

# Brigade car schemes

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 Owner: **Head of HR Operations and Systems**  
 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).

The provisions for claiming mileage are set out in the Policy number 0514 – Expenses: Subsistence, public transport and professional body memberships policy and the mileage rates for all the car schemes are found in the Car Schemes page on Hotwire.

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 CO<sub>2</sub> or less (150g/km CO<sub>2</sub> for cars with vehicle registrations on or after 1 April 2020 under WLTP); and
  - had a 'moderate' or better NO<sub>x</sub> 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 where the emergency flashing lights are permanently fixed then 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.
- 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.
- 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.
- 3.10 Where the emergency flashing lights are not permanently fixed, then the user is required to pay tax under the HMRC Company Car rules because there is a benefit in kind for private use availability.
- 3.11 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.
- 3.12 This calculation can be found on the HMRC website.
- 3.13 As a condition of the vehicle being available for private use, officer contributions must be made to the Brigade. These contributions will be regarded by HMRC as private use payments and will be deducted from the car benefit in kind.

## **4 Implementation**

- 4.1 This is a single tier scheme with the Brigade subsidy set at £7259 with effect from 1 April 2026.
- 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 Records**

- 9.1 Please send records by email to [RecordsServices@london-fire.gov.uk](mailto: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.

## **10 Help and support**

- 10.1 Please contact the Vehicle and Administration Section by email to [vams2@london-fire.gov.uk](mailto: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](mailto:IT.HR@london-fire.gov.uk) for any HR queries. Please contact payroll by email to [payforms@london-fire.gov.uk](mailto:payforms@london-fire.gov.uk) for any P11d related queries.
- 10.2 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](mailto:communications.team@london-fire.gov.uk) to discuss your needs and options.
- 10.3 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.

## 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 - 26/02/2026	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 4, Para 3.10	Company Car tax rule details added.	11/03/2026
Pages 6 and 7, para 9.1 to 10.2 Page 8	Business and Home to Office provisions moved to the Expenses PN514 policy. Appendix 1 mileage rates removed (on Hotwire) and link added to Expenses PN514 policy.	
Page 1	Title of policy updated.	12/03/2026
Page 4, para 4.1	Lease car subsidy updated to reflect increase to £7259.	27/04/2026
Page 2	Title and hyperlink to PN514 updated.	06/05/2026

### 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