



THE STATE HOSPITALS BOARD FOR SCOTLAND

CAR LEASING POLICY

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1 GENERAL

- 1.1 In the NHS the default position is that employees use their own vehicles for travel in the performance of their duties, except where the employer has made specific alternative provision. This policy refers to vehicles provided to employees under a lease agreement, allowing them to use the vehicle for both NHS business and private purposes.
All car users whose business mileage will exceed 3,500 miles per annum shall be entitled to apply for a Leased Car in accordance with this scheme.
- 1.2 Employees who do not wish to participate in the scheme will continue to receive the range of car allowances as determined by the Agenda for Change circular PCS(AFC)2013/3.
- 1.3 Employees who meet the criteria and are offered a leased car but reject the offer and continue to use a privately owned vehicle for official business travel, the Reserve rate allowance will be paid (currently 33.0p per mile).
- 1.4 The car leasing scheme is managed by the Car Leasing Section at NHS Greater Glasgow & Clyde and is based on Contract Hire Agreements between the Board and the Contract Hire Company, which enables the Board to provide a fully maintained vehicle.
- 1.5 The employee makes a monthly payment (reviewed annually) to the Board in respect of his or her private use of the vehicle and this payment includes Maintenance, Insurance, Road Fund Licence and Motoring Association Membership. The employee is responsible for certain additional payments which may arise under the terms of the Contract in certain circumstances. Details of all of the additional payments which can arise are given later in these conditions and include charges made in the event of premature termination of the hire and excess mileage charges.
- 1.6 The car will be hired for a three year period and any approved business mileage undertaken in the hired vehicle will be reimbursed at the appropriate rate outlined in paragraph 1.11 and Appendix A below.
- 1.7 A wide range of cars are provided under the scheme however, the vehicle chosen should be consistent with the
- proper use of public money
 - needs of NHS business
 - recommended safety standards, and
 - policies coming within the “green agenda” of the government (ie.carbon reduction and safeguarding the environment). The Sustainable Development unit is keen that organisations should make use, whenever it is possible and practicable, of low carbon lease vehicles in line with relevant legislation.

All applications must be made, in the first instance, to the employee’s Head of Department, who will require to certify that the employee will meet the requirements of exceeding 3,500 business miles per annum and to certify the estimated business mileage which the employee will travel over the 3 year period. The Head of Department will then pass the application to the Chief Executive who will present to the Remuneration Committee for approval.

- 1.8 The contribution of the Board will be set according to the business mileage band determined by the Board. Similarly the employee will be required to estimate their private mileage over the same period. New employees will be assessed on the basis of the mileage of the previous incumbent of the post or on the basis of the first three months travel in a new post.
- 1.9 The accuracy of the total business and private mileage is important as it determines the rate at which the Contract Hire Company will supply the vehicle. In the main there will be no alteration to these figures during the contract period other than where there are significant increases or decreases in the business and private mileage. A new level of contribution by the employee will then be required.
- 1.10 The information as to the cost to an employee of hiring a particular vehicle can be obtained from the Car Leasing Section at NHS Greater Glasgow & Clyde and this will also include any income tax implications. The cost will be based in part on the cost to the Board at the date of delivery and may therefore be subject to change between the date of ordering and the date of delivery. Every effort will be made to avoid such changes.
- 1.11 Hire charges will be payable from the date on which the vehicle is available for collection / delivery.

(a) Cost to the Board:

The contribution towards a leased car for official mileage will be borne by the Board based on the contribution detailed below :

Annual Business Miles	Employer's Contribution
3,500	£2,500
4,000	£3,000
5,000	£3,500
6,000 and over	£4,000

The employee will only pay an extra cost which depends on three things; difference between Board contribution and cost of lease, the amount of private mileage and certain fixed costs. The employee will also pay the full cost of private mileage.

(b) Mileage

The cost of renting the car over the three years of the lease also depends on the TOTAL mileage, i.e. official and private added together. The cost of official mileage on a standard "Base" car is deducted and the employee will pay the difference. The employers contribution amount will be converted to a base car equivalent for calculation of expenses purposes. The employee must estimate annual private mileage very carefully to the nearest 1,000 miles. Under/over estimates will be reviewed at the end of the contract.

