

Encouraging better commuting



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Introduction

The purpose of this white paper is to examine how public sector workers – that is, those with jobs in local government or the health service – get to work on a daily basis, and suggest some improvements that could help to make their commutes a better experience, both for themselves and for society as a whole.

To put this paper together we conducted an online survey of 7,468 public sector workers from across the UK. The fieldwork took place in September and October 2014 and concentrated on asking them about their typical journey to work, including the types of transport they used and their opinions as to the alternatives.

This paper is divided up into five sections: this introduction; an executive summary, giving an overview of our findings and recommendations; a methodology section; a more detailed findings section, where we explore the results in greater depth; and finally a conclusion where we suggest practical steps to improve commuter experience while at the same time making a positive social contribution.



Executive summary

The survey found that the majority of public sector workers – 82 per cent – use a car at least once a week, with 50 per cent using it daily. This is in line with figures for the general population and confirms that the car is the dominant means of transport to work for employees in local government and the health service.

Fifty per cent of respondents who used a car to travel to work said that they did so because it was the cheapest option. It also remains a popular option, only 26 per cent those who commute by car daily stating that they would like to use an alternative form of transport, and only 14 per cent of this group wanting to use public transport.

However, the survey also finds that a sizeable proportion of car drivers, particularly among the less frequent users, have concerns about issues including the cost of parking (cited by 25 per cent of those who drove at least once a week, but not every day), the environmental impact (cited by 18 per cent of the same group) and congestion (cited by 24 per cent of the same).

As well as using their cars to get to work, many public sector employees use their cars to do their jobs. Of this group, 42 per cent of private car owners said that they used their personal vehicle in their job on a daily basis, with a further 17 per cent using it at least once a week.

The survey also found that 49 per cent of respondents said that environmental impact would be a consideration if they were to buy a car, although running costs were more important, being cited by 73 per cent.

Finally, the availability of car salary sacrifice schemes was found to be low, being available to only 17.2 per cent of respondents. In addition, only a minority of public sector workers held positive associations towards salary sacrifice, even among those whose employers offered such a scheme.

From the above, this report concludes that salary sacrifice schemes should be seen as an opportunity for employers to promote more environmentally sustainable means for their employees to travel to work, and to travel while at work. This would also help public sector organisations to meet their own sustainability targets and save them money.

Methodology

Over 50,000 people working in local government and the National Health Service received an email inviting them to take part in an online questionnaire about their travel habits. The tables below give details of the broad demographic outlines of the 7,468 people who responded.

As Table 1 (right) shows, the respondents comprise a representative sample from most areas of the UK, although the response rate for Northern Ireland was low. With this exception, the findings for the rest of the regions are statistically significant.

Respondents by region

Region	Respondents	As percentage
East Midlands	542	7%
East of England	555	7%
London	1,028	14%
North East	359	5%
North West	748	10%
Northern Ireland	59	1%
Scotland	706	9%
South East	987	13%
South West	758	10%
Wales	426	6%
West Midlands	615	8%
Yorkshire and The Humber	602	8%
Other	83	1%

As Table 2 shows, responses to the survey came from a broad cross-section of seniority levels within the NHS and local government. This is important as it means we can be confident that we have a representative sample of views from within these organisations, rather than focusing too narrowly on the concerns of a single group.

Given the size of our sample as a whole, we can be confident that the aggregated answers of all 7,468 respondents reflects the views of the public sector as a whole to an accuracy of at least +/-1.5 at the 99 per cent confidence level. That is, if our survey found that 60 per cent of respondents supported a particular position we can be 99 per cent certain that the true figure for the public sector as a whole is between 58.5 and 61.5 per cent.

Respondents by seniority

Seniority	Respondents	As percentage
Chief Officer/Top Level Director/ Board level	257	3%
Non-Executive Board Member	54	1%
Head of Service	744	10%
Manager	2,498	33%
Service delivery	1,673	22%
Other	2,242	30%

Findings

Car is king for short journeys

In order to get a feel for the typical journey undertaken by commuters, we questioned our audience about the length of their daily trip to work, both in terms of time and distance.

