

GWYNEDD COUNCIL CABINET



Report to a meeting of Gwynedd Council Cabinet

Date of meeting:	5 November 2019
Cabinet Member:	Councillor Gareth Wyn Griffith
Contact officer:	Dafydd Wyn Williams - Head of Environment Department
Contact Number:	32371
Subject:	Gwynedd Council Staff Travel Savings

THE DECISION SOUGHT

To agree to adopt an alternative plan to achieve the proposed savings in the Staff Travel field.

REASONS FOR THE NEED FOR A DECISION

To adopt a scheme that will not have a detrimental impact on services

INTRODUCTION AND RELEVANT CONSIDERATIONS

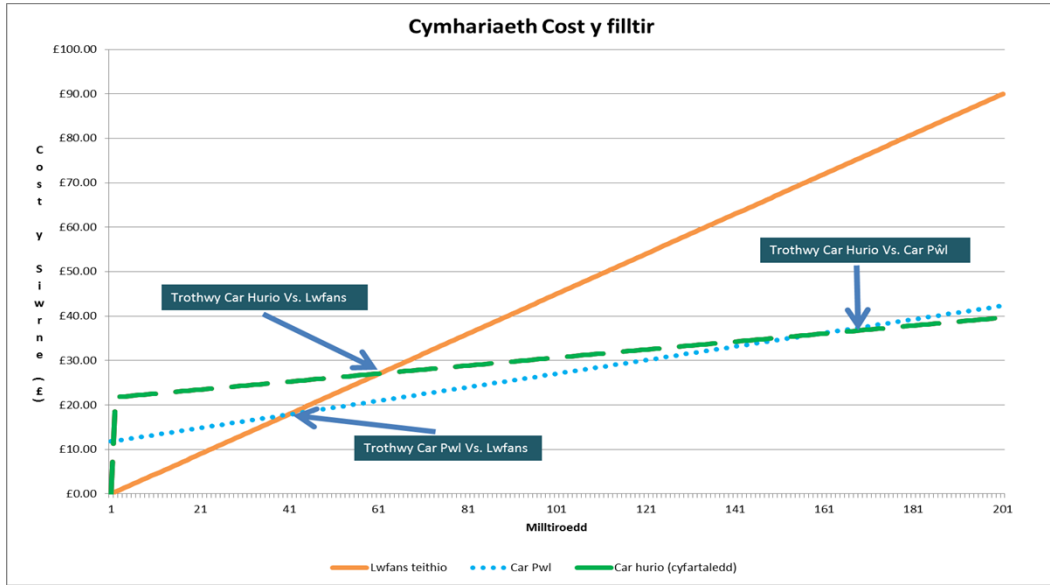
1. BACKGROUND

1.1 The Council's current Financial Strategy includes savings deriving from staff travel allowances. An initial figure of **£390,000** was earmarked based on work completed by specialist consultants from Edge Public Solutions (2014). This saving is in addition to Departmental schemes. The basis of their projection was that there were opportunities to save 15% of the travel budget at the time by:

- establishing pool car arrangements
- improved management of journeys.

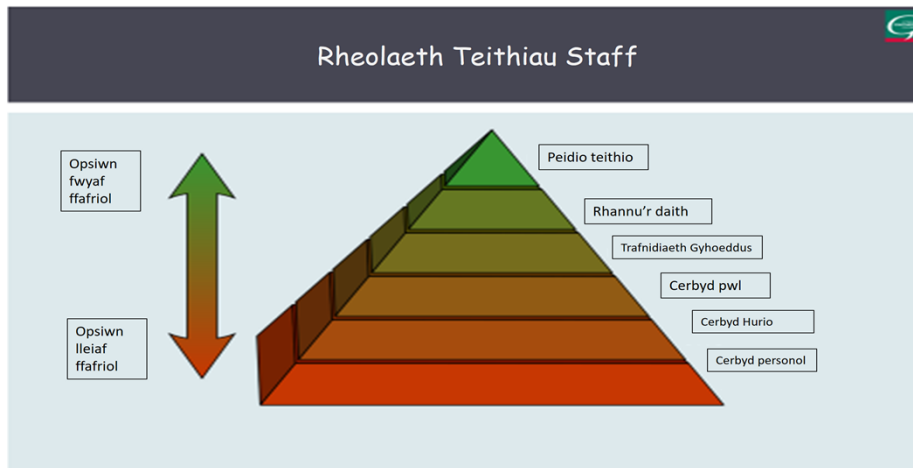
1.2 The graph below (Chart 1) sets a simple cost per mile ratio (based on relatively recent fuel prices) and highlights the potential to save on travel costs under the right circumstances.

