

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, the essential car users scheme, the leased car scheme and the casual car users scheme. This policy applies to all employees.

The Vehicle Administration Team's responsibility is to administer and process the essential car and leased car user 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, who 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; 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 lump sum and mileage rates for the Essential car user scheme (ECUS). The Brigade supplements the lump sum rate; the Brigade's current lump sum rates are set out in paragraphs 2.1 below.

- 1.6 All cars added to the scheme must comply with the following criteria effective from 1 October 2023:
- Ultra Low Emission Zone (ULEZ)¹ compliant. ULEZ vehicle compliance can be checked here: [ULEZ vehicle checker](#).
 - 120 g/km CO₂ or less under the Worldwide Harmonised Light Vehicle Test Procedure (WLTP).
 - Diesel cars added to the scheme must have a 'moderate' or better NO_x rating from the GLA Cleaner Vehicle Checker.
- 1.7 From January 2025, all cars added to the scheme will need to be non-diesel and zero emissions capable, in line with the Mayor's London Environment Strategy.
- 1.8 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 provided that the scheme vehicle:
- 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 This lump sum was increased by a further £1000 p.a. with effect from 1 April 2024 provided the scheme vehicle met the criteria as set out above in 2.2 or the subsequent later criteria as set out above in 1.5.
- 2.4 From 1 December 2018 onwards or from 1 October 2023 onwards, the additional increases have applied to all cars added to the scheme which by definition have needed to meet the eligibility criteria applicable at the time.
- 2.5 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.

¹ The Ultra Low Emission Zone is a Mayoral initiative to improve air quality. From 8 April 2019, vehicles have to meet strict emission standards (Euro 4 for petrol vehicles, which became mandatory for new cars in 2005; Euro 6 for diesel vehicles, which became mandatory for new cars in 2015), or a daily charge of £12.50 has to be paid to travel within the area of the ULEZ which was expanded on 29 August 2023 to the greater London area.

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 at your disposal whenever required, and you chose 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.
- 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 2024.
- 4.2 From 1 October 2022 all new cars on the scheme will need to meet the following emission requirements:
 - 120 g/km CO₂; NO_x 'low' for diesel cars
 - Diesel cars must have a 'low' NO_x rating from the GLA Cleaner Vehicle Checker
 - New cars will already be ULEZ compliant by definition.

- 4.3 From January 2025, 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).
- 4.4 Where a specific model's cost exceeds the Brigade subsidy you will bear that additional cost.
- 4.5 The subsidy will normally be uplifted annually on 1 April each year in line with movements in the car costs index section of the Index of retail prices.
- 4.6 The lease car must be returned to the Brigade when you begin a career break on the last day before the career break begins.

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 Mileage rates for the Casual car users scheme are the HMRC rates of 45p per mile up to 10,000 miles and 25p per mile thereafter.
- 5.5 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 users 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 mileage²

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.

² This revised method of calculating claimable home to temporary workplace mileage comes into force on 6 April 2021.

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 For all staff, other than protected TMG staff, 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.

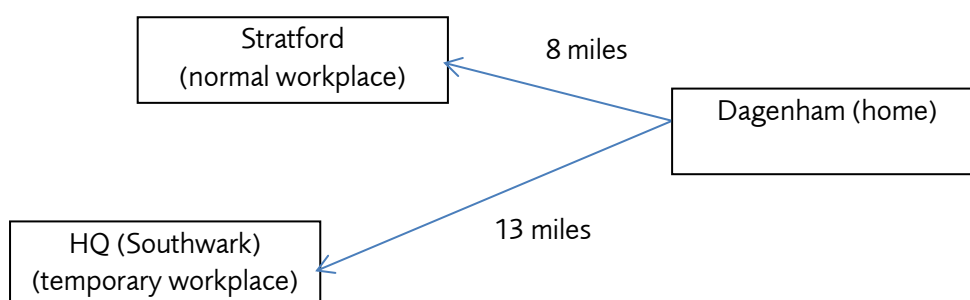
12 Help and support

- 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 tax or 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

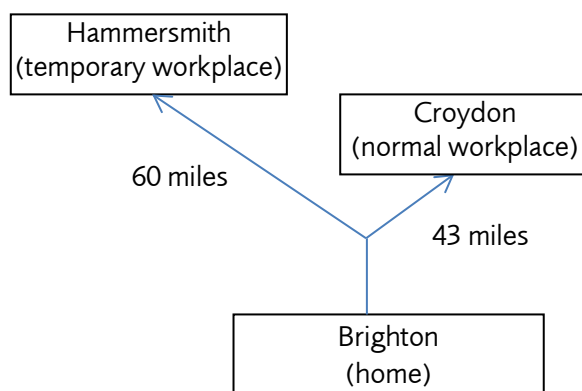
Example 1

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.