The majority of respondents – 84 per cent – told us that their journeys lasted an hour or less, with over half of this number – 46 per cent – spending 30 minutes or less travelling to work. This is broadly in line with the average commute for all UK workers, which was 29 minutes in 2013.¹

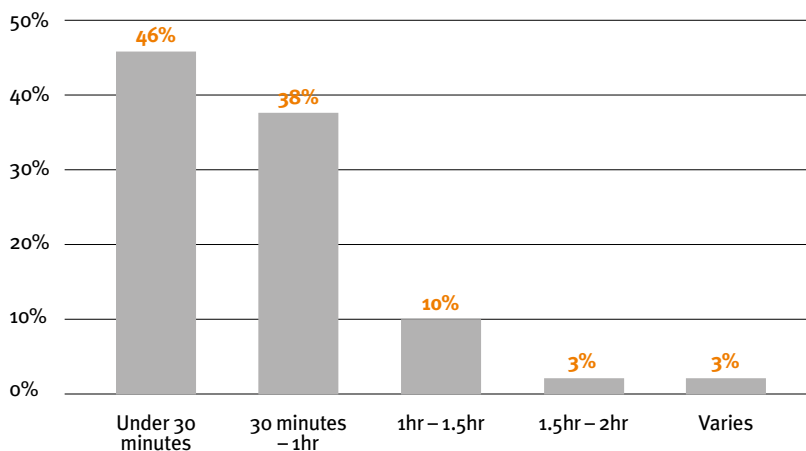
Having established how long people took getting into work, we then asked how far they were travelling. This is an important distinction, because a journey of similar duration might involve travelling a long distance along relatively open road, or a short distance through busy rush hour traffic.

As Figure 2 below illustrates, the majority of public sector commutes are of 15 miles or less. Excluding those whose commute does not involve driving to work, 47 per cent of the remaining 6,146 public sector commuters face drives of ten miles or less, with a further 16 per cent facing drives of 10-15 miles, giving a total of 63 per cent with drives of up to 15 miles. Again, this is roughly in line with the 8.8 miles travelled by all UK commuters², suggesting that the experiences of public sector commuters are a fairly good reflection of travel to work in general.

Overall, we found that the prevalence of car use among public sector workers is still high, with 50 per cent stating they used it at least once a day for personal use (including commuting to work, but not driving between locations when at work). In total, 82 per cent of respondents said that they used their car at least once a week for personal use, while 58 per cent said that they used their car at least once for work in the same period.

Predictably, car use was lowest among public sector workers in London, where only 24 per cent said they used their car daily. The relatively better-developed state of public transport in the capital, coupled with the congestion faced on London roads in rush hour doubtless explains most of the variance seen here.

How long is your commute? (each direction)



¹ National travel survey 2013, table NTS0406, Department for Transport

² National travel survey 2013, table NTS0405, Department for Transport

Findings

Alternative modes of transport

One observation arising from the length and duration of journeys reported is the relatively low average speed travelled: public sector commuters are spending around half an hour to travel less than ten miles.

Given these low speeds, it might be thought that commuters would be willing to consider adopting other modes of transport, since their journeys are unlikely to be fast if they continue to use their cars.

However, 64 per cent of car users said that they had no alternative means of getting in to their place of work. Furthermore, there is little appetite among this group to switch to public transport: of the 6,146 people who currently drive to work, only 15 per cent said they would like to start taking public transport in the next 12 months. This compares to the 45 per cent who said they would like to be able to commute by car.

