

## Lease Vehicle Scheme

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## **Vehicle Lease Scheme** **Version Control Sheet**

<b>Version</b>	<b>Section</b>	<b>Description of amendments</b>	<b>Date</b>	<b>Amended by</b>
1				
2	Entire Document	Document formatted to comply with house style	June 2010	S Barnes
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4	Entire document	Reviewed in line with new Lease Vehicle Contract	September 2010	J Watkinson
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6.2	Page 18	NHSLA Monitoring added	March 2012	Rita Trewartha
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8	Full Review		June 2015	Kerry Swift
8.1		Extension	Dec 17	EPG
9	Full review		April 18	EPG
10	Full Review		September 18	Clare Nock
10.1	Entire document	This document has been checked by the policy owner who has confirmed that it is fit for use and that it will be fully reviewed and updated as appropriate before the end of the extension period granted by LCHS Trust Board on 12/1/2021	January 2021	Corporate Governance Team

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## Policy Statement

Background	The purpose of this policy is to provide an overview of the Lease Vehicle Scheme, outlining the processes and responsibilities associated with provision of a lease vehicle.
Statement	It is the intention of the organisation to treat all staff fairly and equitably in relation to this policy and its implementation. The operational processes and procedures set out within this policy supersede any written, verbal or implied procedures.
Responsibilities	<p>It is the responsibility of every employee who drives a lease car to comply with this policy and other associated policies as outlined within this policy.</p> <p>Where pool vehicles are used a responsible officer will be identified who will be responsible for the management and checking of one or more pool vehicles. The responsible officer will comply with this policy and other associated policies in order to mitigate risks to both the organisation and the drivers of pool vehicles.</p> <p>The Workforce Services team is responsible for the administration and monitoring of this policy. They will also monitor and evaluate policy compliance for the organisation and measure performance against set key performance indicators (KPIs).</p>
Training	The policy will be covered at specific training sessions, particularly where this forms part of a management training programme.
Dissemination	Website and Intranet Newsletters as appropriate
Resource implication	Budget managers will be responsible for monitoring and controlling expenditure, as outlined within this policy.
Equality and Diversity Statement	This policy aims to meet the requirements of the Equality Act 2010 and ensure that no employee receives less favourable treatment on the grounds of gender, sexual orientation, transgender, civil partnership/marital status, appearance, race, nationality, ethnic or national origins, religion/belief or no religion/belief, disability, age, carer, pregnancy or maternity, social status or trade union membership.

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## 1. Introduction

- 1.1. The principles of this lease car scheme are in line with those laid out in Annex M of the Agenda for Change national agreement.
- 1.2. An employee who wishes to use a lease vehicle for private use would be charged at the rates described in section 6.
- 1.3. The organisation will normally offer a vehicle to employees who are classified as a regular car user undertaking 3,500 official (business) miles or more per annum, taking into account the financial viability of the quote. However, the organisation may consider a request for a lease car for an employee doing marginally less than 3,500 official miles where it is found to be financially viable for the organisation to do so. In any event the total mileage including private mileage should be no less than 6,000 per annum.
- 1.4. The offer of a lease vehicle has to be in line with the organisation's financial responsibility in that it should be financially viable for the organisation to offer the lease vehicle to an individual.
- 1.5. The organisation will retain the right to refuse any application received.
- 1.6. This policy aims to ensure that no employee receives less favourable treatment on the grounds of gender, sexual orientation, civil partnership/marital status, colour, race, nationality, ethnic or national origins, creed, religion/belief, disability, age or trade union membership, or is disadvantaged by conditions or requirements which are not justified by the job.
- 1.7. Any abuse of this 'Lease Vehicle Scheme' will be referred to the Local Counter Fraud Specialist for investigation.

## 2. Definition

### 2.1.

"Contractor"	Means the contractor appointed by the organisation to administer this vehicle leasing scheme.
"Cost of Fuel"	Means the cost of diesel and unleaded petrol as determined by HMRC fuel advisory rates (reviewed on a quarterly basis).
"Employee"	Means a person holding a substantive contract of employment with the organisation.
"Lease Vehicle/s"	means any vehicle/s acquired by the organisation under a leasing or contract hire agreement with a leasing company for use by employees under this scheme
"Leasing Company"	Means the company appointed by the contractor on behalf of the organisation to supply the lease vehicle under an agreement between that leasing company and the organisation.
"Nominated Garage"	Means a garage acceptable to the leasing company and convenient to the employee which is selected to service and repair the lease vehicle.
"Organisation"	Means Lincolnshire Community Health Services NHS Trust
"Responsible Officer"	Means a named nominated manager within the team or service where a pool vehicle is used.
"Senior Manager"	Means a manager in receipt of VSM pay.

### **3. Use of vehicle**

- 3.1. The vehicle can be used for business, and commuting by employees only and normal domestic and pleasure purposes by the employee and anyone approved by the insurers and the organisation (see section 13 regarding insurance excesses).
- 3.2. An employee may take the contract hire vehicle abroad provided that permission is given by the contractor and the insurance company.
- 3.3. Learner drivers will not be permitted to drive unless accompanied by the employee.

