

Green Car Scheme Frequently Asked Questions

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1. What is the Green Car Scheme?

The Car Scheme is a cost-effective way to lease a brand-new Electric or Hybrid car via salary sacrifice. There is no credit check or deposit required and everything is included, insurance, servicing, maintenance, repairs, MOT costs, road tax and breakdown assistance. The only additional expense would be the cost of consumables. The Car Scheme is operated by [NHS Fleet Solutions](#).

2. How does the Scheme work?

You will pay for the cost of your new car by way of a salary sacrifice arrangement. This arrangement is a lease agreement between yourself and NHS Fleet Solutions which includes a Contract Variation with North Ayrshire Council. A salary sacrifice is where you give up part of your salary for an agreed period in exchange for a non-cash benefit, in this case the lease of a brand-new Electric or Hybrid car.

Each pay period, the salary sacrifice payment will be deducted from your gross salary. This reduces your gross pay that is liable for Tax, National Insurance (NI) and Pension contributions meaning you will pay less Tax, NI and Pension. If you are currently below the threshold to pay Tax and NI, you will not benefit from the salary sacrifice saving.

3. What is the duration of the lease?

Employees can choose, at quotation stage, the length of the agreement they would prefer, 24 or 36 months. Special offers promoted via the special offers tab on the quotation site have a set length of agreement and cannot be changed.

4. Who can participate in the Scheme?

The Scheme is open to all employees who have a permanent contract. Employees who are on a temporary contract may also be eligible depending on the duration of their contract. The Scheme is also open to Elected Members.

Eligible Council employees must fulfil the following criteria:

- Have an employment contract that exceeds the duration of the lease.
- Remain above the National Minimum Wage after the salary sacrifice reduction.

5. What happens if I don't meet the eligibility criteria?

You will be contacted by NHS Fleet Solutions to advise your application has been declined and your order will be cancelled.

6. I work part-time, can I apply?

Yes, employees who work part-time, job-share or have other flexible working patterns can apply. Approval will be subject to meeting the criteria outlined at [Question 4](#).

7. I am a casual worker, can I apply?

No, the Scheme is only available to employees who have a permanent or temporary contract.

8. What is the process for getting a car?

[Create an account with NHS Fleet Solutions](#) using North Ayrshire Council's VPD Code: L59. Once your NHS Fleet Solutions account has been created, you can then browse through the range of cars and get a quote.

9. I live across the water, do I need to collect my car from the mainland?

Yes, cars can only be collected from the mainland. A Council premise as the collection point is advised however, can be a mutually agreed location between yourself and NHS Fleet Solutions.

10. Do I own the car and what happens to the car at the end of the Scheme?

The leasing company remain the legal owner of the car throughout the lease agreement period. The lease agreement is between yourself and NHS Fleet Solutions. At the end of the salary sacrifice agreement, NHS Fleet Solutions will arrange for the car to be returned to the leasing company. Assuming there is no damage, over and above fair wear and tear, and the agreed mileage has not been exceeded there will be no further charge. You will have the opportunity to arrange a new salary sacrifice agreement prior to the termination date to ensure that delivery of your new car coincides with the date for returning the existing car.

To discuss purchasing the car outright at the end of your lease agreement, please contact NHS Fleet Solutions at enquiry@nhsfleetsolutions.co.uk or by telephone on 0344 811 8228.

11. Do I need to insure the car?

Fully comprehensive insurance cover is included in the Scheme. The car will be insured for social, domestic and pleasure purposes including commuting to/from your permanent place of work, and related Council business use such as attending a meeting which is associated with your job and is held at a location that is not your permanent place of work. The insurance does not cover business use which is not related to the Council. The standard insurance includes cover for yourself and up to four additional drivers.

In the event of a claim, you are liable to pay the excess rate applicable as detailed within the brochure. NHS Fleet Solutions will invoice you for this. Should you not pay this invoice within two months, the amount payable will be deducted from your next available pay which may result in a zero pay being generated for you depending on your earnings.

Further information is given within NHS Fleet Solutions Brochure 'Insurance' section.

