

The purpose of an Integrated Impact Assessment is to evidence that Aberdeen City Council is meeting its legislative duties by assessing the potential impacts of its policies and decisions on different groups of people and the environment. The legislation considered within this assessment is:

- Section 2 [Equality Act 2010 protected characteristics](#)
- Section 3 [Socio-Economic](#)
- Section 4 [Consumer Duty](#)
- Section 5 [Human Rights](#)
- Section 6 [Children and Young People’s Rights](#)
- Section 7 [Environmental impacts](#)

The term ‘policy’ is used throughout this document and applies to policies, proposals, strategies, provision, criteria, functions, practice, budget savings and activities that includes delivery of our services.

## 1. About the Policy

### 1.1 Title

Removal of Essential Car User Allowance

### 1.2 What does this policy seek to achieve?

This budget option relates to the removal of Essential Car User Allowance. This allowance payment is made to employees in roles which have been determined as requiring car usage as an essential requirement as part of the normal day to day activities of the role and essential to have a car at their disposal whenever required. There are currently 373 employees who are in receipt of this allowance. The allowance is paid based on the mileage an employee undertook during the previous financial year using the following criterion levels:

- Level 1 – Under 1,200 miles – £120
- Level 2 – 1,201 miles to 5,000 miles – £250
- Level 3 – 5,001 miles to 7,500 miles – £500
- Level 4 – Over 7,501 miles – £800

During financial year 2023/24, Essential Car User Allowance resulted in a cost of £62,778.

The Essential Car User Allowance is paid in addition to claims for mileage incurred by employees who use their car for business purposes, using the statutory HM Revenues & Customs mileage rates. These are as follows:

- Up to 10,000 miles per annum – £0.45 per mile
- Mileage over 10,000 per annum – £0.25 per mile

It is proposed that the employees would continue to claim mileage incurred for business purposes, but Essential Car User Allowance would cease.

The proposal recognises that the way we work has changed since the last review of the Essential Car User Allowance scheme, taking account of job requirements, and in particular, since the Covid-19 pandemic, which has seen a significant shift in the need to travel to different work locations and meetings taking place remotely.

A recent Internal Audit reviewed the essential car user allowance process, costs to the Council and potential risks with the current process and identified a number of recommendations including a full review of the scheme, and the need to improve reliance on manual processes which may lead to miscalculations or overpayments.

**1.3 Is this a strategic programme/proposal/decision?**

Proposal

**1.4 Is this a new or existing policy?**

Existing

**1.5 Is this report going to a committee?**

Yes

**1.6 Committee name and date:**

Council, 5 March 2025

**1.7 Report no and / or Budget proposal number and / or Business Case reference number:**

New-22

**1.8 Function and Cluster:**

Corporate Services, People & Citizen Services

## Impacts

Aberdeen City Council has a legal requirement as a public sector organisation to assess the impact of its work on equality groups and assess against human rights, children’s rights and our socio-economic duty. This is our Public Sector Equality Duty (PSED). The PSED has three key parts:

- Eliminate unlawful discrimination, harassment, victimisation or any other prohibited conduct.
- Advance equality of opportunity.
- Foster good relations by tackling prejudice, promoting understanding.

This following five sections in the Integrated Impact Assessment demonstrate that these considerations that have been made in the policy, that the impact of proposals made is understood and accepted, and what mitigating steps can be taken to reduce any negative impact of the policy.

## 2: Equality Act 2010 - Protected Characteristics

Aberdeen City Council wants to ensure everyone is treated fairly. This section identifies what impact the policy may have on people with [protected characteristics](#).

