

BARRATT DEVELOPMENTS PLC

HANDBOOK FOR ALL EMPLOYEES DRIVING ON COMPANY BUSINESS

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SECTION 1: COMPANY CAR POLICY

1. Policy

1.1 This policy outlines the Company's arrangements for the provision of company cars and car allowances to eligible employees. This policy is underpinned by a number of administrative processes and is also subject to detailed HM Revenue and Customs rules.

1.2 The objectives of this policy are:

- To provide a consistent and equitable framework across Barratt Developments Plc;
- To recognise that the company car/cash allowance is a key element of the remuneration package and ensure that it is market-competitive and attractive to staff in terms of choice and flexibility.

2. Eligibility and Choice

2.1 Eligibility

Employees are eligible for a company car or cash allowance according to their job group or specific job role. If you are entitled to a car or a cash allowance this will be stated in your terms and conditions.

2.2 Choice of Car or Cash Allowance

All eligible employees may choose between a company car and a cash allowance. All company cars are leased through a single supplier, Arnold Clark Vehicle Management. You will be entitled to a lease allowance, which is equivalent to the cost of leasing the **benchmark car** for your job group through Arnold Clark. Alternatively, you may choose to take the cash allowance, which is equivalent to the cost to the Company of providing the benchmark car for your job group, and fund your own car.

2.3 Entitlement Levels

The current benchmark cars and cash allowances are shown in the table on the HR Chapter of Policies & Procedures Manual (PPM) on DocuShare (the Company intranet), and will be reviewed and updated from time to time. A full list of car choices is available on the Arnold Clark website (www.acvm.co.uk).

3. Mileage Allowances & Fuel

3.1 Business Mileage

You are entitled to claim business mileage at the published Company rates on Docushare (the Company intranet).

3.2 Fuel Cards

All employees who drive more than 10,000 business miles per year are provided with an ARVAL driver named fuel card which they should use to purchase their fuel and oil. All Company van drivers will also be issued with an ARVAL fuel card and fuel card policy. The policy document sets out consistent, appropriate controls and guidelines on the use of Company provided fuel cards and comply with HM Revenue & Customs (HMRC) guidance. It also lays down the procedures and/or guidelines that employees should follow when using a fuel card.

The Company receives detailed management information on each card and any unusual trends in spend or usage will be highlighted and checked for clerical and/or arithmetical error or abuse. Any potential abuse of the Fuel Card Policy will be investigated and may result in disciplinary action that, depending on the circumstances, may be treated as gross misconduct resulting in summary dismissal.

4. Company Cars

4.1 Lease Allowance

The monthly lease allowance is based on a 4-year 80,000 mile contract and covers:

- Routine servicing and maintenance,
- Mechanical repairs,
- Battery, exhaust, tyres and puncture repairs due to fair wear and tear,
- Breakdown assistance,
- Annual Road Fund Licence.

In addition the Company will provide:

- Fully Comprehensive motor insurance with an excess (see section 4.5 below),
- The equivalent cash allowance if no pool car is available while awaiting delivery of your company car.
- Hire cars when the Company car is off road for servicing, repair (mechanical or accident repairs) which must be authorised by your Exec Director
- Top-up engine oil

However, the Company will NOT provide:

- A pre-delivery vehicle, as a cash allowance will be given until delivery
- Consumables, e.g. private fuel or fuel charges resulting from a courtesy car, screen wash, etc.

4.2 Choice of Car

Arnold Clark provide a website (www.acvm.co.uk) to help you choose your car. On entering your details you will be able to choose from a wide range of vehicles, all of which will comply with all the requirements of company policy and Health and Safety regulations.

As the car must be available for business use the car you choose must have 4 adult seats i.e. it must seat 4 adults comfortably. You may choose dealer-fitted accessories. Should both an alarm and immobiliser not be standard on the car, this must be included in the specified extras and be within the trade-up limit (see 4.3.1 below). In the event of any dispute the decision of your Managing Director or Executive Director will be final.

If you choose a Hybrid car, the Company will pay 10% lease costs, therefore you will be eligible for a higher lease cost car.

4.3 Flexibility

You may trade up and down from the monthly lease benchmark.

4.3.1 Trading Up

You may add to the monthly lease cost of the benchmark car in order to receive a better car. The additional amount cannot exceed 20% of the monthly lease cost of your benchmark car and will be payable as a monthly deduction from pay.

The total cost of the car, including extras and accessories, must not exceed the maximum trade-up value. For example, if the monthly lease cost of your benchmark car is £350 your maximum trade up lease cost, including all extras and accessories, would be £420

Monthly deductions will take effect from the month following delivery of the car and will cease when the lease expires.

If you have elected to trade up and you resign before the end of the lease period, the Company will recover the cost of the balance of the additional trade-up value from your final salary payment. For example if you traded up

as per the above example and leave the business with 2 years remaining on the lease you would be required to pay £70 x 24 months = £1,680.

This will not apply in the event of redundancy, ill-health early retirement, disability, death or normal retirement.

4.3.2 Trading Down

You may elect to trade down to whatever level you choose. However, the car must have 4 adult seats in order for it to be considered suitable for business use i.e. it must seat 4 adults comfortably. You will receive the full value of the saving. However, in view of the administration involved, payments will only be made if the saving exceeds £10 per month.

Payments will take effect from the month following delivery of the car and will be a non-pensionable monthly addition to salary liable to National Insurance Contributions and income tax. Payments will cease on the date the car is returned.

If you leave before the end of the contract, all payments will cease at the termination of employment.

4.4 Replacement at End of Lease

You are required to replace your car promptly when the lease expires by ordering a replacement car 4 months prior to lease expiry as delays incur extra cost. Arnold Clark will remind you when your car is nearing the end of its lease. However, the Company is under no obligation to replace the car with a brand new one and reserves the right to reallocate a used car until the end of its lease.