### **4. Journeys from home to work**

- 4.1. Where employees contracted are based at home all journeys from and to home will be reimbursed as business miles, where these are for undertaking the employee's duties and responsibilities on behalf of the organisation or where the individual is in receipt of a time allowance following a base change and excess travel being approved.
- 4.2. Employees not based at home incur private mileage charges for all journeys from home to base and return. The only exception is for employees on call.
- 4.3. When an employee on call is required by the organisation to be on an out of hours emergency on call rota, mileage undertaken in this response is regarded as business miles, with appropriate reimbursement being made.

### **5. Terms of lease**

- 5.1. The allocation of a vehicle will commit the employee to a three year agreement with the organisation (see paragraph 10 – early termination of hire).
- 5.2. Whilst participating in the scheme employees will be required to have the vehicle at their disposal for official business whenever required.
- 5.3. In exceptional circumstances the organisation may offer a car that is not new if it has been released following the termination of use by another employee. In such cases, the period of use will be based on the original charge when the car was first supplied if this is acceptable to the employee.
- 5.4. Employees will be required to sign an agreement which relates to the rules and regulations of the scheme upon allocation of the vehicle.

### **6. Costs borne by the employee**

- 6.1. In return for private use of the car, employees will be subject to an annual charge on a monthly basis through deduction from salary. The charge is calculated as follows:-
  - 6.1.1. The lease cost of the employee's chosen vehicle at total contracted mileage (including optional extras etc. metallic paint etc.)
  - 6.1.2. The organisation will then contribute a sum based on the estimated official mileage on application, see appendix 1
  - 6.1.3. Road fund licence
  - 6.1.4. Two thirds of the total insurance premium cost.

6.1.5. Administration charge (only applicable if CO2 emissions >130g/km).

The calculation for the employee will then be:-

(a) – (b) = difference against contribution + (c) + (d) + (e) = (f) + VAT ÷ 12 =  
monthly charge.

- 6.2. Once a car has been supplied the gross lump sum contribution based on agreed estimated mileages, will normally be fixed for the three year period. Changes in VAT, insurance, administration charges, road fund tax and other legislative provisions are the only factors that can change the contribution paid, except for variations in previously agreed mileages. Changes in the contribution payable due to the above factors will be revised by the organisation without agreement by the employee. The employee will be notified of such changes.
- 6.3. Mileages will be reviewed periodically and where estimated private mileages are exceeded, the organisation may increase monthly charges accordingly after discussion with the employee.
- 6.4. The official mileage will be estimated by the employee and agreed by the appropriate budget holder, and private mileage will be estimated by the employee. These estimates will be used to calculate the cost to the employee.
- 6.5. At the end of the contract, the total mileage travelled by the vehicle will be compared with the original mileage contracted for. If the mileage is above the contracted limit an excess charge may be applied. If the private mileage is more than contracted for, the charge will be passed on to the employee as per the excess mileage rate which is shown on the agreement schedule. However, where the private mileage is less than contracted for, any refund will be passed on to the employee.
- 6.6. The basic lump sum for new contracts will be revised in line with applications from the contractor for charges in the rental for new cars supplied e.g. due to manufacturers price variations or other factors. The charge will be that applicable at the time of delivery of the vehicle and will remain fixed for the three year period of the agreement (except for circumstances outlined in paragraphs 6.2 – 6.5).
- 6.7. Employees will pay for all petrol / diesel together with oil and other fluids, but will be reimbursed in respect of the official mileage. (See paragraph 7).
- 6.8. Fixed penalty fines will always be the responsibility of the employee. Any fines passed to the contractor by the Police, Local Authorities, etc. will be passed to the employee for immediate clearance. Any additional costs such as administration charges relating to fines and charges due to non-payment/late payment will be passed to the employee.
- 6.9. Should any modification be required to the vehicle due to statute, any costs involved will be shared equally between the employee, the organisation and the contractor, following agreement from the contractor.
- 6.10. Towing by the vehicle is permitted, subject to the instructions in the driver's handbook, but the cost of the necessary towing equipment and electrical modifications will require to be covered by the employee. Agreement by the contractor must be obtained prior to any modifications being undertaken.

## **7. Cost of fuel for business mileage**

- 7.1. The employees will be reimbursed for official mileage on completion and authorization of their expenses claim, as outlined in the 'Expenses Policy'.
- 7.2. The rate of reimbursement will be set in line with Her Majesty's Revenue and Customs (HMRC) fuel rates. Please note these rates can change.
- 7.3. The organisation reserves the right to change the rate of reimbursement at any time during the contract.

