CAR LEASING SCHEME POLICY

<table>
<thead>
<tr>
<th>Author:</th>
<th>Deputy Director of Finance (Corporate)</th>
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<tr>
<td>Responsible Lead Executive Director:</td>
<td>Director of Finance</td>
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<td>Endorsing Body:</td>
<td>Human Resources Forum</td>
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<tr>
<td>Governance or Assurance Committee</td>
<td>Joint Policy Forum</td>
</tr>
<tr>
<td>Implementation Date:</td>
<td>January 2020</td>
</tr>
<tr>
<td>Version Number:</td>
<td>4</td>
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<tr>
<td>Review Date:</td>
<td>January 2023</td>
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<tr>
<td>Responsible Person</td>
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<table>
<thead>
<tr>
<th>Contributing Author / Authors</th>
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<tbody>
<tr>
<td></td>
<td>Brian McWatt – Head of Finance Capital &amp; Corporate</td>
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<td></td>
<td>Charles Sloan – Head of Finance Acute</td>
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<td>Car Leasing Department</td>
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### CHANGE RECORD

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<td>Brian McWatt</td>
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</table>
| 12/11/2015     | Gordon Smith          | • NHSL contributes 40% to insurance costs  
• Minimum business mileage rate of 1,750 miles p.a.  
• Stepped Contribution table  
• Maximum cost of lease car £25,000  
• Carbon emissions maximum 120g/km  
• Updated to reflect tax rates                                                                                                                                                  | 3           |
| 04/11/2016     | Gordon Smith          | • Diesel Partical Filters  
• Mileage recorded and claimed through eExpenses  
• Transferring Lease Car's between employees  
• Private Parking companies charges                                                                                                                                              | 4           |
| May 2018       | Risk Department       | GDPR statement added into section 3 and updated name of Data Protection Act                                                                                                                                                        | 4           |
1. **INTRODUCTION**

NHS Lanarkshire recognises that employees may be required to travel thousands of miles in the performance of their duties.

NHS Lanarkshire will continue to offer lease cars to those employees who are required to routinely cover high business mileages in the performance of their duties. This policy covers the terms of the Lease Car Scheme offered to those eligible employees.

2. **AIM, PURPOSE AND OUTCOMES**

- To provide clarity to staff who are / will be lease car holders.
- To offer a fully maintained vehicle for use by eligible employees in connection with the business of NHS Lanarkshire.

3. **SCOPE**

3.1 **Who is the Policy intended to Benefit or Affect?**

- Employees who are high business mileage users.

3.2 **Who are the Stakeholders?**

- Car Leasing Department
- Payroll
- Lease Car Holders
- Future Lease Car Holders

“NHS Lanarkshire take care to ensure your personal information is only accessible to authorised people. Our staff have a legal and contractual duty to keep personal health information secure, and confidential. In order to find out more about current data protection legislation and how we process your information, please visit the Data Protection Notice on our website at www.nhslanarkshire.scot.nhs.uk or ask a member of staff for a copy of our Data Protection Notice.”

4. **PRINCIPLE CONTENT**

4.1. **General**

4.1.1. Employees as defined in Agenda for Change: NHS Terms and Conditions of Service Handbook Section 17, (General Whitley Council Handbook), Section 24 or Medical & Dental Whitley Council Handbook, Section 304 to 308 may be offered a leased car.

4.1.2. The scheme is based on contract hire arrangements between NHS Lanarkshire and the Car Lease Companies, which enables NHS Lanarkshire to offer a fully
maintained vehicle for use by eligible employees in connection with the business of NHS Lanarkshire.

4.1.3. The employee makes a monthly payment, based on the level of NHS Lanarkshire contribution, and estimated business and personal mileage. The cost of the lease includes maintenance, Insurance, Road Tax, and Motoring Association membership. (UK ONLY).

4.1.4. The employee is responsible for any additional payments, which may from time to time arise under the terms of the contract. Details of additional payments, which can arise, are given later in these conditions and include charges made in event of premature termination of the lease, end of lease assessment in damage beyond normal wear and tear/decrease in mileage estimations, if applicable.

4.1.5. The car will be leased for a three-year period on the basis of agreed business and personal mileage.

4.1.6. The maximum on-the-road price (including cost of accessories/options/VAT) of a lease car is £25,000. Cars with a price greater than £25,000 will not be supported under the scheme. The only exception is if modifications are required in order to meet any disability requirements. This figure will be reviewed every 2 years.

4.1.7. On a rare occasion the employee may be asked to accept a vehicle on lease previously allocated to another employee if more favourable. In these circumstances, the employee will continue to benefit from the terms under which the vehicle was first issued.

4.1.8. Employer Contributions Towards the Lease

The financial contribution from the employer will vary depending upon the number of business miles predicted to be travelled over the course of the lease. The table below shows the employer’s annual contribution to the lease.