4.5 Insurance

4.5.1 Terms of Cover

Fully comprehensive insurance cover is provided for all authorised users of Company cars.

4.5.2 Authorised Drivers

The Company authorises the use of Company Cars by the following drivers:

1. All employees
2. Spouse/Partner of employees entitled to a Company Car
3. Other persons with the written consent of the appropriate MD, which will only be given in cases of special need or hardship

4. Any other persons may drive the car in emergency situations only

All drivers must meet the following requirements:

1. They must be at least 21 years of age
2. They must have completed a Driver Questionnaire, and update this annually
3. They must have held a full driving licence for at least a year
4. Newly qualified drivers must have a clear 12 month period with no endorsements

4.5.3 Excess Charge

Company cars are covered by fully comprehensive insurance with a £1000 excess. Where employees are involved in an 'at fault' accident in a Company vehicle, they will be liable (in the absence of exceptional mitigating circumstances) for the first £100 of any excess payment under the Group motor insurance policy.

The following excess payments will be made on any second and subsequent claims:

- £500 for 2nd claim in any 3 year period
- £1000 for any 3rd and subsequent claims in any 3 year period

4.6 Driver Responsibilities

3.6.1 Car Maintenance

You are responsible for ensuring that the car is properly maintained at all times in accordance with the vehicle service schedule. Regular servicing is imperative to avoid invalidating the warranty. The car must be kept in a fully roadworthy, safe and clean condition (including a valid MOT certificate where appropriate) and tyres should be checked regularly.

At the expiry of the lease, the car should be returned in a condition commensurate with its age and mileage.

If excessive valeting or repairs are required (i.e. cleaning beyond basic vacuuming) or the value of the car is significantly reduced because of excessive wear and tear (i.e. damage) you may be asked to bear the cost. An independent assessment will be obtained and you will be informed before a charge is made. In the event of a dispute, the judgement of your Managing Director or Executive Director, in the light of the independent assessment, will be final.

4.6.2 Accident Reporting

All accidents must be reported immediately to the accident management support service as advised under Section 2, point 20 of this handbook.

It is the responsibility of the individual to keep the car in a fully roadworthy, safe and clean condition (including a valid MOT certificate where appropriate). Failure to do so may result in further action, including disciplinary action, by the Company.

4.6.3 Car Security

Items of value, removable radio fronts, sat navs and mobile phones must always be removed from the vehicle for however short a period the car is left unattended. If they cannot be removed completely, they should be locked in the boot, out of sight.

4.6.4 Traffic Offences

You are responsible for paying all your fines as a result of road traffic offences and parking fines. If fines are not paid immediately, your cost centre will incur an administration fee from the leasing company for identifying the car user.

If you commit a traffic offence that is detected by camera, the Company will be required to declare the name, address, date of birth and driving licence number of the person driving the car at the time of the offence. Failure to do so will result in the Company being liable for prosecution.

If you are banned from driving for a period of time as a result of a traffic offence, it is your responsibility to ensure that appropriate plans are put in place to enable you to still fulfil the duties of your job. Any costs incurred as a result of this, e.g. taxi or train fares, should not be reclaimed from the Company.

4.6.5 Monthly Mileage Report

As a Company car driver, you are required to record your business mileage on a monthly basis, using the standard form provided by the Company.

4.7 Registered Disabled Drivers



The Company recognises its obligation to ensure that drivers with disabilities receive the same level of benefit. As a result the cost of all necessary adaptations will be met by the Company.

Such adaptations will be provided for individuals who fall within the definition of disability as defined by the Equality Act. Under the Act a person has a disability if they have a physical or mental impairment that has a substantial and long term affect on their ability to carry out normal day-to-day activities. It will be necessary for an assessment to be carried out by the Company Doctor before adaptations will be authorised for payment.

If you need car adaptations because a member of your immediate family is disabled, this will be authorised on an individual basis by the Regional Managing Director / Head of HR.

4.8 Safety

On having a third claim against the insurance policy for accident damage, or on having 9 points on your driving licence, you will be required to attend a defensive driving course at the Company's expense.

5.0 Cash Allowance

All individuals eligible for a company car may choose the appropriate cash allowance in lieu of a company car. The cash allowance will be paid as a non-pensionable monthly addition to salary and will be liable to National Insurance Contributions and income tax deductions.

If you choose to take the cash allowance you must be able to provide an appropriate car for business use. You are responsible for ensuring that your car:

- Has 4 adult seats i.e. is capable of seating 4 adults comfortably
- Is well maintained, safe, roadworthy and complies with all legal requirements
- Is insured for both private and business use.

In addition, you must make your car and all relevant documents available for inspection on an annual basis. The inspection will be conducted by the third party agency appointed by the supplier of the company car managed service and fulfils the Company's duty of care as an employer.

If your car is unavailable and you need to hire a car you will need to make your own arrangements at you own expense. Pool cars will not be made available to those who are in receipt of a cash allowance.

The annual amounts appropriate to each job group are set out in the HR Chapter of PPM on Docushare (the company intranet).

You may change your option and select a car at any time, however you may not revert back to a cash allowance until the end of the lease.

6.0 Part-Time Staff

Part-time employees opting to receive a Cash Allowance will receive a pro-rata monthly cash payment allowance based on the number of hours/days worked.

Part-time employees opting to take a Car will be entitled to a car with the pro-rata monthly lease cost allowance based on the number of hours/days worked.