## **8. Maintenance and mechanical repairs**

- 8.1. The scheme provides for full maintenance which includes the cost of all servicing in accordance with the manufacturer's schedules, repairs, replacement of tyres, batteries, exhaust etc. The employee will be expected to make adequate arrangements for their own transport when the vehicle is having its routine service. A courtesy car will normally be made available subject to prior arrangements with the service agent.
- 8.2. Servicing and repairs will be carried out by service agents of the vehicle manufacturer approved by the contractor and convenient to the employee. A driver's pack will be issued with each vehicle which clearly details how the repair and servicing of the vehicle will be arranged and all costs will normally be settled directly between the nominated garage and the contractor.
- 8.3. AA Relay Home-start (or equivalent) services are included within the scheme at no extra cost to the employee.
- 8.4. The cost of repairs and replacements to, for example, damaged tyres and bodywork due to abuse, neglect or damage not reported to the contractor are not normally included in the Contract Hire Agreement. Any such costs that the contractor considers appropriate that are charged to the organisation will be required to be reimbursed by the employee on receipt of details of the amount due unless there are other circumstances revealed upon investigation by the local manager.

## **9. Employees' Responsibilities**

- 9.1. Lease charges are determined by the contractor on the assumption that the cars will be kept in good condition and to the same high standard as if the cars were owned by the employees. It is therefore, in the interests of all parties that this standard is maintained particularly in ensuring that the cars retain their book value when returned at the end of the contract.
- 9.2. The employee has a specific responsibility for the following:-
  - 9.2.1. Keeping the car in a clean condition at the employee's cost.
  - 9.2.2. At weekly intervals checking the oil, battery, brake and other fluid levels, tyre pressures and conditions of tyres and "topping up" as necessary.
  - 9.2.3. Ensuring that the anti-freeze level in the cooling system is checked and maintained at the level recommended by the manufacturer.

- 9.2.4. Observing the recommended running-in speeds where appropriate.
- 9.2.5. Reporting defects promptly to the nominated garage or as otherwise instructed by the contractor or the organisation.
- 9.2.6. Ensuring that servicing and maintenance are carried out by the nominated garage at the intervals recommended by the manufacturer.
- 9.2.7. Reporting to the organisation in advance should the employee foresee the estimated mileages are to be exceeded/under-estimated.
- 9.2.8. Ensuring the reasonable security of the car at all times.
- 9.2.9. Conforming to all instructions and recommendation in the manufacturer's handbook.
- 9.3. The employee should bear in mind that he/she will be personally liable for the car's roadworthiness in accordance with legal requirements as if he/she were the owner of the vehicle. Employees should not service, repair or adjust the vehicles themselves (other than as mentioned before) and in particular must not interfere with the mileage recorder (odometer).
- 9.4. The employee is under a duty to report all damage or defects accordingly.
- 9.5. The employee must comply with the Occupational Road Risk Policy at all times.
- 9.6. The employee must ensure that the information contained within the application form is complete and accurate, and that all individuals expected to drive the car have been named.
- 9.7. The employee must maintain accurate records of private/business mileage and ensure that all claims for expenses or mileage are accurate.
- 9.8. Where involved in a road traffic accident the employee should ensure that he/she obtains full particulars from the other party/parties involved. Where possible they should obtain the name and address of any witness and the name and number of any police officer who attends. At no time should responsibility be admitted nor any negotiations be entered into regarding the accident. The employee should immediately notify the contractor and provide any information required by the leasing company or the insurer, following their instructions with regard to repair.

## **10. Early Termination of Lease**

- 10.1. The employee's right to a car within the scheme would automatically be terminated on the termination of his/her employment with the organisation. In the event of an employee's death, there will be no penalty incurred by the employee's estate as a result of early termination of lease.
- 10.2. The employee's right to a car within the scheme may be terminated by the organisation at its discretion in the following circumstances, each case being considered individually on its merits:-
  - 10.2.1. By the employee's breach of any of the conditions of the scheme (see paragraph 10.3).

- 10.2.2. On termination of the employee's contract of employment.
- 10.2.3. On the employee's retirement or voluntary termination of employment with the organisation.
- 10.2.4. In the event of the prolonged absence of the employee from normal duties
- 10.2.5. When the employee's contributions cannot be recovered.
- 10.2.6. When, in very exceptional circumstances, it is agreed by the organisation that an employee may terminate participation in the scheme.
- 10.3. When an Employee's participation or right to participate in the scheme is terminated in the circumstances set out above the employee may be required to reimburse the organisation for any payment due by the organisation to the contractor because of the premature termination of the agreement between the organisation and the employee. The employee may, however, have the option of buying the vehicle at current value, including settlement of any contractor's penalties for early termination, or concluding a new lease contract directly with the contractor for the remainder of the hire period subject to the consent of the leasing company. Similarly, if an employee's new employer is prepared to have the lease transferred to them; this is acceptable subject to the consent of the leasing company.
- 10.4. In circumstances where the employee has been afforded, and has taken the option of buying the vehicle at the current value, the employee will not be allowed to submit further applications for lease vehicles for a period of 12 months.
- 10.5. Upon termination of the employee's participation, or right to participate in the scheme, the employee must return the car as directed and shall pay any outstanding contribution for private use which will be calculated up to the date of termination.
- 10.6. In the event of the employee's death in service or on early termination of the employee's employment contract on the grounds of ill health or compulsory redundancy there shall be no financial penalty to the employee or his estate on the account of early termination of the contract for private use of the lease vehicle.
- 10.7. In the event that the employee is absent from work for an extended period, either paid or un-paid, an employee who has contracted for private use of a lease vehicle may choose to continue the private use at the contracted charge or to return the vehicle to the organisation, at which point the early termination charge will apply.
- 10.8. Failing any alternative arrangement an employee will have to pay a surrender premium to terminate the agreement. Exact details will be set out in the agreement. Depending on the vehicle.