<table>
<thead>
<tr>
<th>Annual Business Miles</th>
<th>Employer’s Annual Contribution</th>
</tr>
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<tbody>
<tr>
<td>1,750 – 2,000</td>
<td>£880</td>
</tr>
<tr>
<td>2,500</td>
<td>£1,100</td>
</tr>
<tr>
<td>3,000</td>
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</tr>
<tr>
<td>10,000</td>
<td>£2,060</td>
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</table>
*For mileage above 10,000 miles, the contribution will increase by increments of £40 for every additional 500 business miles.

This table will be reviewed annually in line with changes to tax rates.

The qualification for allowances will be assessed by the Car Leasing Department on the basis that the cost to NHS Lanarkshire is no more than would be paid had the employee been claiming mileage allowances under the prevailing terms and conditions.

4.1.9. The cost will be based in part on the cost to NHS Lanarkshire at the date of delivery. The agreement signed by the employee provides for a change in the monthly charge to take account of any change in the cost to NHS Lanarkshire between the date of the agreement and the date of delivery. Payroll deductions from the employees’ salary will commence from the date on which the vehicle is available for collection/delivery.

4.1.10. Leases will not be transferable between employees without the specific consent of the Car Leasing Department, and without all appropriate financial contributions and settlements being agreed. Application must be completed and signed by authorised manager/Director. The employee accepting the transferred leased car will be responsible for any and all repair costs to the leased car should any arise. Diesel cars fitted with a Diesel Particle Filter (DPF) are not suitable for some types of driving and careful consideration should be taken when requesting transfer of any car fitted with a DPF and any future repair costs. Any and all costs attached to damage recorded on return of car will also be the responsibility of the employee accepting transferred car.

4.1.11. NHS Lanarkshire wishes to be an exemplar public sector organisation as regards the sustainability/environment agenda. Business travel is an area where our carbon footprint can be reduced in line with this agenda. Cars with a carbon emission level up to a maximum level of 120 g/km are available through this scheme. Cars with a higher carbon emission level than this will not be supported under the scheme.

4.1.12. The employee’s fuel costs incurred on official business will be reimbursed in accordance with the fuel costs monitored nationally and advised to Payroll Services Department on a regular basis by the National Payroll Project Team.

4.1.13. Employees who continue to use their own cars or opt out of the lease car scheme are still entitled to claim mileage at the prevailing rates under the terms and conditions applicable to their own situation.

4.2. Eligibility

4.2.1. Following a financial appraisal, employees may be offered a leased car.

4.2.2. Eligibility is subject to:

- Confirmation of the user status applied to the post by NHS Lanarkshire
- The applicant holding a current valid full driving licence for the class of vehicle applied for copy of which must be submitted with Application for Leased Car plus
a copy of Licence Summary from DVLA
http://dvla.dft.gov.uk/160215/How_to_share_your_driving_licence_information.pdf, and annually thereafter (plus any other named driver where requested)
- A financial appraisal demonstrating that it is more cost effective to NHS Lanarkshire to offer a leased car than reimburse business mileage under the prevailing terms and conditions
- The applicant’s ability to comply with any of the conditions set by the Car Lease Company

4.2.3. Employees applying for lease cars must routinely be travelling or be expected to travel (based on past records) a minimum business mileage level of 1,750 miles per annum, unless there are exceptional circumstances involved in the application.

4.2.4. NHS Lanarkshire reserves the right to refuse any application and to consider other relevant factors in making a decision.

4.2.5. Where an employee is required as part of their job to undertake regular business travel and:

- Travels insufficient business miles to make a leased car economic option for NHS Lanarkshire but;
- could not feasibly undertake that travel by other means (e.g. public transport, ad hoc car hire)
- does not drive the required number of business miles to make it financially viable to NHS Lanarkshire to offer a leased car
- does not feel they can afford the capital outlay to use a privately owned car for business travel,

then:

The employee may still be eligible to enter the leased car scheme at a reduced contribution from NHS Lanarkshire – where the contribution plus the mileage rate, applicable to a lease car, is equivalent to the reimbursement the employee would receive for business mileage under the prevailing terms & conditions.

4.2.6. The users of the leased cars under this scheme are required to notify NHS Lanarkshire immediately of any events, which affects or might affect their eligibility to participate in the scheme. This includes changes to the users business or private mileage which could result in a charge being levied on the user in respect of such changes. Failure to monitor mileage and notify Car Lease Department may result in a charge to leased car user if business mileage is less/private mileage is more than estimated mileages on application form.

4.2.7. NHS Lanarkshire, would in line with its Equality and Diversity policy, seek to address any required support needs for applicants who have a disability or who acquire one during their lease period.

4.3. Method of Application

4.3.1. Applications to join the scheme should be made on the form prescribed by NHS Lanarkshire. These are available from Car Leasing Department, NHS Lanarkshire, who administer the scheme. Application forms are also available in the NHS
CAR LEASING SCHEME POLICY

Lanarkshire Intranet – Firstport under NHS Lanarkshire Car Leasing Scheme. N.B. Please be aware that all diesel cars fitted with a Diesel Particle Filter are not suitable for some types/styles/patterns of driving when choosing your leased car.

4.3.2. On completion, forms should be submitted to the appropriate Departmental Manager for consideration and verification of the applicant’s business mileage, then forwarded to the relevant member of the Corporate Management Team (CMT) relating to the applicant’s area. All completed forms should then be submitted to the Car Leasing Department with a copy of the driving license plus copy of DVLA Licence Summary for the individual and any other named driver.