(c) Fixed Costs:

The cost of insuring and taxing the vehicle will be included in the overall cost to the employee. Processing these costs are subject to an annual handling charge. These charges are all subject to VAT at the appropriate rate.

A formal agreement will be entered into between the employee and the Board on the basis of these General Conditions.

The Board will support the acquisition of any vehicle chosen by an employee subject to their being satisfied that the vehicle is suitable in all respects for use on Board business.

The employee's petrol costs incurred on official business will be reimbursed in accordance with the following formula:

$$\frac{\text{Cost of One Gallon of Unleaded Fuel}}{\text{Base Vehicle's Mileage on urban cycle}} = \text{Rate per mile}$$

2 ELIGIBILITY

2.1 Subject to paragraph 2.2 below, all car users shall be entitled to apply.

2.2 Eligibility is subject to:

- (a) Confirmation of the user status applied to the post by the Board.
- (b) Business mileage exceeding 3,500 miles per annum
- (c) The applicant holding a current full driving licence for the class of vehicle applied for.
- (d) The applicant's ability to comply with any conditions laid down by the Contract Hire Company.

2.3 The Board reserves the right to refuse an application and to consider other relevant factors in making a decision. In such circumstances the employee would be given a full explanation of the grounds for refusal and could raise any objections under the Board's grievance procedure.

2.4 The users of cars hired under this scheme are required to notify the Board immediately of any event which affects or might affect their eligibility to participate in the scheme.

3 METHOD OF APPLICATION

- 3.1 Applications under the scheme shall be in the form prescribed by the Board. NHS Greater Glasgow & Clyde Car Leasing Section shall administer the scheme on behalf of the Board.
- 3.2 Application forms are available from the Human Resources Department within The State Hospital. When completed, forms should be submitted to the appropriate Head of Department for confirmation of business miles prior to forwarding to the Chief Executive for consideration and approval by the Remuneration Committee. Following approval, the Chief Executive will then authorise the form on behalf of the Remuneration Committee. Thereafter they will be forwarded to the Car Leasing Section at NHS Greater Glasgow & Clyde.
- 3.3 The applicant will be notified when the application is authorised and the provisional monthly charge payable will be calculated. Thereafter a formal Agreement between the Board and the applicant will be completed.
- 3.4 The delivery date will not be available until just prior to delivery. The employee will be notified of this directly by the lease company or the delivering garage.
- 3.5 As specified in paragraph 1.10 the charge payable by the employee will be based in part on the cost of the car to the Board at the date of the delivery. The Agreement signed by the employee provides for a change in the monthly charge to take account of any change in cost to the Board between the date of the Agreement and the date of delivery.
- 3.6 A full month's charge will be deducted from the month in which the car is collected or delivered.

4 USE OF THE VEHICLE

- 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 the Board.
- 4.2 The vehicle must not be used for:
 - (a) Driving tuition for commercial gain, racing rallies, speed or time trials, hill climbs or any form of competition.
 - (b) Any purpose for which the vehicle is not designed.
 - (c) Any unlawful purpose or in any contravention of any statute or regulation.
- 4.3 The vehicle must not be used for any non -Board business/commercial activity unless specific approval in writing has been obtained from the Car Leasing Section at NHS Greater Glasgow and Clyde.
- 4.4 The vehicle remains the property at all times of the Contract Hire Company. Nevertheless, the employee is legally liable for its roadworthiness. The employee is responsible for all parking fines, or other liabilities arising from its condition or the way the vehicle is used, particularly breaches of the Road Traffic Acts.

