

Equality Impact Analysis Record Form 2021 – Derbyshire County Council

Part 1. Introduction and context

Policy/ Service under development/ review		Hybrid and Electric Vehicle Salary Sacrifice Scheme			
Department/ Enterprising Council Workstream		Place			
Lead officer/ Workstream Lead		Michael Reardon/Scott Davis			
EIA Team:		Pay and Reward			
Date analysis commenced:	28/09/2022	Date completed:	11 November 2022	Date approved:	
Aims/ objectives of the policy/ service?					
<p>We are seeking to implement a new employee benefit; a Salary Sacrifice Electric Vehicle Scheme. This scheme will support the Place departments ambition to be net zero by 2050 by encouraging staff to play their part in reducing vehicle emissions. It will afford eligible employees the opportunity to lease a brand-new hybrid or electric car at a fixed monthly price, inclusive of car insurance, road tax, MOT, replacement tyres and accident assistance. As the scheme will operate on a salary sacrifice basis, it will also allow eligible employees to benefit from tax relief as well as lower National Insurance Contributions (NICs). In addition, the Council will also benefit from paying lower NICs. The Council currently provides employee benefits through salary sacrifice arrangements for Childcare Vouchers, Cycle to Work and Shared Cost Additional Voluntary Pension Contributions.</p>					

What outcomes will be achieved with the new or changing policy/ service?
Implementation of the scheme aligns to the Councils Low Emissions Vehicle Infrastructure Strategy and action plan, supporting the Council's ambition of being net zero by 2050. A new employee benefit will also add to the Council's Employer Value Proposition (EVP), forming part of the Council's employer branding, contributing to attracting, retaining and engaging employees. The scheme will also support the Council and employee in making NIC savings.
Please list any associated policies, services, or functions?
N/A
Please list the main people or groups that this policy/ service is designed to benefit and any other stakeholder involvement?
<p>The scheme is designed to benefit all employees subject to meeting the eligibility criteria.</p> <p>The scheme is also available to benefit those who do not hold a driving licence but have the ability to nominate someone else on the insurance policy. This enables employees who may not hold a driving licence due to disability to benefit from the scheme.</p>
Will the policy/ service and any changes impact on any other organisations such as community and voluntary sector groups?
N/A

Part 2. Supporting evidence

Please list and/ or link to below any recent and relevant consultation and engagement that can be used to demonstrate clear understanding of those with a legitimate interest in the policy/ service and the relevant findings:

The links below provide further information and reading on the Council's priorities and journey to achieving net zero. They highlight the need to take a holistic approach through working with communities, businesses, and borough Councils to reduce carbon emissions. The priorities detailed in the Vision Derbyshire Climate Change Strategy include the need to promote the uptake of electric vehicles.

<https://www.derbyshire.gov.uk/environment/climate-change/our-journey-to-carbon-zero/our-journey-to-net-zero-carbon.aspx>

<https://www.derbyshire.gov.uk/site-elements/documents/pdf/environment/climate-change/vision-derbyshire-climate-change-strategy.pdf>

[Climate change strategy \(derbyshire.gov.uk\)](https://www.derbyshire.gov.uk/environment/climate-change/vision-derbyshire-climate-change-strategy.pdf)

If there is insufficient consultation or engagement information, please explain what action is being taken to obtain this information and when this consultation/ engagement will be completed and available:

N/A

Please list or link to any relevant research, data or intelligence, Observatory or any other information that is available and will be used to help complete the analysis?

See above regarding journey to net zero.

Please list or link below to any relevant service user/ customer or employee monitoring data and what it shows in relation to any Protected Characteristic (Age, Disability, Gender reassignment, Marriage and civil partnership, Pregnancy and maternity, Race and ethnicity, Religion and belief including non-belief, Sex or gender, Sexual orientation)

Employees will not be eligible if their pay falls below the National Living Wage (NLW) following the deduction of the gross salary sacrifice amount. If following the deduction of the gross salary sacrifice amount, their pay falls below the Lower Earnings Limit, they will be advised that the salary sacrifice will not provide any additional benefit and may impact their eligibility for statutory payments, such as Statutory Maternity Pay and Statutory Sick Pay. Only employees with a permanent contract will be eligible to participate in the scheme. Employees who are members of the Teachers' Pension Scheme (TPS) will not be able to participate due to pension regulations. As the scheme is based on salary sacrifice, Agency Workers will not be eligible due to not being in receipt of a salary.

Currently, employees pay must not fall below £9.50 per hour, meaning that to qualify for a £315 gross reduction in pay, an employee must be earning at least £22,107 (grade 6) to be eligible to participate in the scheme. As a form of protection against future rises in the NLW, the Council will only accept application from employees whose pay remains above the Real Living Wage, currently £10.90 per hour. Therefore based on this criteria, to qualify for a £315 gross reduction in pay employees must earn at least £24,808 (grade 8 and above).

Therefore, when pay is split into quartiles by hourly rates, it would mean the scheme would be largely inaccessible to employees in quartiles 3 and 4 (grades 1-8). The majority of employees in these quartiles are female (85%), of which 94% are part time workers, as highlighted in the [Gender Pay Gap Report 2021](#).

The [Equalities Report](#) details monitoring data for employees by department, grade and protected characteristic.

