



LeasePlan

What's next?

A lease car for all
employees?
You can with
a cafeteria plan.

In pole position towards an attractive salary package

These days, finding employees is a huge challenge for many companies. To such an extent that we are talking about a war for talent. In some sectors, profiles are so scarce that competition between employers is fierce. And then, of course, you want to have the right arguments to convince job candidates.

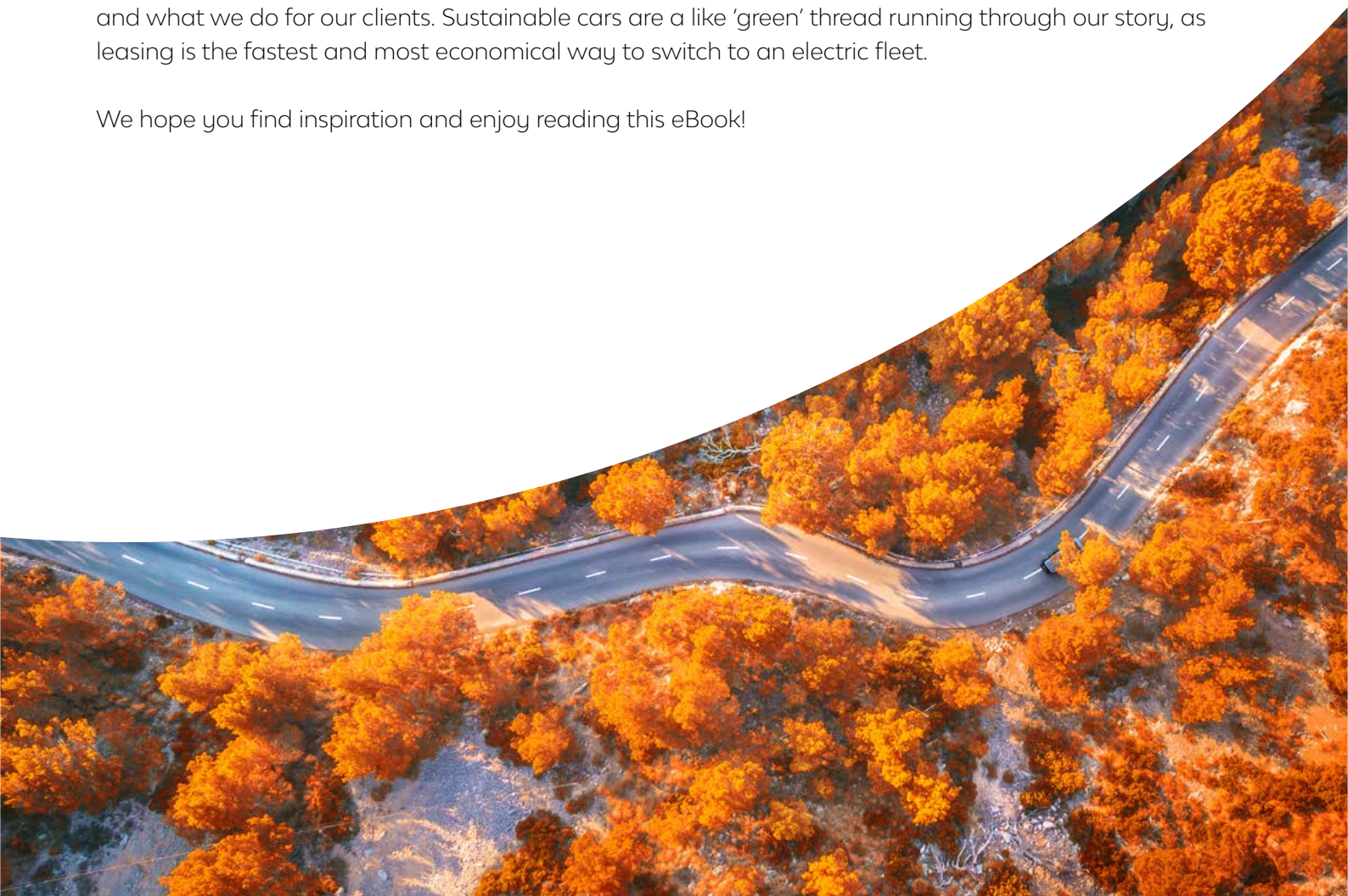
Optimization of salaries and bonuses is also crucial to retaining people and making them loyal to the company. Organizations with a high turnover of staff regularly have to train new colleagues and often lose valuable skills and knowledge. Happy employees are also more motivated to perform.