12. Who is responsible for the maintenance of the car?

All routine servicing and repair costs arising from normal usage of the car are included in your salary sacrifice however, it is your responsibility to ensure you keep up to date with the routine manufacturer's service requirements of the car. You would book the service directly with your local franchised dealer for the servicing work to be carried out.

13. Is a home-charging point installation included?

Home-charging points are available for fully electric vehicles. To benefit from the applicable salary sacrifice savings, the home charging point should be included in your original order during the quotation stage. It is expected that you will consider your driveway/home parking arrangements to ensure they are suitable for a charging point to be installed. The home charging point remains installed once the lease agreement has ended.

NHS Fleet Solutions partner with two providers, Pod Point & Ohme, and you can choose which unit you prefer by conducting your own independent research. Pod Point or Ohme then arrange the installation directly with you.

14. Where can I charge my leased car?

You can charge your car at any of the public charging points listed on [Charge Place Scotland](#). Workplace charging points cannot be used unless it is also a public charging point.

15. Can I change the annual mileage during the lease term?

No.

16. What happens if I have exceeded the agreed mileage by the end of the lease term?

You will be invoiced by NHS Fleet Solutions based on a cost per additional mile as follows:

- Full electric – 12p per mile
- Hybrid (Petrol/Diesel) – 12p per mile
- Plug-in Hybrid Electric Vehicle (PHEV) – 18p per mile

This invoice is payable in full within 2 months which thereafter if not settled, the full amount will be deducted from your next available pay which may result in a zero pay being generated for you depending on your earnings. If your agreed mileage is less by the end of the lease term, you will not be eligible for a rebate.

17. Can I claim mileage for business use?

Yes, you can claim business mileage subject to the existing terms and conditions, and is payable at His Majesty's Revenue & Customs (HMRC) [Advisory fuel rates](#). Please note these **rates are lower** than the rates currently paid as a car leased via the salary sacrifice scheme is deemed a company car. The mileage rates are reimbursed according to the HMRC rates and vary depending on size of engine.

18. Can I have additional named drivers and does this impact the salary sacrifice deduction amount?

Yes, a named driver can be added to the insurance at any point during the lease agreement (a maximum of 4 named drivers are permitted), subject to driving licence checks. It doesn't affect the salary sacrifice amount however, adding a young driver will incur an additional premium, this is based on the age of the youngest driver and will be applied throughout the full duration of your lease agreement.

Further information is given within NHS Fleet Solutions Brochure 'Drivers' section. Should you have any questions about adding named drivers to the insurance, please contact NHS Fleet Solutions on 0344 811 8228 or by email at enquiry@nhsfleetsolutions.co.uk

19. Can I participate in the Car Scheme as well as the Council's other salary sacrifice schemes?

Yes, you can participate in any salary sacrifice schemes that the Council runs, provided that the total salary sacrifice deductions from your salary for all schemes does not take your salary below the National Minimum Wage.

20. I have applied for other salary sacrifice schemes but deductions from my pay have not started yet, do I need to include these in my car quote?

Yes.

21. Can I leave the Car Scheme if I change my mind?

If you cancel your agreement prior to delivery of the car, you will be liable to pay £500 (plus VAT). If you cancel your agreement after delivery has been arranged with the dealership, you will be liable to pay the first year's early termination amount detailed in your official order form. In both instances, NHS Fleet Solutions Aftercare Team will contact you regarding payment. There is no 'cooling-off' period in this Scheme. Additionally, agreements can only be terminated early if you meet [HMRC 'Lifestyle Changes' criteria](#).

22. What is meant by 'major lifestyle change' within NHS Fleet Solutions brochure?

Lifestyle changes relate to changes to circumstances directly arising because of marriage, divorce, partner becoming redundant or pregnant - this list is not exhaustive.

23. The Car Scheme order form is asking me to provide monthly amounts for my other salary sacrifice arrangements – how do I calculate this if I am weekly/fortnightly paid?

Weekly: take your salary sacrifice amount as displayed on your payslip, multiply it by 52 (weeks) then divide by 12 (months) – this will give you the equivalent monthly figure you should enter on your Car order form.

