



PERSONAL USE OF COMPANY COMMERCIAL VEHICLES POLICY

JANUARY 2024

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1. INTRODUCTION

- 1.1 It is very important that employees who use a company commercial vehicle understand what is considered 'personal use' of that vehicle and act strictly in accordance with this policy, which has been written to ensure compliance with HRMC regulations.
- 1.2 Breaches of the policy are taken very seriously. Non-compliance may result in additional personal tax charges for an employee and/or potential disciplinary action up to and including dismissal.

2. PURPOSE

- 2.1 The Company wants to ensure that employees do the right thing. Therefore, this policy sets out clearly what an employee can and cannot do in terms of their personal use of their company commercial vehicle and the potential consequences if they fail to comply with this policy.

3. SCOPE

- 3.1 This is a group level policy that applies to all employees of Anglian Water Group Limited, and its subsidiary companies, with the exception of Anglian Water (Ireland) Limited and Wave Limited (and their respective subsidiaries, which include Celtic Anglian Water and Anglian Water Business (National)), who drive company commercial vehicles or line manage these employees.
- 3.2 This policy does not apply to the Biosolids Sales and Marketing Team and the Bioresources Trading Team in Quality and Environment where a local agreement applies.
- 3.3 Definition
- 3.3.1 HMRC definition of a commercial vehicle is as follows:
- weighing at least 3.5 tonnes or more;
 - able to haul at least one tonne of cargo; and
 - for business purposes.
- 3.3.2 Lorries, vans, tractors, pickup trucks, and "car-derived vans" are all considered commercial vehicles.
- 3.3.3 Fleet Services can confirm whether a vehicle is classed as commercial for Income Tax purposes.

4. STATUS

- 4.1 The guidelines/procedures are subject to regular review by the Company and are updated as appropriate.

5. OWNER

- 5.1 Head of Employee Relations.

6. POLICY

6.1 Personal Use

6.1.1 Use of company commercial vehicles for personal use is **strictly forbidden**. The following is a non-exhaustive list of examples of private use, which under Company policy are **not allowed**:

- Using vehicle out of hours on non-company business.
- Dropping children off, e.g. at school, child minders, family and friends.
- Attending social functions, e.g. gym, golf days and football matches.
- Medical appointments, e.g. doctors, dentist and hospital (these appointments should be made outside of normal working hours).
- Physiotherapy appointments (even where arranged through Company healthcare).
- Fetching takeaways.
- Shopping.
- Bank appointments.
- Using vehicle on non-working days, e.g. whilst on annual leave and rest days.
- Refuelling vehicle on non-working day.
- Trips to recycling or refuse tips.

6.1.2 There are some exceptions which **are allowed**:

- Purchasing snacks/meal and taking welfare breaks, during your normal working shift (including standby), as long as there is no deviation to travel, first available facilities are used and is undertaken in own time.
- Attendance at a Company organised staff recognition or team building event (e.g. We Love What You Do Awards, Long Service Award ceremonies).

6.2 Carrying Passengers

6.2.1 Use of company commercial vehicles to carry passengers who are not employed by the Company, (with the exception of third-party contractors/partners working in performance of their duties on behalf of the Company), is **strictly forbidden**.

6.3 Declaration of Compliance

6.3.1 HMRC requires evidence that company commercial vehicles are **not** being used for personal use. In order for the Company to comply with this requirement, employees who drive company commercial vehicles will be sent an annual reminder via Workday and a link to this policy. Employees **MUST** respond to the reminder.

7. RECORDS

7.1 Line Managers must ensure that all employees, who drive company commercial vehicles, are aware of the Personal Use of Company Commercial Vehicles Policy and that they respond to the annual reminder in Workday.

8. MONITORING

- 8.1 In accordance with the Company's [Telematics Policy](#) (vehicle tracking) all company commercial vehicles will be fitted with a vehicle telematics device. Commercial Lorries utilise a separate tracking system. Data from these devices will be used to provide evidence:
- to HMRC, during its audits, whether an employee has used a vehicle for personal use; and
 - to support internal disciplinary procedures.

9. POTENTIAL BREACHES OF POLICY**9.1 Disciplinary Action**

- 9.1.1 Where an employee is suspected of using a company commercial vehicle for personal use or carrying passengers who are not employed by the Company, this will be taken extremely seriously and may result in disciplinary action being taken against the employee (up to and including dismissal), the personal use being reported to HMRC and the employee being subject to income tax.

9.2 Income Tax Liability

- 9.2.1 Under HMRC guidelines, employees who drive company commercial vehicles may be liable to pay significant income tax where personal use of vehicles occurs.
- 9.2.3 HMRC has the ability to go back and tax employees up to a maximum of 6 years if it believes that there has been personal use in each year.

10. FURTHER ASSISTANCE

For general queries or for advice and guidance on the application of this policy please contact your Employee Relations Manager (ERM)/Employee Relations Advisor (ERA). Details of the areas covered by each ERM/ERA can be accessed [here](#).

LAST REVIEWED

January 2024