There are plenty of reasons to think carefully about the salary package you offer. But what does an attractive salary consist of? Nowadays, there is a lot more to it than the amount that appears on an employee's monthly paycheck. There are many benefits that make a salary more attractive, but for most employees a car is still the holy grail of a powerful salary package. However, a car is usually reserved for a select group of employees within an organization.

In recent years, many companies have switched to a cafeteria plan. By making part of the salary 'flexible', employees can spend this money on other benefits. A lease car is also a possibility, even for employees who would normally not qualify for a company car.

LeasePlan has several years of experience in offering lease cars as part of a cafeteria plan. In this eBook we explain everything you need to know about a cafeteria plan, how to include car lease in the offer, and what we do for our clients. Sustainable cars are a like 'green' thread running through our story, as leasing is the fastest and most economical way to switch to an electric fleet.

We hope you find inspiration and enjoy reading this eBook!





1. What is a cafeteria plan?

A cafeteria plan is a relatively new concept that enables employees to compose their own salary package. The name refers to a cafeteria or company restaurant where people can choose from a menu with different dishes. Meat, fish, vegetarian, ... Every employee can find something according to his/her taste. A cafeteria plan does the same with the salary and allows employees to choose from all kinds of extra-legal benefits, depending on their personal needs.

More holidays, hospital insurance for the family, pension savings, a better smartphone, mobility benefits ... Every employee is in a different stage of life and has other expectations of a salary package. A cafeteria plan offers companies the flexibility to respond to their employees' personal situation. People can also change their salary pack at regular intervals, for example because their needs have evolved.



Budget: what can be optimized?

