

Company Car Policy – An Overview

The purpose of this document is to outline our policy in respect of the procurement and management of company vehicles for **[Insert Company Name]**. This also includes procedures which are relevant to the use of temporary vehicles, such as daily rental, demonstration or pool vehicles (as applicable).

In summary, this policy will provide details of our procedures in relation to:

- Entitlement to a Company Car
- Procedures on the Selection of a Company Car
- Use of a Temporary Vehicle
- Environmental Considerations
- Driver Obligations
- Business and Private Mileage

The use of a Company Vehicle is a privilege, and it is important that you understand our procedures and your obligations in respect of using a business vehicle.

Please take the time to read through this document in detail, and ensure you are familiar with our procedures and your obligations. Please note that failure to follow company procedures may result in withdrawal of entitlement to use a business vehicle, and may lead to disciplinary action which could result in dismissal.

Entitlement to a Company Car

You will have been advised as part of any initial offer letter, or subsequent update to the terms of your employment, as to whether you will be entitled to a company vehicle. There are certain roles where a company vehicle is required to effectively carry out the role, however, we must stress that the issue of a company vehicle is always at the discretion of the company.

Our company car policy is designed to offer flexibility wherever possible, whilst ensuring that we are fair to all employees and that we meet our financial objectives. As such, we've split the entitlement to a company car into five groups or "Grades"; as follows:

Entitlement to a Company Car

Position	Grade	Budget (Finance)	Budget (Maintenance)
		(Ex VAT)	(Ex VAT)
Example (Junior Sales / Technician)	A	£0.00	£0.00
Example (Senior Sales / Technician)	B	£0.00	£0.00
Example (Team Leader / Manager)	C	£0.00	£0.00
Example (Senior Manager)	D	£0.00	£0.00
Example (Board Director)	E	£0.00	£0.00

The above (budget) figures are to be based on a Business Contract Hire over 36 Months. The payment profile must be "3 followed by 35" with an annual mileage allowance of 30,000 per annum. Road Tax must be included for the duration of the agreement. Maintenance must include Service, Maintenance, Repairs, Tyres and UK Breakdown recovery. All quotations must be provided by our

nominated Contract Hire and Fleet Management provider, Concept Vehicle Leasing [Delete as Applicable].

The company reserves the right to issue an employee with a vehicle that is already in the fleet should one be available.

If a current company car driver receives a promotion which entitles them to a different grade car then this will generally only be issued if the current vehicle can be issued to another employee of the correct car grade. Otherwise that employee will keep their current car until it is due for renewal.

Selection of a Company Car

Our company car policy operates on a "User Chooser" basis whereby we permit employees to choose their own vehicle, subject to the chosen vehicle remaining within the budget applicable to the grade, and on the basis of the chosen vehicle meeting the following requirements:

Size and Type

- ✓ Vehicles must be of "Hatchback" / "Estate" or "Saloon" variants. We will not accept "Coupe" / "Convertible" / 7 Seat "MPV" variants.
- ✓ 4 Wheel Drive vehicles are not permissible

Colour

- ✓ Colours will be restricted to protect business image and brand. Therefore, we will only permit variants of Black, Grey, Blue, Silver or White.

Wheels

- ✓ We will permit a maximum wheel size of 18" across our fleet

Environmental Considerations

- ✓ All vehicles will have a maximum level of 140g/km CO2 as determined by the vehicle manufacturer specification
- ✓ All vehicles will be Diesel or Hybrid
- ✓ All vehicles will have combined "Miles Per Gallon" of 50 as a minimum

Mandatory Features

- ✓ All Vehicles must be delivered complete with a full set of Carpet Mats. (Our chosen Fleet Management partner, Concept Vehicle Leasing will provide these Free of Charge)
- ✓ All vehicles must have Bluetooth Hands Free system.
- ✓ All Vehicles must have Rear Parking Sensors
- ✓ All Vehicles must have Split Folding Rear Seats

The company will do its utmost to obtain a preferred vehicle. However, an alternative vehicle may be selected due to pricing or delivery constraints. The company will deal directly with our preferred supplier and has the ultimate decision on what vehicle is selected and ordered. No employee will have the authority to commit the company to any kind of contract for the purchase of a vehicle.

Use of a Temporary Vehicle

In some circumstances it may be necessary for employees to drive temporary vehicles for business. For example:

- A "Pool" Car
- A Daily Rental vehicle
- A "Courtesy" / "Loan" or "Demonstration" Vehicle

In all circumstances, there must be a permanent record of the use of a temporary vehicle, including the exact Date and Time of use, and record of journey. This policy provides for the use of any temporary vehicle, and Terms & Conditions in respect of Driver Obligations will apply.

All vehicles must be checked prior to use, and damages must be reported immediately.