4.3.3. The applicant will then be notified when the application is authorised and the provisional monthly charge payable will be calculated after which a formal agreement between NHS Lanarkshire and the applicant will be completed.

4.3.4. The accuracy of the business mileage is important. It is the responsibility of the applicant and the Departmental Manager to ensure that this is accurately computed. Any changes to the business or personal mileage must be notified to car leasing department as soon as possible to avoid charges at end of lease.

4.3.5. Staff renewing a lease whose previous business mileage is less than assessed as being financially viable will be assessed to establish if there is a reason for the lower mileage, e.g. maternity leave, sickness absence, secondment etc. Where a valid explanation cannot be established, NHS Lanarkshire may decide not to offer a replacement lease car. If approval is not granted the employee will be notified of the decision by their departmental manager. Section 4.2.5 may still apply. Mileage should be recorded and claimed via eExpenses every month. If mileage is not recorded this will result in a charge at the end of lease and retrospective records of mileage will not be accepted at the end of the lease to reduce this charge.

4.3.6. The charge payable by the employee will be based on the cost of the car to NHS Lanarkshire at the date of delivery. The agreement signed by the employee provides for a change in the monthly charge in respect of any change in the cost to NHS Lanarkshire between the date of the agreement and the date of delivery. In these circumstances, the employee will be sent an amended Offer Acceptance letter to sign.

4.3.7. Where eligible staff are offered a lease car and reject the scheme, NHS Lanarkshire will set a mileage rate to keep the cost to the employer within the cost that would have applied had they accepted a leased car. Reimbursement restriction will be set at the Reserve Rate applicable to the car. This rate will be reviewed in line with any change in the regulations surrounding reimbursement of mileage expenses.

4.4. Use of Vehicle

4.4.1. The vehicle must be available at all times, subject to servicing and repairs, for use by the employee in the performance of the employee’s official duties as required by NHS Lanarkshire. Where a leased car is provided it should be the car used for business travel and not any other vehicle privately owned by the employee.

4.4.2. The vehicle must not be used for:
Driving tuition for commercial gain, racing rallies, speed or time trials, hill climbs or any form of competition.
- Any purpose for which the vehicle is not designed.
- Any unlawful purpose or in any contravention of any statute or regulation.

4.4.3. The vehicle must not be used for any non-NHS Lanarkshire business/commercial activity unless specific approval in writing has been obtained from the Car Leasing Department and the Insurance Company agreeing to cover the vehicle for the requested purpose, subject to any conditions required.

4.4.4. Although the vehicle remains the property of the Car Lease Company, the employee is liable for its roadworthiness and is required to indemnify NHS Lanarkshire against breaches of the Road Traffic Acts.

4.4.5. The vehicle should normally be kept at the driver's home address and garaged whenever applicable. In the event of an employee with a lease car moving home or changing any personal details such as name etc., the Car Leasing Department must be informed in writing of this change as soon as possible. Failure to do so may result in administration charges to the employee.

4.4.6. The employee must not lend, let or hire, sell, assign, transfer, change, dispose or part with control of the leased vehicle or attempt to do so.

4.4.7. Applications in writing must be made through NHS Lanarkshire, Car Leasing Department, to the Car Lease Company for permission to take the vehicle out of the British Isles. This needs to be done a minimum of four weeks before the proposed commencement of the journey.

4.4.8. Foreign Travel, including travel to Eire & Northern Ireland, will be permitted subject to the arrangement of satisfactory Insurance and adequate Breakdown & Recovery protection being arranged and paid for by the employee.

4.4.9. Responsibility for the vehicle will rest with the employee until it is returned to the British Isles.

4.4.10. Repair and maintenance carried out abroad will not be covered by the maintenance agreement with the Car Leasing Company, or by NHS Lanarkshire. The sole responsibility rests with the employee, who is strongly advised to take out appropriate cover e.g. AA 5- star cover.

4.4.11. The employee is required to complete a Travel Expense claim form at the end of each calendar month in order to detail business/private mileage, for tax purposes and assessments. Forms are available from expenses page on FirstPort or via the e-expenses system and on completion and authorisation these should be returned directly to them. Any claims older than 3 months must be authorised by the relevant Director as well as the usual line manager. Claims not authorised/signed appropriately will be returned to claimant unpaid. Mileage should be recorded and claimed via eExpenses every month. If mileage is not recorded this will result in a charge at the end of lease and retrospective records of mileage will not be accepted at the end of the lease to reduce this charge.
4.4.12. If an employee wishes to extend the lease period, they will be responsible for paying the revised lease costs in full. Where the lease has been extended at the request of NHS Lanarkshire, the employee will continue to pay the previous level of lease payment. NHS Lanarkshire will pay any additional charges relating to the lease cost.