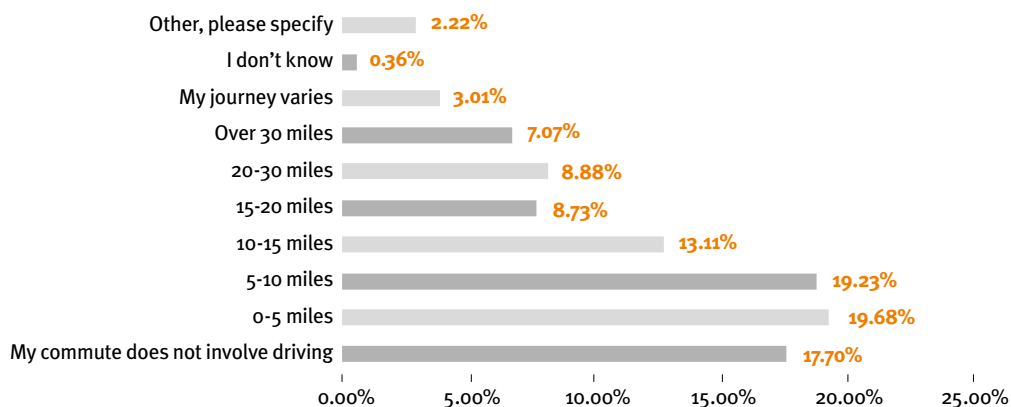
In general, use of other modes of transport to commute to work is low. Only eight per cent of respondents said that they used buses every day; nine per cent used trains; seven per cent used bicycles; while fifty per cent used a car. The only other mode of transport that came close to this figure was walking, which – while attractive from a healthy living perspective – is impractical for longer journeys.

Indeed, outside London, use of public transport is lower still. Of the 6,440 respondents outside of London, only six per cent used a bus each day; four per cent used a train; and six per cent used bicycles. Car use was even more prevalent, with 54 per cent of this group using their cars on a daily basis.

Approaching these responses from the opposite direction, 53 per cent of respondents said that they never used a bus; 36 per cent said that they never used trains and 65 per cent said they never cycled.

The latter statistic is particularly interesting given the attempts made to encourage the use of bicycles as a means of commuting. Of the public sector workers who responded to our survey, over 58 per cent reported that their organisation operated a cycle to work scheme, but despite this official support it seems likely that the appeal of such initiatives will remain limited for the foreseeable future.

How far do you drive to work?



Findings

Drawbacks of car use

While cars are clearly the most common mode of transport for commuters, it would obviously be wrong to assume that they are free of drawbacks. Although fuel prices continue to fall, this represents just part of the cost of owning a car.

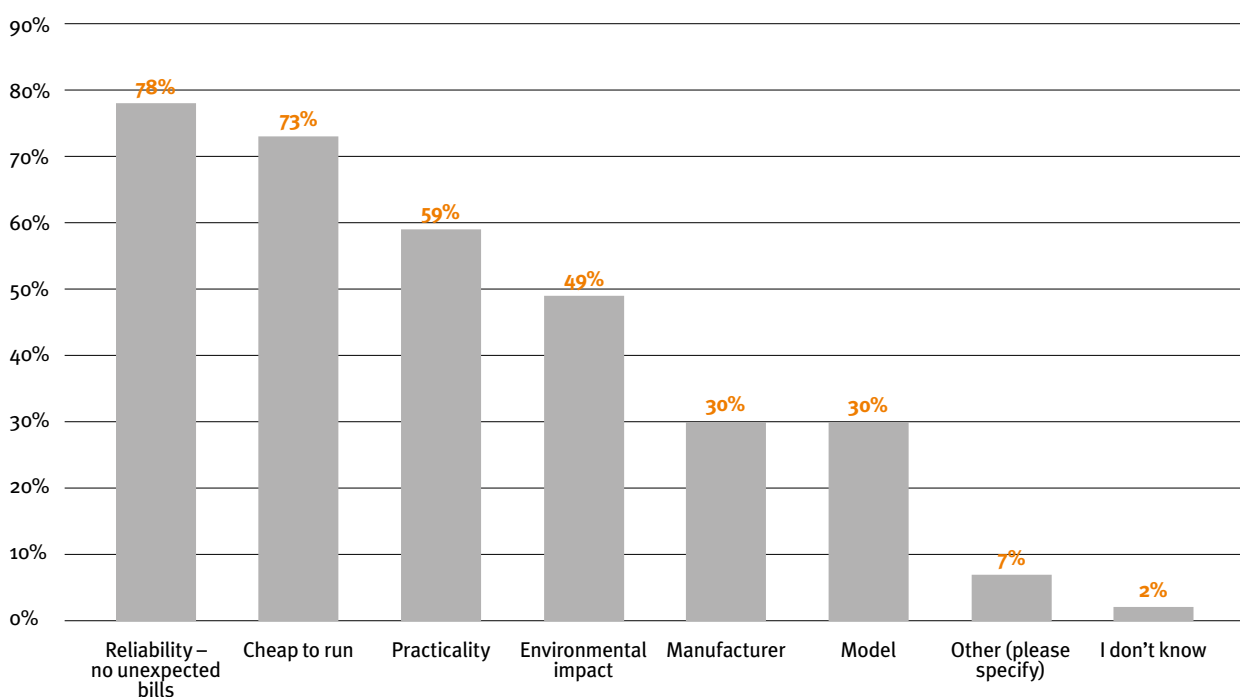
Our survey found that parking charges, running costs and – to a lesser extent – purchase costs were all reasons given for not using a car – over 20 per cent of respondents said that the cost of parking was too high.

