

Checklist for the Review and Approval of Procedural Documents

To be completed and attached to any document which guides practices when submitted to the appropriate committee for consideration and approval.

	Yes/No/ Unsure	Comments
Title of Document		Lease Car Policy
Could this policy be incorporated within an existing policy?	No	
Does this policy follow the style and format of the agreed template?	Yes	
Has the front sheet been completed?	Yes	
Is there an appropriate review date?	Yes	
Does the contents page reflect the body of the document?	Yes	
Are there measurable standards or KPIs to support the monitoring of compliance with and effectiveness of the document?	Yes	
Are all appendices appropriate and/or applicable?	Yes	
Have all appropriate stakeholders been consulted?	Yes	
Has an Equality Impact Assessment been undertaken?	Yes	
Is there a clear plan for implementation?	Yes	
Has the document control sheet been completed?	Yes	
Are key references cited and supporting documents referenced?	Yes	
Does the document identify which Committee/Group will approve it?		



Individual Approval

If you are happy to approve this document, please sign and date it and forward to the chair of the committee/group where it will receive final approval.

Name	Raffelina Huber	Date	1 December 2014
------	-----------------	------	-----------------

Signature			
-----------	-----------------------------------------------------------------------------------	--	--

Committee Approval

If the committee is happy to approve this document, please sign and date it and forward copies to the person with responsibility for disseminating and implementing the document and the person who is responsible for maintaining the organisation's database of approved documents.

Name		Date	
------	--	------	--

Signature			
-----------	--	--	--



HR55 Lease Car Policy

Version Number	1
Ratified By	
Date Ratified	
Name of Originator/Author	Rian Connell, Senior HR Advisor
Responsible Director	Raffelina Huber
Staff Audience	All Staff
Date Issued	December 2014
Next Review Date	December 2016



DOCUMENT CONTROL

Plan Version	Page	Details of amendment	Date	Author
1		New Policy	December 2014	RC
		Reviewed and Amended		



Contents	Page
Part 1	
1. Introduction	6
2. Overview	6
3. Salary Sacrifice Schemes	6
4. Sustainability	7
5. Eligibility	7
6. Pricing	7
7. Maintenance and Insurance	7
8. Monthly Payments	7
9. Long term sickness, maternity/adoption leave, redundancy or resignation	7
10. Termination Fees	8
11. Equal Opportunities	9
12. Monitoring and review	9
Part 2-Procedure	
1. Car Lease Procedure	10
Appendix 1 Equality Impact Assessment	11

PART 1

1. Introduction

The CCG has launched a new staff benefit in the form of a Salary Sacrifice Lease Car Scheme. The scheme is designed to provide all permanent staff with the option of having access to a new car of their choice at a very competitive price whilst at the same time providing savings for the organisation that will support the services provided

This policy sets out the CCG's arrangements for the scheme available to staff in the CCG.

2. Overview

The Lease Car Scheme is designed to provide employee's and their family with competitively priced and trouble free motoring.

There is no deposit required and costs are fixed for all elements for the duration of the lease. The car will be ensured by yourself and up to 4 named drivers.

At the end of the lease period, the car can be returned with no additional charge subject to the vehicle meeting the required return standards and having covered no more than the agreed annual mileage. Alternatively, the employee can purchase the car, or return the car and enter into a new lease.

Leases are agreed by the CCG through a salary sacrifice scheme.

3. Salary Sacrifice Schemes

Salary sacrifice schemes work whereby the employer is willing to offer a car in return for an agreed annual salary sacrifice. The salary sacrifice is subsequently deducted from the monthly salary of the employee.

The result is that the effective cost of a new car will significantly reduce. The lower costs are directly attributable to savings in pension contributions, National Insurance Contributions ("NIC") and differences in the way income tax is calculated on company cars as a benefit in kind compared to that paid on income.

The reduced pension and national insurance contributions and income tax calculations are factors members of staff should consider prior to entering into any lease.

4. Sustainability

In line with the CCG's commitment to sustainability, there is an emissions cap on all lease cars. Only cars with emissions less than 120 g/m will be approved.

5. Eligibility

The decision whether to approve a lease car to an individual is entirely at the CCG's discretion. The duration of leases is typically for 3 years, and as a result, the salary sacrifice scheme is only open to permanent members of staff. There is a limit of 1 lease car per employee.

6. Pricing

Competitive prices have been obtained by NHS Fleet solutions using the buying power of the NHS. Prices are declared upfront to employees when they request their quote as outlined in Part 2. In all cases, no deposit is required from the member of staff seeking the lease car.

7. Maintenance and Insurance

All routine and servicing charges arising from normal usage are included in the quoted price. This includes normal wear of exhausts, replacement batteries, puncture repair and the replace of tyres as a result of fair wear and tear. Breakdown cover is also included.

Fully comprehensive insurance is included within the monthly charge. In the event that the car will be used for business purposes other than that relating to the business of the CCG, full details will need to be disclosed to the CCG. The standard insurance covers the employee and up to 4 named drivers (who must be over the age of 21).