## **11. Normal Termination of Lease**

- 11.1. At the end of the three year agreement the following procedures will apply:-
  - 11.1.1. The car will be appraised for condition by the leasing company in the presence of the employee. If any chargeable damage is found (see 8.3 above), the employee will be required to reimburse the organisation the cost

of any repairs considered to be needed to bring the car into good condition.

11.1.2. The contract lease will then be terminated for the allocated vehicle and a replacement vehicle will be provided where required, but costs will be calculated on prices ruling at that time.

11.1.3. The old car may be available for sale to the employee at the end of the three year period based on a valuation agreed directly with the contractor and the organisation shall not be involved in any such sale.

## **12. Termination of Lease by Contractor**

12.1. In the event of the contractor terminating the agreement for any reason, the organisation shall be entitled to terminate this agreement and without notice where the employee will, without hindrance, permit and enable the organisation or the contractor to repossess the vehicle.

## **13. Insurance**

13.1. During the times when the vehicle is being used for official or private purposes the insurance cover arranged by the organisation shall apply. The costs of such insurance are jointly borne by the organisation and the employee, based on a fixed split of one third business and two thirds private miles ratio.

13.2. It should be noted that an employee could lose "No Claims Discount" benefits when arranging insurance for their own car after terminating an agreement with the organisation. Most insurance companies will request a letter from the organisation confirming that the individual has had no accidents whilst under the NHS insurance and will automatically continue "No Claims Bonus" accordingly. Employees should be aware, however, that not all insurance companies will accept this and may reduce "No Claims Discount" accordingly.

13.3. Whenever the vehicle is being used privately and another named driver is driving the vehicle at the time of the accident then the excess applicable to the driver at the time of the accident is chargeable to the employee via a deduction from salary.

Standard Excess £100.00

Excess for inexperienced drivers (up to one year since driving test pass) £250

Excess for drivers of 17 – 21 years of age £350.00

Excess for drivers of 22 – 25 years of age £250.00

If the third party was at fault then the Insurance Company should be able to reclaim the excess so that the organisation can reimburse the named driver.

13.4. The amounts shown above may be varied from time to time, the contractor will advise on the present excess.

13.5. The organisation reserves the right to vary the insurance premium and/or excesses for individual users or nominated drivers who are considered to be 'bad risks'. These include:-

Drink or drugs /driving convictions

Frequent claims (excluding 'no fault' claims)

## **14. Choice of Vehicles**

14.1. Any vehicle chosen must be from the range manufactured by companies specified in the Crown Commercial Service Framework; the contractor can give advice on the choice of vehicle.

## **15. Income Tax Implications of the Scheme**

15.1. HM Revenue & Customs regards the provision of a lease car as a “benefit in kind” and therefore it is taxable as income. Generally the lower the list price of the car and the lower the emission level, the lower will be the employee’s tax liability.

15.2. For individuals earning in excess of £8,500 per annum, the provisions by the employer of a car which can be used for both business and private mileage is assessed as a benefit in kind.

15.3. The calculation for the benefit in kind applicable at the present time can be obtained from the contractor or HM Revenue & Customs. The individual is entitled to set against these amounts any contribution which he is required to make towards the running costs of the car, which under the leasing scheme will be the monthly charge. It should be noted, however, that the cost of fuel is not an allowable deduction.

15.4. Further information, including a full version of the working sheet is available from HM Revenue & Customs offices or their website at <http://www.hmrc.gov.uk/calcs/cars.htm>. Details of the lease vehicle and charges will be passed to HM Revenue & Customs and they will usually recover any tax liability by adjustment to the employee’s tax code.

## **16. Pool Vehicles**

16.1. All pool vehicles chosen must have an emissions rate of less than 130g/km and have a combined efficiency rating of 60mpg or over. The only exception to this will be if a certain type of vehicle (such as a minibus or four wheel drive vehicle etc.) is not manufactured that meets these requirements. In this instance the most efficient and least polluting vehicle in its class should be chosen.

16.2. Pool vehicles are lease vehicles which are acquired by the organisation for its business use only. Use for any other purpose other than organisation’s business (such as commuting) is not insured and therefore illegal and could lead to the dismissal of the offending employee.

16.3. The rental charges to the organisation for the use of the lease vehicle will be based on the type of vehicle and the total estimated annual vehicle mileage. It is important to calculate mileage estimates as accurately as possible as these form the basis for the rental charge and any vehicle returned to the leasing company with over contract mileage will result in an additional charge per mile being made to the organisation.

16.4. Applications for pool vehicles shall be made by the relevant budget holder and approved by the relevant Head of Service.

16.5. Each pool vehicle will be managed by a ‘Responsible Officer’, who will ensure that each vehicle under their control will be checked and maintained in line with the criteria as set out in Section 9 of this policy.