Besides this, two other factors stand out. Nineteen per cent of respondents said that congestion prevented them from driving, while almost 14 per cent cited a concern for the environment. The latter point was emphasised when we asked people what they looked for when deciding to buy a new car. Nearly half – 49 per cent – of respondents said that environmental impact was important to them, although reliability and running costs scored higher (on 78 and 73 per cent respectively).

Again, the findings from our survey are broadly in line with those from previous studies. A smaller poll carried out by the Office for National Statistics (ONS) in February 2014 found that cost and reliability were the most important factors, with 85 per cent citing the former and 78 per cent the latter.³

Both our findings and those of the DfT survey³ suggest that many people are much less bothered about other aspects of the car they drive. Only 30 per cent of the public sector respondents said that manufacturer or model were important considerations, and again, this is consistent with the ONS study, where the comparable figure was 36 per cent.

Factors when buying a car



More than just commuting – the grey fleet

This report has so far focused on the use of private cars as a means of getting to work. While this is undoubtedly an important aspect of the issue it overlooks the fact that many public sector workers use their private car for work purposes, what is termed as the “grey fleet”.

In our survey we found that 38 per cent of respondents said that they used a car every day in the course of their jobs, with a further 20 per cent stating that they used a car at least once a week. When cross-referenced against those respondents who said their employer didn't provide them with a lease car, a salary sacrifice car scheme or a car sharing scheme the proportion reporting they used a car every day for work – and therefore presumably their personal car – rose to 42 per cent, with a further 17 per cent using it at least once a week.

This is consistent with what we know about the use of private cars in the public sector. The Scottish Government's Public Sector Sustainability Report 2013-2014 finds that private car use made up 46.6 per cent of total road mileage travelled by its employees between 2009/10 and 2013/14, accounted for 49.3 per cent of its road transport carbon emissions, and 68.6 per cent of road transport costs⁴.

For some parts of the public sector, reliance on the grey fleet is even higher. In 2010, Avon and Wiltshire Mental Health Trust commissioned the Energy Saving Trust to perform a study of its employees work travel. This found that 93 per cent of all mileage was driven in private cars, and furthermore that these cars had substantially higher carbon emissions than the small proportion of lease cars the trust also used. The latter vehicles on average emitted 152g of CO₂ equivalent per kilometre, as opposed to 203g of CO₂ for employee-owned vehicles⁵.

Therefore, it seems probable that the proportion of public sector mileage accounted for by private vehicles is high, in the region of at least 50 per cent and probably above this. Furthermore, this reliance on private cars is damaging to the environment as many of the models in use are older than cars leased by employers and consequently are held to looser emission standards.

Car Use (Every Day)



⁴ The Scottish Government's *Public Sector Sustainability Report, 2013-2014*, <http://www.scotland.gov.uk/Publications/2014/09/1033/6>, last accessed on 13 February 2015

⁵ Figures cited on p. 7 of *Alternatives to Private Car Use* by Mobile NHS Professionals, Dr Steve Melia, Centre for Transport and Society, University of the West of England, February 2013

Better cars?