7.0 Change in Circumstances

The table below outlines the policy in the following changes of circumstances:

From	To	Action
Company car allocation	Higher job group still with company car entitlement	Keep the car until end of current lease contract. Monthly contributions recalculated from date of promotion (based on new car / cash allowance).
Company car allocation	Lower job group still with company car allocation. Voluntary move	Keep the car and until end of current lease contract. Allowance then provided at the rate for the new job group.
Company car allocation	Lower job group still with company car allocation. Compulsory move	Keep the car and arrangements until end of current lease contract. Benefit level is red-circled for 12 months minimum. If lease expires within the 12 months the higher allowance is paid for remaining months.
Company car allocation	Lower job group with no company car allocation.	Keep the car until end of current lease contract. Car entitlement ceases at that point.
No entitlement	Job with car entitlement	Monthly allowance paid from date of promotion.
Car or cash	Redundancy	Provision of company car/allowance ends on



allocation		last day of notice period.
Car or cash allocation	Early Retirement	Provision of company car/allowance ends on last day of employment
Car or cash allocation	Maternity	Retain full entitlement
Car or cash allocation	Long Term Sick Leave	Retain full entitlement. After 6 months the Company has discretion to end the entitlement, on agreement of Regional Managing Director/Head of HR.
Car or cash allocation	Parental leave	Retain full entitlement
Car or cash allocation	Career break	Entitlement ends. Car must be returned on last day of service before career break.
Car or cash allocation	Suspension	Retain full entitlement
Car or cash allocation	Dismissal	Entitlement ends. Car must be returned on day individual is dismissed.
Full-time	Part-time	Monthly contributions or cash alternative will be adjusted from effective date. Monthly company contribution (i.e. lease benchmark or cash alternative) will be pro-rated in line with hours reflecting greater personal use.
Part-time	Full-time	Monthly contributions or cash alternative will be returned to full value from effective date.

SECTION 2: COMPANY CAR DRIVERS

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Introduction

The vehicle allocated to you represents a substantial investment by the Company in you and your job. In entrusting this asset to your safekeeping you have the responsibility to drive safely and to look after it as if it were your own.

You are expected to maintain the vehicle in a good condition at all times.

This handbook details the Company's requirements on the use, servicing and other aspects of Company vehicle operation. Please read it carefully and make sure you understand the contents fully. If you have any questions, please contact your Nominated Vehicle Manager for clarification.

This handbook applies to all Company lease vehicles (cars and commercial vans) including new cars provided by Arnold Clark, Hire Cars, Lead In cars and all historic cars provided by other lease providers (Legacy Lease Car Providers).

This handbook does not apply to other leased vehicles that are used on site, for example forklifts and dumper trucks.

Your Nominated Vehicle Manager is the divisional finance director/manager or other Company manager responsible for the management and administration of Company cars where you work. A list of Nominated Vehicle Managers can be found on Docushare.

The Company has the right to vary any of the procedures and / or rules at any time. Any variation(s) will be communicated by Group Memo and advised to drivers by means of amendments to this handbook.

Key Contact Numbers

**ARNOLD CLARK VEHICLE MANAGEMENT
(GENERAL ENQUIRIES)**

0141 352 5260

www.acvm.co.uk

ARNOLD CLARK ACCIDENT SERVICES

0800 917 2712

MAINTENANCE AUTHORISATION

0141 352 5200

BREAKDOWN RECOVERY

0141 332 2622

WINDSCREEN REPLACEMENT

0800 36 36 36

TYRE SERVICES

0141 352 5200

ROAD FUND TAX RENEWALS

0141 332 2626

FOREIGN TRAVEL AUTHORISATION

0141 332 2626

NOMINATED VEHICLE MANAGER

.....
(please insert)

1. Allocation of Company Car

Your Company car is made available to you on the terms set out in your Contract of Employment.

However, the Company does not allocate new cars in every instance and any available spare used car may be allocated as required. The type and age of the Company car allocated will be entirely at the Company's discretion. If you are asked to take a reallocated car that is more expensive than your benchmark car the Company will bear the extra cost. If you take a reallocated car that is less expensive than your benchmark car you will receive the difference as a supplement with your salary. Any personal tax implications of a more expensive or less expensive car will be your responsibility.

Use of the Company car is subject to compliance with the Company Car Policy in conjunction with this Handbook and is always at the discretion of the Company. The Car may be withdrawn without compensation in the event of any breach of the policy. It is your responsibility to bring the requirements of the Company Car Policy and this Handbook to the attention of any other person authorised to drive the car. (See section 4 below)

2. Permitted Uses

Apart from use in connection with the Company's business, the Company car may be used for social, domestic and pleasure purposes. It may not be used for any other business purpose.

3. Care of Company Cars

Each Company car remains at all times the property of Arnold Clark Vehicle Management (or such other provider the Company may use from time to time) and under the control of the Company. You are responsible for the care of the car and its contents.

The Company reserves the right to withdraw the car in cases of abuse, including, but not limited to, inadequate care and maintenance, reckless or irresponsible acts and causing unnecessary damage. The Company also reserves the right to charge you the costs of repair of any such damage caused to the car.

The manufacturer's handbook as supplied with the vehicle should be read carefully even if you have driven a similar model before. Modifications are often introduced which may need slightly different procedures. The handbook should be kept in the vehicle at all times as a point of reference, for technical data, e.g. tyre pressures, or in the event of an emergency.

In addition, if you have been provided with a Hire car please refer to the instruction provided by the supplier in respect of care of vehicles.

Smoking is not permitted in any Company vehicle

4. Additional Authorised Drivers

The Company authorises the use of Company cars by the following drivers:

1. All employees
2. Spouse/Partner of employees entitled to a Company Car
3. Other persons with the written consent of the appropriate MD, which will only be given in cases of special need or hardship
4. Any other persons may drive the car in emergency situations only

All drivers must meet the following requirements:

1. They must be at least 21 years of age
2. They must have completed a Driver Questionnaire, and update this annually
3. They must have held a full driving licence for at least a year
4. Newly qualified drivers must have a clear 12 month period with no endorsements

All Company Authorised Drivers must complete and submit to their Nominated Vehicle Manager a Driver Questionnaire form before they drive a Company vehicle for the first time, and annually thereafter to coincide with the Motor Insurance renewal. Please note that this should also be completed if the information declared on the Driver Questionnaire changes.