Fortnightly: take your salary sacrifice amount as displayed on your payslip, multiply it by 26 (weeks) then divide by 12 (months) – this will give you the equivalent monthly figure you should enter on your Car order form.

If you are eligible for the Scheme and are weekly/fortnightly paid, you will be required to complete a mandate to give your consent to the Payroll Team to calculate and convert the monthly gross salary sacrifice amount to your current pay frequency to allow deduction from your pay.

Other salary sacrifice arrangements include the Cycle to Work Scheme, Childcare Vouchers and Shared Cost AVCS.

24. My NHS Fleet Solutions account says my car order is awaiting employer approval, how long does it take the Council to approve/decline my order?

The Payroll Team will action your car order within 2-3 working days.

25. I have not received confirmation if my car order has been approved/declined and it is now over the 7-day quote expiry period, what happens now?

You will be issued with another quote which may not have the same figures as your initial quote. You will have the option to accept or decline any change to your initial quote.

26. What happens if my car order is declined?

NHS Fleet Solutions will notify you via e-mail which will include contact details should you require any further information.

27. When do I start paying?

Your deductions will usually commence on the first available pay date once you receive the car.

28. Will my tax code change?

NHS Fleet Solutions will issue a P46 notification to HMRC when your car has been delivered, replaced or handed back. Payroll will apply the tax code to your next available pay following receipt of the notification from HMRC. HMRC will also review your tax coding after the end of each financial year and will issue Payroll with an amended tax code if required.

29. The amount deducted on my payslip looks high, am I making sufficient savings?

The amount shown as deducted on your payslip is the gross amount. The payslip does not show the savings which are made on Tax, NI and Pension as these will be lower than your normal amount. The anticipated annual savings are detailed in your official order form. It may be helpful to compare your Tax, NI and Pension deductions to a payslip from a previous pay period before your Car salary sacrifice deduction started. Please be mindful of any tax code changes that may have occurred when comparing your payslips, as this will have an impact on your tax deductions.

30. What happens if my circumstances change, and I remain above the National Minimum Wage?

You will remain in the Scheme and will continue to make your salary sacrifice deductions on your lower salary.

31. What happens if my circumstances change making me fall below the National Minimum Wage?

You will no longer be eligible which means you will be removed from the Scheme and your deductions will stop. You will be charged the early termination amount as detailed in your official order form.

NHS Fleet Solutions Aftercare Team will send you an early termination application for your completion along with instructions on how to pay the early termination fee. The aftercare team will also liaise with you with regards to the collection and return of the car.

32. What happens to my payments when I am on sick/maternity/paternity/adoption/shared parental/parental leave?

If you are in receipt of a car prior to being absent from work, this will affect your Average Weekly Earnings (AWE). See [Question 39](#).

During periods of leave, your salary sacrifice deduction will remain in place and will apply to any occupational pay. When you are receiving statutory payments only, such as Statutory Maternity Pay, Statutory Paternity Pay etc, the Council will pay your Car Scheme deduction up to the value stated on the insurance document. Once you return to work any value exceeding the level of insurance will be calculated, you will be issued with an invoice for repayment, and your car lease deduction will be reinstated for the remainder of your lease term. This also applies to unpaid periods of leave during family leave.

If you do not return to work after the unpaid period of your leave, you will no longer be eligible to participate in the Car Scheme, you will be removed from the Car Scheme and your deductions will stop. You will be charged the early termination amount as detailed in your official order form.

NHS Fleet Solutions Aftercare Team will send you an early termination application for your completion along with instructions on how to pay the early termination fee. The aftercare team will also liaise with you with regards to the collection and return of the car.

33. Can I apply if I am currently on sick/maternity/paternity/adoption/shared parental/parental leave?

You can request to participate in the Car Scheme and approval will be subject to meeting the criteria outlines at [Question 4](#).

34. What happens if I am on other paid leave?

In terms of other paid leave for example, annual leave, public holidays and paternity leave, the salary sacrifice arrangements will continue to operate during these periods.

35. What happens if my employment contract is terminated, or I leave the Council?

Should you resign or should your contract be terminated through any of the Council's policies or procedures before the full amount is paid, you will be removed from the Car Scheme and your deductions will stop. You will be charged the early termination amount as detailed in your official order form.