8. Monthly Payments

The monthly salary sacrifice is fixed at the beginning of the agreement for the lease, and remains the same for the term of the agreement. The salary sacrifice amounts are deducted automatically from the employee's salary each month for the duration of the agreement.

9. Long term sickness, maternity/adoption leave, redundancy or resignation

The CCG recognises that employees who are unable to work because of illness or incapacity, or who take maternity leave during the period of a lease contract, may have concerns about possession of a lease car. In these circumstances any employee who is unable to attend work due to sickness or incapacity, for period exceeding 6 months, or who take maternity leave will have the following options:

Option 1

To return the car and pay the early termination fee. (All costs associated with damage or excess mileage will be charged to the employee).

Option 2

To continue paying for the car on a net salary deduction basis or standing order

If you are expecting a baby and are considering joining the lease car scheme, you must be aware that your statutory maternity pay and occupational maternity pay could be affected.

SMP and OMP are calculated on the amount of average weekly earnings during the 8-week period, fifteen weeks prior to the expected date of confinement (weeks 17 to 25 of pregnancy). A salary sacrifice arrangement (such as the Car Lease Scheme) will reduce the amount of salary that is liable to National Insurance Contributions

Therefore any salary sacrifice entered into during this eight week period will reduce entitlement to SMP and OMP (where payable). If you are pregnant and expect to have a period of maternity leave you should think very carefully as to whether you should join the Car Lease Scheme during this period (please contact your payroll department for further details including advice on Adoption and Paternity Leave).

If you are receiving either SMP and Maternity, Adoption Pay, or Paternity Pay you should contact the Payroll department to find out whether you are receiving sufficient income to enter into a salary sacrifice arrangement and take part in the Car Lease Scheme after taking into account your other financial commitments which are deducted at source whilst on maternity leave, adoption or paternity leave.

10. Termination Fees

Termination fees are calculated on a 5, 3, 1 profile of the monthly gross salary sacrifice payments. For example, if you return the vehicle in year 1 of the contract the termination fee will be equivalent to 5 gross payments, if you return the vehicle in year 2 of the lease the termination fee will be equivalent to 3 gross payments and if the vehicle is returned in the final year of the contract the termination fee will be equivalent to 1 gross payment. Exact termination fees can be obtained through NHS Fleet solutions.

If you were to retire on ill health grounds or die in service or you have been made redundant the Trust will pay any associated early termination costs. The employee is liable to pay the early termination costs in all other circumstances.

11. Equal Opportunities

In applying this policy, the CCG will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation, in addition to offending background, trade union membership, or any other personal characteristic.

12. Monitoring and Review

The policy and procedure will be reviewed periodically by Human Resources in conjunction with operational managers and Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.



PART 2-PROCEDURE

1. Car Lease Procedure

- An employee registers an account on the NHS Fleet Solutions website. Once the employee has registered an account they can then requested quotes. Quotes are instantaneous and are displayed on screen to the employee.
- This process is repeated as many times as required until the employee either no longer wants any further quotes or decides they wish to order a car.
- If the employee wishes to order a vehicle they 'accept' the quotation online and pre-populated paperwork is emailed to their preferred email address instantly.
- The employee checks the order forms. They sign the order form and get their line manager to countersign; they also sign their variation of contract. They are then required to send a signed copy of each back to NHS Fleet Solutions along to orders@nhsfleetsolutions.co.uk, fax 0191 293 4293 or by post.
- When the vehicle is ready for delivery NHS Fleet Solutions will send a driver pack to the driver which includes:
 1. Policy Brochure
 2. Engraved keyring with website address and 24/7 accident management number
 3. Driver Safety Book
 4. Driver Handbook
- If an employee wishes to terminate the arrangement early, they can do this in discussion with NHS Fleet solutions who will provide the relevant details.
- At the end of the lease period, the employee has 3 options
 1. To purchase the car. This can be done through NHS Fleet solutions
 2. To return the car and enter into a new lease through NHS Fleet Solutions
 3. To return the car, and not enter into a new lease

HVCCG Equality & Quality Analysis Form

Step 1:

<p>Name of 'Policy or function' – this may relate to:</p> <ul style="list-style-type: none"> • Decisions made, Budget, Business Case, Care Pathways Commissioning or De-commissioning, Employees, Function, Practices, Procedure, Processes, Procurement, Projects, Programme, Protocols, Services, Service re-design, Strategy, Systems 	<p>Lease car policy</p> <p>Purpose:</p> <p>Is to outline the process and procedure for both staff and managers for the salary sacrifice lease car scheme in operation in the CCG.</p>
----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Step 2:

<p>Test for relevance:</p> <ul style="list-style-type: none"> • Will this help to deliver one or more of the aims of the Equality Act 2010? (Eliminating unlawful discrimination, harassment and victimisation, Advancing equality of opportunity between people, Fostering good relation between people) • Will this have a potential impact on the nine protected groups and/or others ('seldom heard' groups) as described in the guidance? <p>Does the above 'Policy' have any relevance to equality? Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Please give your reasons for your selection.</p> <p><i>The policy will apply to all staff who wish to enter into a salary sacrifice lease car agreement. The scheme is open to all permanent members of staff and is entirely voluntary whether the member of staff wishes to use it.</i></p>

