# RISK INSIGHTS



## Commuting Post-coronavirus

The coronavirus (COVID-19) pandemic has brought ambiguity and a general feeling of not knowing what to expect when returning to the workplace. One thing for certain is that businesses are reassessing their strategies to help plan for a smooth and thoughtful transition back to the workplace.

Part of that plan is acknowledging that previous work routines may need to change. Workforces will again need to be adaptive like they did with remote working. Employers should continue to demonstrate their willingness to be flexible to support employees. One of the most noticeable changes will be how employees commute.

People are craving normalcy. The majority of commuters will see no change in their post-pandemic travel habits; however, some people might shift to new travel modes if given the chance. This article explores how commute options may change and ways that employers can support employees commuting in a world altered by COVID-19.

#### **Public Transport**

It wasn't that long ago that a workday commute meant standing shoulder-to-shoulder on the tube, trying to find an open seat on the train or holding a handrail while standing in a crowded bus. As the pandemic threat shifts, those types of transit situations may cause anxiety for commuters who are practising social distancing and avoiding large gatherings of people—especially people they do not know.

Employees who rely on public transport for their commute may be worried about contracting COVID-19. As a result, keep in mind that employees may prefer to travel at off-peak times or take a less busy route to reduce the number of changes.

#### Vehicles

It's not surprising that public health experts predict that people will likely want to drive alone in their personal vehicles to avoid exposure to COVID-19 while commuting.

Discourage carpooling with co-workers or others not living in the employee's household. For employees who rely on carpooling or other formal ride-sharing services to get to the workplace, encourage them to ask drivers about their cleaning procedures, and practise social distancing and good hygiene (e.g. wash hands, use hand sanitiser and avoid touching the eyes, nose and mouth).

#### Walking, Cycling and Other Transport

For employees who live close to the workplace, they may opt to walk, or ride a bicycle or e-scooter as an alternative. However, these may be impractical modes of transport due to local climate or geography.

Consider understanding your employees' locations and transport needs as you're working on a return-to-work plan and outlining commuting benefits. Employees may change how they were getting to work before COVID-19.

#### **Commuter Tax Benefits**

Even before the pandemic, employers may have offered benefits for employees to use a variety of ridesharing services. Now, there may be more financial reasons to start encouraging efficient commutes.

While some business travel costs may be non-taxable, if an employer pays for, or reimburses, the cost of personal commutes to a regular workplace, it will be treated as additional pay and therefore be taxable.

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Some employers choose to provide a 'Season Ticket Loan' for employees who commute by train. This season ticket is generally more cost-efficient than daily tickets or monthly passes, and is interest-free up to £10,000. The loan is then repaid over 12 months by deducting the payments from an employee's net pay.

Employees who choose to drive their own vehicles to the workplace should be advised that the HMRC does not consider daily commutes to be a business journey. As such, mileage accrued during such travel is generally not tax-deductible.

There are some circumstances in which your employees may be able to deduct daily commuting costs, such as while having to travel to a temporary workspace. Click <a href="here">here</a> for more information on what may or may not qualify for this exception.

#### Other Considerations

To limit employees' exposure to many other commuters, employers could offer parking subsidies or shuttle buses. If possible, renting a temporary, additional workplace that is centrally located to employees could shorten the commute or eliminate the need for public transport. Understandably, investing money in another workspace during the pandemic may not be the most ideal option.

If your company already has a remote work program in place, consider extending that for those who can get their work done from home—or allowing employees to work on-site and also remotely. Consider offering flexible hours to accommodate personal responsibilities that are a result of the COVID-19 pandemic (e.g., caring for children or other family members). By standardising a mix of on-site and offsite remote work, employees could come into the workplace when it's necessary for meetings and stay at home when it's not. If it is essential to have everyone back in the workplace, consider staggering schedules so that employees do not have to travel during peak times. Most importantly, encourage employees to stay home if they are sick.

To learn more about commuting and other postcoronavirus workplace guidelines, contact us today.