2.1 What impact could this policy have on any of the below groups?

Protected Characteristic	Negative			Neutral	Positive
	High	Medium	Low		
<a href="#">Age</a>				X	
<a href="#">Disability</a>				X	
<a href="#">Gender Reassignment</a>				X	
<a href="#">Marriage and Civil Partnership</a>				X	
<a href="#">Pregnancy and Maternity</a>			X		
<a href="#">Race</a>				X	
<a href="#">Religion or Belief</a>				X	
<a href="#">Sex</a>				X	
<a href="#">Sexual Orientation</a>				X	

2.2 In what way will the policy impact people with these protected characteristics?

Potential negative impacts on employees who currently receive Essential Car User Allowance who may feel less valued and supported by the organisation, particularly given the cost of living crisis, and may be more likely to disengage.

Employees who currently receive Essential Car User Allowance are in roles across a number of service areas including Corporate Landlord, Building Services, Environmental Health, Trading Standards and Health and Safety. There are currently 373 employees in receipt of the allowance which equates to 4.5% of the workforce. However, the majority of employees are within Social Work (both Adults and Children) and Housing. If the allowance were removed, there is the potential for employees to be more reluctant to use their private vehicles for business use and therefore, it may potentially impact upon service users who could have a protected characteristic.

It should be noted however, employees who require to use their personal vehicle for business purposes can continue to do so and be able to reclaim any mileage incurred for using their car for business purpose, at the statutory HM Revenues & Customs mileage rates.

2.3 What considerations have been made in reaching the above assessment?

**What internal or external data has been considered? What does this data tell us?**

Current data on employees in receipt of Essential Car User Allowance payments has been produced. This is based on the number of mileage claims submitted by employees and approved by their line managers.

During financial year 2023/24, the Essential Car User Allowance resulted in a cost of £62,778.

Employees are defined as an Essential Car User if they are in a role where their duties are of such a nature that it is essential for them to have a car for their normal day to day duties and to have a car at their disposal whenever required. If the allowance was removed, those employees would be able to reclaim any mileage incurred for using their car for business purpose, at the statutory HM Revenues & Customs mileage rates

Based on the existing Essential Car User Allowance, a total of 373 employees (14 on maternity leave) are in receipt of ECU against each criterion level as follows:

- Level 1 – 291
- Level 2 – 76
- Level 3 – 5
- Level 4 – 1

Of the 291 employees in Level 1, 122 claimed 0 miles over the financial year but still received £120 allowance.

Removal of the Essential Car User Allowance may result in a reluctance for employees to use their vehicle for business purposes. This may lead to challenges for service delivery in terms of workloads and deadlines being delayed. There may also be challenges where an employee is required to use their vehicle for critical urgent work. If the removal of the payment results in employees refusing to use their vehicles, alternative solutions will require to be identified, such as use of taxis in situations where employees are required to transport children / vulnerable adults in the course of their work.

Essential Car User Allowance payment levels are adjusted annually. The payroll team review mileage claims over the financial year and compare against the previous year and adjust accordingly. It is important to highlight that demands of the role can change based on service demands from year to year and this is reflected in the process.

A recent Internal Audit reviewed the essential car user allowance process, costs to the Council and potential risks with the current process and identified a number of recommendations including a full review of the scheme, and the need to improve reliance on manual processes which may lead to miscalculations or overpayments.

A benchmarking exercise has been undertaken of other local authorities to compare their approaches to Essential Car User schemes and payments. This has confirmed that the majority of other authorities who responded do not pay essential car user allowance, opting to pay mileage rates only for car usage for business purposes.

As part of the review of the Essential Car User Allowance scheme, a new approval process will be developed for managers to consider and approve travel claims for business purposes. This will include considering the requirement to travel, and if the task can be undertaken a different way, for example remotely. It will also include considering alternative travel options, for example public transport and car sharing. This will result in less wear and tear on personal vehicles and have a reduced environmental impact.

#### **What consultation and engagement has been undertaken with officers and partner organisations?**

A recent Internal Audit provided an overview of the process, costs to the Council and potential risks with the current process and identified a number of recommendations including a full review of the scheme, and the need to improve reliance on manual processes which may lead to miscalculations or overpayments. Details for the audit report can be found from Page 10 onwards within the attached link. [OneDrive \(sharepoint.com\)](#)

A benchmarking exercise has been undertaken of other local authorities to compare their approaches to Essential Car User schemes and payments. This has confirmed that the majority of other authorities who responded, including Aberdeenshire and Highland councils, do not pay essential car user allowance, opting to pay mileage rates only for car usage for business purposes.