- 16.6. Pool vehicles may only be driven by organisation's authorised employees holding a full current UK Driving Licence (or acceptable equivalent valid in the UK) for that type of vehicle and not those holding a provisional licence or those disqualified from driving.
- 16.7. Only authorised passengers may be carried in pool vehicles.
- 16.8. Where involved in a road traffic accident the employee should ensure that he/she obtains full particulars from the other party/parties involved. Where possible they should obtain the name and address of any witness and the name and number of any police officer who attends. At no time should responsibility be admitted nor any negotiations be entered into regarding the accident. The employee should immediately notify the Responsible Officer who will notify the contractor and provide any information required by the leasing company or the insurer, following their instructions with regard to repair.
- 16.9. All costs of the lease and running costs are met by the organisation. Fuel cards will be issued for each lease vehicle and shall be used for the purchase of fuel for that lease vehicle only. Any misuse of the card may be seen as gross misconduct and will be dealt with appropriately under the Disciplinary Policy and may also be referred to the Local Counter Fraud Specialist for a criminal investigation to be carried out, if considered appropriate.
- 16.10. There is no charge on the benefit of a car if it is a pooled car, used only by employees. Similarly, there is no liability to pay Class 1A NICs for that car or for fuel supplied for that car. To qualify as a pooled car all of the following conditions must be satisfied:
- used by more than one employee
  - not ordinarily used by one employee to the exclusion of others
  - not normally kept at or near employees' homes
  - used only for business journeys – private use is only permitted if it is merely incidental to a business journey (for example, commuting home with the car to allow an early start to a business journey the next morning)
- 16.11. To ensure the whereabouts of all vehicles used on the organisation's business is known, it is necessary for all vehicles to be signed in and out for each activity by its relevant Responsible Officer using a Vehicle Control Sheet (Appendix 4).
- 16.12. A vehicle control sheet must be used by departments to ensure all vehicles are only used for approved journeys and that upon completion of a journey they are signed back in to allow them to be available for further organisation use. The vehicle control sheet must be signed by the driver/user and the Responsible Officer authorising the vehicle use. Upon return of the vehicle the "Time Booked In" section must be completed by the Responsible Officer.
- 16.13. Vehicle users must be made aware that when booking out a vehicle they accept responsibility for the vehicle whilst in their use and that they have read and agree to abide by the organisation's Policy.
- 16.14. Whenever a pool vehicle is used a log sheet (Appendix 5) must be completed at the start and end of each journey. A copy of the log sheet will be kept in each vehicle and it is the drivers' responsibility to ensure it is fully completed after each journey.

- 16.15. It is the drivers' responsibility to ensure that at the commencement of each journey the milometer reading is confirmed against the last log entry to ensure that full account of each journey has been made. If it is found that the mileage does not tally then it must be reported to the Responsible Officer so they may track the missing journey entries.
- 16.16. When a driver draws fuel they must request a receipt from the providing garage and attach to the log sheet. These will be verified by the Responsible Officer on a regular basis, against fuel card records.
- 16.17. Each completed log sheet must be submitted to the Responsible Officer for review. Submission detail is shown on each log sheet. It is the responsibility of the person completing the last entry on a log sheet to ensure the completed log sheet is submitted to the Responsible Officer.
- 16.18. Vehicle log sheets will be reviewed, on a regular basis, by the Responsible Officer, to ensure completeness of information, that there is no gap in the milometer figures, all fuel receipts are attached and to verify journey appropriateness.
- 16.19. It is the responsibility of the driver to report any problems or defects to the Responsible Officer, immediately following the discovery of such problems or defects.

## **17. The Contractor's Responsibilities**

- 17.1. The contractor is responsible for liaison between the leasing company, the employee and the organisation in regard to all matters concerned with the administration of the vehicle leasing scheme. Depending on how contracts are awarded the contractor may also be the leasing company.
- 17.2. The contractor shall:
  - 17.2.1. Provide access to an 'on-line' solution to allow employees to obtain comprehensive and accurate quotations.
  - 17.2.2. Upon receipt of a fully completed application form the contractor shall contact the leasing company and obtain a delivery date.
  - 17.2.3. Complete a written order form (indicating it to be a confirmation order where appropriate) including all necessary details to enable the supply of the correct vehicle on the correct terms and submit this to the leasing company.
  - 17.2.4. Ensure that appropriate insurance cover is arranged, using the current Crown Commercial Service Framework for each vehicle upon delivery. The contractor will arrange to deal with any resultant claims in respect of such insurance and ensure that any excess due is recharged to the appropriate employee via a salary reduction.
  - 17.2.5. Vehicle agreement documents will be sent out once the vehicle delivery arrangements have been confirmed. One copy should be retained by the employee and one copy should be signed and returned to the contractor promptly. In the event that the employee fails to sign and return their

agreement, the contractor shall immediately notify the organisation and further action may be taken. Employees should be advised that by accepting/taking delivery of the lease vehicle they will be deemed to be agreeing to all of the terms and conditions of the Trust's Lease Car Policy document.

