



LIVERPOOL

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# HOLIDAY BROCHURE

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FOR NHS TRUSTS

  
Liverpool University Hospitals  
NHS Foundation Trust



# INTRODUCTION

Liverpool NHS Foundation Trust truly values looking after their best assets.... their staff.

It's because the Trust is so concerned about their staff, that they looked to find a staff benefit that truly addresses their health and wellbeing. With most staff working day and night in order to help local patients, it became essential to find a benefit that supports staff in providing the necessary patient care that defines a successful Trust.

The Hays Travel Holiday Benefit programme does just this, by working really hard to address the costs of holidays, the payment process and the ease in which to seek advice to look for the holiday that works for you and the family.

Better still why not a holiday with NO DEPOSIT TOO!

So once you have found your holiday of choice, Hays Travel and your Trust make it really easy to enjoy it! For example you can pay over 12 equal installments, a little bit at a time, reduced directly from your gross salary, saving on your National Insurance and Employee Pension Contributions and without the need to make costly credit arrangements. Better still it's the Trusts responsibility to pay Hays Travel whilst the Trust reduces your salary, so no need for personal debts.

Please read this "FlipBook Brochure" thoroughly and make sure you understand the principles of Salary Savings (sacrifice).

Whilst Salary Saving schemes are an excellent way of providing a cost-effective holiday of choice, they are not for everyone. It is therefore important that you understand the benefits and the impacts of the schemes.



# The Holiday Benefit scheme

To help create a successful Staff Savings scheme the Trust has invited Hays Travel the largest independent travel retailer in the UK, to create thousands of amazing holidays and travel package experiences.

The Scheme is open to all eligible staff who are looking for an affordable holiday benefit, and to do this Hays Travel have also joined forces with Hoseasons, ensuring that you have the widest and hugely varied selection of holiday options in the UK and overseas.

## The "FlipBook Brochure"

Our "FlipBook Brochure" is here to help answer all of your questions and concerns and hopefully leaves you with the feeling that it is an easy decision to join the scheme. So please review the terms and conditions together with the frequently asked questions (FAQ) as you will need to understand these sections to join the benefit.

Further when you are booking your holiday with Hays Travel, they too will have standard holiday terms and conditions that you will also have to read and understand.

Whether it be holidays in the UK accessing luxury lodges, boating adventures, seaside caravan breaks, countryside hideaways, coastal escapes or Heritage breaks.

OR

Overseas where they have a wide choice of tour operators and airlines, they always endeavour to find the perfect holiday for the best possible price. As well as finding you that ideal holiday, they also arrange all the extras like car hire, transfers and insurance. There are foreign exchange bureaux in Hays 400 Branches across the UK, where you can pick up commission free currency, before you set off.



All holidays are IATA, ABTA, ATOL bonded and Covid protected. Better still Hays Travel are able to offer you complete financial security, and independent status which means they really can offer impartial advice to find your staff that perfect holiday. Hays work with hundreds of suppliers to ensure this.

So in order to help those of you who are working many more hours than normal which may affect your mental and physical Wellbeing. This benefit is for you!

With restrictions on taking holidays easing a little, the chance to have that holiday with no need for a deposit will certainly start the feel good factor.

## Eligibility Criteria

The scheme is open to all Staff groups, provided they are:

- Are members of staff on a permanent or substantive contract (excluding apprentices and bank staff)
- Earn above the National Living Wage, once the reduction of their salary has been taken into consideration
- Are over 18 years of age
- Have worked for the Trust for a minimum of 12 months
- Certain travel options are not available to staff who are under the age of 18. (Most airlines will not take bookings or allow unaccompanied travellers under the age of 18)
- Annual Leave must be approved by your manager before you confirm the booking for the holiday



# The Holiday Salary Savings Scheme:

As with other staff benefits, Trust employees can arrange a Benefit whereby you agree to a change in your terms & conditions of employment, and in turn you receive a reduced basic salary (Revised Basic Salary).

The Trust may then provide a benefit to you; in this case a holiday or travel package. You will then be able to select your preferred travel / holiday package from your Benefits hub choosing from the huge range of Hays Travel packages, already available in the marketplace.

Please remember these are holiday opportunities and you are not being made to participate – it's your choice.