4.4.13. Where the employee is absent from duty for a prolonged period i.e. sickness, maternity leave, training courses, extended annual leave abroad, he/she will normally continue to have the private use of the vehicle. Staff on a career break must pay the full cost of the lease or return the car. However, it should be noted that this may impact on the level of business mileage undertaken, and may affect the cost of the lease to the employee. Payment of the lease must continue each month, either through a salary deduction, or in exceptional circumstances via a cheque to NHS Lanarkshire. An invoice will be raised by NHSL Debtors Department and sent to employee if they are unpaid. Failure to pay leased car amounts will result in NHSL seeking return of the car and any early termination penalty will be passed to the employee.

4.4.14. Failure to notify the Car Leasing Department, in writing, of any changes in circumstances or to the level of private or business mileage, will result in an inaccurate End of Lease Assessment. It is the responsibility of the employee to ensure any changes are notified to the Car leasing Department.

4.5. Maintenance

4.5.1. In accordance with the agreement with NHS Lanarkshire, the Car Lease Company will provide or pay for:

- Regular routine maintenance & servicing as prescribed by the manufacturer.
- All replacement tyres (puncture costs reimbursed)
- All replacement batteries
- All replacement exhaust systems

4.5.2. On taking possession of the vehicle, the employee will receive a set of instructions from the Car Lease Company (driver's pack), from the person who delivers the vehicle to you, regarding the routine servicing arrangements for repairs, MOTs and breakdowns including replacement tyres, batteries and exhaust systems. All such repairs or works should only be carried out by the authorised suppliers as identified in the driver's pack, failure to do so could result in a charge to the employee. It is the responsibility of the employee to make themselves fully aware of all of these instructions.

4.5.3. When the vehicle is delivered / collected / returned to leased car supplier the employee will be responsible for ensuring and signing paperwork to confirm that there are no defects of any kind which are apparent on reasonable inspection and that all standard and optional equipment is present. Staff are responsible for arranging delivery / collection / return of leased cars. If returning or accepting delivery to / from different suppliers, staff must co-ordinate dates to avoid being charged for two cars.

4.5.4. When accepting delivery, employees should bear in mind their responsibility to return the vehicle in good order, repair and condition at the end of the contract to
the correct supplier. Any hazardous and all personal objects must be removed before the car is collected. Staff must inform car lease department of the date the car is returned.

4.5.5. The employee will be responsible for the car’s roadworthiness and for periodic routine checking of oil, water, windscreen wiper blades, batteries, tyre pressures, wheels (including alloy wheels) and other items which any responsible owner would be expected to check from time to time, together with any associated routine maintenance such as topping up the oil or adjusting the tyre pressures.

4.5.6. Any damage to the vehicle or any cost arising from failure to carry out such routine checks and maintenance or from negligent use or deliberate abuse of the vehicle by the employee will be the responsibility of the employee. The cost of replacing oil, water, wiper blades, wheel trims, damaged alloy wheels (due to negligence/"kerbing" etc.,) will be met by the employee.

4.5.7. It is the employee’s responsibility to keep the car clean inside and outside during the period of the hire. Failure to comply with these conditions will result in additional cost penalties at the end of the lease, including related costs.

4.5.8. In the event of emergency repairs or towing to a local garage, only the appropriate Motoring Organisation will be contacted. If the settlement has to be made to them for any part, the Car Lease Company will reimburse by return on production of receipt. (Parts must be retained in the event of any claim under warranty). If the part is not available, settlement may be withheld pending investigation. Full details of emergency procedures are contained in the driver’s pack.

4.5.9. Repairs and replacements arising from wilful neglect or deliberate abuse or wrong fuel being put in the tank are not included on the scheme and all costs arising from these will be borne by the employee.

4.5.10. In the event of a mechanical breakdown or if the vehicle is off the road on account of major mechanical repairs which requires more than 24 hours to complete, and are not due to any act of neglect or default by the employee, (or authorised drivers), the Car Lease Company (not the Car Leasing Department) will arrange the provision of a replacement vehicle within 24 hours of notice being given to them. The make and model of the replacement vehicle will in these circumstances be at the discretion of the Car Lease Company and may not be a like for like replacement. It will be made available for up to a maximum of 28 days and the car leasing department should be notified of the courtesy car’s registration number and on completion of the loan period the date on which the car is returned.

4.5.11. All mileage incurred when using replacement vehicles will count towards the total contract mileage.

4.6. **Insurance**

4.6.1. The policy allows NHSL business and private use by the employee and private use by other named drivers as requested and authorised by the employee. A copy of the relevant driving licence plus DVLA Licence Summary of other users must be supplied to the Car Leasing Department in advance (persons driving the vehicle
must hold a current valid licence and is not disqualified from holding or obtaining such a licence).

4.6.2. The protection provided under the NHS Lanarkshire Motor Insurance Policy is comprehensive cover for social, domestic, pleasure and the business of NHS Lanarkshire in respect of any authorised licensed driver.

4.6.3. NHS Lanarkshire is billed an annual premium which depends on the total number of drivers and claims history. This is allocated at a flat rate between the schemes members (60%) and NHS Lanarkshire (40%). It should be noted that this only applies to the NHS Lanarkshire employee and not the cost of additional named drivers noted in 4.6.5 below.

