

WHST Car Leasing Factsheet for staff

This factsheet is intended to assist staff considering entering the WHST Leased Car Scheme.

1. Car Leasing Guidance

The option to enter into the car leasing scheme is **only** open to WHST employees who are classified as regular/essential users; i.e. employees must either:

- drive at least 3,500 business miles a year; or
- use a vehicle 156 days of the year plus travel at least 1,250 miles; or
- use a vehicle 208 days of the year plus travel at least 1,000 miles; or
- spend an average of at least 50% of their time on business travel, including the duties performed during the visits.

Employees should maintain records of travel claimed in order to produce evidence of their eligibility for the scheme, if requested by their Line Manager.

Employees must complete the Leased Car Initial Enquiry form, LC1, (Available on Intranet) in full, and send to the Car Leasing Section, Finance Department, Administration Offices, Gransha.

The following information is required on the form:

- Details of a maximum of three vehicles for which quotations are required including preferred make, model, CC, fuel type, colour, extras, etc.
- Confirmation from the employee's line manager certifying that the employee fulfils the necessary criteria and is eligible to enter the car leasing scheme and sign the Leased Car Initial Enquiry form, LC1.
- Line Manager's signature

Please note: It is the responsibility of the leased car applicant to find out all the relevant details about the model of the car and note the exact specifications on the form. Staff will not be given new quotes by sending additional information at a later date.

Failure to complete the form correctly will result in a delay in processing the application.

Once a fully completed application form is received, Finance Department searches for the company with the most competitive price for the lease.

The applicant will be contacted by e-mail within approximately 2 weeks to advise them of quoted prices, expected salary deduction, estimated delivery date and associated benefit in kind figures for tax purposes.

If the applicant decides to proceed they should complete the following:

- Appendix 2 – Leased Car Application form, LC2 – available on Intranet
- Appendix 3 – Leased Car Contract agreement, Form LC3 available on Intranet – applicant to complete with monthly price quoted, sign and date
- Appendix 4 – Leased Car Insurance detail, Form LC4.

The applicant will be advised of the delivery date when this is confirmed with the leased car company.

The leasing contract lasts for 3 years and includes the following:

- Fully comprehensive insurance (employees in the leased car scheme will receive their insurance certificate each year after renewal of the Trust's policy)
- Free maintenance – leased car users should take their car to the local franchise dealer and advise that it is a leased car from WHSCT in accordance with information provided in their service pack.
- Free tyre replacements- leased car users should take their car to the local franchise dealer and advise that it is a leased car from WHSCT in accordance with information provided in their service pack.
- Free AA-membership employees will be given a membership number when they receive their car
- Free Road tax – tax disc will be provided when the car is received and will be sent out each year on renewal. The onus is on the employee to ensure a valid tax disc is displayed on the vehicle at all times.

The employee will be notified 12 weeks prior to the end of their lease term that the contract is due to expire soon. At the end of the 3 year term the driver has the option to purchase the car. Employees should contact the Car Leasing staff in Finance to ask for a purchase price at least one month before the end of their contract.

Termination of the contract before the end of the 3 year lease term will result in a termination fee.

If the employee chooses not to purchase the leased car at the end of the three year term, it is returned to the Car Leasing Company.

The employee is responsible for any damages to the vehicle beyond normal wear and tear on its return.

The employee is also responsible for any charge for excess of personal miles. The Trust is responsible for any charge for excess business miles.

The Trust makes a compulsory Benefit in Kind return annually to HMRC on behalf of employees with leased cars.

On completion of the term of each leased car contract, the Finance Department informs the Payroll Department and the HMRC of its cessation.

The following figures are illustrative as an example of a leased car agreement:

Ford Focus, 1.6 TDCi ZETEC, 5 door with metallic paint,

Private mileage = 10,000 per annum

Business mileage = 5,000 per annum

Monthly deduction from salary = £139.65 per month

Taxable Benefit = £14 per month tax for basic rate taxpayer, £28 per month tax for higher rate taxpayer

Please note that these figures are for example only and will vary depending on your mileage, type and spec of car and personal tax circumstances.

2. Leased Car Insurance

The employee may add as many people as required to the insurance. Details of the driver's name, date of birth, and confirmation that he/she has a full UK driving licence must be sent in writing to the Leased Car Section, Finance Department.

Insurance renewal takes place each year on 1st August of each year.

The Leased Car section, Finance Department issues the annual insurance certificates to each leased car holder for them to retain.

The Leased Car Section informs each leased car holder of any increase/decrease in their monthly contribution after each annual renewal of insurance.

3. Procedure for reporting accident

If leased car holders have an accident involving a leased car, they must report the incident to the Finance Department as soon as possible, within normal office hours.

The telephone number for the Leased Car Section, Finance Department is (028) 71 865 277 or Tie line (7424) 21 7156.

The driver will be informed to take the car as soon as possible to the designated garage for an estimate of the damage.

The employee needs to complete an Accident Report form, Form LC5, available on the intranet, and return, as soon as possible, to Car Leasing Section, Finance Department, for forwarding to the insurance company.

Once the insurance company authorises repair of the vehicle, the Leased Car Section informs the driver to proceed with the repair work and the designated garage.

If leased car holders have an accident involving a leased car which takes place during private miles and the Trust driver is responsible, the Finance Department will invoice to the driver for the excess sum as specified in the insurance document.

4. Windscreen damage

If a leased car holder experiences windscreen damage, he/she must phone National Windscreens (0800 0820002) to arrange the necessary windscreen repair/replacement.

If the cost of the repair/replacement exceeds £150, leased car holders must follow the same procedure as that for reporting an accident, detailed in section 3 above, and report the incident to Leased Car Section, Finance Department.

If windscreen damage occurs outside working hours, the leased car holder is required to pay the excess sum as specified in the insurance document.

If windscreen damage occurs within working hours, the Trust pays the excess sum as specified in the insurance document.