

Brigade car schemes and mileage rates policy

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 Responsible work team: **Policy, Pay and Reward**

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Introduction

This policy is owned by People Services and sets out the arrangements and terms and conditions of the Brigade's three car schemes below and applies to all employees:

- Essential car users scheme
- Leased car scheme
- Casual car users scheme

The Fleet Team's responsibility is to administer and process the leased car user scheme and arrange for the fitting of the blue light and audible equipment for both the lease car and essential car schemes. This includes providing Payroll with all the required details and figures needed for the monthly lease car user employee contribution deductions, essential car user allowance payments and for the end of year lease car benefit in kind tax liability.

The Payroll Team are responsible for deducting the monthly lease car employee contributions, paying the essential car allowance and process the end of the year lease car benefit in kind tax liability. Payroll shall submit the end of year lease car tax liability information to His Majesty's Revenue and Customs (HMRC).

Mileage rates for all the schemes are found at Appendix 2 of this policy.

This policy should be applied in line with the Brigade's values:

- Service – We put the public first.
- Courage – We step up to the challenge.
- Learning – We listen so that we can improve.
- Teamwork – We work together and include everyone.
- Equity – We treat everyone fairly according to their needs.
- Integrity – We act with honesty.

Part 1 - Essential car users scheme

1 Introduction

- 1.1 The essential car users scheme (ECUS) is applicable if you are an officer in the role of station commander to Deputy Commissioner and have been authorised by the Commissioner to use your private car in the performance of your duties. It is an alternative to the leased car scheme. If you are in another role (and occupational groups) then you may be allowed to join the scheme and this must be authorised at Deputy Commissioner level.
- 1.2 You are an Essential user if your duties are of such a nature that it is essential for you to have a car at your disposal whenever required, and the Brigade considers it to be essential in the interests of the efficient conduct of its business that you shall be permitted to use your private car in carrying out your official duties.
- 1.3 You are obliged to ensure that the vehicle is smoke free at all times as set out in Policy number 528 – No smoking and use of e-cigarettes policy.
- 1.4 If you are temporarily promoted to station commander and it is expected to last for 6 months or more, then participation in the scheme on a voluntary basis will be permitted.

- 1.5 The National Joint Council for Local Authorities' Fire Brigades sets the lump sum and mileage rates for the Essential car user scheme (ECUS). The Brigade supplements the lump sum rate which is set out in paragraphs 2.1 and 2.2 below.
- 1.6 From January 2025, all cars added to the scheme must be non-diesel and zero emissions capable in line with the Mayor's London Environment Strategy.
- 1.7 Further details of the scheme are available on the hotwire Car-schemes page.

2 Lump sum

- 2.1 The lump sum applicable to vehicles on the scheme (inclusive of the Brigade supplement) is £1,459 per year (£121.58 per month).
- 2.2 This lump sum was increased by £1000 p.a. with effect from 1 December 2018 and a further £1000 p.a. with effect from 1 April 2024 provided that the scheme vehicle previously:
 - Was ULEZ compliant;
 - emitted 135 g/km CO₂ or less (150g/km CO₂ for cars with vehicle registrations on or after 1 April 2020 under WLTP); and
 - had a 'moderate' or better NO_x rating from the GLA Cleaner Vehicle Checker if diesel powered and added to the scheme after 5 November 2018.
- 2.3 Where an essential user's car is not in use as a result of either a mechanical defect or if the absence of the employee through illness, the lump sum payments should be paid for the remainder of the month in which the car is first out of use and for a further three months thereafter. For the following three months half of the lump sum should be paid.

Part 2 - Leased car scheme

3 Introduction

- 3.1 The leased car scheme is an optional alternative to the essential car users scheme which is available to you if you are deemed by the Brigade to be an essential user whose duties are of such a nature that it is essential for you to have a car when required, and you choose the option to lease a vehicle rather than use a privately owned vehicle.
- 3.2 You are obliged to ensure that the vehicle is smoke free at all times as set out in Policy number 528 – No smoking and use of e-cigarettes policy.
- 3.3 The provision of a lease car, that is used as an emergency vehicle for business purposes and also used for private purposes, means that in accordance with the Finance Act 2020, the user is required to pay tax under the His Majesty's Revenue and Customs (HMRC) Asset rules because it is a benefit in kind. Prior to 2020, tax was calculated using the HMRC Company car rules.
- 3.4 The HMRC have a methodology that the Brigade must use when calculating your benefit in kind amount which then gets taxed. The amount calculated is submitted to the HMRC by the Brigade each year and a copy is provided to you in the form of a P11d. You will need to provide details of your benefit in kind on your self-assessment tax return and please see further details on the HMRC website.
- 3.5 The calculation can be found on Hotwire on the Car Schemes page.
- 3.6 HMRC include an emergency vehicle exemption under section 248a of ITEPA 2003 that provides tax exemption for business use only for that entire financial year. This includes commuting and