4.6.4. NHS Lanarkshire will normally only support the employee and a second named driver. The second named driver is required to be over 24 years old or else an additional premium will be required. If additional drivers are requested, a supporting case will need to be made. This will involve an additional premium as set out below as well as impacting on the excess as set out in 4.6.6.

4.6.5. Insurance Premium Summary Table:

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<th>Cost of 12 Month Cover (£)</th>
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<tr>
<td>NHS Lanarkshire Employee</td>
<td>Annual Premium</td>
</tr>
<tr>
<td>2\textsuperscript{nd} Named Driver (over 24 years old*)</td>
<td>FREE</td>
</tr>
<tr>
<td>2\textsuperscript{nd} Named Driver (21 - 24*)</td>
<td>£200 + VAT</td>
</tr>
<tr>
<td>2\textsuperscript{nd} Named Driver (provisional licence or licence &lt; 12 months)</td>
<td>£200 + VAT</td>
</tr>
<tr>
<td>2\textsuperscript{nd} Named Driver (under 21*)</td>
<td>£400 + VAT</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Named Driver (over 24 years old*)</td>
<td>£100 + VAT</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Named Driver (21 - 24*)</td>
<td>£200 + VAT</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Named Driver (provisional licence or licence &lt; 12 months)</td>
<td>£200 + VAT</td>
</tr>
<tr>
<td>3\textsuperscript{rd} Named Driver (under 21*)</td>
<td>£400 + VAT</td>
</tr>
</tbody>
</table>

*on date of renewal

4.6.6. The following Claims Excess apply –

- £200 each and every claim. In addition,
- £100 for drivers under 21
- £50 drivers 21 - 24
- £50 drivers 25 and over with provisional or full licence less than 12 months

4.6.7. The Insurance Excess will be charged to NHS Lanarkshire in the event of an accident/incident occurring when on business travel and to the employee in the event of an accident/incident occurring during private use of the vehicle including use by any additional driver.

4.6.8. Should any named driver receive any penalty points during the term of the lease, this must be notified to the Car Leasing Department immediately. It should be noted the excess on the policy will increase, for any driver, once 7 points or more have been received. This will be applied at £100 per point above 6 points. Failure
to notify will put the employee in breach of this contract, leading to termination with all costs met by the employee.

4.6.9. Should a named driver have 3 claims, where they have been at fault, within a lease period, the excess will be increased by £200 per subsequent claim.

4.6.10. Where consultants use a leased vehicle for their own private practice, this risk must be insured and authorisation must be obtained from Car Leasing Department and the Insurance Company in advance.

4.6.11. The cover will exclude use for hire or reward or for racing, pacemaking, reliability trial or speed testing or commercial travel.

4.6.12. Should the user leave the scheme, details of their Insurance claim record can be obtained from the Insurance Company via Car Lease Department. This information may be required when organising future Insurance cover upon leaving the scheme.

4.6.13. Any driver with a disqualification on licence for any drink or drug driving offence, regardless of how long ago, will not be allowed on insurance.

4.7. Termination

4.7.1. The car will be leased for a three-year period and arrangements must be made for the replacement of existing vehicles three months before the end of an expiring contract.

4.7.2. If any contract is terminated prematurely the Car Lease Company will impose certain penalty charges, details of which will be provided on application to the Car Leasing Department.

4.7.3. NHS Lanarkshire will waive all penalties in the event of:
   - Death in service
   - Prevented from driving because of a medical condition e.g. epilepsy
   - Retirement due to ill-health
   - Voluntary or Other Severance
   - Retirement in the interest of efficiency of the service
   - Redeployment to a post without car user status

4.7.4. In any circumstances other than those referred to above, NHS Lanarkshire will pass on to the employee all penalties incurred.

4.7.5. In the event of premature termination of the contract the following courses of action may be available to the employee:
   - The employee may wish to purchase the car, in which case he/she should ask the Car Leasing Company for a quotation of a purchase price. Please note there will still be a termination penalty payable to the Leasing Company.
   - If the employee is moving to an authority with a Car Lease Scheme, the contract may be transferred subject to agreement and acceptance by the new employing authority.
4.7.6. The leased vehicle must be returned in a condition satisfactory to the Car Lease Company. All hazardous materials e.g. needles, etc. must be removed. An end of lease inspection will be carried out by the Car Lease Company which the employee will be asked to verify by signing appropriate documentation in respect of any identified damage or defects. Wear and tear regarded as beyond the level expected in respect of a vehicle of three years old may result in a penalty being imposed and this will be charged to the employee. Disputes over damage charges levied should be directed to the Car Lease Company. All keys must be returned to the Car Lease Company. Staff will be charged for the cost of replacing any keys not returned.

4.7.7. Staff who voluntarily terminate the agreement and withdraw from the lease agreement or choose not to take a lease, will in future be reimbursed business mileage expenses at the appropriate rate under the prevailing terms & conditions subject to the provision of section 4.3.7 of this policy.

4.7.8. Any penalty associated with voluntary withdrawal from the lease agreement will require to be met in full by the employee.

4.7.9. On completion of the contract the, Car Lease Company may be willing to sell the vehicle to the employee at an agreed price.