Given the continued attraction of car use, and the role played by environmental concerns in choosing a new car, this raises the possibility of using the situation as an opportunity to promote positive behavioural change: encouraging the take up of low carbon vehicles, and electric vehicles in particular.

According to the Committee on Climate Change's 2014 progress report⁶, domestic transport currently accounts for a quarter of all UK emissions of carbon dioxide. Clearly, reducing the volume of these emissions would help towards meeting the challenging environmental targets the Government adopted in the Climate Change Act, which envisages cutting greenhouse gas emissions to 80 per cent of 1990 levels by 2050.

Electric vehicles offer an obvious means of reducing emissions, but as the Committee on Climate Change itself notes "uptake has been slow"⁷. This slow uptake has not prevented the Committee from setting ambitious targets for the future. According to the progress report, the number of new electric vehicles sold in the UK in 2013 was just 3,584, while the Committee's projections for 2030 assume a total of 12.5 million on the road, as well as making up 60 per cent of all new vehicles sold.

Electric vehicles would help address commuters' concerns over the environmental impact of their cars, but how would they cope with the desire for practicality, low running costs and reliability? As we have seen above, the majority of commutes are short, averaging around ten miles and 30 minutes. This is well within the capacity of the current generation of electric vehicles, which can typically drive 50-100 miles or more before needing to recharge.

Given that over 70 per cent of respondents said that cost was an important factor when buying a new car, how do electric vehicles fare in this regard? Electric cars offer both advantages and disadvantages as compared to more conventionally powered vehicles, being cheap to run, but relatively more expensive to buy.

In comparison to the price of petrol – even in the context of falling oil prices – electric cars are cheap to run. A pilot study carried out by Durham County Council found that the cost of running an electric car for a month was just £8.21, much cheaper than the £48 it would have cost if it were petrol driven⁸.

Cost of purchasing an electric car is therefore likely to be a key concern. With that in mind, the possibility of using salary sacrifice schemes to help employees defray the expense of buying an electric vehicle deserves closer attention. From the results of our survey, only 17 per cent of public sector workers have access to such a scheme at their workplace – far fewer than have access to the cycle to work scheme.

⁶ *Meeting Carbon Budgets – 2014 Progress Report to Parliament*, Committee on Climate Change, July 2014

⁷ *Ibid.*, p 243

⁸ Quoted on p.38 of *Making the Connection, The Plug-In Vehicle Infrastructure Strategy*, Office for Low Emission Vehicles, June 2011

Salary sacrifice

As mentioned above, salary sacrifice car leasing schemes offer a way for public sector bodies to meet a number of policy objectives at once. By enabling staff to buy new and more efficient vehicles they help to reduce the organisation’s carbon footprint, while at the same time providing a tax-efficient way for employees to buy a car.

Furthermore, such a scheme could prove less costly than the present system of requiring employees to use their existing private cars. NHS Fleet Solutions – part of Northumbria Healthcare NHS Foundation Trust – estimates that savings of greater than 50 per cent on travel expenses could be had through the adoption of a salary sacrifice scheme⁹.

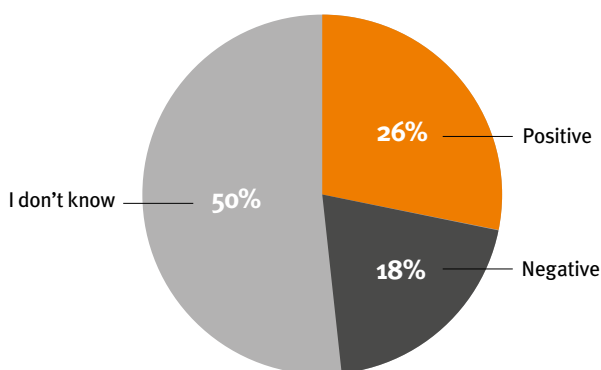
Salary sacrifice schemes are making headway in the public sector for exactly these reasons. For example, in November 2014 Edinburgh Council’s finance committee approved plans to include a salary sacrifice scheme as part of the process of renewing its fleet leasing arrangements. The reasons the committee gave in for its decision included the environmental benefits – an emissions cap of 130g/km was set, and the availability of electric vehicles was seen as a positive – and the fact that the scheme would run at a surplus of around £49,000¹⁰. This latter point is particularly persuasive given the immense pressure public sector organisations find themselves under to make efficiency savings. The Local Government Association estimates that

local authorities have seen a 40 per cent real-terms cut in core government since 2010, and there is no sign that this pressure is about to relent¹¹.

