

Priority

Issued to:	<<Employee Name>>
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1. Purpose

1.1 The purpose of this policy is to provide a cash alternative to qualifying staff instead of a Company car. This policy does not involve those staff to whom the Company has allocated a car, van or other light commercial vehicle whether on a permanent or temporary basis.

2. General

2.1 You will be notified in writing if you are entitled to a Car Allowance as part of your remuneration package. Your entitlement is subject to the following terms and conditions. If you do not comply with your obligations under this policy, the Company reserves the right to withdraw the offer.

2.2 This Policy is effective from the date of issue of this notice.

3. Qualification

3.1 To qualify for having a Company allocated car or of providing their own private car, you must satisfy all of the following criteria:

3.1.1 The employee must be employed for which a Company car would normally be allocated.

3.1.2 The employee must hold all necessary valid documents, which must be copied to the Fleet department. These documents should be available for inspection should the Company require them for a period of notice not exceeding 48 hours:

3.1.3 Full driving licence for the type of vehicle used

3.1.4 M.o.T certificate

3.1.5 Vehicle Registration

3.1.6 Vehicle Excise

3.1.7 The employee must be the registered keeper of the car which they are using for the Company business.

3.2 The car must be covered by a comprehensive policy of insurance, extended to include full cover for business use (not simply cover for home-to-office driving). A copy of the policy should be lodged with the Fleet department. If the policy is cancelled or suspended at any time, the employee must report this to the Fleet department immediately, stating the reason; and must not use the vehicle for business purposes.

The car must be available for use to undertake business mileage as

required.

4. Vehicle requirements

- 4.1 To qualify for having their own private car as an employee's vehicle:
 - 4.1.1 The vehicle must be a motor vehicle, motorcycle or van
 - 4.1.2 The vehicle must be less than 7 years old at any time in use for company travel
 - 4.1.3 The total mileage completed must not exceed <<80,000>> for company travel
 - 4.1.4 The vehicle must have a minimum capacity of at least <<1,400 cc>>, but not more than 3,000 cc
 - 4.1.5 The employee must have a valid driving licence, and a comprehensive insurance policy is in place.
 - 4.1.6 The employee must have a valid MOT, and the vehicle has been used on company business regularly serviced, fully in accordance with the manufacturer's instructions, and in all aspects, complies with all legal requirements
 - 4.1.7 The vehicle must be in good working order, free from any significant bodywork damage or rust
 - 4.1.8 The vehicle must be kept in a clean and tidy condition
 - 4.1.9 The vehicle must not be used for hire or reward, or for use on Company business and must not be a sports model or similar

providing their own private car as an employee's vehicle, the following criteria:

The vehicle must be a motor vehicle, motorcycle or van

The vehicle must be less than 7 years old at any time in use for

The total mileage completed must not exceed <<80,000>> for company travel

The vehicle must have a minimum capacity of at least <<1,400 cc>>,

but not more than 3,000 cc, and the employee must have a valid driving licence, and a comprehensive insurance policy is in place.

The employee must have a valid MOT, and the vehicle has been used on company business regularly serviced, fully in accordance with the manufacturer's instructions, and in all aspects, complies with

all legal requirements and must be in good working order, free from any significant bodywork damage or rust

and must be kept in a clean and tidy condition

The vehicle must not be used for hire or reward, or for use on Company business and must not be a sports model or similar

Note: In the event of the vehicle being damaged or stolen while the employee is expected to make their own arrangements for business travel. Under these circumstances, the Company will only make mileage payments only, provided this is pre-approved by the employee's manager.

If the vehicle requires repair then the employee will be responsible for the cost, to fulfil their business travel. The Company will not reimburse business mileage if the vehicle is damaged or stolen by the employee's manager.

Note: Any Company owned property must be used for company purposes. The employee is responsible for the safekeeping of the property and are advised to cover their own personal liability.

The employee's vehicle is insured by the Company during transportation. Employees must have their own insurance.

5. Expenses

The employee will be entitled to claim for business mileage. Mileage cannot be claimed for commuting. If you intend to continue to another location, you will be solely responsible for any additional costs (except at the sole discretion of the Company).

The Company will reimburse business mileage in line with the current HMRC rates. The Company will not reimburse business mileage for private use and normal workplace unless you provide receipts. The Company will not reimburse business mileage for private use (except at the sole discretion of the Company).

6. Conditions

- 6.1 Any allowance will be subject to income tax and statutory deductions as if it were a salary payment.
- 6.2 Other than on first election, the employee's election for the company car, election for the cash alternative can only be made when the employee's allocated car falls due for replacement.

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[Changes to Company entitlement will be subject to the terms and conditions of the Company's benefit administration]

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and to statutory, quasi-statutory
reconsider the decision to receive

- 6.3 In the event that the employee's job is changed (for whatever reason) to one which carries entitlement to a Company car of lower cost than that of the current car then the allowance to salary will be reduced to that applicable to the lower cost car.
- 6.4 In the event that the employee's job is changed (for whatever reason) to one which carries entitlement to a Company car of higher cost than that of the current car then the allowance to salary will be increased to that applicable to the higher cost car.
- 6.5 In the event that the employee's job is changed (for whatever reason) to one which carries entitlement to a Company car of lower cost than that of the current car then the allowance to salary will be reduced to that applicable to the lower cost car.

7. Cash alternative

- 7.1 The cash alternative [whole life cost] at the employee's choice of the car to which the remaining value(s) of the cash alternative may vary in response to external factors such as regulation and/or legislation. Changes will be notified to employees by them.
- 7.2 If the employee loses entitlement to the provision of a company car as a result of a motoring offence, then no monetary allowance will be provided.

will not provide an opportunity to
of a Company car.]

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current grade is removed then the

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