4.8. Other Provisions

4.8.1. The employee will be responsible for meeting the cost of all and any Fixed Penalty fines/charges incurred by him/her and any named drivers whether on business or private use. NHS Lanarkshire will pay all fines/charges, etc, including those issued by private parking companies, and deduct from the employee’s next pay. It is the employee’s responsibility to challenge / raise a dispute with the issuer. Any amounts refunded to NHSL as a result of a successful appeal will be refunded to the employee.

4.8.2. The employee must report to the Car Leasing Department any convictions in connection with any motor vehicle (other than parking offences) relating to themselves or spouses/partners eligible to use the car for insurance purposes.

4.8.3. NHS Lanarkshire reserves the right to charge the employee any additional charge or excess attributable to the employee becoming disqualified from driving. In addition, the vehicle will be withdrawn forthwith and the employee will be responsible for meeting any excess, early termination or other penalty charges resulting from this action.

Variation on Other Fixed Costs

4.8.4. Any increase in Fixed Costs (e.g. Insurance, Handling Charge, and rate of VAT) may result in an adjustment to the employee’s monthly payment. This will be notified to the employee where applicable.

Excess Charge/Rebate on Mileage

4.8.5. The monthly payment during the lease period is based on the estimated private and business mileage at the beginning of the contract period (net of the contribution
level from NHS Lanarkshire). The employee will be advised at the time of applying of the excess mileage charge per mile applying to their chosen vehicle. An end of lease assessment is carried out by the Car Leasing Department. If at the end of the contract period the actual private or business mileage exceeds or is less than anticipated, outside of a standard tolerance level, there may be an excess charge or rebate to that employee at the rate specified by the Car Lease Company. This is summarised as follows, subject to the tolerance level:

- If private mileage is higher than estimated this may result in a charge
- If private mileage is lower than estimated this may result in a refund
- If business mileage is higher than expected the employer will pick up the cost of excess business miles at the standard rate. Where the employee has chosen a more expensive car they will be charged the rate applicable to that car for the excess miles.
- If business mileage is lower than expected, providing the employee would still be eligible for the same level of contribution on the lower mileage, a refund may be due
- If business mileage is lower to the extent that the provision of a leased car would not have been financially viable no refund will be made

4.8.6. Any excess charges will be recovered by NHS Lanarkshire through a salary deduction. This will be agreed between the employee and the Car Leasing Department, and phased over a period up to a maximum of 12 months. If repayment is not made Car Lease Department will apply NHSL Overpayment Policy.

4.8.7. Any rebates will be paid via the employee’s salary.

4.8.8. It is the responsibility of the employee to monitor both their actual business and private mileage against their estimated levels and notify the Car Leasing Department of any changes during the contract period to request a recalculation of monthly salary deductions. Adjustments can be made on each anniversary of the lease.

Accessories, Factory Options, Etc.

4.8.9. At the request of the employee certain optional equipment can be fitted with the agreement of the Car Lease Company, but this will increase the monthly payments to be made by the employee and the equipment will remain the property of the Car Lease Company at the end of the contract. Failure to have agreed the cost at the time of the initial quote will require the employee to pay the cost of any optional extras directly to the Car Leasing Company. The exception to this is where specific equipment may be required as a result of the employee having a disability.

4.8.10. No accessories may be fitted privately by the employee without prior written consent of the Car Lease Company, through the Car Leasing Department. If any accessory cannot be removed from the vehicle without substantial or irreparable damage being caused, then such accessories must be surrendered with the vehicle at the end of the period of the hire.

4.8.11. The employee is entirely responsible for restoring the car to a condition, which is considered satisfactory by the Car Lease Company at the end of the contract.
Fair Wear & Tear

4.8.12. The employee will be responsible for keeping the vehicle in good condition, internally and externally subject only to fair wear & tear. Fair wear and tear is determined by reference to mileage covered by a particular vehicle, and normal use will generally incur no charges.

4.8.13. Ordinary wear and tear is generally understood to mean superficial scratches and scuffs to bumpers, stone chippings on front and lower sides of the vehicle, minor scratches to paintwork if surface of paint is not broken and undercoat of the metal is not visible.

4.8.14. Excess to fair wear and tear includes scrapes and scratches where the paint surface is broken i.e. where cutting will not restore the finish and re-painting is necessary, dents or other impact damage to bodywork or bumpers, broken or cracked lenses, roof and gutter damage due to fitting a roof-rack etc.

4.8.15. Any tears, rips etc. to seats, interior trim carpets and head lining will be judged to be in excess of fair wear and tear, as will stains from oil, glue, chemicals or other matters which cannot be removed using proprietary upholstery cleaners.

4.8.16. During the period of the contract and at the date of expiry, any disputes regarding the condition or road worthiness of the vehicle will be referred by NHS Lanarkshire to an independent engineer nominated by the Automobile Association whose decision will be final and binding on all parties. The cost of this will be met by the employee.

4.8.17. The Car Lease Company reserves the right, upon giving reasonable notice, to inspect, during working hours, the state and the condition of any vehicle.

