



Lowestoft Town Council

Essential Car User Allowance - Policy

1.0 Introduction

1.1 The work of Lowestoft Town Council requires staff to regularly travel to / from sites on council business.

1.2 The Council actively promotes the use of active travel whenever possible for council business and if car travel is required promotes lift sharing if available.

1.3 This policy covers circumstances when staff are required to use their own vehicle to travel on council business and sets out the allowances / payments that will be made to these staff.

1.4 This policy should be read in conjunction with LTC's *Staff Use of LTC Vehicles* policy.

2.0 Essential car users – eligibility and payments

2.1 An “essential car user” (ECU) is an employee whose duties are of such a nature that it is “essential for them to have a motor vehicle at their disposal whenever required” by the Council.

2.2 It is for the Council to determine how to interpret and apply this definition. From April 2024 five posts qualified for the ECU allowance for a one-year period. These are:

- Town Clerk
- Deputy Town Clerk
- Parks and Communities Officer
- Buildings and Facilities Officer
- Projects / Committee Clerk

2.3 Eligibility for ECU will be reviewed on an annual basis based on job roles / duties and previous year's business mileage. This review and confirmation of retention / removal of ECU should form part of the employee's annual performance appraisal. Assessment for new staff (post April 2024) being eligible for the scheme will be made on appointment.

2.4 All future job descriptions / job roles used for recruitment should state whether the post attracts an ECU allowance.

2.5 In accordance with the terms and conditions of employment, designated essential car users will receive a lump sum allowance towards the cost of maintaining their vehicle **and** a mileage rate in recompense for business travel.

2.6 ECU allowances are set annually and are considered a taxable benefit, with car allowance tax applied at the same rate as your personal income tax.

2.7 Employees receiving ECU allowance will receive a **lower** mileage reimbursement rate (currently 36.9p/mile). These mileage reimbursement rates are set nationally.

2.8 Payment of the ECU allowance forms part of the employee's pay and can be withdrawn should there be a fundamental change in job role.

2.9 Staff on maternity leave in receipt of the ECU allowance will continue to receive the allowance. For staff on long term sickness absence the ECU lump sum payments will be paid at 100% for the remainder of the month in which the absence commenced, and for a further



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three months thereafter. For the following three months, payment will reduce to 50%. The payments will cease after the three months at 50%. This is in line with the Green Book provisions. In cases of secondment any essential car user allowance will cease where the new role does not qualify for the allowance. The allowance will normally be re-instated once the employee returns to their substantive role. In cases of extended absence such as career breaks or sabbaticals, the essential car user allowance will cease for the period of absence.

2.10 The Clerk will ensure that the Council is advised of any resources and support required for the fulfillment of this policy.

Revisions	
Date	Amendment