- 17.2.6. As far as is practicably possible, ensure that the employee and/or Responsible Officer is/are present to accept delivery of the vehicle and sign the leasing company's documentation.
- 17.2.7. Ensure that any matter requiring the attention of the leasing company is immediately notified to them and a course of action agreed. Should the lease vehicle need to be returned then the contractor shall ensure that appropriate arrangements are made regarding the vehicle and associated documentation.
- 17.2.8. Maintain a computerised recording system that is capable of holding sufficient and relevant data in a secure and confidential manner in order to administer the organisation's vehicle leasing scheme.
- 17.2.9. Notify the Payroll Department for the organisation in sufficient time to enable lease car charge deductions to be made no later than the end of the month after that in which the car is delivered.
- 17.2.10. Furnish sufficient details to HM Revenue and Customs to allow for the accurate calculation of taxation due by the employee
- 17.2.11. Be responsible for ensuring that copies of all forms, notifications, agreements and correspondence relating to the lease vehicle are retained in an appropriate filing system as required by current NHS guidance.
- 17.2.12. Receive all invoices for the organisation in respect of the lease vehicles and ensure that these are checked for validity and accuracy before submitting to the organisation's payments department for processing within sufficient time to enable them to be paid within the "Better Payments" policy guidelines. Appropriate credits shall be claimed on behalf of the organisation and similarly processed.
- 17.2.13. Notify the organisation where any costs arising from the agreement require to be invoiced to the employee.
- 17.2.14. Carry out periodic reviews to ensure that:

Business/private mileages are still correct, based on the original estimates. If found to be different when compared to claims made, then to notify the organisation and take appropriate action to redress the equilibrium, making charges/reimbursements to the employee where appropriate.

That drivers are still correctly licensed
- 17.2.15. Ensure that all interested parties are notified at least four months in advance of a lease agreement terminating. Should the replacement vehicle not be available on the termination date, the contractor will ensure that the employee contributions required to extend the term of

lease vehicle are capped at the previously agreed rate.

17.2.16. Make arrangements for the leasing company to inspect and collect a returning vehicle at a reasonable time and in the presence of the Responsible Officer and/or the relevant employee.

17.2.17. Undertake year end work for annual accounts and tax returns as follows:

Prepare a year end letter for each employee detailing P11D information by 30<sup>th</sup> April each year.

Calculate and advise Class1 employer's national insurance contributions by 30<sup>th</sup> April each year.

Advise operating lease commitments for annual accounts purposes by 30<sup>th</sup> April each year.

17.2.18. To ensure that any outstanding monies are paid and that any monies owed are reimbursed in a timely manner.

## **18. The Organisation's Responsibilities**

18.1. The organisation is committed to reducing its carbon emissions and therefore will take a proactive approach to reduce CO2 emissions in relation to vehicle use. Every member of staff also has a responsibility to work in a sustainable way in accordance with the organisation's Sustainable Development Policy.

18.2. The organisation will view the car leasing scheme:

18.2.1. As a tool in recruitment and retention: drivers may transfer vehicles from/to other NHS employers and the Crown Commercial Service Framework Agreement for Lease Cars applicable to all Public Sector employers which has made rentals competitive and allows drivers to 'afford' new vehicles (subject to the original lease company supporting the transfer).

18.2.2. As a means of aiding the reduction of road risk in the high business use group of drivers by offering new, fully maintained vehicles, comprehensively insured: the vehicles will be known to meet the required safety standards.

18.2.3. As an indirect means of encouraging the use of cleaner, low emission vehicles, due to tax reductions in liability for lower CO2 vehicles. This plays a part in contributing to environmental issues.

18.2.4. As a direct means of encouraging the use of cleaner, low emission vehicles, by paying the 'Administration Charge' for vehicles with a CO2 emission value not greater than 130 g/km.

18.2.5. As a direct means of achieving the most cost effective use of its resources by offering employees the opportunity to participate in the Lease Vehicle Scheme, this will be managed in line with the NHS Terms & Conditions Handbook.

#### 18.2.6. Associated Policies

- Expenses Policy
- Relocation Policy
- Transforming Services Matters – Managing and supporting people through organisational change policy
- Sustainable Development Policy

## NHSLA Monitoring Template

Minimum requirement to be monitored	Process for monitoring e.g. audit	Responsible individuals/ group/ committee	Frequency of monitoring/ audit	Responsible individuals/ group/ committee (multi-disciplinary) for review of results	Responsible individuals/ group/ committee for development of action plan	Responsible individuals/ group/ committee for monitoring of action plan
Number of lease vehicles held by employees	Auditing contract numbers	Workforce	Quarterly Annual report	Workforce & Transformation Executive Group	Workforce Services Manager	Workforce and Transformation Board Executive Group

## Appendix 1

### Business Miles and Allowances

<b>Business Miles</b>	<b>Allowance (LCHS)</b>
0	£0.00
1000	£380.00
2000	£760.00
3000	£1,140.00
3500	£1,160.00
4000	£1,190.00
4500	£1,220.00
5000	£1,250.00
5500	£1,280.00
6000	£1,310.00
6500	£1,340.00
7000	£1,370.00
7500	£1,400.00
8000	£1,430.00
8500	£1,460.00
9000	£1,490.00
9500	£1,520.00
10000	£1,550.00
10500	£1,580.00
11000	£1,610.00
11500	£1,640.00
12000	£1,670.00
12500	£1,700.00
13000	£1,730.00
13500	£1,760.00
14000	£1,790.00
14500	£1,820.00
15000	£1,850.00
15500	£1,880.00
16000	£1,910.00
16500	£1,940.00
17000	£1,970.00
17500	£2,000.00
18000	£2,030.00

