

Car User Policy

Version Number	1
Revision Date	9 March 2023
Department	Business Support and Transformation
Author	Head of HR and Organisational Development
Reason for Policy Creation/Revision	Following pay review and transition of fleet car arrangements to Essential Car User Allowance (ECUA)
Data Protection	All information obtained under this policy conforms to Hanover's Data Protection Policy and Procedure
Equalities	This policy ensures that no one is disadvantaged when required to undertake mileage as part of their employment
Sustainability	This policy links directly to our sustainability ambitions and highlights that in reduction in vehicle use is positive
Proof Read By	Pay Review Working Group
Date Approved	6 April 2023
Approved By	SMT/ELT
Next Review Due	6 April 2026
Audience – Training and Awareness Approach	Part of pay review individual impact meetings
Effective Date	12 October 2023
Internal References – Policies & Procedures	Travel & Other Expenses Policy
External References	HMRC

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1. Policy Purpose

- 1.1 This document sets out Hanover's Policy on using vehicles for business requirements, including provision of allowances for employees identified as essential car users. **Appendix 1** also sets out our Vehicle and Occupational Driving Guide which details the health and safety requirements for all work-related driving.

2. Policy Scope

- 2.1 This policy applies to all Hanover employees including temporary employees who undertake work related driving.
- 2.2 Section 3 below sets out our criteria for Essential Car User Allowance. It should be noted that ECUA will not apply if an employee is in receipt of a Car Allowance as part of their remuneration package (CEO, Directors & Heads of Service).

3. Essential Car User Allowance (ECUA) Criteria

- 3.1 Essential car users' status is applicable where there is an identified requirement for employees to have access to a car for business purposes.
- 3.2 Essential Car Users Allowance applies where a minimum of one of the following criteria is met by the post holder where they undertake: -
- Annual mileage of 2,500 business miles or more and
 - Regular (weekly) use at short notice or.
 - Regular (weekly) transport of passengers or bulky materials/equipment or
 - Regular (weekly) significant journeys for which public transport would be impractical or.
 - Regular visits to sites where the use of a private vehicle is essential to carrying out the duties in the job description
- 3.3 Should an employee not meet the criteria for the ECU status as detailed in 3.2, a case can be made with justification to the relevant Director. Any acceptance must be approved and recorded by ELT with clear reasons for application out with policy.
- 3.4 On an annual basis, during the budget setting process, managers must review all ECU allowances to ensure that there remains a valid requirement for the next year. Any vacancies arising during the year, should also review requirements for ECU.
- 3.5 ECUA is a fixed amount and will not be subject to annual increase. ECUA will be reviewed in line with benchmarking as a minimum of 3 years and a maximum of 5 years.

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4. Essential Car User Allowance Payment

- 4.1 ECUA will be paid in monthly instalments and will total £1,500 per annum. This will be paid along with the employee's monthly salary.
- 4.2 The allowance will be subject to employee National Insurance and Pension contributions and to income tax deduction.
- 4.3 Where an employee who is in receipt of ECUA is absent for any reason (including maternity, paternity, or adoption leave) payments will continue to be paid monthly.

5. Vehicle Requirements

- 5.1 Essential car users should have access to a road worthy vehicle for using on business purposes. Vehicles must:
- Have a valid MOT certificate if required.
 - Have valid road tax.
 - Be insured for company business.

6. Employee Responsibilities for Vehicles & Driving

- 6.1 **Appendix 1 Vehicle and Occupational Driving Guide** sets out the health and safety requirements for employees with regard to driving for business purposes.

7. Non-essential Car Users (Grey Fleet)

- 7.1 It is acknowledged that for some employees there is the occasional need to have access to a vehicle to carry out their duties and is likely to be on an ad-hoc basis. These employees will be classified as a non-essential (grey fleet) car user.
- 7.2 Grey Fleet users will be entitled to claim mileage costs, as per HMRC guidance and as detailed in Hanover's Travel & Other Expenses Policy.
- 7.3 Grey Fleet users are required to consider, where possible, alternative travel options to the use of a private vehicle.

8. Travel Direct between Home and an Alternative Workplace

- 8.1 Each employee has a normal place of work stated in their contract. Employees who submit claims for mileage, who are making their first call of the day to a destination which is not their "normal place of work", **should ensure they deduct their normal home to workplace mileage from any claim.**
- 8.2 Employees are not entitled to claim mileage for their home to "normal place of work" journey.

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9. Transitional arrangements from previous fleet scheme

9.1 There will be an up to 4-year transition period between the previous Fleet Car / Car Allowance Arrangements to the new Essential Car User Allowance.

