

	Private Car Allowance Policy	
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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 1st January 2015. The Company reserves the right to amend this Policy at any time without notice.

3. Qualification

- 3.1 To qualify for having a Company allocated car or of providing their own private car for business use, the employee must satisfy all of the following criteria:
 - 3.1.1 The employee must be a full-time employee for whom a Company car would normally be provided.
 - 3.1.2 The employee must provide valid documents, which must be copied to the Fleet department. These documents must 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 Duty
 - 3.1.7 The employee must be the registered keeper of the car which they are using for business purposes.
- 3.2 The car must be covered by a valid 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 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 by the employee to undertake business mileage as required.

required.

4. Vehicle requirements

- 4.1 To qualify for having their own private car and providing their own private car and employee's vehicle the following criteria:
- 4.1.1 The vehicle must be a private car, van, 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 10,000 miles for company travel
 - 4.1.4 The vehicle must have a capacity of at least 1,400 cc, but not more than 2,000 cc
 - 4.1.5 The employee must have a valid insurance policy in place. The Company must be named as the insured party.
 - 4.1.6 The employee must ensure the vehicle has been used on company business and is 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 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 private use on Company business and must not be a sports model or similar

Note: In the event of the vehicle being damaged or expected to make their own arrangements. Under these circumstances, the Company will make payments only, provided this is pre-approved.

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

5. Expenses

The employee will be entitled to claim for expenses incurred in the use of the vehicle. Mileage cannot be claimed for company travel if you intend to continue to another location. You will be solely responsible for any damage to the Company).

6. Conditions

- 6.1 Any allowance will be subject to income tax and deductions as if it were a benefit.
- 6.2 Other than on first day of use, the employee must elect for the company car, election for the cash alternative can only be made if the vehicle falls due for replacement.

[Changes to Company entitlements will be subject to benefit administration]

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

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

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

7. Cash alternative

- 7.1 The cash alternative will be equal to the budget allowance [whole life cost] at the time of the choice of the car to which the employee is entitled. Changes in the value(s) of the cash alternatives may vary due to changes in regulation and/or legislation. The employee will be notified to employees of the value(s) of the cash alternatives and/or other factors. 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 made for the provision of a company car.