Driving on company business

This policy reflects our commitment to travel in a sustainable and responsible way.

As part of the sustainable travel policy, the company supports different means of travelling to and from work including the cycle to work scheme, electric bikes, hybrid and electric vehicles and providing rail season ticket loans for employees to commute between home and work.

Team members who are required to provide a motor vehicle as part of their normal duties will be designated in one of the following categories.

1. Casual User

Team members who travel on company business on an occasional basis are classified as casual users. Business mileage will not normally exceed 10,000 miles. Casual users may use their own vehicle on company business with prior approval from their manager. By using their own vehicle, they are responsible for ensuring that it has a current MOT, Road Tax, is adequately insured for business, and that they hold a valid driving licence.

The company will pay all business miles in accordance with the applicable casual user rates.

2. Essential Users

Team members who are required to travel on company business on a regular basis as a requirement of their role are classified as essential users. Essential users will be regularly required to drive to, from and between operational sites or customers.

Essential users are either provided with a company van or a specified company car. This is currently a Ford Fiesta 1.1 Zetec Navigation.

The company car will be fully funded by the company, with the exception of part time team members who will be required to contribute towards the cost of the vehicle for those hours when they are not at work. See section 5.1 for further information. Team members will be liable for the benefit in kind tax liability on the vehicle. As team members are given a car in order to fulfil the requirements of their role, they are not able to elect to receive a car allowance instead. No cash compensation will be offered for any difference in the value of the vehicle and any historical essential user allowance.

The company reserves the right to review essential user eligibility should the minimum annual business mileage not be met or if the role changes such that an essential user car would no longer be required. Essential users will be notified with a minimum of one month of any changes that materially impact them. The Company will pay all business miles in accordance with the applicable essential user mileage rates.

3. Business Users

Team members who are required to travel on company business on a regular basis and receive a car benefit are classified as business users. Business users will have business mileage exceeding 10,000 miles per year or be eligible for a car benefit due to the seniority of their grade.

Business users can choose between a car allowance payable with their salary or a company car. The choice of company car requires line manager approval. 'Trade up' and 'trade down' options are detailed below.

Team members are not permitted to commence or renew a vehicle lease under the company car scheme if they are:

a) under notice to terminate their employment within the next 12 months;
b) due to retire within the next 12 months;
c) employed on a fixed term contract which is due to expire within the next 2 years.

The Company will pay all business miles in accordance with the applicable business user mileage rates.

4. Car Allowances

Company car allowances are determined by grade and will be pro-rata for part time employees, subject to the part time hours being less than 30 hours per week. All car allowances are subject to tax and national insurance.

By using their own vehicle, team members are responsible for ensuring that it has a current MOT, Road Tax, is adequately insured for business, and that they hold a valid driving licence.

5. Company Cars

5.1. Those employees working part-time will be required to contribute towards the cost of the car for those hours when they are not at work, subject to the part time hours being less than 30 hours per week. This net contribution is calculated from the 'cost of ownership' of the company car, as confirmed by Fleet Services. For example,

Monthly car allowance (full time)	£375
Team member hours per week	20
Full time equivalent hours per week	40
Cost of ownership of car	£300
Calculation	(£375/40 x 20) minus £300
Monthly contribution	£112.50

5.2. For essential users, the company will choose a specific model, derivative, colour and engine size which will apply to all essential users and be reviewed periodically. Essential users will not be able to "trade up" or "trade down".

The following applies to business users only:

5.3. Business users may opt to 'trade up' by contributing the additional cost of ownership of the make and model of the vehicle. The current specification and monthly contributions are available from the Fleet Services Department. Contributions made towards company cars will reduce the taxable benefit by the amount of the contribution made. The contribution will be paid by authorised deduction from salary each month for 48 months.

5.4. Business users also have the option of 'trading down' groups of cars. Downtrade values are calculated as the difference between the cost of ownership and the appropriate scheme allowance. The current specifications and monthly contributions are available from the Fleet Services department

5.5. The cars and models available in this scheme and the uptrade and downtrade values will change with manufacturers' price changes, discount terms and offers available. Please always check with the Fleet Services Department for current models available and costs.

5.6. Order forms for the current specification of benchmark, uptrade or downtrade vehicles are available from the Fleet Services Department. The form will require authorisation by the line manager and relevant member of the senior leadership team. 5.4. Business users will also be required to read and sign the Company Car Provision Scheme Agreement & provide a copy of their driving licence before the order for the car is placed.

6. Mileage

Mileage on company business will be reimbursed in line with HMRC guidance. Casual users will be reimbursed at the approved mileage rate. Essential and business users will be paid in line with HMRC advisory fuel rates and are subject to change.

7. Taxation on Company Vehicles

7.1. Company car benefit in kind is paid for using the car from home to work, as well as social, domestic and pleasure use. The taxation of company cars has changed with effect from new orders placed after 1 April 2017.

7.2. As a result of the new rules, you may be liable to pay more tax on your company car. As well as using the list price and its CO2 emission to determine the taxable benefit, it is necessary to compare this to the value of the cash foregone, after taking account of trade up or down allowances. Under the new legislation, you will now pay tax on the higher of these two figures.

7.3. Specific tax rules apply to vans and detailed guidance is issued to drivers when first allocated a van. In addition, annual certification is required confirming the use of the van.