5. Driving Licence

On being granted the use of a Company car for the first time you will be required to produce your original driving licence (including paper counterpart) to your Nominated Vehicle Manager and it will be checked annually thereafter. You will also be required to produce the original driving licences of any Additional Authorised Drivers before they drive a Company car for the first time and annually thereafter.

Should the licence become invalid it is your responsibility to notify your Nominated Vehicle Manager immediately in writing using the Driver Questionnaire form. Disqualification from driving will be reviewed on an individual basis and may result in withdrawal of the Company Car without compensation and / or review of capability to undertake the responsibilities associated with the job role.

You must notify your Nominated Vehicle Manager immediately of any penalty points incurred or any legal proceedings that could result in either an endorsement or loss of licence, using the Driver Questionnaire form.

On reaching 9 points on your licence you will be required to attend a defensive driving course at the Company's expense. Your Nominated Vehicle Manager will arrange this with Arnold Clark Vehicle Management.

You must notify your Nominated Vehicle Manager immediately, using the Driver Questionnaire form, of any medical problems that you or any Additional Authorised Driver are required to notify to the DVLA or that would prevent you from driving.

Your Nominated Vehicle Manager is required to notify the Company Insurance Broker of any drivers who have 6 penalty points, who have a medical condition that would prevent them from driving, are being prosecuted in relation to a motoring offence involving drink or drugs, or who have been banned from driving. Any drivers who have 6 penalty points or more may be made liable for the full excess cost of any insurance claim.

Learner drivers are not permitted to drive Company cars.

6. Payment of Fines and Fixed Penalty Notices

Responsibility for driving licence endorsements and for the payment of fines and costs arising from driving and parking offences rests entirely with the driver of the company car – i.e. you unless you can show that an Additional Authorised Driver was driving the vehicle.

When the Company/Lease Provider receives a notice of intended prosecution from the Police it is legally required to return the notice, identifying the driver of the vehicle. The Police will then proceed directly against the driver of the vehicle. It is therefore important that you know who is driving the Company car at all times.

Payments should be made promptly to avoid an increase in the penalty charge. Where a reminder or subsequent notification is made to the Company indicating that the fine remains outstanding the Company may settle the payment (including any additional administrative fees imposed by the Leasing Company or if using a hire car, the supplier) and require you to reimburse the full amount to the Company immediately.

7. Legal Responsibilities

You and any Additional Authorised Drivers are expected to be familiar with and comply with all aspects of the traffic regulations currently in force, including the Highway Code.

You are also responsible for ensuring that the car complies with current Road Vehicle (Construction and Use) Regulations in respect of condition, lights, brakes, tyres etc. and for arranging that appropriate repair work be undertaken. Under no circumstances should a Company car be driven whilst in a defective and unsafe condition (see Section 10 – 15).

If the Company is prosecuted in respect of offences under the Road Vehicle (Construction and Use) Regulations, the Company reserves the right to take such disciplinary action as it deems appropriate.

Arnold Clark Vehicle Management will issue Road Fund Licence discs via your Nominated Vehicle Manager. You should, however, be aware of the expiry date of the Road Fund Licence and ensure that a current licence disc is obtained and displayed.

You are responsible for ensuring that your car is covered by a valid MOT certificate, although reminders will normally be sent by Arnold Clark Vehicle Management. All MOT's must be carried out by an approved garage, which has been authorised by Arnold Clark.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

8. Receiving Your Car

When you take delivery of your car, new or otherwise, you must examine its condition before accepting delivery and familiarise yourself with its safe use.

Leased cars provided by Arnold Clark Vehicle Management will be supplied with a comprehensive condition checklist which they will ask you to sign. Items such as lighting, indicators, dashboard equipment should be tested to ensure correct operation. The bodywork, safety belts and tyres should be checked. Please ensure all instruction booklets and service booklets are supplied with the car when delivered and are kept with the car.

You will be responsible for any repairs over and above normal wear and tear.

For Hire cars please refer to the checklist provided by the supplier when taking receipt of the vehicle.

9. Car Transfers / Reallocations

When transferring leased vehicles from one division to another, it is the responsibility of the Division / Group Department transferring the vehicle to complete a vehicle transfer form (this form can be found on Docushare). Please ensure that forms are signed and dated before submitting to Arnold Clark. The Division / Group Department transferring the vehicle will be responsible for all costs associated with the transfer e.g. transportation and valeting.

Any repairs over and above normal wear and tear on a reallocated vehicle are the responsibility of the Division / Group Department transferring the vehicle.

An updated list of all reallocated vehicles can be found on Docushare under the following file path;

**Policies & Procedures Manual- Human Resources - Supporting Documents
- Benefits, Recognition & Reward- Company Cars/ Allowances.**

10. Vehicle Defects

All defects should be repaired as soon as possible: refer to sections below on servicing and maintenance / non-accident repairs. To continue to drive the car may be illegal, e.g. while the speedometer is defective.

In the event of a defect on your vehicle becoming apparent in the course of your journey, if it affects the roadworthiness / safety of your vehicle, you must bring your vehicle to a halt and park it as safely as possible and contact the recovery services immediately.

Under no circumstances will the Company permit or condone the use of the vehicle where there is any defect that might render it un-roadworthy.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

11. Servicing and Maintenance

You are responsible for making regular checks of water, battery, oils, tyres, lights, etc., and when necessary, for ensuring that the car is adequately protected with anti-freeze.

It is your responsibility to ensure that the car is regularly serviced in accordance with the maker's recommendations and that this is recorded in the service book.

The service book must be passed on with the car when it is transferred to another driver or returned to the Company.

Arnold Clark Vehicle Management will pay for all routine servicing and maintenance.

