

# VIAPATH SEASON TICKET LOAN – Process guidance

## 1. Purpose

Viapath offers employees an interest free loan solely for the purchase of an Annual Season Ticket. This document sets out the arrangements and conditions of this Season Ticket Loan Scheme (*"the Scheme"*).

## 2. Scope

All Viapath employees who have passed their probation period are entitled to apply for a season ticket loan provided:

- their contract of employment is for a period which exceeds the expiry date of the travel pass (ie. a minimum of twelve months)
- their net monthly pay is sufficient to cover the monthly loan repayments.

Eligible employees include those who have TUPE-transferred into the organisation. Bank employees and independent consultants and contractors are excluded.

## 3. Aims

Viapath has this Scheme to help employees manage the costs associated with travelling to work on public transport.

## 4. Application Process

To obtain a season ticket loan employees are required to complete an application form. By doing so they agree to the terms of this document.

Once completed and authorised by the department manager the application form should be scanned and emailed to [viapathpayroll@viapath.co.uk](mailto:viapathpayroll@viapath.co.uk)

All applications will need to be approved by both the department manager and the Pay and Benefits Manager before they can be processed.

Applications must be **submitted by the first Friday of each month.**

Upon successful application, the employee will receive the funds along with their next salary payment. Please note the payment will be a net payment and therefore will not attract Tax or NI. Deductions will begin from the following month's salary.

## 5. Terms and Conditions

- Loans must only be used for the purchase of a travel pass by eligible employees. The scheme is strictly audited and the use of the loan for any other purpose will be regarded as misconduct and dealt with under the Disciplinary Policy.
- Repayment of the loan will be through the payroll and will be deducted from the employee's salary in 10 monthly instalments. It should be noted the loan must be repaid within the 10 month period or in full upon leaving Viapath (deducted from the final payment.)
- Proof of purchase is required by sending a scanned image of ticket receipt, (including photo card ID if applicable) to [viapathpayroll@viapath.co.uk](mailto:viapathpayroll@viapath.co.uk) within one-month of receiving the funds. **Failure to comply will result in the**

**outstanding loan amount being deducted from the next applicable month's pay.**

- When a travel pass expires, it will be necessary to repeat the application process.
- In the event that an employee wishes to cancel their travel pass then the employee must do this directly through the relevant travel company. Deductions will continue to be made from employee's pay until the loan is cleared in full.
- As the aggregated amount of interest free loans for an employee is not expected to exceed £5000 in any one tax year, Viapath's assistance to purchase a travel pass should not generate any taxable benefit.

## **6. Liability**

Once the travel pass has been purchased, the normal conditions that the travel provider attaches to it will then apply. Viapath does not accept liability for any loss of this pass or on any restriction on its use owing to e.g. sickness/transport strikes. Employees are responsible for obtaining appropriate insurance against loss, theft and personal insurance.

Viapath reserves the right to inspect all travel passes purchased through the Scheme upon request and to secure the loan repayment in circumstances set out below:

- If an employee leaves Viapath's employment for any reason during the term of their loan agreement, the outstanding amount shall be repaid by deduction from their final pay (or the preceding month's pay in those instances where there is likely to be insufficient funds in their final month's pay to fully repay the loan). The employee is required to inform the Payroll Department immediately on handing in their notice to arrange this.
- Any employee expecting to have periods of unpaid leave of greater than one month are required to inform the payroll section and discuss arrangements to repay the balance of the loan.

## **7. Responsibility**

It is the responsibility of the employee to comply with the policy guidance. It is payroll's responsibility to ensure that accurate records are kept and audited including loan amount; proof of purchase and the appropriate deductions are made from salary.