

VEHICLE POLICY

The purpose of this policy is to outline the policies and practices relating to providing and maintaining company vehicles for eligible employees. Updates may be provided to this policy from time to time to reflect changes in legislation or the vehicle provider's practice. It is the company's policy to provide vehicles for eligible employees for appropriate business use. Typically, the company provides cars to employees who require it for one or more of the following reasons:

- Their position requires extensive travel by car
- Their role requires frequent transport of customers, products, parts and/or tools required for job assignments

COMPANY CARS

You may be asked to take an existing vehicle, should the previous incumbent's vehicle not be due for renewal at that time, or if there is a suitable vehicle in the company pool. If the vehicle you are asked to accept is a higher specification than agreed for the purpose of your role, you will automatically revert back to the appropriate vehicle specification when ordering a new one.

Maximum allowance

Authorised monthly lease rates are monthly rentals that include road licence fee and maintenance and exclude insurance, VAT and fuel. These allowances are as follows:

- CO2 level equal or below 120g/Kgm
- Maximum 2 litre
- Total rental cost no greater than £400 per month
- 3 and 33 payments
- 25,000 miles per year

Vehicle Selection

The company determines driver and vehicle eligibility criteria and assigns the vehicles that best fit the needs of the company and any legislative requirements. All vehicles must be approved by management based on corporate and local guidelines. Vehicles can be either diesel or petrol. Suitability, maintenance, environmental impact and the long-term running costs associated with any chosen vehicle will all be taken into consideration before any selection is approved. The company reserves the right to reject, amend or restrict the choice of vehicle at its sole discretion. The following vehicle types are excluded from the car policy:

- Coupe/convertible
- 4-wheel drive/off road
- High performance vehicles (excess 140bhp)

As an authorised driver of a company-provided vehicle, you can add extra factory-installed equipment (e.g. satellite navigation) to your new vehicle, up to your maximum monthly allowance but any additions must be agreed by the Managing Director prior to any order being placed.

Contract Term

Vehicles are usually contracted on a 3x33 payment term; approximately 36-month term and are replaced at the end of this time. The company reserves the right to amend the terms of the vehicle replacement cycle at its sole discretion.

Insurance

The company will comprehensively insure company provided vehicles, providing cover to the member and spouse/partner who must both possess a full valid driving licence. The company's insurance policy does not cover the vehicles being used for another company's business.

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In order to meet the insurance requirements all drivers (including spouse where applicable) are required to provide a copy of their drivers licence (and at each insurance renewal). Only records related to your driving experience are reviewed. All records and information are handled in a confidential manner. Any significant change to the information provided (e.g. change of address, addition of points) must be provided to the office ahead of renewal.

Motor Insurers Bureau (MIB)

The company is legally obliged to record details of any vehicle (temporary or contract hire) covered under the company's insurance policy on a national database run by the MIB. If these details are not provided and entered into the database in a timely manner the insurers may not provide cover in the event of an accident. It is the employee's responsibility to ensure that the office is made aware of the vehicle details (registration number, make, model, engine size, dates of hire) and failure to do this will hold the employee personally liable for any repair costs as a result of the insurance being invalidated.

Drivers Record

In order to meet the insurance requirements all drivers (including spouse where applicable) are required to complete the driver questionnaire at the commencement of their employment and provide a copy of their drivers licence (and at each insurance renewal). Only records related to your driving experience are reviewed. All records and information are handled in a confidential manner. Any significant change to the information provided (e.g. change of address, addition of points) must be notified to the office ahead of renewal.

Accidents

Should you be involved in an accident whilst using your company vehicle and a third party is involved, the following procedure must be followed:

- Contact the insurance company. The 'Road Traffic Accident Questionnaire' should also be completed and returned to the office as soon as possible. The driver is responsible for obtaining particulars of any persons involved in the accident as well as names and addresses of witnesses and ensuring these are passed to the insurance company
- If a third party is not involved, please contact the office as soon as possible for the appropriate action to be taken.
- If your company vehicle is broken into and the only thing that is damaged is the glass, please contact the office to have the glass repaired. Please also ensure that the incident is reported to the police and the crime number is passed to the office.
- If your vehicle is rendered un-driveable, you should contact the office to make arrangements for a hire car to be provided

Personal Possessions

Personal possessions are not covered by the company's insurance policy. Employees' wishing to carry personal possessions in their company vehicle should insure these items as an extension to their household insurance. **Employees must ensure that any possessions (including computers/tools etc) are not left in view.**

Breakdown Cover

In the event that your vehicle breaks down you should contact the leasing company to arrange the recovery of your vehicle to the nearest garage. If it is not repairable immediately and you need a temporary replacement vehicle, please see below.