Informal discussions have taken place with the Chief Social Work Officer.

**What consultation and engagement has been undertaken with people who may be impacted by this policy?**

None at this stage. If this budget option were to be agreed, consultation would be undertaken with those employees currently in receipt of the allowance. Noting that contracts state that 'The Council currently operates a car user scheme and reserves the right to vary the scheme from time to time. An employee who has been given approval to use their private car for work purposes will have car mileage re-imbursed in accordance with the schedule of rates determined by HMRC.'

2.4 What mitigations can be put in place?

**What can be done to remove or reduce any negative impacts of this policy (if applicable)?**

Employees who require to use their personal vehicle for business purposes will continue to be able to fully reclaim any mileage incurred for using their car for business purpose, at the statutory HM Revenues & Customs mileage rates.

In addition, in the circumstances that there is a requirement to transport a child / vulnerable adult and there is no facility for an employee to use their personal vehicle, the service would use a private taxi for this purpose.

**With mitigations in place, what is the new overall rating of the negative impact(s)?**

High	
Medium	
Low	X
Negative Impact Removed	

### 3: Socio-Economic Impacts

Aberdeen City Council has a duty to reduce the inequalities of outcome that can arise from socio-economic disadvantage. This section is used to consider what impact the policy may have on people experiencing socio-economic disadvantage – and how any inequalities of outcome arising from the policy can be reduced.

Use this guide to understand more on socio-economic inequalities: [The Fairer Scotland Duty: Guidance for Public Bodies \(www.gov.scot\)](http://www.gov.scot)

3.1 What impact could this policy have on people who experience the following aspects of socio-economic disadvantage?

	Negative	Neutral	Positive
<b>Low income</b> – those who have insufficient earnings to meet basic needs, such as food, clothing, housing, or utilities.	x		
<b>Low/ no wealth</b> – those who have no savings for unexpected spend or provision for the future.	x		
<b>Material deprivation</b> – those who cannot afford or access goods or services that are considered essential or desirable for a decent quality of life, such as food, clothing, heating, transport, internet, cultural, recreational and social activities.		x	
<b>Area deprivation</b> – those who live in an area with poor living conditions, such as higher levels of crime, pollution, noise, congestion, or lack of infrastructure, amenities, or green spaces.	x		
<b>Socio-economic background</b> – social class, parents’ education, employment, income.	x	x	

3.2 In what way will the policy impact people experiencing socio-economic disadvantage?

Low income / income poverty – those who cannot afford regular bills, food, clothing payments – If the individual is not financially able, the loss of the Essential Car User Allowance payments may have a negative impact.

Low and/or no wealth – those who can meet basic living costs but have no savings for unexpected spend or provision for the future – If the individual is not financially able, the loss of the Essential Car User Allowance payments may have a negative impact and may not be able to financially support themselves.

Area deprivation – consider where people live and where they work (accessibility and cost of transport) – If employees are less willing to use their personal vehicle as a result of the removal of the Essential Car User Allowance payments, this may lead to less flexibility in the workforce to travel across the city and respond to urgent demand. This may also lead to tasks taking longer to undertake.

3.3 What considerations have been made in reaching the above assessment?

#### What internal or external data has been considered? What does this data tell us?

This allowance payment is made to employees in roles which have been determined as requiring car usage as an essential requirement as part of the normal day to day activities of the role and essential to have a car at their disposal whenever required. There are currently 373 employees who are in receipt of this allowance. The allowance is paid based on the mileage an employee undertook during the previous financial year using the following criterion levels:

- Level 1 – Under 1,200 miles – £120
- Level 2 – 1,201 miles to 5,000 miles – £250
- Level 3 – 5,001 miles to 7,500 miles – £500

- Level 4 – Over 7,501 miles – £800

Based on claims incurred over the financial year 2023/24, it is estimated that the cost of essential car user allowance would result in an approximate financial cost of £60,000 in 2024/25.

