

# Sustainable Travel Policy



WORKING TOGETHER

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## Overview

This policy applies to all employees of Chorley and South Ribble Borough Councils and their wholly owned companies.

This policy establishes benefits to support sustainable travel, offering alternative, environmentally friendly options to high emission car travel.

The councils are committed to the Green Agenda and of becoming carbon neutral. By providing the annual rail season ticket, a cycle scheme and access to low emission lease cars, the councils are able to make an effective contribution to reducing the number of high emission vehicles on the road, helping reduce levels of congestion, in turn reducing damage and contributing to preserving the local environment.

This document is part of a family of policies which provide advice and information on employee benefits; see the Expenses, Long Service, Pensions and Retirement, and Reservist policies for more information.

## Policy Objective

This policy has been designed to provide guidance and information to employees.

This benefit is designed to provide a financially viable alternative to high emission car travel, through salary sacrifice and deduction schemes which support sustainable travel.

This policy aims to describe the details of the scheme, eligibility, and how to apply. Any queries not covered within the body of this policy should be referred to HR.

## Eligibility

Specific eligibility for each scheme is detailed in the relevant section.

The total amount of salary an employee can sacrifice across all salary sacrifice schemes (Childcare, cycle scheme, car lease etc) must not reduce their remaining income to below the minimum wage.

## Northern Rail Season Ticket

An annual rail season ticket offers around 12 weeks' worth of savings with the cost of the ticket spread into 12 monthly salary deductions. Salary deductions are taken from employees' net pay, so there are no tax or NI implications. This is not a salary sacrifice scheme. In effect, the councils are offering employees an interest free loan.

The ticket enables you to travel from an 'origin' station to a 'destination' station and any station in-between for a year for a fixed price. It will save you time and money if you travel on the same route regularly and can also be used evenings and weekends. You can use the season ticket on any train operators service between your two chosen stations.

Multi-modal tickets are available which means you can also travel on buses. For example, an employee may need to catch the bus to Preston train station before boarding their train. This ticket does not cover any costs associated with parking.

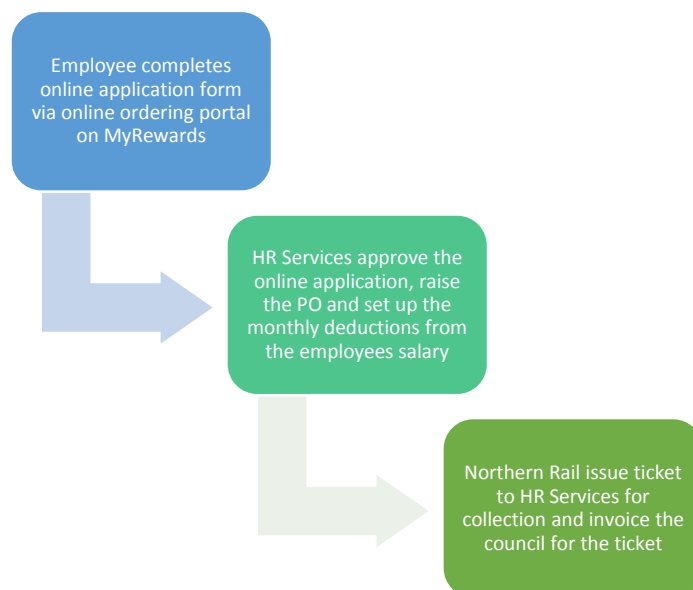
### Eligibility

To take advantage of the Northern Corporate Season Ticket Scheme, you must fulfil the following eligibility criteria:

- be a UK taxpayer.
- be aged 18 years or over to satisfy the requirements of the Consumer Credit Act.
- have a permanent or fixed term (full or part-time) contract (whose remaining contract length is longer than the term of the scheme ie a minimum of 12 months) and have successfully completed your probationary period. The scheme is not open to casual employees or elected Council Members.
- Be above the national minimum wage threshold / lower earnings limit after the monthly salary sacrifice deduction has been made (taking into account any other salary sacrifice or salary deductions which are attached to your earnings).

The councils reserve the right to decline any application, whilst providing full details and the reason for the decision. The councils have the discretion to withdraw the facility at any time but will endeavour to ensure that any current or pre-ordered tickets will be honoured, unless there are conditions beyond the councils' control.

## How to apply



Tickets issued will commence on 1<sup>st</sup> of the month and applications must be confirmed at least one full month prior.