- 4.5 The vehicle should normally be kept at the driver's home address and garaged whenever practicable. In the event of an employee moving home, the Car Leasing Section at NHS Greater Glasgow and Clyde must be informed, in writing, of the change.
- 4.6 The employee must not lend, let or hire, sell, assign, transfer charge, dispose or part with control of the hired vehicle or attempt to do so.
- 4.7 Applications in writing must be made through the Car Leasing Section to the Contract Hire Company for permission to take the vehicle out of the mainland UK. Travel outside mainland UK will be permitted subject to the arrangement of satisfactory Insurance and adequate breakdown and recovery protection.
- 4.8 Responsibility for the vehicle will rest with the employee until it is returned to mainland UK. Repairs and maintenance which are carried out abroad are not covered by the Maintenance Agreement with the Contract Hire Company and are the sole responsibility of the employee who must take out appropriate cover (e.g. AA 5-star cover). On each occasion applications for permission to take vehicles outside mainland UK should be submitted at least four weeks before the proposed commencement of the journey.
- 4.9 The employee is required to keep a record of the mileage undertaken in the vehicle. Where eExpenses is used the mileage is to be entered on to this system and where manual expense forms are completed it is imperative the mileage is entered on these prior to submission. Records of the mileage undertaken must be available for inspection by the Car Leasing Section or the Board when called upon.
- 4.10 Tampering with the vehicle's odometer will be regarded as a serious offence.
- 4.11 Where the employee is absent from duty for a prolonged period (because of for example, sickness, maternity leave, training courses, extended annual leave abroad) he/she will continue to have the private use of the vehicle (See Appendix B, question 10 below).

5 MAINTENANCE

- 5.1 In accordance with the Agreement with the Board, the Contract Hire Company will provide or pay for:
- (a) Regular and routine maintenance and servicing.
 - (b) All remedial or repair work arising without obligation or misuse or accident on the part of the employee and needed to maintain the vehicle in a roadworthy condition.
 - (c) All replacement tyres (puncture costs reimbursed).
 - (d) All replacement batteries.
 - (e) All replacement exhaust systems.

- 5.2 On taking possession of the vehicle, the employee will receive a set of instructions from the Contract Hire Company (**driver's pack**) regarding routine servicing and arrangements for repairs and breakdowns and replacements of tyres, batteries and exhaust systems. The employee should make himself/herself aware of the requirements of the Contract Hire Company contained in the instructions or otherwise notified to him/her and comply with these requirements at all times.
- 5.3 When the vehicle is delivered/collected the employee will be responsible for ensuring that there are no defects of any kind which are apparent on reasonable inspection, and that all standard optional equipment is present, where this can be ascertained by reasonable inspection. 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 (see section 8).
- 5.4 The employee will be required to advise the Contract Hire Company, using stationery included in the driver's pack, of the garage where the officer wishes maintenance and warranty work to be carried out. If approved, the Contract Hire Company will then make arrangements with the selected garage. Emergency work will be undertaken at any garage with a dealership for this particular type of vehicle.
- 5.5 The employee will be responsible for the car's roadworthiness and for the periodic routine checking of: oil, water, batteries, tyre pressures; and other items which a responsible owner would be expected to check from time to time, together with any associated routine maintenance such as topping up with oil or adjusting the tyre pressure. 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, will be the responsibility of the employee. The employee will be required to reimburse any resultant cost to the Board. (This would include any damage caused by the employee's negligence in not keeping the car clean inside and outside during the period of the hire).
- 5.6 In the event of emergency repairs or towing to a local garage only the appropriate motoring organisation will be contacted. If settlement has to be made to them for any part then the Contract Hire Company will reimburse by return on production of receipts. 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 in the driver's pack.
- 5.7 Repairs and replacements arising from wilful neglect or deliberate abuse are not included in the scheme. Costs arising from these causes will be borne by the employee. Accident damage will be covered by insurance claims subject to the appropriate excess.
- 5.8 In the event of an accident, the employee will comply with the Contract Hire Company's procedures set out in the Driver's Pack and will also report the circumstances to the Car Leasing Section at NHS Greater Glasgow and Clyde (contact details on page 16).

6 REPLACEMENT VEHICLES

- 6.1 In the event of a mechanical breakdown, or if a vehicle is off the road for more than 24 hours as a result of major mechanical repairs not due to any act of neglect or default by the employee (or their families or other authorised drivers), the Contact

Hire Company will arrange for the provision of a replacement vehicle within 24 hours of being notified. Employees should not arrange replacement vehicles themselves but should notify the Car Leasing Section at NHS Greater Glasgow and Clyde. A replacement vehicle will be made available in the event of a mechanical breakdown for up to a maximum period of 28 days.

- 6.2 Vehicles involved in accident damage are not classed as major mechanical repairs and therefore are not covered by the above paragraph.
- 6.3 If the Contract Hire Company is unable to provide a replacement vehicle within 24 hours of notification there will be a financial adjustment for the period that the employee is without a car.
- 6.4 All mileage incurred in a replacement vehicle will count towards total contract mileage.