The Essential Car User Allowance is paid in addition to claims for mileage incurred by employees who use their car for business purposes, using the statutory HM Revenues & Customs mileage rates. These are as follows:

- Up to 10,000 miles per annum – £0.45 per mile
- Mileage over 10,000 per annum – £0.25 per mile

It is proposed that the employees can continue to claim the mileage incurred for business purposes, but Essential Car User Allowance would cease.

The proposal recognises that the way we work has changed since the last review of the Essential Car User Allowance scheme, taking account of job requirements, and in particular, since the Covid-19 pandemic, which has seen a significant shift in the need to travel to different work locations and meetings taking place remotely.

**What consultation and engagement has been undertaken with officers and partner organisations?**

Informal discussions with the Chief Social Work Officer.

**What consultation and engagement has been undertaken with people who may be impacted by this policy?**

None at this stage.

3.4 What mitigations can be put in place?

**What can be done to remove or reduce any negative impacts of this policy (if applicable)?**

Employees who require to use their personal vehicle for business purposes will continue to be able to fully reclaim any mileage incurred for using their car for business purpose, at the statutory HM Revenues & Customs mileage rates.

**If mitigations are in place, does this remove or reduce the negative impact?**

**No – negative impact remains**

**Yes – negative impact reduced**

**Yes - negative impact removed**

X

## 4: Consumer Impacts

The Consumer Scotland Act 2020 places a Consumer Duty on the public sector to put consumer interests at the heart of strategic decision-making, emphasising the need for accessible and affordable public services, especially during times of financial pressure. This person-centred approach is intended to result in better quality services and outcomes for the public as consumers of public services across Scotland.

This section of the IIA is used to consider the impact of the policy on consumers of any services that the policy is intended to change.

Use this guide to understand more on the consumer duty: [How to meet the consumer duty: guidance for public authorities](#)

4.1 What impact could this policy have on any of the below consumer groups?

	Negative	Neutral	Positive
<b>Individuals</b>	X		
<b>Small businesses</b>		X	

4.2 In what way will the policy impact people in these consumer groups?

There is a risk if employees do not wish to use personal vehicles for carrying out duties around the city, this may impact service delivery for members of the general public who are recipients of Council Services. For example, in Housing Services, postholders may not be able to travel across the city as quickly and may not manage to see all the planned tenants scheduled for that day. This may also have an impact on the most vulnerable individuals within the city if the same is applied to the Children’s Social Work Cluster, although alternative arrangements would be made.

4.3 What mitigations can be put in place?

<b>What can be done to remove or reduce any negative impacts of this policy (if applicable)?</b>		
Postholders will continue to use their own private vehicles and claim the mileage incurred for business purposes. There will also be the option for car sharing or using of the Council’s pool cars.		
<b>If mitigations are in place, does this remove or reduce the negative impact?</b>	<b>No – negative impact remains</b>	
	<b>Yes – negative impact reduced</b>	X
	<b>Yes - negative impact removed</b>	



## 5: Human Rights Impacts

The Human Rights Act 1998 sets out the fundamental rights and freedoms that everyone in the UK is entitled to. It incorporates the rights set out in the European Convention on Human Rights (ECHR) into domestic British law. The Human Rights Act came into force in the UK in October 2000

The Act sets out our human rights in a series of 'Articles'. Each Article deals with a different right.

Use this guide to understand more about [Human Rights](#).

