**Local Car User Scheme**

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| Version Control | Changes Made | Author |
| Version 1 – April 2023 |  | HR/OD |

Introduction

This scheme provides for an allowance to be paid to a post holder who is authorised to use their car for the efficient performance of their duties.

The aim of the scheme is to introduce a fair and transparent process for determining which posts, by their nature, should attract Local Car Userstatus.

The Council recognises the importance of balancing the service needs with impact on the environment and its ongoing commitment to reduce carbon emissions. With the key environmental issues in mind the scheme has been developed to support the Carbon reduction agenda and encourage alternative methods, more sustainable modes of travel, or car sharing options, where possible.

Due diligence should therefore be undertaken when designating posts as Local Car User status to ensure that alternative methods of fulfilling the need of the role are considered and the provision of the allowance is reviewed regularly, ceasing the allowance if the post no longer meets the criteria for eligibility.

The introduction of an allowance will be provided on the basis that it allows the post holder to fulfil the requirement of their role and is not provided on a status basis.

Employees who do not qualify for the Local Car User scheme are able to claim for Casual User business mileage in accordance with Travel and Subsistence guidelines.

[Purpose](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc)

The purpose of this guidance is to:

* clearly outline roles and responsibilities of employees and managers when claiming business mileage and determining the appropriate car user status.
* agree a clear set of factors for determining the post designation and whether it should be Local Car User status.
* agree a mechanism for reviewing post designation and car user status.

[Principles](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc) of Provision

* Ensuring wherever possible the use of vehicles is kept to a minimum.
* Promoting eco-friendly means of transport.
* Promoting car sharing wherever possible.

[Scope](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc)

This guidance applies to all employees of the Authority covered by the terms of the National Joint Council for Local Government Services. This includes full and part-time employees and permanent and temporary employees.

Roles and Responsibilities

Employees who undertake business mileage are responsible for:

* following the requirements and procedures set out in the Westmorland and Furness Car Driver’s Handbook.
* ensuring they have a valid licence for driving in the UK.
* ensuring they update their driver information.
* maintaining accurate records of business mileage and making them available for audit purposes.
* ensuring they have included and maintained in their policy of insurance a clause indemnifying the Council against all third party claims arising out of the use of their car on official business, provided that this requirement shall not apply where an undertaking has been given by an insurer to the Council or the Association of Councils.
* providing a copy of their driving licence and evidence of their insurance cover when requested by their Line Manager.
* immediately advising their manager should circumstances arise which may affect their ability to drive a vehicle lawfully as part of their role. Such circumstances include, but are not limited to, a medical condition or a disqualification from driving.
* immediately advising their manager if their car is not in use due to a mechanical defect and is not expected to be fit for use for a period of more than 4 weeks.
* providing a suitable vehicle in good repair.

Line managers are responsible for:

* following the procedures set out in the Westmorland and Furness Council Safety procedures no 25 – Managing Occupational Road Risk
* ensuring that all drivers have access to the Car Driver’s Handbook.
* ensuring that employees who drive for work purposes have submitted their driving documents for verification including a valid driving licence and appropriate Business use insurance cover before authorising business travel and for checking and authorising business mileage travel claims from team members.
* notifying employees that failure to cooperate with the document verification process could result in non-payment of mileage allowance.
* notifying the HR Team of any information which would potentially affect an employee’s car user status e.g. driving ban, medical condition etc.
* reviewing the car user status attached to a position when it becomes vacant to determine whether the designation is still appropriate.

Directorate Management Teams in conjunction with the HR Team are responsible for:

* establishing whether a post is designated as requiring Local User or Casual Car User and in the event of local user designation making a recommendation to the Director of Business Transformation and Change.
* reviewing on an annual basis designated Local Car User posts to ensure eligibility against the criteria below and maintaining appropriate records together with carrying out spot checks, as coordinated by the HR Admin, Recruitment and Payroll team, on driver information such as driving licences, mileage expenses and business insurance.

