

Committee: **Executive Committee**
 Date of meeting: **13th July 2022**
 Report Subject: **Workforce Opportunity for a 'Bridging Loan' to support with the increasing cost of using a car for work purposes**
 Portfolio Holder: **Councillor Steve Thomas, Executive Member Corporate Services and Leader of the Council**
 Report Submitted by: **Andrea J Prosser, Head of Organisational Development**

Reporting Pathway								
Directorate Management Team	Corporate Leadership Team	Portfolio Holder / Chair	Audit Committee	Democratic Services Committee	Scrutiny Committee	Executive Committee	Council	Other (please state)
	x					13.07.22		

1. Purpose of the Report

1.1 The purpose of this report is, further to a request from Unison regarding the cost of living crisis, for the Council's Executive to approve temporary funding to support the optional opportunity for the Workforce who uses a car for work purposes to access a one-off temporary 'bridging' loan of £200. Unison has also requested that the Council consider increasing the rate paid to employees for mileage similarly to the framework put in place for the NHS Wales workforce.

2. Scope and Background

2.1 The proposals in this report will be for the Council workforce that are required to use a car for work purposes. This does not include those staff employed by schools governing bodies.

2.2 Employees who use their vehicle for business purposes claim the mileage reimbursement directly via employee self-service and are paid monthly in line with usual pay dates to comply with HMRC. Employees are encouraged to submit claims in a timely manner however, due to the nature of a monthly payroll, the employee would have incurred the expense of paying for fuel to undertake a business journey then could potentially need to wait 4-5 weeks for the reimbursement. Unison have made representations on behalf of members regarding affordability of increasing costs of fuel and maintaining a car.

2.3 For financial year 2021-2022, the business miles travelled by employees has been reviewed and the table below details the number of employees by the average number of miles claimed for each month, in 50 mile increments.

Mileage Band (Average Miles Claimed Per Month)	Number of Employees
1-50	248
51-100	85
101-150	58
151-200	27
201-250	22
251-300	3
301-350	13
351-400	7
401-450	2
451-500	3
501-550	2
551-600	2
601-650	3

3. **Options for Recommendation**

3.1 *Option 1* (preferred option)

To offer employees who use their car for work purposes the opportunity of applying for a 'bridging' loan of £200 that is fully repayable. The situation will be reviewed in March 2023 or earlier should the cost of fuel reduce, the pay award has been implemented or there is any other change. The loan will be repayable via monthly instalments over 12 months. The 'bridging' loan is fully recoverable with immediate effect if an employee terminates their employment with the Authority.

Continue to discuss the potential of a temporary review of mileage rates with the trade unions.

The loan opportunity will be advertised through line managers and the Chief Executive Newsletter and will only be available to those who have claimed mileage over the last year and use their car for work purposes. The employee would be required to sign a declaration and commitment to repay the loan in the future.

3.2 *Option 2*

Do not offer the opportunity of a 'bridging' loan.

4. **Evidence of how does this topic supports the achievement of the Corporate Plan / Statutory Responsibilities / Blaenau Gwent Well-being Plan**

This proposal would support the workforce with the cost of living crisis and the increasing cost of running a car.

5. Implications Against Each Option

5.1 ***Impact on Budget (short and long term impact)***

By offering the opportunity of a 'bridging' loan to all employees who have claimed mileage, this would be approx. 475 employees at £200 which would give a temporary total cost of £95,000. As detailed in the report the aim will be to recoup the loans when the cost of fuel reduces or at the point of review in March 2023. As the loan is fully recoverable, there should be no significant budgetary implications arising from this report, however, should any of the loans become irrecoverable, this may result in a cost pressure to be funded from to the relevant department.

5.2 ***Risk including Mitigating Actions***

The proposal is a temporary loan that will be repayable and presents minimal risk, however, there is some risk with repayment of individual loans.

5.3 ***Legal***

N/A

5.4 ***Human Resources***

This temporary arrangement will apply to those who claim mileage for work purposes.

6. Supporting Evidence

6.1 ***Performance Information and Data***

See section 2.3

6.2 ***Expected outcome for the public***

N/A

6.3 ***Involvement (consultation, engagement, participation)***

Proposal has been developed further to a request from the trade union.

6.4 ***Thinking for the Long term (forward planning)***

6.5 ***Preventative focus***

The proposal will give the workforce some support with the purchase of fuel and the timeline for claiming mileage expenses.

6.6 ***Collaboration / partnership working***

N/A

6.7 ***Integration (across service areas)***

N/A

6.8 ***Decarbonisation and Reducing Carbon Emissions***

Managers have been asked to ensure that mileage for their area is managed, planned and minimised as far as possible.

6.9 ***Integrated Impact Assessment***

The proposal will be equally applied to the Council's workforce who uses a car for work purposes and claims mileage expenses.

7. **Monitoring Arrangements**

7.1 The 'bridging' loan to be reviewed at the end of March 2023.

Background Documents /Electronic Links

None