Insurance

All company vehicles will be insured on a fully comprehensive basis with our chosen fleet insurance provider, subject to the following conditions:

- Insurance is provided exclusively for the use of employees to drive a company vehicle on approval by the company. Partners / Spouse or other family members may only drive a company vehicle on the basis of written approval from the company, and on verification of their driving licence.
- In the event of an accident, please contact our preferred Fleet Management provider on the 24 Hour Emergency number as detailed in the separate Driver Handbook. All accidents must be reported immediately.
- In the event of a claim for damage being made on our fleet insurance policy, the employee will bear responsibility and liability for the insurance excess as determined from time to time, and advised separately.
- In the event of licence endorsement or conviction, you must notify the company as soon as possible, as certain endorsements or convictions may invalidate company insurance and your entitlement to drive.

Business and Private Mileage

[The company will provide you with a Fuel Card, operated with our chosen Fuel Card Provider. This will provide for the cost of fuel for both Business and Private mileage, and as such you will be liable for additional "Benefit in Kind" for "Fuel Benefit". HMRC will adjust your "Tax Code" accordingly, and this additional liability will be deducted from your pre-tax salary.]

Or

[The company will provide for the cost of Business Mileage only. Business Mileage should be reclaimed through our company expense system, and will be reimbursed by Bank Transfer.

All Business Mileage claims should clearly detail:

- The actual journey mileage
- Full details of the journey and requirement for that journey (EG: Meeting with " ")
- Mileage is claimed as per HMRC advisory Business Mileage rates, reviewed 4 times annually]

Health & Safety

This policy will operate in conjunction with our wider Health & Safety Policy, and there are some key considerations in terms of operating vehicles for business. Whilst this list is not exhaustive, please note the following:

Driving Time

Please ensure you take plan your working day so as to ensure you can cover the required distance within a reasonable time, and that you take regular breaks to ensure safe and responsible driving.

Mobile Devices

The use of any mobile device whilst driving; including discussion, e-mail, social media or otherwise, is strictly prohibited; unless through a fully functional hands free in-car system.

Smoking

Smoking in company vehicles is strictly prohibited at all times.

Drugs and Alcohol

The operation of a company vehicle whilst under the influence of any recreational or non-prescription drugs is strictly prohibited, and care should be exercised to take note of any instructions given in respect of prescription drugs.

Equally, the operation of a company vehicle whilst under the influence of alcohol outside of legal limits is strictly prohibited.

Driving Licence

Any driver of a company vehicle must hold a full valid UK driving licence. You must provide a copy of your full licence when requested to do so by the company for validation, and we may also request that you complete a DVLA mandate which provides the company with permission to carry out an external check on your licence to ensure its compliance with this policy.

Your Obligations

We want to ensure you are able to carry out your duties on behalf of the company safely and securely at all times, and that you are able to enjoy the full benefit of using a company car. Please ensure you look after your company car to the best of your ability, and observe the following:

Tyres

Whilst we may use an external fleet management or leasing company to provide for Service, Maintenance, Repairs and Tyres of your company car, it will remain the responsibility of the driver to ensure all tyres are above legal limits at all times. Please ensure you check your tyres regularly for damage, and ensure all tyres are above the legal limit of 1.6mm.

Fluids (Oil), Brakes and Lights

- Please ensure Oil and Fluid Levels remain above minimum and contact our Fleet Management provider in the event of any warning on the vehicle dashboard.
- Please report any issue or defect to the braking system as soon as possible.

- Please carry out regular checks on all exterior lights, including headlamps, brake lights and indicators.

Service and Maintenance

- Please ensure all servicing is carried out in accordance with the relevant manufacturer guidelines.

Tax and MOT

- Please ensure your vehicle displays a valid tax disc at all times
- Where applicable, please ensure your vehicle is up-to-date with an MOT (not required until 3 years after the date of first registration in the UK)

Weight and Towing

- Please ensure you observe all maximum weight / load limits as stated in the manufacturer handbook.
- Please check with the company prior to towing with your company vehicle. Where towing is permissible, please ensure you tow within limits as stated in the manufacturer handbook.

Fair Wear & Tear

- Company Vehicles must be returned when due in accordance with Fair Wear and Tear guidelines as stipulated by the British Vehicle Rental and Leasing Association (BVRLA). Please ensure you are familiar with these guidelines and that your vehicle is kept clean and free from damage which may be outside of Fair Wear & Tear, In the event of any damage, please report this to your line Manager or our Fleet Management provide as soon as possible.

Safety Inspections

- It is necessary for regular safety inspections to be carried out on your vehicle, and always prior to any long journey. Please complete a "Vehicle Safety Checklist" at the end of each month, and submit this to our Fleet Management provider so as to maintain a record of completed Safety Inspections.

Congestion Charges, Fines and Penalty Notices

In the event of notification of a congestion charge, fine or penalty notice for a company vehicle which was in your custody at the time of offence, you will reimburse the company on a full indemnity basis for all associated costs and charges as soon as possible, and no more than 30 days after the date of notification.

Declaration

I have read and understood the contents of this policy, and agree to abide by its terms in respect of my use of a company vehicle at all times.

Sign

Print

Date

Please sign and return one copy, and retain another for your reference.