4.8.18. Any failure to comply with these conditions may cause the immediate Termination of the Contract hire Agreement. Any penalty charges arising therefore will require to be met by the employee.

4.8.19. In addition, action via NHS Lanarkshire’s Policy on the Effective Management of Employee Conduct, inclusive of penalties, up to dismissal, may be considered.

Taxation

4.8.20. You should be advised that possession of a leased vehicle will affect the amount of income tax you will pay.

Your tax code will change year on year in line with the following table dependent on your choice of car’s CO2 emissions -

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4.8.21. Employees can access information on the income tax implications of a given car on HM Revenue and Customs web site [www.hmrc.gov.uk/calcs/cars/htm](http://www.hmrc.gov.uk/calcs/cars/htm). This information may influence the eventual choice of the vehicle made by you.

4.8.22. You should advise HM Revenue and Customs when you take delivery of the vehicle making them aware of the make, model, engine size, anticipated mileage, list price and CO2 emissions of the vehicle. This will ensure that your tax details are updated early and that the appropriate adjustment is made to your tax code and deduction made from your salary at the correct level. All of the relevant information can be found on the quote letter you receive from the Car Leasing Department.

4.8.23. If your circumstances change at any point, you must advise HM Revenue and Customs. Any change of vehicle may affect the level of taxation due.

4.8.24. Payroll Department will as a matter of routine return the relevant information to HM Revenue and Customs via the annual P11D form. A copy of the P11D will be sent to the employee, and should be retained for completion of any HMRC tax returns.

### Accidents

4.8.25. If you are involved in an accident with your leased vehicle, you must report this directly to the Insurance Company over the telephone within 24 hours. A note of the number is contained in the copy of the insurance details supplied to each lease car user. Details of any accident should be recorded via the Datix System in line with NHS Lanarkshire’s policy covering incident reporting.

4.8.26. In addition, if the Accident occurs on Business Mileage you are also required to complete the appropriate Accident\Incident Form in conjunction with your Manager.

4.8.27. Accident and windscreen damage will be covered by Insurance claims subject to the appropriate excess. Drivers must contact the Insurance Company direct for windscreen damage when they will be advised which company to use for repair. Failure to do so and use of any other company or garage will result in the full cost of the repair being met by the employee.
4.8.28. In the event of an accident, the employee will comply with the Car Lease Company’s procedure set out in the driver’s pack, and must report the circumstances immediately to the Insurance Company.

4.8.29. The Insurance Excess will be charged to NHS Lanarkshire in the event of an accident/incident occurring when on business travel and to the employee in the event of an accident/incident occurring during private use of the vehicle. Employees will be responsible for paying the full excess for all accidents involving their spouse/partner and any other approved drivers using the vehicle.

4.8.30. Journeys to and from work from home do not constitute as business miles journeys, unless your home has been agreed as your base at the start of the lease agreement.

4.8.31. Employees should directly contact the Insurance Company at all times.

Change in Circumstances/Personal Details

4.8.32. If you change your work base or home address please notify the Car Leasing Department/Payroll Department. This will help avoid delays when trying to contact you when distributing Insurance information etc. Failure to do this may result in an administration charge, which requires to be met by the employee.

4.8.33. If your role changes, or you move jobs, which will result in a change in the level of business or personal mileage against the estimated level, this needs to be registered with the Car Leasing Department. This will allow a recalculation of the lease costs, or termination of the lease, as appropriate.

4.9. Current Data Protection Legislation

4.9.1. Information provided by scheme entrants and scheme members to Car Lease will be protected and used in accordance with Data Protection legislation guidelines.

4.9.2. Personal information provided to Lease Companies as part of the Leasing Agreement and associated processes will only be used for the purposes of scheme membership and no other purpose.

4.9.3. Car Leasing, on an annual basis, will seek and confirm with Leasing Companies that information provided concerning scheme members will only be held to support membership.

4.9.4. Car Leasing, on an annual basis, will seek and confirm with Leasing Companies that they have current Data Protection legislation notification by asking for their Notification Number and Expiry Date.

5. ROLES AND RESPONSIBILITIES

5.1 Employer – (i) responsible for offering a scheme to employees who perform high business mileages and (ii) for administering such a scheme via Payroll.
5.2 **Line Manager/Director** – (i) responsible for judging whether an employee meets the eligibility criteria around business mileage and for ongoing review of business mileage, (ii) responsible for assessing the health & safety risks to employees associated with business travel and (iii) also responsible for ensuring due diligence in connection with any mileage claims & claims against accidents or incidents incurred by the employee.

5.3 **Employee** – (i) responsible for complying with Leased Car eligibility criteria, (ii) responsible for complying with Leased Car Company’s terms & conditions around appropriate usage, maintaining basic road-worthiness and servicing schedules, (iii) responsible for the safe upkeep of the car, avoiding risk of accident/incident where possible, (iv) responsible for progressing any claims against accidents or incidents in a prompt fashion and with the highest standards of personal integrity, (v) responsible for paying any parking fine at the first available opportunity to do so, (vi) responsible for notifying the line manager if convicted of any serious motoring offence including driving disqualification and (vii) responsible for submitting mileage claims on a monthly basis. The vehicle must be available at all times, subject to servicing and repairs, for use by the employee in the performance of the employee’s official duties as required by NHS Lanarkshire.