7 INSURANCE

- 7.1 Scottish Healthcare Supplies, acting on behalf of the Scottish Health Service, has negotiated comprehensive insurance with Bluefin for private and business use of leased cars. The annual premium for the private portion, which the employee is required to pay, will be notified in July of each year.
- 7.2 The policy covers any authorised person, provided they personally hold a valid licence, for social, domestic and pleasure purposes, and for Board business. The following also applies:
 - (a) Loss or damage to personal effects up to £500 for each loss.
 - (b) Medical expenses up to £500 for each occupant of the vehicle in respect of injury following an accident.
 - (c) New car replacement if vehicle is one year old or less and the cost of repairs exceed 60% of current manufacturer's list price.
 - (d) Spanish bail bonds up to a maximum of £5,000.

An excess of £200 applies for each and every occurrence of loss or damage to the vehicle including fire and theft. (The insurance company may increase the excess if the car user has any licence endorsements)

- 7.3 The excess will be borne by the Board if the incident occurs during business time, otherwise it will be borne by the employee.
- 7.4 The cover will exclude use of hire or reward or for racing, or speed testing or commercial travelling.
- 7.5 Should a user leave the scheme a certificate will be available confirming the number of claim free years of participation by the user, for submission to Insurers for No Claims Bonus purposes.
- 7.6 A green card for overseas travel can be obtained as and when required on application to the Car Leasing Section at NHS Greater Glasgow and Clyde.

8 TERMINATION

- 8.1 As specified in Section 1 the car will be hired for a 3 year period and arrangements must be made for the replacement of existing vehicle 3 months before the end of an expiring contract.
- 8.2 If any contract is terminated prematurely by the employee the Contract Hire Company will impose a penalty charge details of which will be provided on application to the Car Leasing Section.
- 8.3 The Board will waive all penalties in the event of:
- (a) Death in service.
 - (b) Retirement due to ill-health.
 - (c) Retirement in the interest of the efficiency of the service.
- 8.4 In the event of the employee's absence from work for an extended period (i.e. 4 months or more) on maternity leave, sick, study or special leave, the employee may continue the private use at the contracted charge or may return the vehicle to the Board, in which case no penalty charge will be levied.
- 8.5 In any circumstances other than those mentioned above, the employee will be required to pay the penalty charge in full. The amount of the penalty charge will normally be in the region of 3 to 6 months full rental cost (i.e. employee's share plus the Board's share) depending on the requirements of the contract with the Hire Company. It is the full cost that the employee will be required to pay.
- 8.6 In the event of premature termination of the contract the following courses of action may be available to employees:
- (a) The employee may wish to purchase the car, in which case he should ask the Car Leasing Section at NHS Greater Glasgow and Clyde to obtain a quotation of a purchase price.
 - (b) If the employee is moving to an NHS board with a contract hire scheme then the contract may be transferred.
- 8.7 The hired vehicle must be returned in a condition satisfactory to the Contract Hire Company. The employee is liable for any penalty levied by the Contract Hire Company.
- 8.8 On completion of the contract the Hire Company may be willing to sell this vehicle to the employee at an agreed price. The Car Leasing Section at NHS Greater Glasgow and Clyde on behalf of the Board will be required to report each such purchase to HMRC (Her Majesty's Revenue & Customs). The Car Leasing Section at NHS Greater Glasgow and Clyde will arrange for the vehicle price to be forwarded to the employee.
- 8.9 The employee is required to report to the Car Leasing Section at NHS Greater Glasgow and Clyde any convictions in connection with any moving motor vehicle (other than parking offences) for insurance purposes. The Board reserves the right

to charge to the employee any additional charge or excess attributable to the employee's driving record. In the event of the employee becoming disqualified from driving the vehicle will be withdrawn forthwith and the employee will be responsible for meeting any excess or penalty charges which result.

9 VEHICLE EXCISE DUTY

The employee will be required to reimburse the Board for any increase in the cost of the Road Fund Licence plus VAT against the cost of the Licence as at the date on which the employee's Agreement is signed.

10 EXCESS CHARGE/REBATE ON MILEAGE

10.1 If at the end of the contract period the actual private and authorised business mileage exceeds the estimated mileage there may be an excess charge to the employee at the rate specified by the Contract Hire Company.