All work must be carried out by an approved franchise dealer otherwise problems will arise in connection with repairs carried out under warranty. Drivers must advise the dealer of the identity of their lease provider to ensure the costs are invoiced directly to the lease provider. This will then be recharged to the Company if appropriate.

The Company will reimburse you for oil purchased for your Company car.

You are responsible for keeping the car in good order and in a clean and tidy condition, at your own expense.

12. Tyres and Exhausts

Tyres, batteries and exhausts should be obtained from national high street suppliers recommended by Arnold Clark Vehicle Management.

Please refer to Arnold Clark Vehicle Management's driver pack, which should always remain in the glove compartment, and make arrangements direct, identifying the lease provider.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

13. Breakdowns

In the event of a breakdown, please contact the manufacturer recovery service, or if the vehicle is beyond its warranty period, contact the Arnold Clark Vehicle Management 24 hour service on 0141 332 2622.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

14. Non-accident Repairs

All work must be carried out only at the manufacturers authorised dealer; special arrangements may be in place to bill the Company directly or Arnold Clark Vehicle Management; please confirm with your Nominated Vehicle Manager.

Under no circumstances will the Company permit or condone the use of the vehicle where there is any defect which might render it un-roadworthy.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

15. Windscreens

The Company has arrangements for the replacement of windscreens. In the event of a windscreen breaking, please call the number given Key Contact Numbers section.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

16. Insurance

The Company has arranged comprehensive insurance for all company cars providing cover against loss, theft, accidental damage (including mis-fuelling), vandalism, passenger liability, fire and third party claims.

However, the insurers may decline responsibility if the car:

- has defective tyres
- is not in a roadworthy condition
- was driven by an unauthorised or unqualified person.

Personal belongings are not insured against loss or theft. You are recommended to take out separate or additional cover when carrying more than usual personal belongings, for example when going on holiday.

Also, you are not covered to drive any vehicle not leased by or hired to the Company.

Because of the high cost of insurance and to protect both our commercial interests and the good name of the Company the car must at all times be driven in a responsible and courteous manner.

17. Insurance Excess

The insurance policy includes an excess of £1,000, which is payable by the Company where there is no third party liability.

Where employees are involved in an 'at-fault' incident in a company vehicle they will be liable (in the absence of any exceptional mitigating circumstances) for the first £100 of any excess payment under the motor insurance policy.

Where employees are involved in an 'at-fault' incident in a company vehicle they will be liable (in the absence of any exceptional mitigating circumstances) for the following excess payments on second and subsequent claims;

- £500 2nd claim in any 3 year period; and
- £1,000 3rd and any subsequent claim in any 3 year period.

At-fault incidents will include loss/damage caused by a third party where the employee is negligent, for example leaving the keys in a vehicle whilst paying for petrol.

Any exceptions to this, taking into account the nature and cause of the damage concerned, will be at the discretion of the Regional Managing Director or Executive Director.

Following the third claim against the insurance policy for accident damage, or on having 9 points on your driving licence, you will be required to attend a defensive driving course at the Company's expense. This will be organised by Arnold Clark Vehicle Management.

Any drivers who have 6 penalty points or more may be made liable for the full excess cost of any insurance claim.

18. Return of Cars

When returning your vehicle you must ensure that it is clean inside and out, serviced up to date and has no significant damage. A fully completed service book and manufacturers handbook must be left with the vehicle, along with the master key and any other keys.

All wheel trims must be present and all original equipment refitted when the vehicle is returned at the end of its leasing period; badges, tow-bars and additional aerials must be removed and any resulting damage properly repaired.

Please note that the Company has to rectify undue wear and tear, and any such costs may be passed on to you, the driver. These include the cost in rectifying burns, tears, heavily stained areas or excessive wear to the inside of the vehicle and luggage area. To find out what constitutes as Fair Wear and Tear, a guide can be ordered from the British Vehicle Rental and Leasing Association (BVRLA) through the following link;

http://www.bvrla.co.uk/Advice_and_Guidance/Fair_wear_and_tear_standards.aspx

The cost of rectifying body damage, which would normally be repaired under the terms of the insurance policy, may be charged to you.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

19. Barratt Car Sticker

It is your responsibility to ensure that a Company car sticker is affixed in an appropriate place on the rear window of the Company car.

Barratt car stickers are not to be placed in Hire cars.

20. Accidents

In the event of an accident, the following procedure should be adopted by the driver.

Third Party Incidents:

- Stop.
- DO NOT ADMIT LIABILITY IN ANY WAY WHATSOEVER
- Exchange name, address, telephone number and insurance Company details. Inform the third party that the certificate of insurance is held by Barratt Developments PLC and which Division / Region / Subsidiary of Barratt you work for.
- Note the registration number and make/model of any other vehicle(s) involved.
- Obtain names and addresses of any witnesses. Note any statements made by witnesses
- Measure the position of vehicles on the road and, if possible, take pictures or make a sketch of the scene.
- Note if vehicle lights were on and if any signals were made by either party
- If damage has occurred to third party property, assess the damage so far as possible and inform the Police within 24 hours of the accident.

Contact the Police as soon as possible (maximum 24 hours) if:

- Anyone is injured
- A reportable animal (dog or farm animal) is injured

- A third party fails to stop
- Street furniture or third party property is damaged
- An offence has been committed
- Your vehicle has been stolen or broken into – obtain a crime reference number.

General:

- Do not remove your vehicle under its own power if this could cause further damage. Contact the accident management Company, who will make arrangements for the removal of the vehicle.
- **Report the accident immediately to the Accident Management Service by telephone (0800 917 2712), even if there is no apparent damage to your vehicle or any third party vehicle involved in the accident and follow any instructions they may give. Any delay in notifying an accident could affect our insurer's ability to minimise the cost of a claim from a third party.**
- Report the accident to your Nominated Vehicle Manager by telephone as soon as practicable and complete and submit the accident report form.
- Note Time, date, location
- Note traffic, weather and road conditions

Repairs will be carried out in accordance with Company procedures. For details contact your Nominated Vehicle Manager.