### 5.1 What impact could this policy have on Human Rights?

Human Rights Article	Negative	Neutral	Positive
Article 2: <a href="#">Right to life</a>		X	
Article 4: <a href="#">Prohibition of slavery and forced labour</a>		X	
Article 5: <a href="#">Right to liberty and security</a>		X	
Article 6: <a href="#">Right to a fair trial</a>		X	
Article 7: <a href="#">No punishment without law</a>		X	
Article 8: <a href="#">Right to respect for private and family life, home and correspondence</a>		X	
Article 9: <a href="#">Freedom of thought, belief and religion</a>		X	
Article 10: <a href="#">Freedom of expression</a>		X	
Article 11: <a href="#">Freedom of assembly and association</a>		X	
Article 12: <a href="#">Right to marry and start a family</a>		X	
Article 14: <a href="#">Protection from discrimination in respect of these rights and freedoms</a>		X	
Article 1 of Protocol 1: <a href="#">Right to peaceful enjoyment of your property</a>		X	
Article 2 of Protocol 1: <a href="#">Right to education</a>		X	
Article 3 of Protocol 1: <a href="#">Right to participate in free elections</a>		X	

### 5.2 In what way will the policy impact Human Rights?

N/A

### 5.3 What mitigations can be put in place?

#### What can be done to remove or reduce any negative impacts of this policy (if applicable)?

N/A

If mitigations are in place, does this remove or reduce the negative impact?

No – negative impact remains

Yes – negative impact reduced

Yes - negative impact removed

X

## 6: Children and Young People’s Rights Impacts

The United Nations Convention has 54 articles that cover all aspects of a child’s life and set out the civil, political, economic, social and cultural rights that all children everywhere are entitled to. It also explains how adults and governments must work together to make sure all children can enjoy all their rights.

Children’s rights apply to every child/young person under the age of 18 and to adults still eligible to receive a “children’s service” e.g. care leavers aged 18-26 years old.

You can [read the full UN Convention \(pdf\)](#), or [just a summary \(pdf\)](#), to find out more about the rights that are included.

### 6.1 What impact could this policy have on the rights of Children and Young People?

	Negative	Neutral	Positive
<b>PROVISION</b>			
Article 2: non-discrimination		X	
Article 3: best interests of the child provision and protection	X		
Article 5: parental guidance and a child's evolving capacities		X	
Article 16: right to privacy	X		
Article 17: access to information from the media		X	
Article 18: parental responsibilities and state assistance		X	
Article 22: refugee children		X	
Article 23: children with a disability	X		
Article 24: health and health services		X	
Article 26: social security		X	
Article 27: adequate standard of living		X	
Article 28: right to education		X	
Article 29: goals of education		X	
Article 30: children from minority or indigenous groups		X	
Article 31: leisure, play and culture		X	
Article 39: recovery from trauma and reintegration		X	
Article 40: juvenile justice		X	
<b>PROTECTION</b>			
Article 6: life, survival and development		X	
Article 7: birth registration, name, nationality, care		X	
Article 8: protection and preservation of identity		X	
Article 9: Separation from parents		X	
Article 10: family reunification protection		X	
Article 11: abduction and non-return of children		X	
Article 15: freedom of association		X	
Article 19: protection from violence, abuse and neglect		X	
Article 20: children unable to live with their family		X	
Article 21: adoption		X	
Article 25: review of treatment in care		X	
Article 33: drug abuse		X	
Article 34: sexual exploitation		X	
Article 35: abduction, sale and trafficking		X	
Article 36: other forms of exploitation		X	
Article 37: inhumane treatment and detention		X	
Article 38: war and armed conflicts		X	

<b>Article 32:</b> child labour		X	
<b>PARTICIPATION</b>			
<b>Article 12:</b> respect for the views of the child		X	
<b>Article 13:</b> freedom of expression		X	
<b>Article 14:</b> freedom of thought, belief and religion		X	
<b>Article 42:</b> knowledge of rights		X	

6.2 In what way will the policy impact the rights of Children and Young People?

n/a

6.3 What mitigations can be put in place?

<b>What can be done to remove or reduce any negative impacts of this policy (if applicable)?</b>		
n/a		
<b>If mitigations are in place, does this remove or reduce the negative impact?</b>	<b>No – negative impact remains</b>	
	<b>Yes – negative impact reduced</b>	
	<b>Yes - negative impact removed</b>	

## 7: Environmental Impacts

Aberdeen City Council has a duty to meet its legal environmental responsibilities by working towards Net Zero emissions, adapting to climate change, and acting in a way it considers most sustainable. We must also fulfil the [biodiversity duty](#) and [sustainable procurement duty](#).