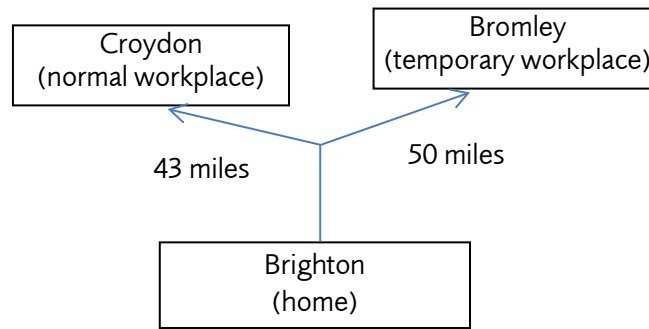


Examples 2 and 3

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.



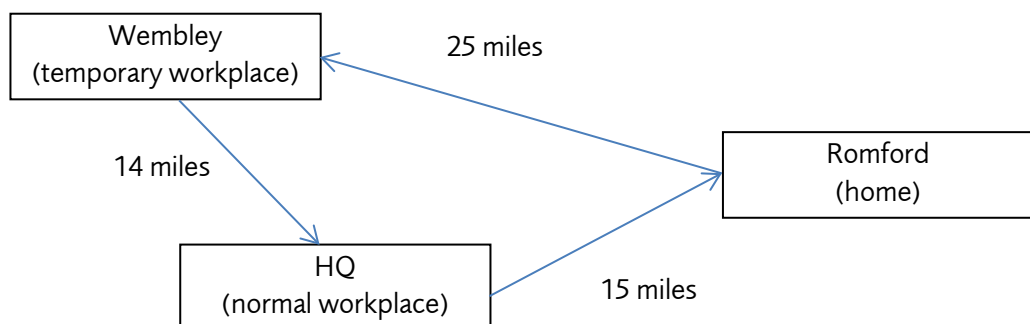
N.B. If Jane was based at Hammersmith or Bromley, and attended a meeting at Croydon at the start of the day, no mileage in respect of the journey from Brighton to Croydon would be claimable as this is less than the mileage from Brighton to either Hammersmith or Bromley.

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.

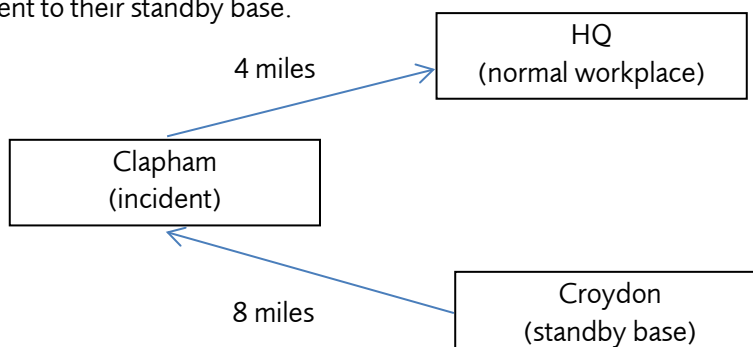
Romford to Wembley is 25 miles, the journey from Romford to HQ (normal workplace) is 15 miles, so the difference, 10 miles, is claimable for the journey from Romford to Wembley.

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 9p per mile (as at 1 March 2024).