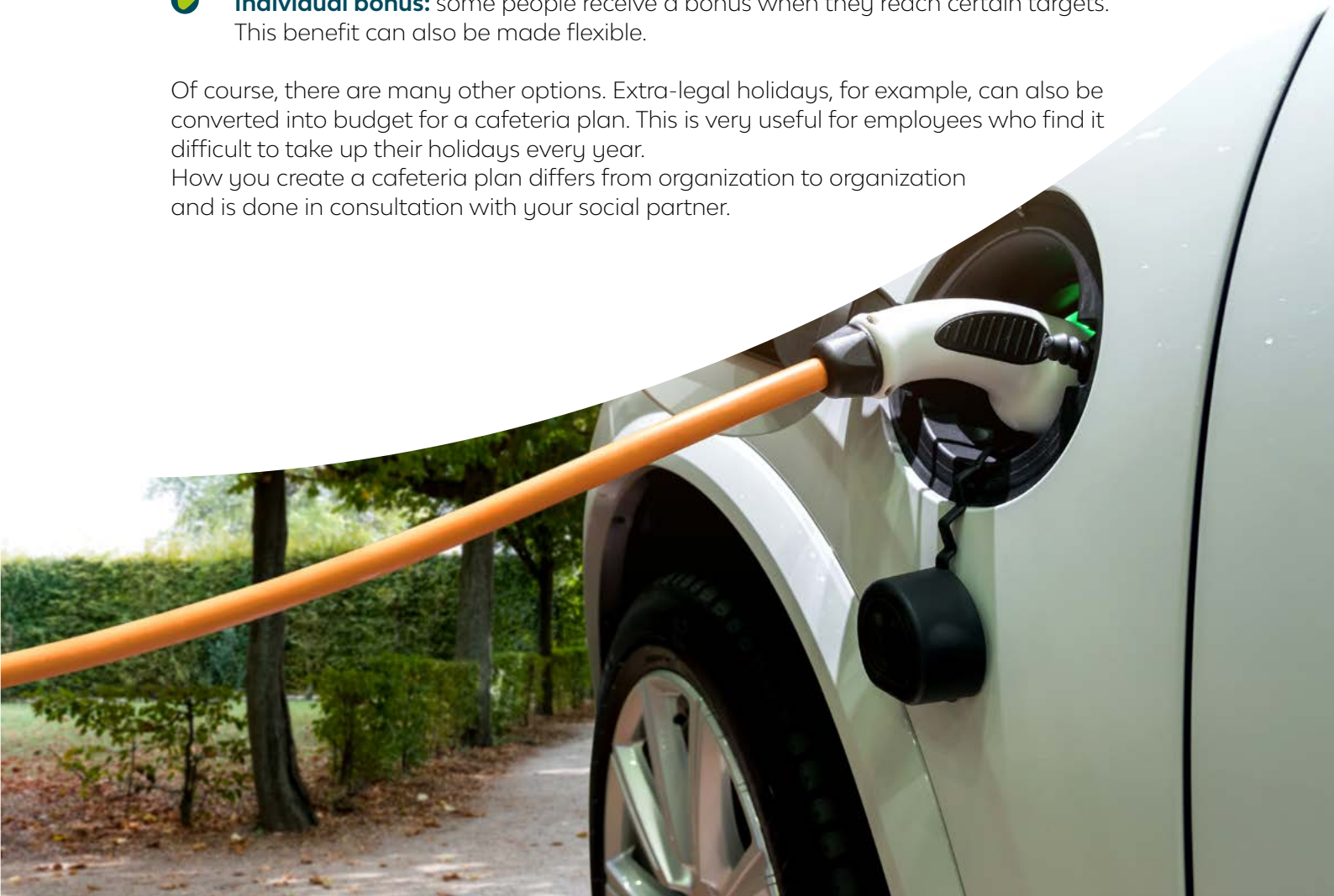
To work with a cafeteria plan, you must first make the salary more 'flexible'. This means that part of an employee's salary is not paid out and can in turn be spent on other elements. Companies can create this budget in different ways. Some employers want to motivate their employees by offering something extra on top of their regular wages. But keep in mind that this will increase the wage costs of your organization.

In order to keep those salary costs stable, most companies optimize other aspects of the existing salary. Here are a few possibilities:

- ✓ **Gross monthly salary:** at the end of the day, employees are left with only a fraction of their gross monthly salary. By making this sum partially flexible, employees can directly invest the money in other benefits. Note, however, that the remaining salary that is actually paid out cannot drop below the minimum wage that has been established per sector.
- ✓ **End-of-year bonus:** an extra salary at the end of December is a nice bonus to buy Christmas presents, but again only part of the gross amount makes it to an employee's bank account. You could therefore optimize this bonus by releasing it for other benefits. But first check the collective labor agreement to find out if this is allowed in your company.
- ✓ **Individual bonus:** some people receive a bonus when they reach certain targets. This benefit can also be made flexible.

Of course, there are many other options. Extra-legal holidays, for example, can also be converted into budget for a cafeteria plan. This is very useful for employees who find it difficult to take up their holidays every year.

How you create a cafeteria plan differs from organization to organization and is done in consultation with your social partner.





What choices can you offer?

A cafeteria plan must not discriminate against employees. This means that everyone within a group should be given the same choices, or that people must be divided into categories based on objective criteria. For instance, it is perfectly possible to offer managers and executives options that differ from the packages for other employees. And if you do not want to offer a new employee the same benefits as someone who has been working in the company for many years, you can also attach seniority conditions to your selection.