The Director of Business Transformation and Change will provide final approval for any designated post to become Local Car User status, ensuring corporate consistency and equity.

Local Car User Allowance

**Eligibility**

When determining which posts should be designated Local Car User status all the criteria outlined in Appendix A must be fully satisfied.

Designation is dependent upon legitimate regular business usage as highlighted within the eligibility criteria. There is a minimal annual threshold of 3,000 miles, which is pro rata for Part Time employees.

Fundamentally it is the role and remit of the post that will determine the car user designation.

**Designation of Local Car User Status**

All decisions on post designations must be able to robustly stand up to challenge and scrutiny and therefore must be adequately and properly documented and authorised.

When taking a decision to designate a post as requiring Local Car User status, the following actions must be undertaken and approved by the Director of Business Transformation and Change in conjunction with Directorate Management Team and the HR Team:

* Consideration of the Council’s carbon reduction agenda and ensure that the classification of the post as requiring Local Car User status is appropriate and that other options for undertaking business travel (e.g. public transport) have been considered.
* Appropriate authorisation for designating the post as requiring Local Car User status allowance must be obtained from the Director of Business Transformation and Change before the recruitment process is undertaken.
* The Hiring Manager must include the requirement for Local Car User Allowance on the appropriate job requisition approval form, together with the completion of a Notification of Local Car User Allowance form.

Where a post has been designated as Local Car User status there is no discretion on behalf of either the Directorate Management Team, or the post holder, to opt out of the Local Car User scheme.

When a post carrying Local Car User status becomes vacant the Director of Business Transformation and Change must review the requirement.

**Allowance**

Where a post attracts Local Car User status, the postholder will receive a lump sum allowance per annum, payable in 12 equal monthly instalments and will be paid mileage rates in accordance with the Mileage Rate (as shown below).

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| Car Band | CO2 Emissions | Annual Rate £ |
| Band A-C | Less than 120g/km CO2 | £866.70 |
| Band D-F | 121-150g/km CO2 | £840.38 |
| Band G-I | 151-185g/km CO2 | £814.05 |
| Band J-L | 186-225g/km CO2 | £787.73 |
| Band M | Over 225g/km CO2 | £761.40 |

The lump sum allowance is paid pro rata for part time staff.

The allowances are based on CO2 emissions, providing the highest allowance for the vehicles with the lowest emissions.

Pre 2001 vehicles will based on either emissions data obtained at time of

MOT or based on the nearest post 2001 vehicle.

The monthly payment will be paid as an allowance, with the employee’s salary and will be subject to Tax and National Insurance.

**Mileage Rate**

Eligible staff will receive a mileage rate as follows:

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| **Journey Description** | **Threshold and Rate** |
| Business mileage, less notional home to base mileage | First 10,000 miles - 30 pence per mile  Over 10,000 miles - 25 pence per mile |
| Passenger allowance | 5 pence, per passenger, per mile (includes Council employees and clients) |

Employees entitled to claim Local Car User mileage will claim mileage in accordance with the procedure set out in the Travel and Subsistence guidance.

**Additional Guidance**

Where a car is not in use due to an employee’s long term illness consideration will be undertaken in accordance with the Positive Attendance policy to review the continued payment of the Local Car User Scheme Allowance. Any adjustments or cessation of payment will be considered on a case by case basis but normally the lump will be paid for the remainder of the relevant month and for a further three months at 50%. The lump sum payments would cease thereafter. In exceptional circumstances the manager may consider a different arrangement when deciding to stop the payment of the lump sum. Advice may be obtained from the HR team. If the manager decides the lump sum payment should be reduced or suspended, they must contact the HR Admin, Recruitment and Payroll team so adjustments can be made to payroll.

Where an employee holding an authorised Local Car User post cannot drive for medical reasons, a meeting will be held between the employee, their Trade Union representative, their Line Manager and a member of the HR team to discuss the impact on the employee’s ability to carry out the requirements of the post.