10.2 If at the end of the contract period the actual private miles done are less than the estimated mileage there may be a rebate to the employee at the same rate. If no recovery is available to the Board then no refund will be made.

11 ACCESSORIES, FACTORY OPTIONS, ETC.

11.1 At the request of the employee, certain optional equipment can be fitted by the Contract Hire Company. The full additional cost of any optional accessory must be paid by the employee.

11.2 No accessories may be fitted privately by the employee without the prior written consent of the Contract Hire Company through the Car Leasing Section at NHS Greater Glasgow and Clyde. 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 hire.

11.3 The employee shall be entirely responsible for restoring the car to a condition satisfactory to the Contract Hire Company at the end of a contract.

12 FAIR WEAR AND TEAR

12.1 The employee will be responsible for keeping the vehicle in good condition, internally and externally, subject only to fair wear and tear. Fair wear and tear is determined by reference to mileage covered by a particular vehicle. Normal use will incur no charges. Ordinary wear and tear is generally taken as: superficial scratches and scuffs to bumpers; stone chippings on front and lower sides of vehicle; minor scratches to paintwork if surface of paint is not broken and undercoat of metal visible. Excess 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; and dents or other impact damage to

bodywork or bumpers, broken or cracked lenses, roof and gutter damage due to the fitting of a roof rack. Any tears, rips etc. to seats, interior trim carpets and headlining will be judged in excess of fair wear and tear as will stains from oil, glue chemicals or other matter which cannot be removed using proprietary upholstery cleaners.

- 12.2 Both during the period of the contract and at the date of expiry any disputes regarding the condition of the vehicle will be referred by the Car Leasing Section at NHS Greater Glasgow and Clyde to an independent engineer nominated by the Automobile Association whose decision will be final and binding on all parties.
- 12.3 The Contract Hire Company reserve the right upon giving reasonable notice to inspect, during working hours, the state and condition of any vehicle.
- 12.4 Failure to comply with these conditions may cause the immediate termination of the Contract Hire Agreement. Any penalty charges arising will be met by the employee.
- 12.5 While the Agreement remains in force the employee will no longer be entitled to payment of standard mileage allowances as defined in the Agenda for Change Terms & Conditions. They will be entitled to reimbursement as per Section 1.

CALCULATING COST OF PRIVATE MILEAGE

APPENDIX A

A worked example is given below for a Vauxhall Astra Envoy 1.4 16V 5 door. Mileage of 5,000 business miles per annum and 5,000 private miles per annum are calculated using current prices. The Board's contribution is based on the annual business mileage table at section 1.11.

For purposes of calculating mileage reimbursement the Board's contribution is converted to a base car equivalent and the base car equivalent used in this example is a Ford Focus.

1. **Gross Cost**

Total annual mileage	= 5,000 + 5,000	=	10,000 miles
Annual rental of	Vauxhall Astra Envoy 1.4 16V 5 door=		£4500

2. **Cost of Board's Mileage**

Annual official mileage	=	5,000 miles
Annual rental of i.e. Ford Focus	=	£3500

3. **Cost of Your Private Mileage**

Gross annual rental minus Board's annual rental = £4500 - £3500	=	£1000 (inc Road Fund)
Insurance Premium	=	£449.00
Handling Charge	=	£ <u>95.00</u>
Sub Total		£1544.00
VAT at 20%		<u>£308.80</u>
Annual Total		£1852.80
Monthly Payment		£ <u>154.40</u>

Notes:

- a). You can see that the marginal cost to you is much less than the cost to the Board.
- b). The Board will pay for petrol for 5,000 miles per annum for the Ford Focus. Based on petrol at £5.958 per gallon (fluctuates) and an urban cycle of 32.5 this will amount to £916 (£76.38 a month).

Appendix B

TYPICAL QUESTIONS RAISED ON THE GENERAL CONDITIONS

1. On what circumstances will a Leased Car be offered?

1.1 The Board may offer a Leased Car for individual use on official business where it deems it economic, or otherwise in the interest of the service, for it to do so, and the business miles exceed 3,500 per annum

1.2 In practice all Car Users whose business mileage will exceed 3,500 miles per annum will be eligible to apply for a leased car.