HOLIDAY EXAMPLE see layout below

## Sandymouth Holiday Resort

Sandymouth Bay, Bude ,  
North Cornwall



Check-in Date:

6 Oct 2021

(14 nights)

Lodge Capacity  
up to 6

3 bedrooms  
6 Guests,



## HOLIDAY EXAMPLE

Employee with salary of £26,000,  
in the pension scheme

*2 week Holiday,  
Sandymouth,  
6 persons, 6<sup>th</sup> October 2022*

**Estimated cost: £88.16 per month  
for 12 months - Savings £224**

Gross Charge for Holiday	<b>£1,282.02</b>
Gross Charge for Holiday (excluding VAT)	£1,234.37
Gross Salary Sacrifice per month	£102.86
Tax Savings	(£19.11)
Pension Savings (7.1%)	(£7.30)
NI Savings (13.25%)	(£13.63)
Net Monthly Cost	£62.82
Tax	£21.37
VAT	£3.97
<b>Staff Monthly Cost</b>	<b>£88.16</b>
Staff Total Cost	<b>£1,057.92</b>
Total Savings	£224.10



# Why use your Credit Card when booking a Holiday?

With the introduction of our holiday benefit scheme, it is now time to reconsider using your credit card for holiday bookings.

Over the years it has been recommended that using credit card to pay for your holiday is a good idea as it gives value added benefits and protections for your family's holiday. However, with the introduction of this staff benefit that is now not true. Should you use the credit card method to acquire your holiday now, it would cost you interest at around 21.9% per year something none of us would want to do if it could be avoided.

Now for the good news, your employer if you participate in the Holiday Benefit scheme pays Hays Travel directly for your holiday package and therefore secures the same protections, as if you had used a personal credit card ....but without the credit charge!

Using the example above.

<b>Estimated Value of Credit Card Protection and 12 monthly Salary Reductions</b>		
	<b>Credit Card</b>	<b>Holiday Scheme</b>
Based on Gross cost of Holiday	£1,282.02	£1,282.02
Ave UK Credit Card APR (interest on credit)	21.90%	0.00%
12 monthly deductions	<b>(£119.93)</b>	£86.08
<b>Estimated Total cost of holiday</b>	<b>(£1,439.14)</b>	<b>(£1057.92)</b>
<b>Total Savings compared to Credit Card use</b>		<b>£381.22</b>

## **Important information about Benefit in Kind (BiK) tax**

Although salary savings arrangements will reduce the cost of your holiday covering such items as:

- holiday finance (commercial rates instead of consumer rates)
- employee pension contribution savings of 10% (standard rate taxpayer)
- National Insurance (NIC) savings made through payroll of 13.25%

the provision for the Holiday Benefit scheme is taxable and reportable to HMRC after the end of the tax year. You will therefore be liable to an income tax charge on the Benefit-in-Kind (BiK). The amount of the income tax liability will be shown in your quotation.

## **IMPORTANT NOTE**

HMRC will collect the income tax charge on your "Benefit in Kind" by notifying you of a change in your tax code in the tax year after you have booked your holiday. Your employer will notify you of your charge by 6th July in the tax year after you have booked your holiday. Your holiday quotation shows you how much the holiday will cost you, including the tax on your BiK, but the income tax on the BiK is paid via an adjustment to your tax code in the following tax year. If you require further information, you should contact your Payroll Department



## How does the Benefit work?

### 4 easy steps to book your holiday

**Step 1:** Please go to <https://liverpoolftbenefits.co.uk/> and fill out the form on the holiday benefit page, if you intend to book a holiday

**Step 2:** Your employer will then check you are eligible and if you are, you will get an email letting you know the maximum amount you have available (after your monthly salary reductions you are not allowed to go below National Living Wage).

**Step 3:** When you know how much you can spend on your holiday, we will email you a dedicated number to call at Hays Travel and you can arrange your holiday.

**Step 4:** You will then receive another email with your Holiday Salary Saving Benefit Agreement that must be electronically sign.

**Your holiday is not confirmed until you have signed your Benefit Agreement.**

## Costs on the Hub

Pricing on the Holiday Hub is based on an estimate of the cost to you AFTER SALARY SAVINGS i.e. the reduction in your take home pay over 12 payment terms.

### Example

a. A holiday with an estimated price on the site of £1200 means that it is estimated that your gross take home pay would reduce by £100 per month for a period of 12 months for this holiday.

## Benefit Commitments

Once your travel or holiday package has been booked and you have received a booking confirmation, you are then committed to that booking contract. It is a condition of the scheme that you have appropriate travel insurance which should include cancellation cover for any unforeseen circumstance that may prevent you from travelling or taking your holiday.

***"Please be sure to read the standard Terms and Conditions provided by Hays Travel."***

## NATIONAL MINIMUM/LIVING WAGE

The salary savings cannot result in your Revised Basic Salary being below the prescribed National Minimum/Living Wage rates (i.e. so that the Revised Basic Salary would equate to less than the hourly legal minimum rate).