If there is insufficient information, please outline any plans to remedy this?

Part 3. Analysing and assessing the impact by equality Protected Characteristic group

Use the information, customer feedback and other evidence to determine upon whom the policy/ service and any proposed changes will impact upon and how, highlighting where these are negative or positive, including where this could constitute unfair treatment, additional inequality or disadvantage or result in hardship and exclusion.

Against any identified negative potential impacts you must provide details of any action or options which could mitigate against this, and in serious cases, you should highlight where the Council would be advised not to proceed with a new or changing policy or service, including any proposals which are being considered.

Please use your action plan attached to this analysis to record the action and the monitoring which will take place to deliver such mitigation.

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
1. Age	N/A	Employees who are eligible to participate in the scheme and are approaching retirement age may be impacted more significantly, especially if they had service prior to 1 April 2014. The calculation for somebody who has been leasing a Nissan Leaf for the persons final year of employment (excluding the CARE part) would be as follows: Total Annual Pension: £5,908.05 One off Lump Sum: £9846.75

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
		<p>The same calculation for somebody that was not leasing a lease car would be as below:</p> <p>Total Annual Pension: £6,758.55 (Difference of £850.50) One off Lump Sum: £11,264.25 (Difference of £1,417.50)</p>
2. Disability	The scheme is available to employees. Should an employee be unable to drive for any reason including due to a disability, they are able to nominate someone for the insurance policy so can still access the scheme.	N/A
3. Gender re-assignment	N/A	N/A
4. Marriage & civil partnership ¹	N/A	N/A
5. Pregnancy & maternity	If pregnant employees have a salary sacrifice hybrid or electric Vehicle, the Council will pay Tusker as deductions cannot be made from statutory entitlement. . On return to work or resignation, the arrears of payments are	If

¹ Under EA 2010 – someone in a CP must not be treated less favourably than a married person

Protected Characteristic or Group	Actual or potential positive outcome/ impact	Actual or potential negative outcome/ impact
	covered by Tusker's Employee Protections.	
6. Race & ethnicity	N/A	N/A
7. Religion/ belief ²	N/A	N/A
8. Sex or gender ³	N/A	Due to NLW requirements, the majority of employees in grades 1-7 will not be eligible for a Salary Sacrifice hybrid or electric Vehicle. As cited in the Gender Pay Gap report, the majority of these employees are female.
9. Sexual orientation	N/A	N/A
10. Human Rights	N/A	N/A
11. Thriving Communities	N/A	N/A
12. Rural communities	N/A	N/A
13. DCC Employees	The benefit is available to all eligible Council employees, subject to meeting NLW requirements.	
14. Community and Voluntary sector organisations working	N/A	N/A

² Under EA 2010 – must also consider non-religious belief

³ Sex and gender can be used at different times depending upon whether you are referring to the EA 2010 and the different duties which exist

<i>Protected Characteristic or Group</i>	<i>Actual or potential positive outcome/ impact</i>	<i>Actual or potential negative outcome/ impact</i>
with protected characteristic groups		
15. Other not listed above	N/A	N/A

Part 4. Summary of main findings

The Salary Sacrifice Hybrid or Electric Vehicle Scheme is being implemented to support the Place department's ambition of being net zero by 2025 through encouraging staff to play their part in lowering vehicle emissions. Employees can lease a brand-new Electric Vehicle for a monthly gross salary deduction inclusive of car insurance, road tax, MOT, replacement tyres and accident assistance. To be eligible for an electric vehicle employees must remain above the NLW following the deduction of the gross salary sacrifice, meaning those employees in grades 1-9 will typically not be able to access this benefit.

The majority of roles at grades 1-7 are female dominated and therefore, female employees are less likely to meet the eligibility criteria required to access the scheme.

Adjustments are in place to ensure that all employees are able to access the scheme (subject to meeting the NLW requirements) and that a third party can be nominated as the insured person on a car should an individual be unable to drive themselves.

--

Part 5. Equality Action Plan

Please complete this Action Plan for any negative or unknown impacts identified in the Analysis above.

Issue identified	Action required to reduce impact/ mitigate	Timescale and responsibility	Monitoring and review arrangements
Awareness about the scheme's eligibility	Develop and introduce a communication plan around the scheme to raise awareness about eligibility criteria.	Pay and Reward Team	Communications regarding the scheme will be reviewed on a regular basis to ensure they are accurate and in line with current legislation.
Understanding of the impact of maternity leave and sick leave on the salary sacrifice scheme and the impact of participating in the scheme may have on statutory entitlements.	Develop clear communication with employees prior to entering into an agreement	Pay and Reward Team	As above
Clear communications regarding the impact of participating in the salary	Liaise with Derbyshire Pension fund to develop clear communications with	Pay and Reward Team, Derbyshire Pension Fund.	As above

sacrifice scheme on pension entitlements, especially for employees who may be approaching retirement and also considering participating in the Electric and Hybrid Vehicle Salary Sacrifice Scheme.	employees prior to entering into an agreement		
---	---	--	--

Part 6. Date of any Cabinet/ Cabinet Member or Council Report to which this was attached and their decision:

Appointments and Conditions of Service Committee on 8 March 2023.