Notice of any intended prosecution as a result of the accident should be advised to your Nominated Vehicle Manager.

Serious Personal Injury

The driver, or someone on the driver's behalf should notify the AA immediately in the event of serious personal injury. Heath Lambert will advise if any further information is required and notify the Insurers immediately if necessary.

Third Party Correspondence

Any correspondence received from a third party or their representatives should immediately be sent to the AA.

For Hire cars please refer to the instructions issued with the vehicle by the hirer.

Please note that accidents between Barratt forklift trucks and third parties should be reported directly to our Insurance Broker, Heath Lambert.

21. Hire Cars

The Company car lease provider is not obliged to provide a replacement vehicle when a Company car is off the road.

Where courtesy cars are offered by servicing or repair dealers free of charge, you should take advantage of this facility if the courtesy car is appropriate. If an appropriate car is not available, a hired replacement car may be used with the consent of your Nominated Vehicle Manager at the expense of your division/department. Please ensure the condition of the vehicle is thoroughly checked before signing for any delivery or collection. Any damage should be reported to the hire company immediately whether this is with the driver delivering the vehicle or directly with the hire company as per their terms and conditions. In all instances arrangements should be made for the vehicle to be checked by the driver or nominated person, before any paperwork is signed

Agreed hire rates with Arnold Clark are available on DocuShare. Please note that any vehicles collected directly from the airport will incur an additional charge which will be 15% of the total rental hire.

22. Theft

Vehicle security is a major issue. In an effort to minimise losses, you must ensure that when the car is left unattended, nothing is left on view, personal possessions, demountable radio fascias and mobile telephones are to be removed, the alarm is to be set (when fitted) and above all the vehicle is parked in a reasonable area which is well lit at night. Under no circumstances should the car be left open and unattended with the keys in plain view. **ALWAYS REMOVE THE KEYS AND LOCK THE CAR WHEN REFUELLING.**

Valuable equipment such as laptops, sat navs, cameras and CD's must not be left in an unattended vehicle as neither the Company nor its insurers can accept liability for the loss of such equipment.

If your car is stolen immediately notify the Police in that locality and your Nominated Vehicle Manager.

Damage or loss arising from the theft or attempted theft where the ignition keys have been left in or on the vehicle will not be covered by insurance.

For Hire cars please refer to the instructions issued with the vehicle by the supplier.

23. Master Key

It is important to keep this key in a safe place. Should you need a replacement ignition key or find it necessary to re-programme the existing key, the master key will be required. When the car is returned the master key must be returned with it.

24. Overseas Visits

The Company car may only be used outside the United Kingdom with the prior written consent of your Nominated Vehicle Manager.

Our Motor Insurance Policy restricts use to the European Union, Liechtenstein, Norway, Iceland and Croatia.

You must take the following documents with you when you travel outside the United Kingdom

- An original insurance certificate (which has an endorsement on the reverse to cover the countries listed above)
- A letter of authority from your lease provider, which includes European Breakdown Cover
- A form VE103 from your lease provider (which you need because you are not the registered keeper of the vehicle)

The Nominated Vehicle Manager will arrange to get these documents on your behalf.

The Letter of Authority and VE103 document can be obtained from Arnold Clark Vehicle Management (or your Legacy Lease Car Provider as appropriate) , allowing 7-10 days notice.

For Hire cars please refer to the instructions issued with the vehicle by the supplier

25. Towing

Towing of caravans and trailers is permitted subject to the prior consent of the Company, which will only be given if towing attachments are of a type approved by the car manufacturer and are professionally fitted at your expense. If these attachments are removed before the vehicle is handed back all holes must be made good at your own expense.

It is your responsibility to obtain from the Company information relating to the insurance cover provided in these circumstances. The Group Insurance does not cover any damage suffered to towed trailers or caravans.

26. Modifications

The Company car must not be modified either mechanically or structurally without the express permission in writing of Arnold Clark Vehicle Management (or your Legacy Lease Car Provider as appropriate). For the avoidance of doubt, modification includes the affixing of a roof rack.

27. Taxable Benefits

Company cars are considered to be taxable benefits. The Company will provide HM Revenue and Customs with the appropriate information annually on Form P11D. The Company will advise HM Revenue and Customs when an employee changes their vehicle but it is the responsibility of the employee to ensure that they are paying the correct tax.

SECTION 3: PRIVATE CAR DRIVERS

SECTION 3: PRIVATE CAR DRIVERS

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SECTION 3: PRIVATE CAR DRIVERS

Introduction

These rules apply to all employees who drive a private vehicle on Company business i.e., employees receiving Car Allowance, employees who do not receive Car Allowance but who claim Business Mileage Reimbursement and Sales Negotiators.

The level of allowances will be as determined from time to time by the Executive Committee.

1. Definitions

Car Allowance – An amount paid monthly in arrears agreed in writing between the Company and the Recipient subject to applicable statutory deductions.

Business Mileage Reimbursement – Reimbursement for business mileage in accordance with the Group Business Travel and Expenses Policy.

Company – Barratt Developments PLC or any of its subsidiary companies.

Car – Any Qualifying Car owned, leased or hired to the Recipient subject to the terms of these Rules in respect of which an allowance has been agreed.

Qualifying Car – A car satisfying the conditions in Section 2.

Nominated Vehicle Manager – The Divisional Finance Manager/Company Secretary or other Company manager responsible for the management and administration of the allowance. The current list of Nominated Vehicle Managers is available on DocuShare.

Recipient – The employee receiving the Car Allowance.

Note – Words importing any gender include every gender.



