



MOTOR CARS & MOTOR CYCLES ASSISTED PURCHASE SCHEME

1. This scheme applies to employees who fulfil the specified criteria;-
 - a) Protected essential car users.
 - b) Employees in posts of under grade E may be able to claim under the motor car assisted purchase scheme, if they frequently use their vehicles on City of London Corporation business and such a claim is supported by their Chief Officers.
 - c) Employees who convert their vehicles to Liquid Petroleum Gas use, or other environmentally friendly powers such as Natural Gas, electric or hybrid, subject to them being given a Powershift grant to contribute to the costs from the Department of Transport, Local Government and the Regions (DTLR) and where applicable the employees obtain 100% exemption from the Congestion Charge.
2. The City Corporation may authorise a loan up to the purchase price of the new or second-hand vehicle which you intend to buy, after taking into account the value of any vehicle which you offer in part-exchange for the vehicle which you intend to buy or the selling price of any vehicle which you have disposed of other than by part exchange during the last year. The maximum loan under this scheme is £16,000 (wef 1.7.00).
3. Applications for loans must be made on the form available from your department and must be completed in duplicate. Both forms must be signed by your Chief Officer. The Chief Officer has delegated authority to approve these loans. You must supply proof of purchase within 21 days of the Agreement.
4. If you wish to buy a vehicle which is more than 3 years old at the date of purchase then you must obtain a report by an independent automobile engineer certifying the roadworthiness of the vehicle.
5. No application shall be approved unless the Corporation is satisfied that the type of vehicle concerned is suitable for the performance of the official duties for which it is required.

Agreed at Establishment Committee on:- 11th July 2003
Policy Last Updated:- 12th June 2008



6. A loan is repayable by monthly instalments (calculated as in paragraph 7) for up to four years or the estimated life of the car whichever is the shorter, except for vehicles which are not more than three years old when they are bought when the maximum loan period shall be five years.
7. Interest is charged at 8.9%* per year (9.1%APR) at half-yearly rests on the amount of the loan outstanding at the start of the second quarter of each period to which the interest charge relates. (*The rate of interest is subject to change and the rate charged will be the specified rate at the time the loan is given).
8. If you have a loan and your employment ends, under whatever circumstances, before the repayment of the loan with interest accrued, you will be liable to repay the balance outstanding with interest accrued to the date of repayment.
9. If you have a loan, then during any period in which the repayment of any part of the loan with interest accrued is outstanding, you must use the vehicle in the performance of your official duties as required by the City Corporation (subject to any unavoidable non-compliance with this condition due to the vehicle requiring repair or overhaul).
10. If you have a loan, then you must not dispose of the bought vehicle without the previous consent of the City Corporation at any time prior to the repayment of the full amount of the loan with interest accrued. Should disposal be authorised the balance of the principal sum owing, together with the interest accrued to date, will immediately become repayable.
11. You must maintain a comprehensive insurance policy for any vehicle bought with a City Corporation loan and show this to the Chamberlain of the Corporation at any time you may be required.
12. The use of the word vehicle in this scheme also includes motorcycles.