Chart 1: Cost per mile comparison for a personal vehicle, a pool vehicle and a hire vehicle



1.3 A simple chart (Chart 2 below) has also been developed, which outlines considerations in an attempt to encourage Council staff to give more thought to the need to travel, and if the journey is necessary, whether it is possible to undertake it in a way which costs less.

Chart 2: Considerations for the need to travel



- 1.4 There are some successful examples of departments within the Council, which have diverted journeys to pool cars and improved their management of journeys, and thus achieved savings by spending less on funding travel. In some cases, the departments have achieved a better cost per mile than the above (i.e. less than 35p per mile).
- 1.5 Much work has been done in an attempt to discover the potential savings within this field. It is quite evident that the £390,000 noted is far beyond what is practical, and that around £120,000 would be more realistic as a first step.

METHODOLOGY

- 1.6 The chosen methodology is relatively simple, and has been decided upon after considering a number of different options for achieving a sensible solution. In simple terms, work has been done to identify all journeys over 60 miles, and the cost of each journey set at 35p (the highest cost for a pool vehicle) per mile against those journeys rather than the current allowance of 45p per mile.
1. It is felt that this methodology provides scope for Departments to further trial pool vehicles and of course, to look at journey management and challenge whether the journey is necessary or if it is possible to make the journey or have the discussion using an alternative method.
 2. The model, therefore, is not purely scientific and a scheme of this kind would be a project in changing attitudes as much as logistics. It is also evident that there is no one solution to fit each service, and so the proposition here is to establish a target to be achieved by maximising the use of pool cars along with reducing the amount of travel.
 3. In developing the basis, a series of exceptions was established to acknowledge the likelihood that there would be less travel options associated with certain positions. Journeys of under 60 miles were made exempt, and focus was therefore give to the longest journeys.
 4. Some positions have also been excepted where it was acknowledged that it would be difficult to make the journey with pool cars e.g. domiciliary carers and supply teachers.

Sum to be saved by each Department based on the methodology and journey management:

- 1.7 The table below sets out the 'target' sum for each Department based on the methodology.

Department	Net savings from grants
Education	£9,775
Environment	£8,772
Corporate Support	£7,064
Finance	£2,379
Economy and Community	£6,526
Adults	£33,183
Children	£31,463
Highways and Municipal	£3,463
Leadership Team	£1,159
Consultancy	£13,130
Housing and Property (?)	£1,084
Total	£117,998

OBSERVATIONS BY THE DEPARTMENTS TO DATE

- 1.8 I have tried to discuss this savings scheme with all Heads of Department. The following is a list of some observations I have received to date:
- These savings have been included in our savings plan - double counting
 - More journeys to be made exempt
 - What support is available to help us in achieving this?
 - Clearer details are needed regarding the hire vehicles available and how to arrange them.

2. RECOMMENDATION

- 2.1 To agree to adopt an alternative plan to achieve the proposed savings in the Staff Travel field. The savings to be achieved during the 2020/21 financial year.
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VIEWS OF THE STATUTORY OFFICERS

Monitoring Officer:

No comments to add regarding propriety

Head of Finance Department:

The Council's proposed savings program includes £ 390,000 from historic plan, which has been in place since the corporate approach of identifying savings before the move to the departmental 'ownership' savings regime. By now, I agree with the author of the report that the ambitious estimate provided by "EDGE", outlining how much could be saved from staff travel was over-optimistic, or that departments have already realised a proportion of the relevant savings. Therefore, the value of the historic savings plan must be adjusted.

The scope for realizing savings from changing staff travel arrangements varies between the Council departments. However, I know that the author has secured agreement from all heads of departments and Cabinet Members to contribute the 'target' amount for each Department, which is noted in 1.7 of this report.

If the Cabinet were to approve the decision sought, we would reduce the total savings from this plan from £390,000 to £117,998. Of course, this would add £ 272,002 to the Council's funding gap for 2020/21, but we must plan on sound basis. Furthermore, reports will be submitted to the scrutiny committees in November detailing departmental proposals for £ 2m of potential savings to be realised in 2020/21.