2. Does the Scheme only apply to new employees?

2.1 The scheme is applicable to both new and existing employees as long as they make the criteria for entitlement.

2.2 New employees are defined as including those new to the NHS, to the Board or to a new post.

If a new employee is expected to travel at least 3,500 business miles per annum, they will be offered a Leased Car and he/she has two options:-

(a) Accept the offer of a Leased Car for official business and private, domestic, social and pleasure use; or

(b) Reject the offer of a Leased Car and continue to use a privately owned vehicle on official business travel. In this case only the Reserve rate allowance will be paid (currently 33.0p per mile) for official travel.

3. Are there any restrictions on Private Use?

You and designated members of your family may use the car for unlimited private mileage.

4. What does it cost?

4.1 The board contributes a monetary value (as detailed at section 1.11) towards the cost of leasing a car of your choice.

4.2 You only pay the marginal extra cost which depends on three things; the difference between the monetary value borne by the board and the cost of the lease, the amount of your private mileage and certain fixed costs.

4.3 Fixed costs include road tax, insurance and an annual handling charge which are all subject to VAT. Any change, e.g. in road tax, will be passed on to you.

4.4 Please note that a full month's deduction will be made for the month, regardless of the day, in which you receive your car.

4.5 The cost of renting the car over the three years of the lease also depends on the total mileage i.e. official and private added together. The cost of your official mileage is deducted and you pay the difference. You must estimate your annual private mileage very carefully to the nearest 1,000 miles. Under estimates will be reviewed annually and corrective adjustment made for the forthcoming year. In addition, at the end of the contract, overestimates may receive a rebate.

5. Will I be reimbursed the cost of fuel?

You will pay the cost of all petrol or diesel, and recover the cost of petrol/diesel for your official mileage according to the following formula.

Cost of unleaded fuel notified by the Institute of Petroleum
Urban cycle of the standard base car

Thus, based on petrol at £5.958 a gallon (fluctuates) and an urban cycle of 32.5 miles a gallon for the Ford Focus, this would be 18.3p per mile.

6. Am I and my family insured for private mileage?

Comprehensive cover is provided, the premium being set annually on 1st July.

A standard excess of £200 is applicable.

7. How is the car serviced and repaired?

7.1 You will be expected to check water levels, tyre pressure etc. regularly and keep the car clean.

7.2 Instructions about servicing and repairs are included in the car documentation and must be followed carefully to avoid invalidating the terms of the lease. You must take the car to one of a number of nominated garages for servicing. AA type membership (including relay) is included for unexpected breakdowns. You will not be expected to pay for the repair of normal wear and tear or that recoverable through insurers, but you will have to pay for wilful damage or neglect.

8. How do I pay for my private mileage?

Each month you will submit an expense claim on the eExpenses system. You will be required to record your own private and official mileage. The agreed cost of your private mileage and fixed costs will be deducted over the year. If you are paid monthly, there will be 12 equal monthly deductions from your salary. This will, of course, be offset in part by payments the Board will make to you for your petrol for your official mileage (see item 5).

9. What happens if I leave or retire during the 3 year contract?

9.1 If you anticipate that you will retire or leave the NHS within the 3 years of the contract, the supplier will quote a higher rental for the shorter period. Alternatively, you may be able to buy the car at auction cost price when you leave. You should advise us on your application form if you wish this to be checked for you.

9.2 If the period of your contract has not been reduced and you leave the NHS, retire or are dismissed or disqualified from driving, the Board may be unable to re-allocate your car to another member of staff. Any penalty charged to the Board by the

supplier will be passed on to you. Depending on the time the contract has run, this may be anything from 6 months full rental to nothing. You will be given more specific details before committing yourself.

9.3 In addition, no matter what car you have, final settlement of any under or overestimation of private mileage will be calculated.

9.4 It may be possible to keep the car if transferring to another health board.

9.5 Staff who leave on ill health grounds, redundancy, retirement in the interests of the efficiency of the service, moved internally to a post without a car user status or moved to another NHS board will not be penalised, nor will the estate of those who die in service.

10. What happens if I am absent from work for a lengthy period?

During maternity leave, long term sickness or long periods of study or special leave, you may choose either:

a) To continue to use the car for private use at the agreed charge;

Or

b) To return the car to the Board (in which case there is no financial penalty).