The government offers companies a wide choice of more than fifty extra-legal benefits that may be included in a cafeteria plan. In reality, employers usually let their staff choose from five to eight elements. Here is an overview of a few popular options in a cafeteria plan:

- Tablet/laptop/smartphone
- Hospital insurance
- Company car
- Company bicycle
- Stock options
- Ironing service
- Fuel card
- Additional dental insurance
- Extra holidays
- Internet subscription

In some cases, like a smartphone or a car, an upgrade of the current offer is also a possibility. In other words: a better device or a larger car.

Mobility in a cafeteria plan

Of course, mobility remains one of the most important components of a salary package. It is even possible to build an entire cafeteria plan around mobility. This can be useful, for example, for organizations that find sustainability very important and want to encourage their employees to choose from green mobility options.

Company bicycles have certainly become more popular in recent years. Public transport is also an important pillar of budget spending in the mobility category. Nevertheless, a company car usually remains the most common choice. Through a cafeteria plan, employers can even offer a car to people who would otherwise not be eligible for this.

Leasing a car with your gross salary or buying your own car? The difference is more than a nice bonus for employees. In the next chapter you discover why ...

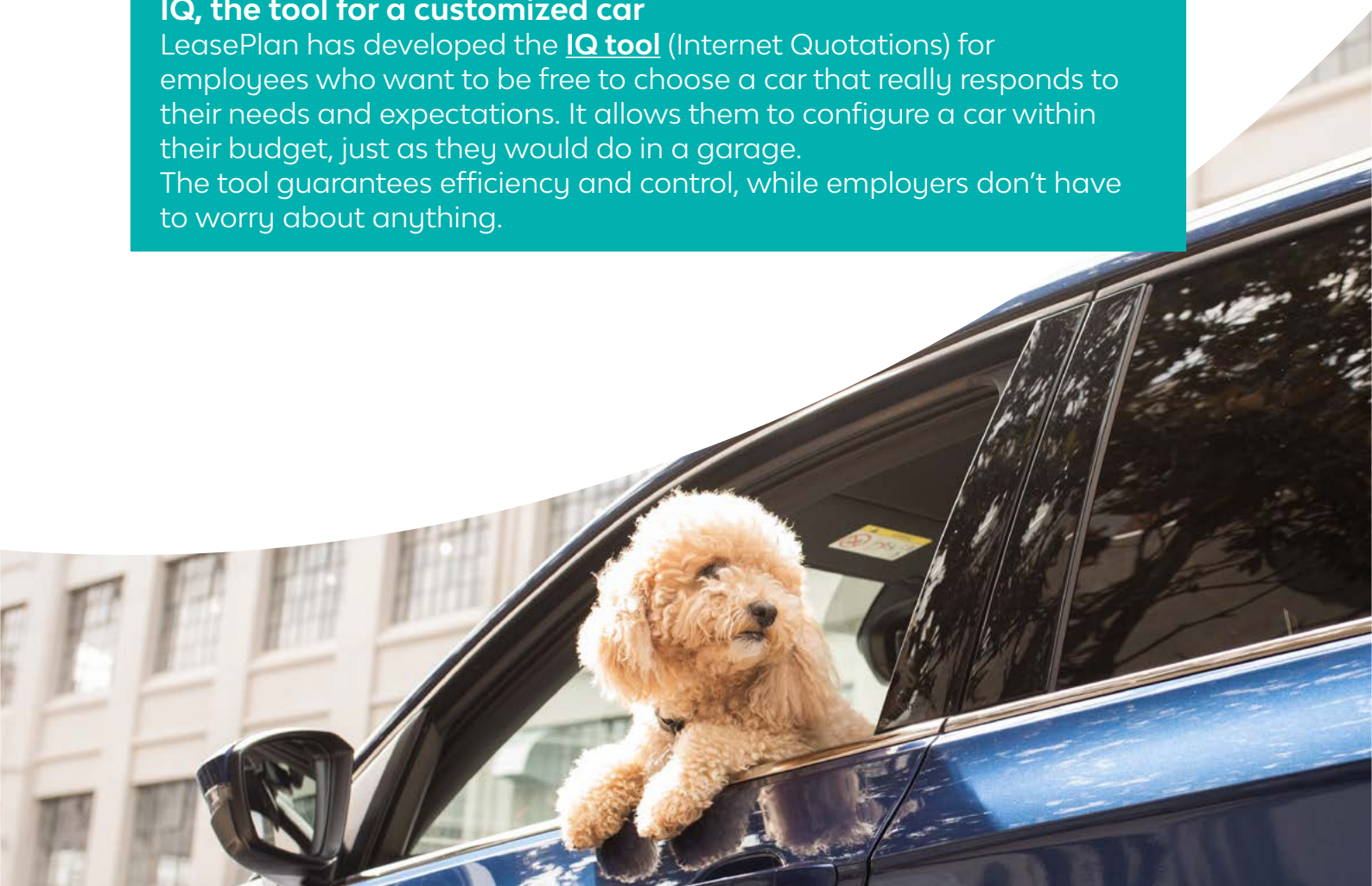
2. Car lease in the cafeteria plan

Each cafeteria plan looks different and is the result of a well thought-out process. The offer must correspond with the vision of the organization. What are the company's priorities? And how about the expectations of employees? Just wanting to give something extra from a financial perspective is often not a good starting point for a cafeteria plan. It should be rooted in a much deeper business and HR strategy. Sustainability and the shift to remote work are two examples of factors that many organizations will consider when defining an offer.

The choice for specific models in car lease also starts with outlining the company vision. This will enable organizations to determine which cars will be included in the cafeteria plan. Some businesses opt for a simple salary policy with only one type of car, while others include several models or even give their employees complete freedom to choose a customized car. The latter will increase the motivation and satisfaction of employees, but there is no one-size-fits-all solution; everything originates from the business strategy.

IQ, the tool for a customized car