This section in the Integrated Impact Assessment demonstrates that these considerations that have been made in the policy, that the impact of proposals made is understood and accepted, and what mitigating steps can be taken to reduce any negative impact of the policy.

Use this guide to understand more on the legal climate change duty: [Climate change - gov.scot \(www.gov.scot\)](#) and find out more about how Aberdeen is adapting to Climate Change: [Aberdeen Adapts | Aberdeen City Council](#)

7.1 What is the impact of this policy on any of the below climate, environmental and waste considerations?

	Negative	Neutral	Positive
<a href="#">Council or City-wide carbon emissions</a>			X
<a href="#">Active and sustainable travel</a>			X
<a href="#">Facilities for local living</a>		X	X
<a href="#">Resilience and adaptability</a> to flooding and weather events		X	
<a href="#">Biodiversity improvement</a> and <a href="#">wildlife/habitat connectivity</a>		X	
Water consumption and drainage		X	
Pollution (air, water, noise, light and land contamination)			X
Impact on resource use and <a href="#">waste</a>			X
<a href="#">Sustainable procurement</a> of goods and services		X	

7.2 In what way will the policy impact the environment?

Less personal car usage will have a positive impact on the environment. This will be in terms of lower carbon emissions, less usage of fossil fuels and increasing public transport usage as well as likely increase in cycling and walking by Council Officers who currently receive Essential Car User Allowance. Council owned vehicles may experience an increase in usage. However, this is beneficial for ensuring that full fleet usage is assessed and may lead to a review of the wider fleet vehicles and possibly less vehicles are needed if Council Officers are choosing alternative modes of transport.

7.3 What considerations have been made in reaching the above assessment?

### What internal or external data has been considered? What does this data tell us?

As part of the proposal, we compared existing policies and processes for other Local Authorities. These policies covered the importance of best value when considering travel options, what alternative travel options could be considered as alternatives to private car usage and the positive environmental impacts that can be experienced as a result of using alternatives to private car usage.

### What consultation and engagement has been undertaken with local groups, partner organisations, experts etc? Where required, identify any other environmental assessments that have been completed.

None at this stage.

7.4 What mitigations can be put in place?

<b>What can be done to remove or reduce any negative impacts of this policy (if applicable)?</b>		
N/A		
<b>If mitigations are in place, does this remove or reduce the negative impact?</b>	<b>No – negative impact remains</b>	
	<b>Yes – negative impact reduced</b>	
	<b>Yes - negative impact removed</b>	X

## 8: Sign Off

<b>Any further positive or negative impacts on individuals or groups that have been considered?</b>
n/a
<b>Does the policy relate to the Council's <a href="#">Equality Outcomes</a>? If yes, how.</b>
N/A
<b>Overall summary of changes made to the policy as a result of impact assessment.</b>
No changes.
<b>Outline how the impact of policy will be monitored.</b>
If the decision is made to remove Essential Car User Allowance, employees who are impacted, Trade Union colleagues and their relevant Service Managers will be fully consulted. Considerations will be made on how to implement the removal of Essential Car User Allowance. This will require a review of the essential car user allowance scheme and the Council's Travel Policy. HM Revenues & Customs mileage rates for employees who require to use their car for business purposes will still apply.
<b>If there are any remaining negative impacts after mitigation, what is the justification for why this policy should proceed.</b>

<b>Assessment Author</b>	Ryan Ingram (People & Organisational Development Adviser)
<b>Date</b>	21/2/25
<b>Chief Officer</b>	Isla Newcombe (Chief Officer – People & Citizen Services)
<b>Date</b>	24/02/25