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 8, Appendix 3	Fuel rates amended in line with HMRC update wef 01/03/2012.	21/03/2012
Page 3, para 4.1	"between 120g/km CO2 and 150g/km CO2" has been replaced by "between 121g/km CO2 and 150g/km CO2".	23/03/2012
Page 4, para 11	Withdrawal of home to office mileage as agreed in 2012 settlement.	08/10/2012
Page 9 Appendix 3	A small section of information has been deleted from this paragraph. Please read to familiarise yourself with the changes.	27/02/2013
Page 9	Appendix 3 - Updating mileage rates for essential to HMRC rates.	04/06/2014
Page 4 Page 10	Para 11.3 added. SIA updated.	09/10/2014
Page 10	'Subjects list' table - template updated.	17/11/2014
Page 9	Appendix 3 - updating mileage rates for lease to HMRC rates.	02/09/2016
Page 3	This policy has been reviewed as current. Paragraph 5 – implementation arrangements has been deleted.	09/09/2016
Page 8	Appendix 3 - updating mileage rates for lease to HMRC rates.	05/01/2017
Page 8	Appendix 3 - updating mileage rates for lease to HMRC rates.	02/03/2017
Page 8	Appendix 3 - updating mileage rates.	01/06/2017
Page 8	Appendix 3 - updating mileage rates.	31/08/2017
Page 8	Appendix 3 - updating mileage rates.	11/12/2017
Throughout	This policy has been reviewed as current with major updates made, including a new appendix 2. Please re-read to familiarise yourself with the content .	21/06/2019
Throughout	Extensive changes made following TU consultation to bring the policy up to date with current practice and agreements.	26/06/2019
Page 11	Passenger allowance updated to 5p	16/08/2019
Pages 2-4	Paras. 1.5, 1.7, 2.2, 4.2 and 4.3 updated to reflect revised emissions criteria for ECUS and Lease in light of WLTP; also revised NOx ratings under GLA Cleaner Vehicle Checker (replacing EQUA index).	17/07/2020
Throughout	GLA Cleaner Vehicle Checker and ULEZ vehicle checker links updated.	28/07/2020

Page/para nos.	Brief description of change	Date
Throughout	Station manager changed to station commander to reflect rank to role changes.	06/10/2020
Page 3, para 4.3 App 4, page 11	'1 April 2021' changed to '1 July 2021' in para. 4.3 and footnote 3. Appendix 4, Lease car scheme mileage rates updated to those applying from 1 March 2021.	17/03/2021
Page 5, Sec 9 Page 10, Appendix 3	Section 9 and Appendix 3 have been completely rewritten to provide a revised method for calculating claimable home to temporary workplace mileage These changes come into force on 6 April 2021.	30/03/2021
Pages 2-4, paras. 1.7 and 4.3	Paras. 1.7 and 4.3 have been rewritten to provide a phasing in of new emissions criteria for the essential and lease schemes up to 01/10/2022. The previous footnotes (2 and 3) have been deleted.	21/06/2021
Appendix 4	Lease car mileage rates replaced with link to hotwire where these rates are stored and regularly updated. Electric car mileage rate uprated.	06/12/2021
Pages 2-3, paras. 1.5-1.7, 2.2, new 2.3, and 4.1-4.3	Paragraphs updated to reflect revised emissions criteria for ECUS and lease schemes, most recently from 01/04/2022, and revised lease subsidy rate from 01/04/2021.	07/04/2022
Page 3, para 4.1 Page 3, para 4.3 Page 3, para 4.4	Leased car subsidy updated to reflect increase to £6213. Removed reference to VAMS confirming order 1 month prior to 01/10.22. Lead in time increased from 8 months to 12 months.	22/11/2022
Page 3, para 4.1	Leased car subsidy updated to reflect increase to £6632.	21/04/2023
Page 13	SDIA date updated.	31/08/2023
Throughout Page 6, para 11 and 12 Appendices 1 and 2	Hyperlinks updated. Historic vehicle condition requirements removed. Records details replaces policies affected and Help and support paragraph added. Appendices for conditional vehicle specifications removed and added as a link to Hotwire.	10/10/2023
Page 2 Page 6 para 11.1 Page 6 para 12.2	Values included. Data protection details added. Access to alternative policy format details added.	04/04/2024
Page 3, para 2 Page 4, para 5.2 Appendix 2	Updated to include increase to ECUS lump sum allowance by £1000 p.a. wef 01/04/2024. Reference to PN1005 – Supporting health and wellbeing, and Workplace Adjustment Passport details added. Advisory electric rate updated.	08/04/2024
Page 10	EIA date added.	29/04/2024
Page 3, para 4.1 Page 2, para 1.3 Page 3, para 3.2	Leased car subsidy updated to reflect increase to £6980 Smoke free details added from PN528	03/05/2024
Page 6 para 11.1 Page 6 para 12.3	Records Services details added. Staff Suggestion scheme access details added.	23/05/2024

Page/para nos.	Brief description of change	Date
Page 3, Para 3.3 to 3.5	Leased car tax details added.	06/11/2024
Page 2	Vehicle Administration and Payroll Teams' responsibilities added.	06/12/2024
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

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