LeasePlan has developed the **IQ tool** (Internet Quotations) for employees who want to be free to choose a car that really responds to their needs and expectations. It allows them to configure a car within their budget, just as they would do in a garage. The tool guarantees efficiency and control, while employers don't have to worry about anything.





What are the benefits of a lease car?

Including car lease in a cafeteria plan creates a win-win situation for both employer and employee. Here are the most important benefits:

Employer benefits:

- ✓ A lease car is like **getting a raise in value**. Companies are constantly looking for ways to optimize salaries without increasing their own costs. By offering car lease, your wage costs remain stable and your employees are rewarded with something extremely valuable.
- ✓ A car is an important argument for **attracting talent**. The scarcity on the labor market affects various sectors and job candidates often have high expectations. A car is also crucial if you want to attract talent working for the competition. Especially when employees already have a car with their current employer, they will not be eager to sign for a company where they do not have the option of leasing a car.
- ✓ Lease cars also have a positive influence on the **retention rate** in your organization. After all, it is not impossible that other companies will try to attract your own employees. When people are satisfied with their current employer, there is less risk that they will succumb to offers. Retention also has a major impact on your recruitment costs. If employees stay on board for a longer time, you need to invest less in training new people and you also avoid losing valuable skills and competences.

Employee benefits:

- ✔ A lease car is a serious **optimization of the salary**. Employees only see a fraction of their gross salary appear on their bank accounts. Now they can directly use part of this gross salary, or another compensation, to choose a car without having to pass by the tax office first.
- ✔ **Buying your own car** is always **more expensive than leasing a car**. After all, you buy a car with your net salary and not with your gross salary. There are also a lot of extra costs associated with a car, whereas with a lease car these costs are often already included in the lease price. Moreover, a car loses value over time, but employees with a lease car do not have to worry about that either.
- ✔ People with a lease car always drive around with **a recent car**. On average, you choose a new model every four years. This gives you access to all the latest gadgets and technologies.
- ✔ Finally, a lease car offers **unseen comfort** to employees. They will never have to deal with unexpected costs for maintenance and tires, for example. Once someone has driven a lease car, they never want to go back to owning a car.