5.4 **Leased Car Company** – (i) responsible for the supply of a brand new Leased Car, to specification and to schedule and (ii) responsible for ensuring the ongoing road-worthiness of that car.

6. **RESOURCE IMPLICATIONS**

6.1 The car lease scheme has no impact on the financial resources of the organisation.

6.2 The car leasing department has 2.85 WTE at the time of writing this policy.

7. **COMMUNICATION PLAN**

7.1 Current lease car drivers and all Department Managers will be informed of the introduction of the ratified policy.

7.2 A staff briefing will be issued to all employees to raise awareness of the ratified policy and the policy will be posted on the NHS Lanarkshire Intranet – Firstport.

8. **QUALITY IMPROVEMENT – Monitoring and Review**

8.1 The document will be reviewed at regular intervals in line with the NHS Lanarkshire policy governing review of policies, procedures and guidelines.

8.2 Review may also be required to ensure the Car Leasing Scheme remains financially viable for NHS Lanarkshire.
8.3 Review may also be required to ensure the Car Leasing Scheme properly reflects the prevailing terms and conditions.

9. **EQUALITY AND DIVERSITY IMPACT ASSESSMENT**

This policy meets NHS Lanarkshire’s EDIA. A completed copy has been sent to corporatepolicies@lanarkshire.scot.nhs.uk (tick box)

10. **Summary or Frequently Asked Questions (FAQs)**

Please ensure you send a summary of your policy or a frequently asked questions with your completed policy

11. **REFERENCES**
CAR LEASE APPLICATION FORM

Your Leased Car Contract will be for 3 years – early return of leased car will incur an early termination fee. If you intend to retire within the next 3 years please be aware you will be charged an early termination fee.

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<td>Post Code</td>
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<tr>
<td>Home Tel No and Mobile</td>
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<td>Job Title and Grade</td>
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<td>Work Address (Base)</td>
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<td>Work Tel No</td>
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<td>Email Address</td>
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<td>Pay Number</td>
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<tr>
<td>National Insurance No</td>
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<td>Date of Birth</td>
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<td>Date Passed Test</td>
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Only complete this section if you already have a lease car -

<table>
<thead>
<tr>
<th>Current Lease Company</th>
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<tr>
<td>Lease Vehicle Registration No</td>
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<tr>
<td>Current Lease Expiry Date</td>
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It is important that the following estimates are as accurate as possible. Failure to supply accurate estimates may result in an additional charge to you –

<table>
<thead>
<tr>
<th>Estimated Business Mileage (per annum)</th>
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<tr>
<td>Estimated Private Mileage (per annum)</td>
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Car Choice

You are entitled to a maximum of 6 quotes in total. You are initially restricted to 3 quotations. If you require further assistance please contact Car Lease Team.

If you are ordering a DIESEL car please be aware that DIESEL cars are fitted with a DPF - Diesel Particle Filter and are not suitable for some driving patterns. It is your responsibility to ensure you follow instructions re DPF to avoid repair charges.

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Will the car be used for Private Practice? **YES / NO**
Comprehensive Insurance cover for Employee & Spouse/Partner will be automatically provided. However, please indicate any other cover for additional driver/s below.

You **MUST** provide a valid copy of a driving licence for each additional driver and print of Driving Licence Information available via: [https://www.gov.uk/view-driving-licence](https://www.gov.uk/view-driving-licence) for all drivers and enclose / send with your application.

**ADDITIONAL NAME(S) and ADDRESS(ES) and DATE OF BIRTH**

<table>
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<tr>
<th>Name</th>
<th>Address</th>
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Have you or any drivers listed above, including spouses been disqualified from holding a Driving Licence? **YES/NO**
If YES, give details

**PLEASE CHECK ALL SECTIONS HAVE BEEN COMPLETED TO AVOID DELAY IN OBTAINING QUOTES.**

**DECLARATION**

*I confirm to the best of my knowledge and belief, that the information detailed in this form is correct and I also confirm that it will be a basis of an agreement between NHS Lanarkshire and myself which is governed by the conditions of the Car Leasing Scheme. I have read the Car Leasing Policy and accept and agree to abide by the terms and conditions contained therein.*

*I will claim business miles on a monthly basis. I understand failure to claim/confirm business mileage will result in a charge payable by me at the end of my lease and that mileage claims will not be accepted retrospectively to reduce any charge at end on lease.*

Applicant Signature

I confirm I have checked eligibility and authorise this application for a leased car in line with the NHS Lanarkshire Car Lease Policy

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<td>Line Manager’s Signature</td>
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<td>Executive Director’s Name (Please Print)</td>
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<td>Executive Director’s Signature</td>
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**PLEASE EMAIL ALL FORMS FULLY COMPLETED to:**
cld@lanarkshire.scot.nhs.uk

*If you have no access to e-mail please send to –
Car Leasing Department, Kirkfield Cottage, Kirklands Hospital, Fallside Road, Bothwell, G71 8BB.*