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*Approved by RAAG  
Committee 17 June 2019*

# Company Provided Vehicle Policy

## Company Provided Vehicle Policy

1. A company car is available to the Group Chief Executive and Group Directors as part of their overall terms and conditions. The car is provided for business and personal use. The Group Chief Executive can elect to take a company car but the choice once made must last for a minimum for a 3 year period renewable on vehicle replacement.
2. The Group Chief Executive and Directors shall be responsible for their own personal taxation and the national insurance implications of the provision of a company vehicle. They must be aware that the personal tax implications vary from time to time. While the finance department will apply current legislation their responsibilities cannot be removed.
3. They will ordinarily take the vehicle home each evening and park it in a safe location. It is the responsibility of the vehicle keeper to always leave the car securely locked and alarm set (where alarm fitted) wherever it is left.
4. When a company car is available for use it should be used in preference to their own vehicle.
5. Their partners/spouses and employees of the Association can drive vehicles so long as they are aged over twenty one. Any other driver has to be at the discretion of the Group Chief Executive and/or Group Director of Finance.
6. Vehicles will be changed on a three yearly basis. It is however accepted that replacement vehicles, as a result of insurance claim or 'rogue' status, may be acquired on an individual basis. These vehicles should be brought into line as soon as practicable, and may result in a variation from the three year rule.
7. No smoking will be allowed in company cars.

### Capital Costs of Vehicles

8. The maximum capital cost of company provided vehicles shall be as follows:

	<b>Maximum vehicle value (2019/20 financial year)</b>
Group Chief Executive	£52,070
Group Director	£38,000

The allowance shall increase each year at the rate of the Consumer Price Index on 1 April each year.

9. Only new vehicles or dealer pre-registered vehicles can be purchased.

10. The maximum values up to which vehicles may be purchased are show in paragraph 8. Maximum value is the equivalent price paid for the vehicle. The cost of optional extras included with the vehicle will be taken into the calculation of maximum value.

### **Fuel Costs of Vehicles**

11. The vehicles will be used for both business and personal use
12. Any business mileage will be re-imbursed to the vehicle keeper at the end of the month. The amount payable will be based on the rate advised by the Inland Revenue.

### **Insurance and Upkeep**

13. The Association shall be responsible for all repairs, insurance, road tax, cleaning costs and business fuel costs of the cars.
14. The official keeper will be responsible for ensuring that the vehicle is regularly maintained. The car must be kept in a tidy and clean condition.
15. All company vehicles are insured under the one policy.
16. It is the responsibility of the Finance Department to ensure that the policy is renewed. All claim forms are held within the Finance Department.
17. When a relation of an employee damages a vehicle the employee should pay any insurance excess exceeding £100. If the vehicle is damaged by any other person, full excess is payable.

### **Procedure for Replacement/Disposal of Vehicles**

18. In the event of the company vehicle becoming available as a result of exceeding the prescribed time limits the following procedure will be operated:
  - Where a disposal/replacement is going to take place the member of staff who has been the keeper of the vehicle and paid tax accordingly for the benefit provided shall be informed and invited to purchase the vehicle at the accounting written down value.
  - Where the vehicle keeper does not express interest in acquiring the vehicle then the vehicle will be disposed of by means of a trade-in against a new vehicle or by private sale to a dealer.
19. This procedure would only apply to vehicles where the vehicle has reached the prescribed time limit in the policy. For example, where the vehicle is replaced early for mechanical reasons as a result of damage the procedure would not apply.