ILLUSTRATIVE SAMPLE

Company EV Reimbursement Policy & Controls Pack

A finance-ready example for a fictional UK employer with fully electric company cars.

Illustrative client

Northstar Field Services Ltd is fictional. All figures, processes and decisions in this document are examples designed to show the form of the EVDC deliverable.

What this sample demonstrates

- A clear scope decision before rates are selected.
- A documented choice between HMRC advisory rates and an evidenced alternative.
- Payroll and expenses controls that can be implemented in an existing process.
- Driver wording and exception handling that match the approved decision.

Standard pilot: one UK entity, one payroll or expenses process, fully electric company cars, delivered within three UK business days after complete inputs.

Prepared by EV Decision Compass

Company EV Reimbursement Pack - £990 ex VAT pilot

1. EXECUTIVE DECISION

Decision summary

Proposed operating decision

Use the current HMRC home and public advisory rates for fully electric company-car business mileage, supported by a monthly charging-basis record. Do not reimburse mileage allocated to employer-paid workplace charging. Route exceptional public-charging costs through a documented Finance review.

Why this decision is proposed

- The current flat 9p rate has no documented cost basis or named review owner.
- Drivers use home, public and employer-paid workplace charging.
- Payroll receives business miles but not the charging basis or exception evidence.
- The proposed approach is simpler to operate than actual-cost reimbursement for this fictional fleet.

Decision owners

Finance Director	Approves the rate method, exception rule and quarterly review.
Head of Fleet	Owns vehicle scope, driver guidance and charging-basis data.
Payroll Manager	Applies the approved rate table and rejects incomplete claims.
Line Manager	Confirms business purpose and mileage before Payroll export.

Approval record

Policy and rate method	Finance Director	For approval	15 Aug 2026
Payroll control matrix	Payroll Manager	For validation	20 Aug 2026
Driver communication	Head of Fleet	For issue	25 Aug 2026

2. SCOPE AND INPUTS

What was reviewed

Vehicle population	36 fully electric company cars; no vans in this process.	Confirm salary-sacrifice vehicles use the same employer process.
Mileage	28,400 business miles in the sample month.	Commute and private mileage must remain excluded.
Current rule	9p per business mile for all charging.	No written cost basis or review date.
Charging mix	70% home, 25% public, 5% employer-paid workplace.	Basis estimated today; monthly record required.
Claims process	Driver claim -> manager approval -> monthly Payroll file.	Charging basis and exception evidence are missing.

In scope

- Fully electric company cars made available by the fictional employer.

- Business mileage where the employee bears the relevant electricity cost.

- Home and public charging basis, mixed charging apportionment and approved exceptions.

- One UK payroll and expenses process.

Out of scope

- Employee-owned vehicles, vans, hybrids, commute and private mileage.

- Electricity paid directly by the employer, except to prevent duplicate reimbursement.

- Tax, legal or accounting advice and any claim of HMRC approval.

Open questions before implementation

Are any vehicles employee-owned or leased personally?	Fleet	Policy approval
Can the expenses tool store a charging-basis field?	Expenses	Configuration
How will employer-paid workplace charging be identified?	Fleet / Payroll	Go-live

3. RATE DECISION

Rate decision framework

HMRC publishes advisory rates for fully electric company cars. From 1 June 2026 the published rates are 7p per mile for home charging and 15p per mile for public charging. Employers may use their own evidenced rates, and mixed charging may require a fair and reasonable apportionment.

HMRC home/public rates	Charging basis can be recorded or reasonably apportioned.	Moderate	Preferred starting point
Weighted internal rate	Stable mix and evidence support a single reviewed rate.	Moderate	Possible, but document assumptions
Actual cost	Reliable energy, vehicle efficiency and business-use evidence exist.	High	Use only if operationally justified
Exception route	Demonstrable costs materially exceed the standard method.	Case by case	Finance approval required

Illustrative monthly scenario

Current flat 9p	28,400 miles x 9p	£2,556	Baseline
Advisory split example	19,880 home x 7p + 7,100 public x 15p	£2,457	-£99
Evidenced 10.2p alternative	28,400 miles x 10.2p	£2,897	+£341

These figures are deliberately illustrative. The financial outcome may be a saving, an increase or broadly neutral. The chosen method must follow the real cost basis, vehicle scope and evidence available.

Rate review rule

Finance records the source, effective date, assumptions and owner of each approved rate table. Fleet reviews HMRC changes and the fictional employer's charging mix at least quarterly.

