excellent facility which supports the Council's objectives in terms of sustainability. There are a number of users who support the Council's Bike to Work Policy and rely on the use of the vehicle for at work travel. There is genuine concern that the introduction of charging for car parking will see further employees reviewing their personal travel plans, and relying on the availability of a Pool Car to assist in undertaking work related journeys, as apposed to using public transport which may not be cost effective and/or a practical use of time.

1.5.5. Summary

- (a) The Pool Car costs the Council approximately £5,379.14 per annum.
- (b) There is no legal requirement to provide a Pool Car.
- (c) There is potential that demand for the Pool Car may increase due to the implementation of car parking charges.
- (d) Deletion of the Pool Car would remove employee access to alternative at work travel options.

1.6 Decision options:

The following decision options are available for consideration by Cabinet:

Option 1

Cabinet may choose to take no action to delete the Pool Car

There is no provision within the 2012/13 Council Strategic Plan and Budget for the Pool Car. If no action is taken and the Pool Car is not removed, the 2012/13 budget will no longer be in balance as insufficient funds would be available.

Option 2

Cabinet may choose to implement Council's proposals and delete the Pool Car

There are no financial implications arising from this option as the saving is built into the 2012/13 approved budget.

Option 3

Cabinet may choose to retain the Pool Car for a further 3 months.

This would allow for an opportunity to determine whether the introduction of parking charges at Quadrant leads to increased usage of the Pool Car. A further report would then be submitted to Cabinet as to the usage during the three month period and to seek a further decision at that point in relation to the Pool Car.

However, as noted above, there is no provision within the 2012/13 Council Strategic Plan and Budget for the Pool Car. If no action is taken and the Pool Car is retained for a further three months, the 2012/13 budget will no longer be in balance as insufficient funds would be available.

1.7 Reasons for recommended option

There is no preferred option. Cabinet is requested to consider and make a determination as between the options set out above.

1.8 Appendices:

N/A

1.9 Contact officers:

Phil Scott, Head of Environmental Services - tel. (0191) 643 7295
Steve Helyer, Senior Manager - Fleet, Cleaning & Resilience – tel. (0191) 643 5490
Alison Campbell, Finance Business Manager – tel. (0191) 643 7038

1.10 Background information:

The following background papers/information have been used in the compilation of this report and are available at the office of the author:

- (1) Quadrant Pool Car Monitoring 2011/12 XL Spreadsheets
- (2) Employee and Trade Union Consultation Feedback

PART 2 – COMPLIANCE WITH PRINCIPLES OF DECISION MAKING

2.1 Finance and other resources

There is no provision within the 2012/13 Council Strategic Plan and Budget for the Pool Car. If no action is taken and the Pool Car is not removed, the 2012/13 budget will no longer be in balance as insufficient funds would be available.

In line with legal guidance to Council, it is possible for Cabinet to proceed in this manner if the overall budget envelope remains in balance. Any decision to take no action and not remove the Pool Car will therefore need to be taken within the context of the Council Strategic Plan and 2012/13 Budget Implementation Plan as some of the proposals contained in that document generate additional resources. As stated in those reports, any surplus budget would be added to the Strategic Reserve and its use will be determined in accordance with the Reserves and Balances Policy.

2.2 Legal

There are no legal implications directly arising from this report. The Council has a duty to pay for journeys that are undertaken by staff for work purposes, whether this be by way of payment for mileage incurred, public or other transport or through the provision of a pool car.

2.3 Consultation/community engagement

2.3.1 Internal Consultation

Pool Car users and trade unions were consulted on the proposal to delete the Pool Car. Returned employee and trade union comments are available at the office of the author. captured within of this report.

2.3.2 External Consultation/Engagement

The report has no direct impact upon service provision and accordingly there has been no requirement to consult externally.

2.4 Human rights

There are no human rights implications directly arising from this report.

2.5 Equalities and diversity

There are no disproportionate effects upon persons with protected characteristics under equalities legislation. The Pool Car is identified within the Quadrant Car Parking Equality Impact Assessment as potentially having a positive impact.

2.6 Risk management

Risks associated with the actions proposed have been considered. The appropriate directorate risk champions have been informed and where necessary any identified risks will be added to the relevant risk register. They will be managed using the Council's risk management process.

2.7 Crime and disorder

There are no crime and disorder implications directly arising from this report.

2.8 Environment and sustainability

This report has some direct environmental implications in that it sets out to manage the Council's vehicle fleet, and control over the potential environmental impact of transport.

In an effort to increase fleet utilisation and reduce the impact on the environment, it is intended that a 'Least Impact' approach will be used to challenge every fleet user to review and justify their use of transport to encourage optimum use of vehicles, and reduce the overall size of the fleet.

PART 3 - SIGN OFF

- Strategic Director(s)
- Mayor/Cabinet Member(s)
- Chief Finance Officer

- Monitoring Officer

- Strategy Manager for Policy and Partnerships