NHS Fleet Solutions Aftercare Team will send you an early termination application for your completion along with instructions on how to pay the early termination fee. The aftercare team will also liaise with you with regards to the collection and return of the car. The termination fee will not apply where you are retired on ill-health grounds, leave North Ayrshire Council due to a service review or die in service.

If you are moving jobs to a different employer, you can check if they offer the same Car Scheme and if they will allow for your salary sacrifice arrangement to be transferred to them. You will need to notify NHS Fleet Solutions of your intentions to do this to avoid early termination of your lease agreement and subsequently incurring the early termination fee as detailed in your official order form.

36. I have moved home address, do I need to notify NHS Fleet Solutions?

Yes, you must maintain and update your personal details within your NHS Fleet Solutions account.

37. I have received a parking/fixed penalty fine on my leased car, what do I do?

All parking fines, fixed penalty fines, leasing company administration charges associated with speeding or parking fines or similar penalties are your responsibility. The Council accepts no responsibility to meet payments of this kind. If you fail to pay any penalties, NHS Fleet Solutions will invoice you directly.

This invoice is payable in full within 2 months which thereafter if not settled, the full amount will be deducted from your next available pay which may result in a zero pay being generated for you depending on your earnings.

38. Why has my Car Tax Liability amount changed?

The car tax liability is Benefit-In-Kind (BIK) tax, levied by the government. The liability shows as an increase on the order form in concurrent years in line with the information published by the government at the time of your agreement [BIK rates](#).

39. Will participating in the Scheme impact my entitlement to state benefits?

Your state benefits may be impacted if you are paid close to the lower earnings limit for [National Insurance Contributions](#).

A salary sacrifice arrangement (such as this Car Scheme) will result in you having lower Average Weekly Earnings (AWE) therefore, may affect your entitlement to:

- Statutory Sick Pay (SSP)
- Statutory Maternity Pay (SMP)
- Statutory Paternity (SPP)
- Statutory Adoption Pay (SAP)

Statutory payments are calculated based on the amount of average weekly earnings you receive.

For SSP, this would be the eight-week period before you were sick.

For SMP, this would be the eight-week period prior to the qualifying week (15 weeks before the baby is due).

For SPP, this would be the eight-week period prior to the confinement week (15 weeks before the child's birth/placement)

For SAP, this would be the 8 weeks before the date of placement of the child.

40. I receive child benefit payments and/or universal credit, do these payments contribute to my affordability of getting a car?

No, the Car scheme is a Salary Sacrifice scheme which means your affordability is based on your salary alone – you should be entering your annual gross salary as displayed on your payslip when completing your car quote.

41. Will participating in the Scheme affect my entitlement to state pension?

The Car Scheme may impact your state pension entitlement due to your deductions reducing your earnings on which your National Insurance contributions are taken.

Further information on [state pension](#) is available.

42. Will participating in the Car Scheme affect my pension contributions?

Yes, please see examples provided within NHS Fleet Solutions brochure.

43. What happens to the savings quoted on my order form if I choose to opt in/out of the pension fund?

Should you choose to opt out of the pension fund during your car lease term, your pension contributions will stop, and you will not benefit from any pension savings.

Should you not already be a member of the pension fund and choose to opt in during your car lease term, you will benefit from the applicable pension savings when your pension contributions commence from your pay.

44. I have applied for VER, can I apply for a car?

If you have applied for VER, please wait until you receive your VER outcome before applying to participate in this Scheme.

45. What is meant by 'redundancy' within NHS Fleet Solutions brochure?

Redundancy is mentioned as standard within NHS Fleet Solutions brochures, North Ayrshire Council have a no compulsory redundancy policy.

46. What is meant by 'higher notional pay' within NHS Fleet Solutions brochure?

This means the original gross salary prior to entering into the Car Scheme.

For example, when the lease agreement comes to an end and the car is returned, the Variation of Contract will end and you will revert to your original gross salary or if the lease agreement is terminated early and you are removed from the Scheme, this will result in you returning to your original gross salary.