For this reason, participation in the arrangements may be restricted to those employees earning at a rate that is higher than the current National Minimum/Living Wage rates and which will anticipate any potential increases in the rates during the period of the salary savings agreement.





# REDUCING YOUR SALARY

Employees accepting this proposal may pay a reduced amount of National Insurance Contributions (NIC) each month. However, a number of state benefits are dependent on paying a minimum level of NIC, for instance Statutory Sick Pay and Job Seekers Allowance.

You should consider the impact on such future contributory-based benefits if the salary savings means that your Revised Basic Salary falls below the starting level for paying NIC. For further information on the current starting level for NIC please contact the Payroll Department.

You should be aware that agreeing a Revised Basic Salary may affect other company and state benefits such as Statutory Maternity Pay (SMP), sick pay and the level of entitlement in the event of death.

Agreeing a Revised Basic Salary might also affect more general financial matters such as mortgage applications. However, the majority of high street lenders take into account the arrangements outlined when making mortgage decisions, especially since many of the banking institutions already have similar salary savings arrangements in place for their own employees

## TAX CREDITS

**From April 2003 the Government introduced Working Tax Credit (WTC) and Child Tax Credits (CTC) and in 2013 Universal Credits (UC).**

These credits consider the earnings and savings of both the employee and their spouse / partner. If participating in these arrangements were to alter the amount of credits an employee could claim, any loss of credits may be greater than the tax and NIC savings that may be generated. In principle a Benefit-in-Kind is considered earnings for the purposes of these credits.

Consequently, each employee's situation is different, and it is necessary to take the spouse/partner's salary and savings into account in order to estimate the most realistic impact of participating in the scheme. If you qualify for state benefits such as the Disabled Persons Tax Credit (DPTC) you may qualify for a higher level of credit.

Note that following the 6th April 2017 HMRC changes (see Taxation paragraph above), benefits provided under salary sacrifice arrangements are included in the calculation of income for Tax Credits. As such, reducing your salary through salary sacrifice may have little or no impact on your Tax Credit entitlement when the value of the taxable benefit is subsequently added back for the purpose of the income calculation.






## Please be mindful of the following

- a) Please read the FAQs on <https://www.nhsbenefits.net/liverpoolftholidays/faqs>
- b) You must read and be aware of the individual Terms and Conditions as provided by the schemes travel provider and those providers of the individual elements of your travel arrangements.
- c) You must carefully check all elements of your proposed travel arrangements as changes are not routinely allowed in Salary Savings transactions.
- d) Due to the dynamic nature of travel arrangements, both in terms of pricing and availability, on rare occasions your selected travel elements they may no longer be available, or the price might have changed by the time you approve and accept your documents – in these circumstances your proposed booking arrangements may be cancelled and you will be asked to submit a new booking.
- e) Some airlines have budget fares which may not include baggage. Please ensure you check your baggage allowance to ensure you have the allowance required. Some airlines don't support online baggage ordering in advance, and you may be required to pay for baggage at the airport.
- f) The airline operator of your proposed flights will be shown on the website, where the airline is shown as 'Low Cost Airline', in most cases, this is referring to the airline 'Ryanair'.
- g) Be aware, if you select a particular destination where the usual flight arrangements are fully booked, the system will try to meet your requirements by identifying flight routes that may include multiple flights. This can substantially increase travelling times and costs, so please check the number of flight connections prior to booking.







Please go to <https://liverpoolftbenefits.co.uk>

### Please be mindful of the following

- h) When you have requested a booking, assuming you have the appropriate Pre-Authorised Limit from your employer, you will be emailed with the documentation for your records (Final Quote and Variation of Contract). This will also be displayed online. In order to book your travel arrangements, you will need to approve and accept your agreement online.
- i) Once the (electronically) signed agreement has been received it will be sent to the Travel Provider so they can complete your booking. Remember, your booking will not be made until your accepted agreement has been received online. Delay could result in a price change or even a holiday no longer being available.
- j) Once your booking has been completed the holiday provider will provide you with the details of your booking and will deal with your booking from that point forward.
- k) Your salary savings will commence the month following your order being approved and will be taken from your salary in 12 monthly equal reductions.
- l) Commencement of your salary reductions are determined by the date of your booking and not the date of travel
- m) Holiday Extras Your Quotation will NOT include any extras such as flight seat selection or flight meals on No Frills Airlines, as these items are selected as part of the booking process. However, these items will be included in your final quote along with your 'Variation of Contract' when you finalise your booking.