9.2 Fleet Car to ECUA

9.2.1 We will

- Discuss with each individual employee who has fleet car their individual transition journey.
- Provide independent advice for employees buying or leasing their own car.
- Agree a transition timeline that is aligned to both the requirements of the employee and the current fleet car leasing arrangement.

9.2.2 It is anticipated that the likely transition will take up to 12 months from the new arrangements being approved and implemented.

9.3 Car Allowance to ECUA

9.3.1 The table below shows the 5-year transition from Car Allowance to ECUA:

Transition	Band 3	Band 4	Mileage Rate
Current Annual Allowance	£5,784	£5,349	13p-18p
Year 1 (23-24)	£5,784	£5,349	45p
Year 2 (24-25)	£4,984	£4,549	45p
Year 3 (25-26)	£4,184	£3,749	45p
Year 4 (26-27)	£3,384	£2,949	45p
Year 5 (27-28)	£1,500	£1,500	45P

9.4 Car Allowance to Car Allowance for Remuneration

9.4.1 The table below shows the 3-year transition from current car allowance to Car Allowance for Remuneration:

Transition	Band 1	Band 2	Band 3	Mileage Rate
Current Annual Allowance	£6,734	£6,190	£5,784	13p-18p
Year 1 (23-24)	£6,484	£5,940	£5,534	45p
Year 2 (24-25)	£6,234	£5,690	£5,284	45p
Year 3 (25-26)	£6,000	£5,500	£5,000	45p

9.5 Grey Fleet to ECUA

9.5.1 All mileage undertaken during 2022-23 will be reviewed. Those grey fleet users who match the criteria for ECUA will be notified and the ECUA allowance will be paid monthly, effective from 1st April 2023.

9.6 Any queries in relation to this policy or the transition should be discussed with managers in the first instance.

10. Data Protection

10.1 All data obtained under this policy will be treated in line with Hanover's Data Protection Policy and Procedure and the Employee Privacy Policy.

11. Monitoring & Evaluation

11.1 This policy will be monitored and evaluated by the Head of HR & OD and Head of Finance.

12. Review

12.1 This policy will be reviewed every three years or earlier as required.

Appendix 1



Vehicle and Occupational Driving Guide

1. Employee Responsibility

1.1 The Director of Business Support and Transformation is responsible for:

- Ensuring there are arrangements for identifying, evaluating, and managing risk associated with work-related driving;
- Providing resources for putting the guide into practice.

1.2 **Managers** are responsible for making sure that:

- All relevant employees are aware of their responsibilities under this guide and associated policy;
- Appropriate support is provided to employees involved in an incident associated with work related driving;
- All relevant employees are aware of the Corporate Driving at Work risk assessments.

1.3 All employees who carry out work-related driving are responsible for:

- Minimising their need to drive for work by using Virtual Meeting options where possible.
- Ensuring that they hold a valid driving licence and business insurance.
- Taking reasonable care of themselves and other people who may be affected by their actions whilst carrying out work-related driving;
- Being aware of the effects on their ability to drive of prescription/over the counter medication and always following the instructions and/or their GP's advice.
- Co-operating by following procedures designed for safe driving.
- Reporting all accidents and incidents on the incident/accident management system in relation to work-related driving;
- Taking part in training designed to meet the requirements of this guide as required.
- Reporting any dangers they identify or any concerns they might have about work-related driving.

- Organising and planning their own diaries to ensure safe and practical journey times;
- For current fleet car users only - carrying out a pre-journey vehicle check in accordance with Form 700 – ‘HSHA Vehicle Inspection Forms’ found [here](#)

2. Definition of Work-related Driving

2.1 Hanover defines work-related driving as:

- Any driving activities carried out by employees in the course of their work

3. Assessing Risk

3.1 Risk Assessments must be carried out in all areas of work where work-related driving poses an actual or potential risk to employees. The risk assessment will involve identifying all potential dangers and the risks associated with specific work-related driving activities. It should identify who will be affected and how, and the control measures which are needed to eliminate or reduce the risk to the lowest level reasonably practicable. The Corporate Driving at Work risk assessments can be found [here](#) for your information.

3.2 The risk assessments will be reviewed and updated at least annually by the Health, Safety & Wellbeing Manager.

4. Managing Risk

4.1 Hanover wants to ensure that we minimise risk for all employees who carry out work-related driving and ensure that employees take responsibility for their own personal risk assessment.

4.2 To minimise risk, employees must follow the agreed processes for work-related driving, submit the required documentation for checking, and ensure that their Manager is kept up to date about any changes that may affect their ability to drive for work. Employees should also consider the weather conditions and planning their route to minimise risk.