The Council recognises its duty under the Equality Act 2010 not to discriminate against its disabled employees by denying them access to employee benefits because of their disabilities. The Council can objectively justify the application of the policy of ceasing lump sum payments for disabled employees on long term illness or who are unable to drive for medical reasons as a proportionate means of achieving the legitimate aim of applying the Local Car User policy fairly to all employees and protecting the health, welfare and safety of employees and the public.

Line managers will consider the individual circumstances of affected employees before making arrangements to reduce or cease their Local Car User lump sum payments, taking advice from their HR Team where appropriate.

The Council recognises that its disabled employees may be put at a disadvantage in the application of the Local Car User Scheme and that it must therefore take reasonable steps to adjust the way it is provided in order to avoid that disadvantage. Support and assistance is available for any employee who, by reason of their disability, is unable to benefit from the Local Car User scheme, including consideration of any reasonable adjustments that could be made to avoid that disadvantage.

Should the employee’s car not be in use due to a mechanical defect for a period of more than 4 weeks the payment of the allowance will cease. For a period of less than 4 weeks the employee should expense alternative methods of transport in accordance with the travel and subsistence procedure. The employee is responsible for advising their Line Manager immediately when their vehicle is not in use and receive authorisation, from their Line Manager, prior to any alternative travel expenses being incurred.

An employee on unpaid leave of one month or more, or on a career break, will not receive their lump sum allowance during the period of absence.

The Local Car User Allowance will continue to be paid to employees who are on paid leave and will continue to be paid during maternity, paternity, parental or adoption leave.

[Cessation](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc) of Local Car User Allowance

Where the authorised Local Car User is disqualified from driving the Council will cease the Local Car User allowance payments. Other policies including Disciplinary, Capability and Positive Attendance etc will apply in respect of the determination of the ability of the employee to undertake and discharge the duties and responsibilities of the designated post.

Where an authorised car user cannot meet the requirements of their designated post beyond a reasonable period of time due to capability, as determined by their Line Manager, in consultation with the HR Team and in accordance with the Council’s Capability policy, the Council will cease all payments appertaining to the designation of the post within the relevant month.

Should it be determined that the post designation of the Local Car User allowance is no longer applicable, the car user status will be removed. In such circumstances the employee will be provided with 12 weeks’ notice in writing of this change with an explanation outlining the reasons for the change.

[Links](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc) to relevant Health and Safety documents

[Car Driver’s Handbook](http://www.intouch.ccc/elibrary/Content/Intranet/535/615/980/4047811293.pdf)

[CCCSP25 Managing Occupational Road Risk](http://www.intouch.ccc/elibrary/Content/Intranet/535/615/984/41502112225.pdf)

[Review](http://www.intouch.ccc/elibrary/Content/Intranet/536/671/5053/6001/41410105256.doc)

This guidance and allowance rates will be reviewed on an annual basis in line with the start of the new financial year or as amended by HMRC.

**Appendix A:**

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| **Criteria:** | **Guidance** |
| LCU1 | Regular Usage:  Daily or nearly daily duties (at least 3 days per week) that require the post holder to travel to locations within the County that are not served by public transport, or where public transport would be impractical, at short notice.  Additional guidance:  There is a minimum annual threshold of 3,000 miles, which is pro rata for Part Time employees. |
| LCU2 | Where a significant number of journeys cannot be pre-planned. |
| LCU3 | Frequent (weekly) need to transport others, including clients and their families, to and from homes **OR** frequent (weekly) need to transport bulky materials/equipment. |
| LCU4 | Daily or near daily duties that require the post holder to travel to locations within the County that are not served by Public transport or where public transport would be impractical. |
| **Fundamentally it is the role and remit of the post that will determine the Local Car User status.**  **All criteria outlined above must be fully satisfied.** | |