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Temporary Replacement Vehicle

If you require a temporary replacement vehicle because your car is not available for any reason other than planned maintenance, you should contact the office to arrange this. The company will determine the most appropriate vehicle at its sole discretion and this will not necessarily be a like for like replacement.

Replacement Windscreens and other Glass

Windscreen replacements and repairs are covered under the company's insurance policy. Please contact the office to organise replacements and repairs.

When arranging repairs, you will need to show your copy of the insurance certificate. T.F.Tull are responsible for the excess and VAT due on any repair or replacement and you are only required to make payment of this, and reclaim through the expense system if the repair/replacement has not been organised via the office.

Motoring offences and other fines

Employees are responsible for timely payment of any offence or parking fines in a timely manner. Any administration charge imposed on the company will be passed onto the employee through the payroll. This charge will be an addition to any fine imposed by the relevant authority.

The company will provide a valid road fund licence disc but it is responsibility of the driver to ensure that it is displayed.

London Congestion Charge

If a driver is required to enter the London Congestion zone in the course of normal business first check/ensure that the vehicle is logged with the Company payment scheme. If not, then the charge should be paid by the employee and then be reclaimed from the company through the expense system. The company will not make reimbursement for any fines incurred as a result of late or non-payment of the charge. Any charges imposed on the company will be passed onto the employee through the payroll, and whilst the company will do everything possible to provide backup information regarding the fines, this may not always be possible prior to deduction from payroll.

Fuel Card

Each company car driver will be issued with a fuel card. Cards are not transferrable between vehicles and must be used solely to purchase fuel and oil for business use. **You must pay for private fuel based upon HMRC rates (details can be found on HMRC website) and detailed on expense sheets issued monthly.**

Maintenance

Employees are responsible for ensuring that their car is kept in good repair and generally maintained in an efficient roadworthy condition. Please ensure that the vehicle is serviced at the manufacturer's recommended service intervals, and on any other occasion when a fault may arise. Employees must ensure that the tyre pressure, oil and coolant levels and anti-freeze levels are maintained to the manufacturer's specifications.

Costs of repairs required to company vehicles, which are proven to be the direct result of poor maintenance, will be reimbursed to the company by the employee.

Maintenance to comply vehicles should be carried out by the lease providers approved garages. A full up to date list of these can be obtained by contacting the office. Under the terms of the contract, approved garages will supply employees with a courtesy car whilst their vehicle is being serviced,

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provided the vehicle is booked in with a minimum of 7 days notice. Any hire car costs incurred through lack of service planning will be recharged to the employee. Any maintenance/repair charges should not be paid by the employee and charged through the expense system without the company's express permission. Oil must be checked regularly.

Car Wash

It is employee's responsibility to ensure that the vehicle is internally and externally cleaned on a regular basis. Particular attention must be paid to windows, lights, mirrors and number plates.

Personal use of Company Vehicles

When a vehicle is not being used for business, it may be operated for limited personal use by the authorised driver. However, whether used for business or for personal use by the authorised driver. However, whether used for business or for personal use, the vehicle must be operated in compliance with all company policies and the law. The company can modify or withdraw the privilege of personal use at any time without advance notice. **You must pay for private fuel based upon HMRC rates (details can be found on HMRC website) and detailed on expense sheets issued monthly.**

Taking the Company Vehicle Abroad

It is legal requirement that to take your company vehicle abroad you must obtain permission from the lease provider who will supply a VE103 form that is valid for 1 year. Please contact the office should you have this requirement. Any costs employed with obtaining this document may be chargeable to the employee unless the vehicle is being taken on pre-authorised company business.

Withdrawal of Company Vehicle

Arrangements should be made for the prompt return of company vehicles in the following circumstances.

Termination of Employment

An employee having tendered their resignation may continue to have use of the vehicle in the period of notice but the vehicle should be returned to the company by the final date of employment.

Dismissal

On dismissal an employee is required to hand the vehicle back immediately.

Used Vehicle Disposition

At the end of the contract term, the vehicle must be clean and in condition for sales. Vehicles returned must be free of excessive physical damage which affects the appearance and operation of the vehicle. Excessive damage to the exterior or interior of the vehicle, based on an evaluation by the lease provider, will be charged to the company, which may in turn be passed to the employee.



Peter O'Grady
Managing Director
March 2020