4.3 Employees driving for work-related purposes must:

- Only drive vehicles for which they hold appropriate licences.
- Hold a full and current UK driving licence.
- Submit documentation for mandatory Driving Licence/vehicle (business insurance, MOT etc.) checks at least annually.
- Inform their manager and the Risk and Assurance Manager about any changes in the status of their licence (driving endorsements /points / temporary license revoke) or their health that could affect their continued driving.

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- 4.4 Employees who drive for work-related purposes without carrying out all steps as at 4.3 may face disciplinary action under our Disciplinary Policy.
- 4.5 The following employees are specifically excluded from driving on Hanover business:
- Anyone who does not hold a full, valid UK driving licence;
 - Anyone who suffers from a condition that would disqualify them from holding or obtaining a relevant current driving licence;
 - Anyone who has a current conviction for a motoring offence in the following categories:
 - dangerous driving, causing death by dangerous driving, or manslaughter;
 - driving under the influence of drink or drugs;
 - failing to stop after an accident; and
 - any other offence (or combination of offences) which has or might result in disqualification

4.6 **Loss of Licence**

- 4.6.1 In the event of an employee having their licence revoked, employees must not undertake any driving and inform their manager immediately .

4.7 **Wearing Seatbelts**

- 4.7.1 All drivers and anyone in a vehicle must, by law, wear a seatbelt. It is the responsibility of the driver, (in this case our employee), to make sure that anyone in a car that they are driving for work-related purposes is wearing a seatbelt.

4.8 **Alcohol / Drugs - Fit to Drive**

- 4.8.1 Employees must not drive under the influence of drugs or alcohol. They should be aware of how long alcohol takes to leave the body and show thought to the time interval between consuming alcohol and driving. Employees must make sure that they are still not over the legal limit and that they are safe to drive.
- 4.8.2 Employees should be aware of the effect that illegal/certain prescription drugs and 'over the counter' remedies can have. They should not drive if taking any substance that may affect their ability to do so safely. It is the employee's responsibility to check with their doctor or chemist and inform their manager accordingly.

4.9 **Using Mobile Phones**

- 4.9.1 Mobile phones/hands free units **must not** be used while driving for work-related purposes. It is company policy that no employee should receive or make a call whilst driving. Although it is not an offence to make a call using a hands free device, it is an offence not to be in proper control of a vehicle. Using any kind of

communication device, whilst driving, can cause distraction and may result in an accident or criminal prosecution.

4.10 **Eye Sight**

4.10.1 A mandatory eyesight check is required to be carried out at least every 2 years. If glasses/contact lenses are required it is the responsibility of the employee to both purchase and wear them at all times when driving. An Eyesight check form (703) can be found [here](#).

4.11 **Drivers' hours and rest**

4.11.1 Any specific legislation referring to drivers' hours applies. Tiredness, fatigue and stress can affect safe driving. Drivers should take account of this and not drive if they believe that they are unfit to do so. Individuals can only concentrate at their optimum for 20 mins, therefore it is our policy that drivers should:

- Take a break after a maximum of 2 hours, but should stop beforehand if feeling tired. We encourage employees to ensure they take effective measures to counteract sleepiness whilst driving – for example taking short naps, drinking something that contains caffeine.
- Notify their manager and the Risk and Assurance Manager if there is anything that may cause them to be impaired, fatigue, ill health, medication etc;
- Not drive if feeling below par and should re-arrange diary appointments where possible.
- Share driving wherever possible e.g., attending a meeting in Edinburgh and returning to Elgin.

4.11.2 Combination of the working day and driving should not exceed 12 hours.

4.12 Under the Road Traffic Act drivers are legally responsible for their own actions on the road and for keeping to all traffic regulations. We consider all our employees to be ambassadors for Hanover, their behaviour while driving is a reflection on our corporate image. As such, we expect drivers to be respectful to other drivers and follow the Highway Code and other driving laws and regulations.

5. **Accidents/ Breakdowns**

5.1 In the event of an accident or a breakdown drivers should:

- Make a personal judgements to support their own safety and that of other road users.
- Contact their relevant emergency assistance company or the emergency services where applicable.

6. Data Protection

- 6.1 Any personal information obtained under this guide will be held and used according to Hanover's Data Protection Policy and Procedure and will be aligned to the Employee Privacy Policy.

7. Monitoring & Evaluation

- 7.1 The Governance & Transformation Team will regularly review the effectiveness of the policy and guide making sure that there are arrangements for monitoring incidents linked to work-related driving.

8. Reporting Requirements

- 8.1 Any accidents or incidents relating to work-related driving will be reported as normal through the Health, Safety and Wellbeing KPIs quarterly to the Board and monthly to SMT.

9. Review

- 9.1 This guide will be reviewed every three years or earlier as required.