## Appendix 2

### Notes for Completion of Lease Vehicle Application Form

#### General

To obtain quotations the contractor should be contacted directly ([fleet2@ulh.nhs.uk](mailto:fleet2@ulh.nhs.uk)). They will need to know the make and model of car you have selected and also your projected annual business and private mileages.

When you have made your final vehicle selection and you wish to proceed then please complete fully the attached application form. Please note that it is your responsibility to ensure that all information on the application form is complete and accurate. It is an offence to fail to disclose information or to make a false declaration on the application form, and any indication that the information recorded on the application form is inaccurate will be passed to the Local Counter Fraud Specialist for investigation.

Once the form is complete, pass to your Head of Department/Service for authorisation and return the completed form to the Workforce Service Centre. Senior Manager in the context of this application relates only to those managers who are paid on VSM scales.

NB: If you currently have a lease vehicle, you must treat this application as a replacement.

#### Vehicles

Please give full details of the make, model/type, engine capacity, colour preferences required etc. Please note that optional extras can be specified. The cost of any fitted optional extras will be charged to you in equal monthly instalments accordingly.

#### Mileage

Please assess your annual private mileage carefully, because exceeding your stated estimate will mean that you will incur additional charges under the scheme. Your total mileage must be in round 1,000's.

Your annual business mileage estimate should be agreed between yourself and your Head of Department/Service.

#### Insurance Requirements

Since insurance for private use is included in the lease vehicle scheme, you should provide full details of all additional drivers who you wish to use the vehicle for private mileage. Business use of the vehicle is restricted to you and does not extend to any other driver.

Damage excess charges will apply in the event of any insurance claim which is not recoverable from a third party. Additional excesses may also apply in certain cases.

## **Application Form**

To be completed and authorised by the line manager / budget holder and then sent to the Workforce Services Centre Team, who will log your details and obtain final sign off, before passing the paperwork to the contractor to action.

Important information relating to driving licence changes and checking

From 8 June 2015, the paper counterpart to the photo card driving licence will not be valid and will no longer be issued by DVLA. The counterpart was introduced to display driving licence details that could not be included on the photo card. These details include some vehicle categories that person is entitled to drive and any endorsement/penalty points.

Paper driving licences issued before the photo card was introduced in 1998 will remain valid, but new penalty points (endorsements) will only be recorded electronically, and will not be printed or written on either photo card licences or paper driving licences. This means that neither the photo card driving licence nor the paper licence will provide an accurate account of any driving endorsements.

Further details can found by visiting [www.gov.uk/government/news/driving-licence-changes](http://www.gov.uk/government/news/driving-licence-changes)

How to check your own driving licence details

You can see the details of your own licence, including types of vehicles you are entitled to drive and any penalty points you may have for free at [www.gov.uk/view-driving-licence](http://www.gov.uk/view-driving-licence).

Confirming your driving record to your employer

After 8 June 2015 if you are using a Trust vehicle or you are required to drive in connection with your employment and you are asked to provide evidence of your driving record (entitlements and/or penalty points), you will be able to do this online for free by accessing the DVLA website above. The service should be used by both paper and photo card driving licence holders and will also allow you to download a summary of your licence record which can be printed or shared.

If you are asked for evidence of what vehicles you can drive or confirmation of any penalty points, you will be able to request a unique code which will allow you to share your driving licence details or you can download a summary of your driving licence record. The code will last for up to 72 hours and will allow employers to make any necessary checks. You can also request a code by calling 0300 083 0013. This also applies if you have a paper licence that was issued before 1998.

## **Summary**

From 8 June 2015 if your line manager or a delegated Trust officer asks to see a copy of your driving licence then you will need to show your actual licence (photo card or old style paper licence) and you must ALSO provide a recent copy of the downloaded information

Please be aware that you will be unable to drive a Trust service vehicle or drive in an official capacity unless you provide all of this information

## Appendix 3

<b>Lease Vehicle Application Form</b>		
<b>Application</b>	<b>New / Replacement / Transfer*</b>	
<b>Surname:</b>	<b>Mr/Mrs/Ms/Miss/Dr*</b>	
<b>Forename(s):</b>		
<b>Home Address:</b>	<b>Post Code:</b>	<b>Tel No:</b>
<b>Base Address:</b>	<b>Post Code:</b>	<b>Tel: No:</b>
<b>Job Title:</b>		<b>Mobile No:</b> <b>Email Address:</b>
<b>Head of Department:</b>		
<b>Estimated Annual Mileage:</b>	<b>Business:</b>	<b>Private:</b>
<b>**Payroll Number:</b>		
<b>**National Insurance No:</b>		<b>**Tax Rate: Lower/Higher*</b>