11. What is my liability for tax?

11.1 If you decide to take up an offer of a leased car, an individual return providing details of your car lease is required to be made on your behalf by the Car Leasing Section to the Inland Revenue.

11.2 An employee who contracts for private use of a leased car may deduct the whole of his/her contribution for such use against the Inland Revenue's assessment of the taxable benefit of use of a leased car for private purposes. Tax will be payable on the balance remaining.

11.3 The car benefit is calculated according to the fuel emission (CO² rating) of your car. To calculate the amount of tax applicable a ready reckoner is shown below. Multiply the list price of the car (this figure is given by the lease company) by the appropriate percentage according to the CO² level of the car for your specific fuel type (you should always round down the CO² to the nearest 5g/km). From this figure your total annual contributions should be deducted. The figure left is your car benefit and you pay tax, at your marginal rate, on this figure.

CO ² emissions	Petrol	Diesel		CO ² emissions	Petrol	Diesel		CO ² emissions	Petrol	Diesel
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s in g/km	% of cars List price	% of cars List price	in g/km	% of cars List price	% of cars List price	in g/km	% of cars List price	% of cars List price
	2012/13	2012/13		2013/14	2013/14		2014/15	2014/15
1-75	5	8	1-75	5	8	1-75	5	8
76-99	10	13	76-94	10	13	76-94	10	13
100-104	11	14	95-99	11	14	95-99	11	14
105-109	12	15	100-104	12	15	100-104	12	15
110-114	13	16	105-109	13	16	105-109	13	16
115-119	14	17	110-114	14	17	110-114	14	17
120-124	15	18	115-119	15	18	115-119	15	18
125-129	16	19	120-124	16	19	120-124	16	19
130-134	17	20	125-129	17	20	125-129	17	20
135-139	18	21	130-134	18	21	130-134	18	21
140-144	19	22	135-139	19	22	135-139	19	22
145-149	20	23	140-144	20	23	140-144	20	23
150-154	21	24	145-149	21	24	145-149	21	24
155-159	22	25	150-154	22	25	150-154	22	25
160-164	23	26	155-159	23	26	155-159	23	26
165-169	24	27	160-164	24	27	160-164	24	27
170-174	25	28	165-169	25	28	165-169	25	28
175-179	26	29	170-174	26	29	170-174	26	29
180-184	27	30	175-179	27	30	175-179	27	30
185-189	28	31	180-184	28	31	180-184	28	31
190-194	29	32	185-189	29	32	185-189	29	32
195-199	30	33	190-194	30	33	190-194	30	33
200-204	31	34	195-199	31	34	195-199	31	34
205-209	32	35	200-204	32	35	200-204	32	35
210-214	33	35	205-209	33	35	205-209	33	35
215-219	34	35	210-214	34	35	210-214	34	35
220 or more	35	35	215 or more	35	35	215 or more	35	35

Example for year 2013/14:

CO² level is 177, fuel type is Petrol, List Price = £10,000 and annual contributions are £1200.
Therefore: £10,000 x 27% (the % applicable to 175 in the fuel emission table) - £1200 = £1,500
If you pay tax at 20% then you will be liable to pay 20% x £1,500 = £300 per annum

12. What happens if I under/overestimate my private mileage?

The leasing company will notify the Car Leasing Section at NHS Greater Glasgow & Clyde of any rebate or extra charge to the rental already paid. You will be required to pay any extra charges levied. This will be required as a lump sum at the end of the contract, but if you anticipate that you will have to make additional payments, you can ask the Car Leasing Section to adjust your payments at the end of the first and second years of the contract period.

13. I am interested. How do I apply for a Leased Car?

Please request an application form from:

HR Dept The
State Hospital
Carstairs Junction
Lanark ML11
8RP

14. Who should I contact initially for information on how leased cars work?

You will get information from

Car Leasing Section
Pay Department
NHS Greater Glasgow & Clyde
140 Fifty Pitches Road
Cardonald Business Park
Glasgow
G51 4ED

Telephone Number: 0141-278-2879 - Elaine McLaughlan (Manager)
0141-278-2884 - Jim Brooksbank (Assistant Manager)