also provides for reasonable private use whilst on-call under its Freedom of Movement rules. The full Freedom of Movement guidance can be found on Hotwire on the Car Schemes page that must be complied with. You cannot use the vehicle for any other private use through-out the financial year and one private use journey (outside of Freedom of Movement) shall invalidate the exemption request as well as being a breach of this policy and maybe subject to disciplinary action.

- 3.7 Lease car users who are 'contractually' required by the Brigade to be permanently on continuous 'operational' duty throughout the entire financial year are able to make private use journeys within the United Kingdom.
- 3.8 However, this must also be considered against the HMRC Optional Remuneration Arrangements (OpRA) that apply in that where an alternative lump sum allowance is available (i.e. ECUS allowance) then the user is still liable for the minimum level of taxation. This means that you would be taxed on the ECUS lump sum allowance equivalent. These are the HMRC rules and the Brigade has no discretion in their application.
- 3.9 A Section 248a arrangement needs to be agreed with the Brigade and can be requested via the HR helpdesk.

4 Implementation

- 4.1 This is a single tier scheme with the Brigade subsidy set at £6980 with effect from 1 April 2025.
- 4.2 All new cars on the scheme must be non-diesel and zero emissions capable, in line with the Mayor's London Environment Strategy. Officers bringing new cars on to the scheme from this date will need to factor in the required lead-in time (up to 12 months).
- 4.3 Where a specific model's cost exceeds the Brigade subsidy you will bear that additional cost.
- 4.4 The subsidy will normally be increased or decreased annually on 1 April each year in line with movements in the car costs index section of the Index of retail prices.
- 4.5 The lease car must be returned to the Brigade when you begin a career break on the last day before the career break begins. The lease car must also be returned when you are absent long term sick for over 6 months or are placed on nil sick pay (excluding maternity related sickness).

Part 3 - Casual car users scheme

5 Introduction

- 5.1 The casual car users scheme provides arrangements for staff where the use of a private vehicle is not deemed to be essential by the Brigade, but which is viewed as beneficial to the efficient conduct in carrying out their official duties.
- 5.2 The decision to allow you in this scheme will normally be supported by a business case relating to one or more of the following:
 - Number and dispersion of venues attended.
 - Requirement for carrying materials or equipment not safely transportable on public transport.
 - A short or long term reasonable adjustment for medical reasons under the Equality Act as set out in Policy number 1005 – Supporting health and wellbeing policy. The adjustment can also be recorded in your Workplace Adjustment Passport.

- 5.3 Vehicles must be rated at 150g/km or less. New joiners to the scheme must comply from the date they join the scheme. Existing users must comply upon their next change of vehicle.
- 5.4 Further details of the scheme are available on the hotwire Car-schemes page.

Part 4 - Cross scheme issues

6 Assisted car purchase scheme

- 6.1 Loans may be made to you as an authorised car user to help you purchase a vehicle for use for official purposes or to redeem loans granted for such purposes by a previous employer. All vehicles purchased via this scheme, whether for essential or casual car users, must be ULEZ-compliant.
- 6.2 The interest rate for loans granted under both the essential and casual car user schemes is 2.5% per annum.
- 6.3 Further details of the scheme and application form are available on the Car-schemes page.

7 Journeys over 50 miles (not applicable to operational officers who are available for mobilisation)

- 7.1 All journeys of over 50 miles round trip to be on public transport. Approvals in advance required for any exceptions to this approach. Agreed guidance on exceptions which will include the following:
- Car sharing.
 - Requirement to transport bulky/expensive equipment or materials.
 - Where travelling by car will take significantly less time or the time/location of the meeting would make it unreasonable to undertake the journey by public transport.

8 Specification for cars entering the lease and ECUS car user schemes

- 8.1 A detailed specification of cars suitable for the Lease and ECUS can be found on the hotwire Car-schemes page.