\* Please delete where appropriate

\*\* Optional fields if you currently have a lease vehicle, see guidance notes

<b>Vehicle Details</b>	
<b>Make:</b>	
<b>Model:</b>	
<b>Specification: e.g. L, LX</b>	
<b>Engine CC</b>	
<b>Number of Doors</b>	
<b>Colour (state if metallic)</b>	
<b>Optional Extras:</b>	
Alternatively, please attach your written quotation to this application, ensuring all of the required information is included	

Insurance Requirements			
	Applicant	Additional Drivers	
Surname			
Forename(s)			
Date of Birth			
Date Passed Driving Test			
Do any of the proposed drivers suffer from any physical or mental disabilities? (If yes, give details below)			
	Yes/No	Yes/No	Yes/No
Have any of the proposed drivers had any accidents or police convictions, or been refused insurance in the past 3 years or have any prosecutions pending? (If yes, give details below)			
	Yes/No	Yes/No	Yes/No
Further information regarding the above questions:			

**Please enclose with this application form, a copy of the current driving licence for each driver detailed above. Failure to do so will result in ALL documents being returned. See separate sheet for further information.**

**INSURANCE EXCESS**

Due to there being an excess on the insurance policy please complete the following:

I agree that in the event of a claim on the insurance policy, which cannot be recovered from a third party, the appropriate damage excess can be deducted from my salary.

Signed: .....Date: .....

Name (Block Caps): .....

**I hereby certify that:**

- 1 All answers and particulars provided by me in this application are correct and also that I have disclosed all material facts; The providing of false information, or withholding relevant information may be considered fraudulent and will be referred to the Local Counter Fraud Specialist for investigation.
2. I undertake to abide by the rules and conditions of the Lease Vehicle Scheme.

**Signed:**..... **Date:** .....

**This application should now be passed to your Manager/Head of Department**

**CERTIFICATION – To be completed by Manager/Head of Department**

I estimate the annual mileage for this will be ..... (to the nearest 1,000).

Cost Centre and Expense Code: .....

I recommend/do not recommend the allocation of a contract hire vehicle to this employee.

I confirm that the actual vehicle selected is suitable for business use.

Signed..... Date .....

**Please forward to Workforce Services Centre:**

Signed: ..... Date: .....

Signed on behalf of Workforce Services Team (please print name):

.....

**Appendix 4**

**Pool Vehicle Control Sheet**

Vehicle Registration: .....

Date	Driver's Name	Driver's Signature	Journey To/From	Reason for Journey	Time booked out	Time booked in	Authorisers Name (Printed)	Authoriser's Signature

*Drivers note: By signing the vehicle out you acknowledge you are responsible for the vehicle whilst in your care and that you have read and will abide by the Organisation's Policies.*



## Appendix 6

### Equality Analysis

**Name of Policy:** Lease Vehicle Scheme Policy

**Equality Analysis Carried out by:** Clare Nock

**Date:** 08/08/18

**Equality & Human Rights Lead:** Rachel Higgins

**Director/General Manager:** Maz Fosh

\*In this template the term policy/service is used as shorthand for what needs to be analysed. Policy/Service needs to be understood broadly to embrace the full range of policies, practices, activities and decisions: essentially everything we do, whether it is formally written down or whether it is informal custom and practice. This includes existing policies and any new policies under development.

## Section 1 – To be completed for all policies

A.	Briefly give an outline of the key objectives of the policy; what its intended outcome is and who the intended beneficiaries are expected to be.	The Lease Vehicle Scheme outlines the process and responsibilities associated with seeking to have a lease/pool vehicle for managers and staff.		
B.	Does the policy have an impact on patients, carers, or staff, or the wider community that we have links with? <b>Please give details.</b>	Yes – due to the nature of the services we provide and the rurality, some individuals are required to ensure they have a vehicle available for business purposes and can explore the possibility of having a lease vehicle/pool car in line with terms and conditions of service and if financially viable.		
C.	Is there is any evidence that the policy/service relates to an area with known inequalities? <b>Please give details</b>	No		
D.	Will/Does the implementation of the policy/service result in different impacts for protected characteristics?	No-where individuals go on maternity leave provision is made for them to retain their vehicle during this time or to return it without any penalties being awarded. Where an individual declares a disability which requires vehicles to be adapted – this would be considered under the provisions of the Equality Act i.e. Reasonable adjustments.		
		<b>YES</b>	<b>NO</b>	
	Disability		X	See Above Notes
	Sexual Orientation		X	
	Sex		X	
	Gender Reassignment		X	
	Race		X	
	Marriage/Civil Partnership		X	
	Maternity/Pregnancy		X	See Above Notes
	Age		X	
	Religion or Belief		X	
	Carers		X	
	<b>If you have answered 'Yes' to any of the questions then you are required to carry out a full Equality Analysis which should be approved by the Equality and Human Rights Lead – please go to section 2.</b>			
	The above named policy has been considered and does not require a full equality analysis			
	Equality Analysis Carried out by:-	<b>Clare Nock</b>		
	Date	<b>8 August 2018</b>		