**Company Car Policy**

[Company Name]

[Address, Company Number, etc]

|  |  |
| --- | --- |
| Issued | [Month, year] |
| Recheck | [Month, year] |

**Introduction**

This policy sets out our rules on the use of company cars. A company car is any type of car provided by us for your [personal and] business use. This policy does not form part of your contract of employment, and we reserve the right to amend or withdraw it at any time.

**Scope**

This policy applies to employees. It does not apply to workers, contractors, consultants or any self-employed individuals working for us.

**Your entitlement**

You will be entitled to a company car if:

* you hold the position of [insert if appropriate or delete];
* it is a benefit that forms part of your terms and conditions of employment.

Before being allocated a company car, you must sign a declaration and provide proof that you hold a valid driving licence. You must also declare any current driving convictions, including penalty points.

*[****Allowance in lieu of a company car***

*At our discretion, you may be given the choice of receiving a monthly allowance in lieu of a company car.*

*Where this is authorised, the allowance will be paid along with your monthly salary, after deduction of income tax and national insurance contributions. If you lose your driving licence because of a motoring offence, you will no longer be entitled to the monetary allowance.]*

**Type of company car**

We reserve the right to determine the value, make and model of the car to be provided to you and to change your allocated car at any time and for any reason. Notwithstanding this, we will consult with you with a view to offering you a reasonable choice as to the type of car that you will be offered.

Any company car provided to you by us will remain our exclusive property.

**Replacements**

Your company car will be replaced [every X years] [after X miles] although this remains entirely at our discretion.

**Reducing our carbon footprint**

We want to reach our carbon goals emissions to as close as zero as possible and as a business we continue to look at ways of how to achieve this. We recognise the role that cars play in increasing carbon footprint therefore, where possible, we will ensure that any car assigned to you meets the ultra-low emission zone (ULEZ) standard.

At all times you are encouraged to opt for the most carbon efficient way to travel.

**Use of your company car**

Business use

Your company car may be used by you for [purely] business purposes [and for travel between your home and your usual place of work].

*[Personal use*

*Your company car may be used for private purposes by you and [your partner or spouse], provided that they are a named driver listed on the insurance policy.]*

**Tax**

You should be aware that, if you use your company car for personal use, including for commuting, you will be required to pay company car tax. Further information on how company car tax is calculated can be obtained from [your Line Manager].

**Expenses**

You are responsible for purchasing your own fuel. We will reimburse you for any mileage that you incur when you use your company car for business travel at the rate set by HM Revenue and Customs.

[We will also reimburse you for any toll road charges, congestion charges and parking costs incurred as part of any business journey.]

Any claim for expenses must be agreed in advance by [your line manager] and submitted in accordance with our Expenses Policy.

For the avoidance of doubt, we will **not** reimburse you for:

* mileage between your home and usual place of work;
* mileage undertaken for personal use;
* mileage incurred by your partner or spouse; and/or
* any fines or penalties whatsoever including penalties for not paying for a toll or congestion charge, or motoring fines, including speeding or parking fines, clamping or vehicle recovery).

**Insurance and maintenance**

We will ensure your company car is covered by fully comprehensive insurance and that it has up-to-date vehicle tax and that it undergoes regular servicing and, as appropriate, MOT testing. If your tax or MOT certificate is due to run out, you must contact [your Line Manager] to let them know at least 28 days before the relevant expiry date.

**Your responsibilities**

If you are provided with a company car, you must:

* ensure it is maintained in a clean, safe and roadworthy condition at all times;
* check tyre pressure, treads, lights and car fluids levels regularly;
* submit the car for MOT testing and servicing as and when needed;
* comply with all relevant traffic laws and rules;
* ensure that you and any named driver who is authorised to drive the car comply with the provisions of any insurance policy relating to the car; and
* ensure that smoking is not permitted in the car under any circumstance.

We accept no liability for any accident, loss, damage or claim arising out of any journey that you make in your company car, unless caused by our own negligence.

**Termination of employment**

If you are placed on garden leave or you are working out a period of notice, we reserve the right to withdraw your company car and pay an allowance to compensate you for the loss of use of that car.

**Motoring offences**

It is a condition of being allocated a company car that you notify [your Line Manager] in writing of any motoring offences including parking tickets with which you [or any named driver authorised to drive the car] have been charged or convicted.

You must also inform [your Line Manager] immediately if you have been disqualified from driving, or if your driving licence has been cancelled.

If your driving license is withdrawn or revoked, you will be required to return your company car to us.

**Breach of this policy**

Any breach of this policy will not be tolerated and will be treated as a disciplinary offence

**Review**

This policy may be reviewed at any time at the request of any member of staff, but it will be automatically reviewed [No. of years] after initial approval and thereafter on a triennial basis unless organisational changes, legislations, guidance, or non-compliance prompt an earlier review.

**Definitions**

[Company Name] ("we", "us", "our")

The Employee ("you")