9 Business mileage

- 9.1 The Brigade will re-imburse mileage claims for journeys necessarily undertaken in the course of duty once you have arrived at work. These expenses are non-taxable.
- 9.2 Subject to paragraph 10.1, mileage claims for journeys from home (or standby base) will only be re-imbursed when the destination meets the HMRC criteria for being a 'temporary workplace', in which case the expenses are non-taxable. The main criteria for a 'temporary workplace' are as follows (all the following will need to apply):
- The location is not your normal place of work (n.b. where a station commander has responsibility for two stations, both stations are their normal place of work, noting that travel *between* these two stations having arrived, and undertaken work, at one of these stations is business mileage).

- There is an objective requirement for attending that location; attendance at the location is not merely a convenience for you.
 - *Either:* The location is more than 10 miles away from your normal workplace; *Or:* The journey from home/standby base to the temporary workplace is in a different direction to the journey from home/standby base to normal workplace.
- 9.3 Where the Brigade re-imburses home/standby base to temporary workplace mileage, the mileage from home/standby base to normal workplace must first be netted off.
- 9.4 The above principles apply to journeys to home (or standby base), i.e. mileage claims from 'temporary workplace' to home/standby base will be re-imbursed, having netted off the mileage from normal workplace to home/standby base.
- 9.5 Journeys to and from operational incidents to which you have been mobilised are always business mileage, and in these cases there is no netting off of mileage between standby base and normal workplace, even where you go from standby base to incident, and then on to normal workplace. Where you travel from an incident to home, the maximum mileage that can be claimed for this journey is incident to standby base.
- 9.6 Examples of home to temporary workplace journeys, and the mileage claimable, are in Appendix 1.

10 Home to office mileage

- 10.1 Home to office (normal workplace) mileage is not claimable.
- 10.2 The position of HMRC is that an officer's stand-by base, other than when specifically responding to emergencies (or incidents), is not a 'place of work'. Therefore journeys between normal office and the stand-by base, whether or not the officer is on a 24, cannot be claimed as business mileage.

11 Records

- 11.1 Please send records by email to RecordsServices@london-fire.gov.uk. Records will be kept on your electronic personal record file (e-PRF) and retained in accordance with Policy number 788 - Electronic personal record files (e-PRF) policy. Personal data shall be processed in accordance with Policy number 351 – Data protection and privacy policy.

12 Help and support

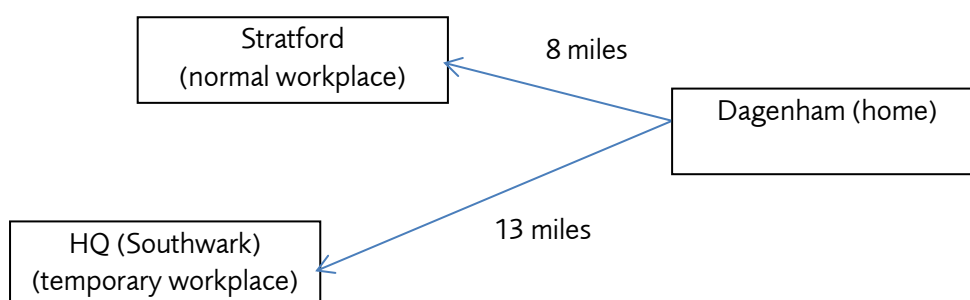
- 12.1 Please contact the Vehicle and Administration Section by email to vams2@london-fire.gov.uk for details of the schemes, joining pack and any other queries relating to your vehicle. Please contact the HR Helpdesk on extension 89100 or by email to IT.HR@london-fire.gov.uk for any HR queries. Please contact payroll by email to payforms@london-fire.gov.uk for any P11d related queries.
- 12.2 This policy may also be available on request in other alternative accessible formats as set out in Policy number 290 – Guidance note on translation and interpretation. Please contact Communications on extension 30753 and by email to communications.team@london-fire.gov.uk to discuss your needs and options.
- 12.3 The Brigade invites your engagement so that it can learn so if you have a suggestion that can improve this policy then please submit your idea via the Staff Suggestion Scheme on Hotwire as

set out in [Policy number 887](#) – Staff suggestion scheme. Any changes do need to go through the agreed engagement, consultation, negotiation or governance requirements.