Despite the positive environment for salary sacrifice schemes, our survey found that public sector employees’ awareness was limited. Of the 7,468 respondents, only 52 per cent had heard the term before, and only 26 per cent said that they had a positive impression of them. Of the 18 per cent who had a negative impression, concerns over the loss of up-front pay, and fears of an impact on future pensions were cited as reasons for respondents’ lack of enthusiasm.

Furthermore, as mentioned above only 17.2 per cent of respondents reported that their employer offered a salary sacrifice scheme for cars. This is far lower than the proportion of public sector organisations that run a similar scheme for bicycles, despite the fact that the latter is less likely to be used for work purposes. Clearly, there is more to be done to encourage the uptake of car salary sacrifice schemes, both with regards to employers and employees.

How do you feel about the term “Salary Sacrifice”?



⁹ <http://www.nhsfleetsolutions.co.uk/nhs-fleet-solutions-car-leasing-about-us.aspx>, last accessed on 13 February 2015

¹⁰ Minutes of the Finance and Resources Committee meeting, p. 8, 27th November 2014, City of Edinburgh Council

¹¹ *Under pressure: How councils are planning for future cuts*, p. 4, Local Government Association, May 2014

Conclusion

As we have seen, the private car remains the dominant mode of transport for public sector commuters – especially outside of London – and probably accounts for the greater part of the road mileage driven by vehicles for public sector work purposes.

Undoubtedly, much of the reason for this is purely practical: outside of London and the bigger cities public transport networks are generally not well suited to the needs of commuters. Furthermore, a reliance on private cars for work travel creates a self-perpetuating cycle whereby public sector employees are required to drive in the course of their job and so have less incentive to explore alternatives.

The widespread use of private cars should not be taken to mean that public sector commuters are resistant to change, but the survey found little sign of an appetite to switch wholesale to other modes of transport. That said, there is a definite awareness of the environmental impact of driving and nearly half of respondents said that this was an important consideration when buying a car.

As we have seen, the environmental impact of private cars use for work purposes compares unfavourably with those in organisation's conventional fleets. The same is true of the financial burdens imposed, with private cars working out as being a considerably more expensive option.

The provision of salary sacrifice car schemes offers employers a means to address both of these issues simultaneously, as well as having wider policy benefits. At the most ambitious, encouraging employees to opt for Ultra Low Emission Vehicles (ULEV's, such as electric cars) helps to familiarise them with the technology – allaying any doubts they might have; promotes the establishment of the necessary infrastructure network for UCLVs; and creates demand, fostering economies of scale.

For salary sacrifice schemes to realise their potential they need to be made more widely available. Only 17.2 per cent of respondents to our poll report that their employer offered such a scheme. Rolling it out further will help to save money and benefit the environment.

However, this is insufficient on its own. The introduction of salary sacrifice schemes does increase the likelihood that an employee will have a positive attitude towards them – 44 per cent of those with a car salary sacrifice scheme reported positive association with the term “salary sacrifice” – but that leaves a greater number either ambivalent or negative towards it.

Work clearly needs to be done to better communicate the benefits offered by car salary sacrifice schemes, both to employees and public sector employers. Increasing the take-up of such schemes will have a positive impact on both public sector finances and the environment, while providing employees with a vehicle that is affordable.

About Automotive Leasing

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Your fleet isn't one of them.

We run hundreds of fleets from passenger car battalions in the Health Sector to Minibuses for schools and Local Government gritters and sweepers (and everything in between).

And we help organisations plan, run and maintain professional, compliant and cost-efficient fleets that get the job done and save them money.

We do it from tender to termination of contract, from paper push to petrol pump. And we know that it's all about making the individual requirements and sector-specific regulations come together in a whole-life picture they're comfortable with.

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