SECTION 3: PRIVATE CAR DRIVERS

2. Car Allowance

Each Car Allowance is made available to the Recipient on the terms set out in their Contract of Employment or as subsequently agreed between the Company and the Recipient. A list of car allowance rates can be found on Docushare under the following file path;

Group Policies and Procedures Manual – Human Resources – Supporting Documents – Benefits, Recognition & Reward – Company Cars/ Allowances – Barratt Benchmark Cars and Car Allowances.

If a Recipient starts or leaves part way through a month the allowance will be pro- rated to the length of employment during the month.

Car allowances are not part of salary and will not be used in the calculation of pension or other benefits.

Car Allowance payments are however made through the payroll and are subject to income tax and National Insurance deductions.

3. Required Uses and Availability

Employees must provide an appropriate car for use on Company business as and when required to fulfil their duties to the Company.

A car will be considered appropriate by the Company, at the Company's sole discretion, if it:

- Has four adult seats i.e. must be capable of seating 4 adults comfortably
- Is insured for both private & business use;
- Is roadworthy, safe and maintained in accordance with manufacturers recommendations and reliable;
- Is consistent with the professional image required of the Recipient.

Employees must provide a replacement vehicle at their own cost should their car be unavailable for any reason whatsoever.

Employees must maintain adequate breakdown cover with the AA, RAC or an equivalent organisation.



SECTION 3: PRIVATE CAR DRIVERS

4. Control of Cars

The Employee is totally responsible for maintaining the car in a legal and roadworthy condition and for the safe keeping of the car and its contents.

The Employee must be familiar with, and observe, the provisions contained in any handbook or other material issued by the Leasing Company/and or Manufacturer.

Payment of the Car Allowance is subject to compliance with these Rules. The Car Allowance may be withdrawn without compensation in the event of any breach of the Rules.

5. Annual Inspection

The Company may elect to organise an annual vehicle inspection. This inspection will last approximately one hour and will include a vehicle inspection, documentation inspection and some routine maintenance checks. The Employee will be required to produce their Drivers Licence, Insurance Certificate, MOT certificate (if applicable) and last service invoice.

A report will be compiled and sent back to the Company to ensure compliance with Health and Safety regulations.

The Company reserves the right to take appropriate action, which may include withdrawing the allowance without compensation, should the Employee fail to comply with this requirement.

6. Driving Licence

On being granted a Car Allowance or being asked to drive a private vehicle on Company business for the first time, the employee will be required to complete a Driver Questionnaire form which will be provided to them by their Nominated Vehicle Manager. The Employee will be required to repeat this confirmation annually thereafter to coincide with the Motor Insurance renewal.

The Employee must notify their Nominated Vehicle Manager immediately in writing, using the Driver Questionnaire form, if their driving licence becomes invalid. Disqualification from driving will be reviewed on an individual basis and may result in withdrawal of the Car Allowance without compensation and / or review of capability to undertake the responsibilities associated with the job role.



SECTION 3: PRIVATE CAR DRIVERS

The Employee must notify their Nominated Vehicle Manager immediately of any penalty points incurred or any legal proceedings that could result in either an endorsement or loss of licence, using the Driver Questionnaire form.

On reaching 9 points on their licence the Employee will be required to attend a defensive driving course at the Company's expense. The Employee's Nominated Vehicle Manager will arrange this with Arnold Clark Vehicle Management.

The Employee must notify their Nominated Vehicle Manager immediately, using the Driver Questionnaire form, of any medical problems affecting their ability to drive that are required to be notified to the DVLA or that would prevent the Recipient from driving.

Should the Employee be convicted of any motoring offences, including Fixed Penalty Speeding Offences, these must be notified to the Nominated Vehicle Manager immediately using the Driver Questionnaire form.

7. Payment of Fines and Fixed Penalty Notices

Payment of fines and costs arising from driving and parking offences are the responsibility of the Employee. They should be paid by the Employee immediately so as to avoid an increase in the penalty charge.

8. Legal Responsibilities

The Employee is expected to be familiar with all aspects of the traffic regulations currently in force, including the Highway Code.

The Employee is also responsible for ensuring that the car complies with current Construction and Use Regulations including condition, lights, brakes, tyres etc. and for arranging that appropriate repair work be undertaken. Under no circumstances should the car be driven whilst in a defective and unsafe condition.

The Employee must hold a current valid full driving licence.

Responsibility for the renewal of Road Fund Licences is with the Employee. Responsibility for MOT's is with the Employee. Employees must ensure that an MOT test is undertaken and a certificate is obtained as necessary.



SECTION 3: PRIVATE CAR DRIVERS

9. Maintenance and Care

The cost of all maintenance and care of the car is the responsibility of the Employee.

The Employee is responsible for making regular safety and maintenance checks, including tyres, screen wash, oil, etc.

It is the responsibility of the Employee to ensure that the car is regularly serviced in accordance with the manufacturer's guidelines.

The Employee is responsible for keeping the car in good order and in a clean and tidy condition.

The Company reserves the right to withdraw the Car Allowance in cases of inadequate care and maintenance of the car and reckless or irresponsible acts involving the car.

10. Insurance

All cars must be insured for **business** use as well as for social, domestic and pleasure. If private car drivers allow another company employee to drive their vehicle they must ensure that their insurance covers the additional driver. The Company Motor Policy does not cover an employee to drive a private vehicle (i.e. one that is not owned or leased to the Company).

To protect the good name of the Company the car must at all times be driven in a responsible and courteous manner.

11. Temporary Hired Cars

The Company will not accept any charge for a hired replacement car which may be necessary for an employee to carry out his duties.

Pool cars are not available for use by recipients of the Car Allowance.

12. Courtesy Cars

Where courtesy cars are offered by servicing or repair dealers it is recommended that Employees take advantage of this facility.