Appendix 1 - Home to temporary workplace - examples

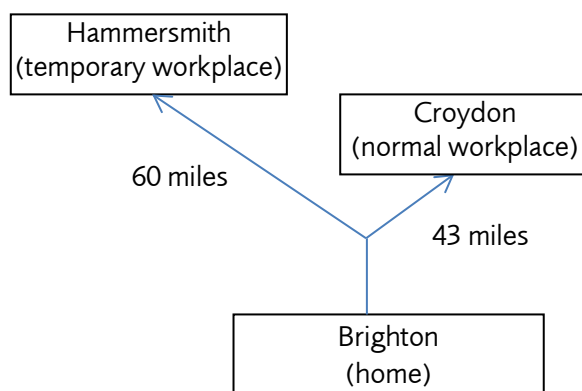
Example 1

Keith lives in Dagenham and is based at Stratford. He is interviewing at Brigade HQ and travels straight there. Stratford is less than 10 miles from HQ, however the journey to HQ is in a different direction to the journey to Stratford, and so the difference between home to normal workplace and home to HQ is claimable. The normal home to work journey, Dagenham to Stratford, is 8 miles, Dagenham to HQ is 13 miles, and so the difference (5 miles) can be claimed as business mileage. 5 miles for the return journey home is also claimable if Keith remains at HQ all day.

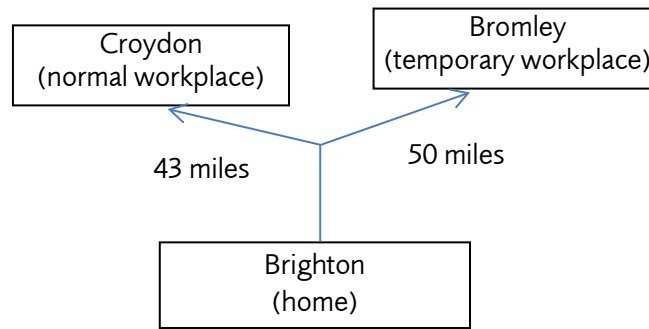


Examples 2 and 3

Jane lives in Brighton and is based at Croydon. As an operational middle manager, Jane needs to have her car at work. Jane has not been on a 24 and is therefore not at her standby base. Jane attends a meeting at Hammersmith at the start of the day. Hammersmith is more than 10 miles from Croydon, and so the difference between home to normal workplace and home to Hammersmith is claimable. The normal home to work journey, Brighton to Croydon, is 43 miles, Brighton to Hammersmith is 60 miles, and so the difference (17 miles) can be claimed as business mileage.



If Jane is required to attend a meeting at Bromley at the start of the day, even though Bromley is less than 10 miles from Croydon, the difference between home to normal workplace (43 miles) and home to Bromley (50 miles) is claimable (i.e. 7 miles is claimable), as the last part of the journey is in a different direction.



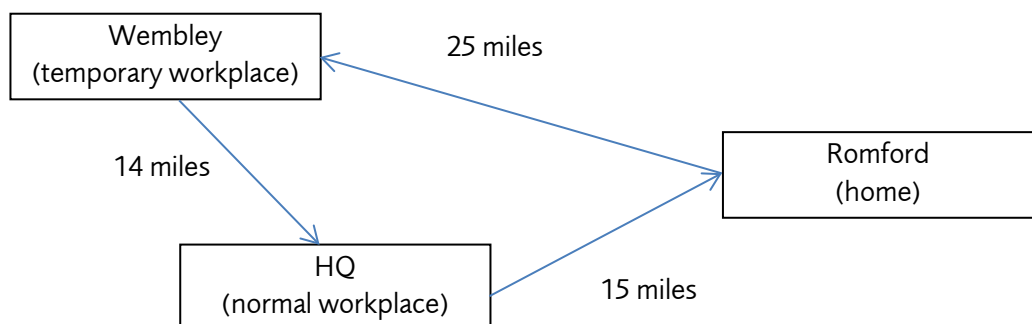
N.B. If Jane was based at Hammersmith or Bromley, and attended a meeting at Croydon at the start of the day, no mileage in respect of the journey from Brighton to Croydon would be claimable as this is less than the mileage from Brighton to either Hammersmith or Bromley.

Example 4

Alex lives in Romford and their normal workplace is HQ. Alex has to attend Wembley at the start of the day, and then travels to HQ, their normal workplace, before returning home to Romford.

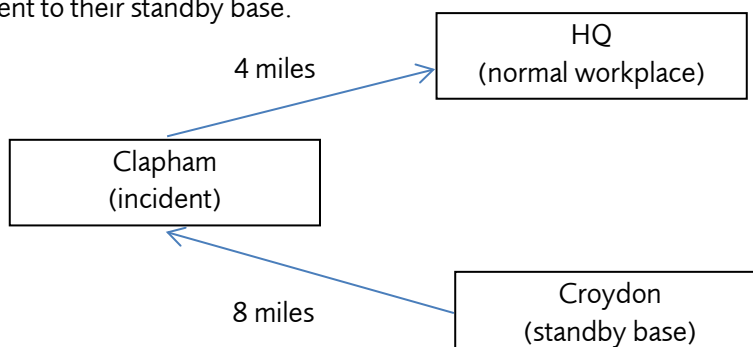
Romford to Wembley is 25 miles, the journey from Romford to HQ (normal workplace) is 15 miles, so the difference, 10 miles, is claimable for the journey from Romford to Wembley.