4. CONTROLS MATRIX

Payroll and expenses controls

Vehicle scope	Vehicle is a fully electric company car in the approved fleet list.	Fleet	Reject or route for separate treatment.
Journey scope	Date, business purpose, origin/destination and business miles.	Driver / manager	Return incomplete claim.
Charging basis	Home, public, workplace or approved monthly apportionment.	Driver / Fleet	Hold claim until basis is supplied.
Rate version	Effective rate table and decision record.	Finance	Block unapproved rate.
Employer-paid charging	Workplace or charge-card energy paid directly by employer.	Fleet / Payroll	Prevent duplicate reimbursement.
Exception	Reason, cost evidence and named Finance approval.	Finance	Pay standard method or reject.
Payroll export	Approved miles x applicable rate, with exception flag.	Payroll	Reconcile and return variance.

Minimum monthly data record

Driver / employee ID	EMP-1042	Yes
Vehicle category	Fully electric company car	Yes
Business miles	742	Yes
Charging basis	70% home / 25% public / 5% employer-paid	Yes
Rate version	EV-AER-2026-Q3	Yes
Exception reference	EX-2026-014 or blank	If applicable
Approver	Manager ID and approval date	Yes

5. POLICY WORDING

Illustrative policy clauses

Purpose. This policy defines how Northstar Field Services Ltd reimburses business electricity costs for fully electric company cars. It does not apply to employee-owned vehicles, vans, hybrids, commute or private mileage.

Approved method. Eligible business miles are reimbursed using the employer's approved rate table. The current table uses the applicable HMRC advisory home and public rates unless Finance approves an evidenced alternative.

Charging basis. Drivers must record the charging basis for eligible business mileage or use an approved fair and reasonable monthly apportionment. The method must be consistent with the data available and reviewed when circumstances change.

Employer-paid electricity. Mileage allocated to electricity paid directly by the employer is not reimbursed again. Drivers must identify workplace, depot or charge-card energy where the employer bears the cost.

Evidence. Each claim must include the business journey record, eligible mileage, charging basis, applicable rate version and any required exception evidence. Incomplete claims may be returned unpaid.

Exceptions. A driver who can demonstrate materially different electricity costs may request an exception. Finance must approve the evidence, method, amount and duration before Payroll applies it.

Ownership. Finance owns the rate decision. Fleet owns vehicle scope and driver guidance. Payroll applies only approved rate tables and controls. Managers validate business purpose and mileage.

Review. Finance and Fleet review HMRC publications, charging mix, exception patterns and process performance at least quarterly. Every change must have an effective date and approval record.

Important boundary

This wording is an operating template, not tax or legal advice. The fictional employer would obtain appropriate professional advice and approve the final policy before issue.

Configuration checklist

- Create charging-basis and exception-reference fields in the existing claim process.

- Load the approved rate table with an effective date and named owner.

- Add a duplicate-payment check for employer-paid charging.

- Test at least five real claim patterns before go-live.

- Archive the policy, decision memo, test evidence and approval record.

6. DRIVER COMMUNICATION

Illustrative driver announcement

Subject: Updated business-mileage process for electric company cars

From 1 September 2026, eligible business mileage in a fully electric company car will use our approved home/public reimbursement method. The change makes the rate basis, evidence and exception process clearer. It does not change the treatment of commute or private mileage.

What drivers need to do

- Record each business journey and eligible mileage as today.
- Select the charging basis requested by the claim form or use the approved monthly apportionment.
- Identify electricity paid directly by the company so it is not reimbursed twice.
- Attach the required evidence when requesting an exception.
- Submit the claim by the normal monthly deadline.

What happens next

Your manager confirms the business purpose and mileage. Payroll applies the approved rate table. Fleet or Finance will contact you if the charging basis is incomplete or an exception needs further evidence.

Implementation plan

Approve scope and rate method	Finance	Signed decision record
Configure claim fields and rates	Expenses / Payroll	Configuration screenshot and rate version
Test representative claims	Payroll / Fleet	Five passed scenarios including an exception
Issue policy and driver note	Fleet / HR	Published documents and issue date
Run first-month review	Finance / Payroll	Reconciliation, exceptions and actions

7. EVIDENCE AND LIMITS

Sources used in this illustrative sample

HMRC Advisory Fuel Rates. Current advisory electricity rates and the ability to use evidenced alternatives. gov.uk/guidance/advisory-fuel-rates

HMRC Employer Bulletin, October 2025. Introduction of separate home and public advisory electricity rates and mixed-charging guidance. HMRC Employer Bulletin

Limits of this document

- Northstar Field Services Ltd is fictional and the sample data are invented.

- The sample demonstrates the structure of an EVDC deliverable, not a recommendation for another employer.

- The correct method depends on the employer's vehicles, journeys, charging arrangements, evidence and professional advice.

- HMRC rates and guidance can change; the live source must be checked at the decision date.

- EVDC does not provide an HMRC certification or guarantee a saving or particular tax treatment.

What the paid pilot adds

The £990 pilot replaces every fictional assumption in this sample with the customer's real scope, current process, sample claims, rate decision, controls, policy wording and implementation actions.

Company EV Reimbursement Pack

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contact@evdc.co | www.evdecisioncompass.com