SECTION 3: PRIVATE CAR DRIVERS

13. Theft

The Company does not accept any responsibility for any theft of or from the car in any circumstances.

Vehicle security is a major issue. In an effort to minimise losses, the Recipient should ensure that when the car is left unattended, nothing is left on view, personal possessions, demountable radio fascias and mobile telephones are to be removed, the alarm is to be set (when fitted) and above all the vehicle is parked in a reasonable area which is well lit at night. Under no circumstances should the car be left open and unattended with the keys in plain view. ALWAYS REMOVE THE KEYS AND LOCK THE CAR WHEN REFUELLING.

Valuable equipment such as laptops, cameras and CD's should not be left in an unattended vehicle as neither the Company nor its insurers can accept liability for the loss of such equipment.

If your car is stolen immediately notify the Police in that locality.

14. Barratt Car Sticker

A Company Car Sticker is not to be affixed to a car subject to a Car Allowance.



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1. Safe Driving

Under no circumstances should any vehicle be used for company business if you are aware of any factors that may affect your ability to drive safely. You must avoid doing anything whilst driving that may distract you or impair your driving ability, which can include things like eating and drinking or using a satellite navigation system.

2. Planning Your Journey

Before making a car journey, please consider whether it is absolutely necessary – e.g. can you hold a telephone or videoconference instead of travelling to a meeting.

When planning your journey allow sufficient time to complete your journey safely and take account of road types, weather conditions and rest breaks. Avoid scheduling meetings that may encourage you to drive too fast for the conditions or exceed the speed limit.

In order to reduce the risk of being involved in an accident you should avoid prolonged periods of driving without taking appropriate adequate rest periods. The Highway Code recommends that drivers should take a 15 minute break every two hours.

Avoid fatigue from driving long distances, particularly when a journey adds significantly to a normal working day. When appropriate, employees driving on Company business are entitled to make an overnight stay at the Company's expense to avoid fatigue from driving long distances.

Remember that sleep related accidents are most likely to occur between 2am and 6am and between 2pm and 4pm. If you feel sleepy whilst driving, pull over where it is safe to do so and take a break.

3. The Vehicle

On a regular basis, carry out a routine safety check on the following items;

- Lights
- Tyres
- Seat belts
- Head restraints.

4. Eyesight

It is the responsibility of the driver to ensure their eyesight is satisfactory. The Highway Code states, "You MUST be able to read a vehicle number plate, in good daylight, from a distance of 20 metres (or 20.5 metres where the old style number plate is used). If you need to wear glasses (or contact lenses) to do this, you MUST wear them at all times while driving."

5. Carrying Goods in Vehicles

Ensure that goods carried in a vehicle are safely secured and the load is safely distributed in the vehicle in accordance with the manufacturer's recommendations and does not exceed the safe load carrying capacity of the vehicle.

6. Seatbelts and Child seats

The driver and all adult passengers aged 14 and over **MUST** wear a seatbelt if one is fitted. The driver **MUST** ensure that all children under 14 years of age wear seatbelts or sit in an approved child restraint where required in accordance with the Highway Code. If a child is under 1.35 meters (approx' 4 feet 5 inches) tall, a baby seat, child seat, booster seat or booster cushion **MUST** be used suitable for the child's weight and fitted to the manufacturer's standard.

7. Company Owned Vehicles

Any vehicle owned or bought by the company or leased directly for more than 15 days i.e. not from Arnold Clark, must be added to the Motor Insurance Database by the respective Regional PA, prior to being driven.

8. Alcohol and Drugs

It is an offence to drive whilst under the influence of alcohol or certain types of drugs. If you are a company car driver and you or any Additional Authorised Driver is convicted of being in charge of a Company car whilst unfit by reason of alcohol or drugs you must inform your Nominated Vehicle Manager in writing immediately. If you are receiving car allowance or claiming expenses and convicted of being in charge of your car whilst unfit by reason of alcohol or drugs the Nominated Vehicle Manager must be informed in writing using the Driver Questionnaire form. The Company reserves the right at its absolute discretion to withdraw the Company car or car allowance without compensation if the driver is convicted of a serious driving offence, including driving whilst unfit by reason of alcohol or drugs.

You should not drive if you are taking a course of medicine that might impair your judgement. If in doubt, seek advice from your GP.

9. Mobile Telephones

Any employee asked to use a car on company business is banned from the following:-

- Holding a mobile telephone in their hand or between their ear and neck whilst driving.

- Holding a Blackberry, or any other electronic device, whilst driving.
- Sending text messages, video links or internet connections while driving on the road.
- Holding a mobile telephone at traffic lights or in a traffic jam while the engine is running.

The use of a mobile telephone in a vehicle is prohibited unless used with a hands free mobile telephone kit. Such a hands free kit would need to include a secure cradle for the telephone affixed to the dashboard, with a wire and an earpiece or a fully installed car kit with a speaker telephone facility.

Using a mobile telephone with a hands free kit can still distract drivers and impair safe driving ability that could result in a driver being prosecuted for driving dangerously or without due care and attention, therefore making calls should be avoided whenever possible.

The following guidelines should be adhered to:-

- Keep calls short and simple - never argue or negotiate on the move.
- Turn off your telephone and take messages when you can park safely.
- Tell callers that you are driving and may need to break off your conversation suddenly.
- Save any numbers you may need into your telephone to a short dial number before starting your journey.

Any fines or penalties you may incur as a result of using a mobile telephone whilst driving are your responsibility.

10. Mileage Returns

Mileage returns and expense claims for reimbursement of business mileage should be submitted in accordance with the most up to date Business Travel and Expenses Policy which is currently issued in Group Memo G4739.

11. Terms and Conditions of Employment

These rules do not override the Company's Terms and Conditions of Employment and Disciplinary Procedures. These may be invoked in addition to any procedure in these Rules.