The full journey from Wembley to HQ, 14 miles, is claimable as business mileage, as this is a business journey undertaken in the course of normal duty having arrived at work. However the journey from HQ back to Romford is not claimable as this is a return 'home to normal workplace' journey.



Example 5

Kim, an operational middle manager, is mobilised to an incident in Clapham from their standby base in Croydon. Following the incident Kim travels to HQ, their normal place of work. Kim is able to claim the full mileage from Croydon to Clapham (8 miles), and from Clapham to HQ (4 miles), with no netting off of standby base to normal workplace mileage, as these are journeys to and from an incident (see para. 9.5). If Kim travels from HQ to an incident in Clapham, and then to a home address which is not their standby base, the maximum they can claim for the journey home is 8 miles, as this is the distance from the incident to their standby base.



Appendix 2 - Mileage rates

Essential car users' scheme

- As of 1 April 2014 HMRC rates apply as per circular NJC/08/13.
- Up to 10,000 miles 45p per mile
- Over 10,000 miles 25p per mile
- Claims for the purpose of obtaining a meal are not permitted.

Leased car scheme

The Leased car scheme mileage rates are the same as the HMRC company car advisory fuel rates. These are reviewed quarterly by HMRC on 1 March, 1 June, 1 September and 1 December. The latest rates are available on hotwire via this link (scroll to the foot of the linked page):

<https://londonfire.sharepoint.com/sites/HW-WorkingHere/SitePages/Car-schemes.aspx>

Hybrid cars are treated as petrol or diesel cars for this purpose.

The **Advisory Electricity Rate** for fully electric cars is 7p per mile (as at 1 June 2025).

Casual car users scheme

Rates for official mileage by vehicle category

Motor cars and tricar exceeding 500cc

- | | |
|-------------------------------|-----|
| • First 10,000 miles per year | 45p |
| • Thereafter | 25p |

Motor cycles, autocycles and motor assisted cycles of the following engine capacities:

- | | |
|---------------|-----|
| • All mileage | 24p |
|---------------|-----|

Passenger allowance - Per mile per passenger	5p
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Cycle mileage rate

Staff using a bicycle for official business journeys can claim 20p per mile for such journeys.

Document history

Assessments

An equality, sustainability or health, safety and welfare impact assessment and/or a risk assessment was last completed on:

EIA	26/04/2024	SDIA	H - 25/08/2023	HSWIA	09/01/2024	RA	NA
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Audit trail

Listed below is a brief audit trail, detailing amendments made to this policy/procedure.

Page/para nos.	Brief description of change	Date
Page 3, Para 2.5	Grey Book details of reducing ECUS payments added.	20/02/2025
Page 4, Para 4.6	Returning lease car before a career break details added.	27/03/2025
Page 4, Para 3.6 to 3.9	HMRC ITEPA 2003 section 248a emergency vehicle exemption provisions added.	10/04/2025
Page 4, Para 4.1	Lease car subsidy reviewed with no uplift when applying para 4.5 Index Retail Prices. Replaced 2024 with 2025.	16/04/2025
Page 2 Page 3-4, 1.6, 2.2, 2.3 & 4.2 Page 5, Para 4.5 Page 5, Para 4.6 Appendix 2 Throughout	Introduction updated to include VAMS responsibilities. Details referring to historic emission levels no longer applicable removed. Subsidy can be increased or decreased added. Returning lease car when long term sick for over 6 months or on nil sick pay added. Electric vehicle mileage advisory rate updated. Reviewed as against revised 2025 NJC Grey Book.	09/07/2025
Page 1 Page 3, para 3.4	Vehicle Administration Team replaced with Fleet Team. Self-assessment tax return details added.	13/02/2026

Subject list

You can find this policy under the following subjects.

Allowances	Car scheme
Cars	Driving
Leased car scheme	Mileage

Freedom of Information Act exemptions

This policy/procedure has been securely marked due to:

Considered by: (responsible work team)	FOIA exemption	Security marking classification