When completing your application form via the online ordering portal, you will need to use the 'Season Ticket Calculator' to calculate the price of your annual ticket, giving details of your 'origin' and 'destination' station. You will also need to upload a passport sized photograph if you do not already have a photocard.

## Paid and unpaid leave

There may be circumstances in which you are absent from work for long periods: for example, maternity leave, adoption leave, parental leave, or long term sickness. If you are still being paid deductions will continue to be made unless you are receiving only SSP or statutory maternity pay. If deductions cannot be made, the amount owing to the council will be reclaimed, once you return into paid employment, in consultation with yourself.

Alternatively, you can surrender your ticket for a refund back to HR.

## Leaving the councils

If your employment with the Council comes to an end, you must return your ticket to HR who will post the ticket onto the Northern with confirmation of the surrendered date.

The Council will then arrange an adjustment to the outstanding loan and ensure any amount owed is deducted in full from your final salary. If you wish to keep the ticket, the total amount of the outstanding loan must be paid, otherwise the ticket must be surrendered.

By entering into the scheme, you agree that if your employment with us comes to an end, we may deduct any monies owing to the Council. The exception to this is if you are made redundant.

Please note that the 12 weeks free period is initiated from week 40 of the annual period therefore there is no refund value from the 40<sup>th</sup> week.

## Cycle Scheme

This initiative allows employers to buy bicycles and safety equipment and loan them to employees as a tax-free benefit. As a Council employee you can benefit from Income Tax and National Insurance savings, allowing you to enjoy a significant discount (anything up to 50%) on the cost of a new bike.

Deductions are taken from employees' gross pay, so before tax and national insurance. This is a salary sacrifice scheme where an employee gives up the right to receive part of the cash pay due under their contract of employment. This sacrifice is made in return for the employer's agreement to provide the employee with some form of non-cash benefit, in this case the use of a bicycle.

### Eligibility

The scheme is open to all employees who have a contract of employment of at least 12 months who meet the minimum earning requirements.

In order to qualify for the tax exemption, the following conditions need to be met:

- Ownership of the equipment is not transferred to the employee during the 12 month repayment period.
- Employees who sign up to the scheme will be required to use the equipment for more than 50% of the journeys made between home and the workplace, or for part of these journeys (ie, to the station), or from one workplace to another.
- Employees must be over 18 to qualify.

Should HMRC audit the journey amount and an employee is below the limits required then they would be liable for the tax and NI implications for both themselves and the councils.

### How to apply

The scheme is administered on behalf of the councils through MyRewards. Applications should be submitted using the portal on MyRewards which also contains information on the full terms and conditions of the scheme.

The portal also provides information on the minimum earnings requirements which must be met for an application to be approved.

### Paid and unpaid leave

There may be circumstances in which you are absent from work for long periods: for example, maternity leave, adoption leave, parental leave, or long-term sickness. If you are still being paid, deductions will continue to be made unless you are receiving only SSP or statutory maternity/adoption pay. If deductions cannot be made, a payment holiday may be offered. This should be discussed with HR.

### Leaving the councils

Employees who leave the councils regardless of the reason will be obliged to pay the remaining cost of the lease; this outstanding amount will include the Tax and NI element. The contract which they will enter into will clearly state this and any outstanding monies will

be recovered from their final salary. Where the remainder is greater, they will be invoiced for the outstanding amount.



## Car Lease Scheme

This scheme allows eligible employees to sacrifice part of their salary to lease a new car. This gives tax savings for the employee and NI savings for the employer. The car does not have to be used for work purposes.

### Eligibility

This scheme is accessible to all employees providing that they have an employment contract length that is as a minimum the same as the period of the lease, normally three years.

### Vehicle Restrictions

In order to support the councils' commitments to the Green Agenda any vehicle must be an Ultra-Low Emission Vehicle (ULEV). A ULEV is a low emission car or van that emits 75g/km CO<sub>2</sub> or less, based on the NEDC test. ULEVs include pure electric vehicles, electric range-extender vehicles, and plug-in hybrids (PHEVs).

Restrictions will be reviewed every three years as the availability and affordability of new fully electric vehicles increases in the marketplace.

### Employee benefits and how to apply

The scheme is administered through a third-party provider which can be accessed through My Rewards. Further details on the benefits to employees and terms and conditions are detailed on MyRewards.