Buying versus leasing a car

The cost price of a car is much higher than the amount listed in the catalogue. All sorts of factors cause the total price tag to rise. A monthly lease already includes many of those things, so there are never any unpleasant surprises.

This table show how much Lis and Leon pay for a private car and how much they save by leasing a (more expensive) car through a cafeteria plan:

	As is	To be	
Lisa buys	VW Passat	Polestar 2	Lisa leases
	Diesel	EV	
Lisa drives	20.000km/year	20.000km/year	
Purchased new (incl. VAT)	€ 36.000	€ 50.899	List price (incl. VAT)
Sold after 5 years	€ 16.000		

	Average cost per year		
Depreciation	€ 4.000	€ 543	gross impact wage/month (dep on pers sit)
Breakdown assistance	€ 130	€ 144	gross impact BIK/month (dep on pers sit)
Road tax + vehicle registration tax	€ 500		
Annual maintenance	€ 400	€ 272	net impact wage/month (dep on pers sit)
Tires (4 tires in 5 yrs time)	€ 80	€ 72	net impact BIK/month (dep on pers sit)
Set of winter tires	€ 96		
Insurance (full omnium)	€ 850		
Unexpected costs	€ 75		
TOTAL COST/YEAR	€ 6.131	€ 4.122	TOTAL COST/YEAR
TOTAL COST/MONTH	€ 511	€ 344	TOTAL COST/MONTH

	As is	To be	
Leon buys	Peugeot 308	Mercedes EQA	Leon leases
	Petrol	EV	
Leon drives	10.000km/year	10.000km/year	
Purchased second-hand (2yr)	€ 14.000	€ 50.735,3	List price (incl. VAT)
Sold after 5 yr	€ 4.500		

	Average cost per year		
Depreciation	€ 1.900	€ 366	gross impact wage/month (dep on pers sit)
Breakdown assistance	€ 130	€ 140	gross impact BIK/month (dep on pers sit)
Road tax + vehicle registration tax	€ 300		
Annual maintenance	€ 250	€ 183	net impact wage/month (dep on pers sit)
Tires (4 tires in 5 yrs time)	€ 72	€ 70	net impact BIK/month (dep on pers sit)
Set of winter tires	€ 88		
Insurance (full omnium)	€ 400		
Unexpected costs	€ 75		

TOTAL COST/YEAR	€ 3.215	€ 3.036	TOTAL COST/YEAR
TOTAL COST/MONTH	€ 268	€ 253	TOTAL COST/MONTH





Car lease is the fastest track to an electric fleet

In the coming years, companies will gradually switch to a sustainable fleet. As of 2026, the Belgian government only wants zero-emission cars to benefit from a favorable tax rate. At this moment, an electric vehicle (EV) is the only type of car that meets the standard. Some organizations are pioneers in the shift to a green fleet. LeasePlan employees will all drive an EV by the end of 2021.

Of course, the transition to an electric fleet will not happen overnight. For instance, an EV still costs a lot more than most conventional models. Price, however, is not an obstacle when you decide to lease a car. You do not need a large initial budget, especially if you can include the car in an employee's salary package through a cafeteria plan.

A green fleet fits into the strategy and vision of many modern companies. It not only improves the public image and reputation of an organization, but can also be a decisive argument in attracting young talent. According to a **mobility report** by LeasePlan and Ipsos, young drivers in particular value the choice of an EV.

Early termination cover

A lease contract has a duration of several years, but what happens when an employee leaves the company or is fired? Can you then terminate the car lease? For situations like this, LeasePlan provides an early termination cover, an extension of the insurance package that allows the contract to be terminated early – on condition that the reason is well-founded. Since this is part of the insurance, such a cover is also cost-neutral for the employer.

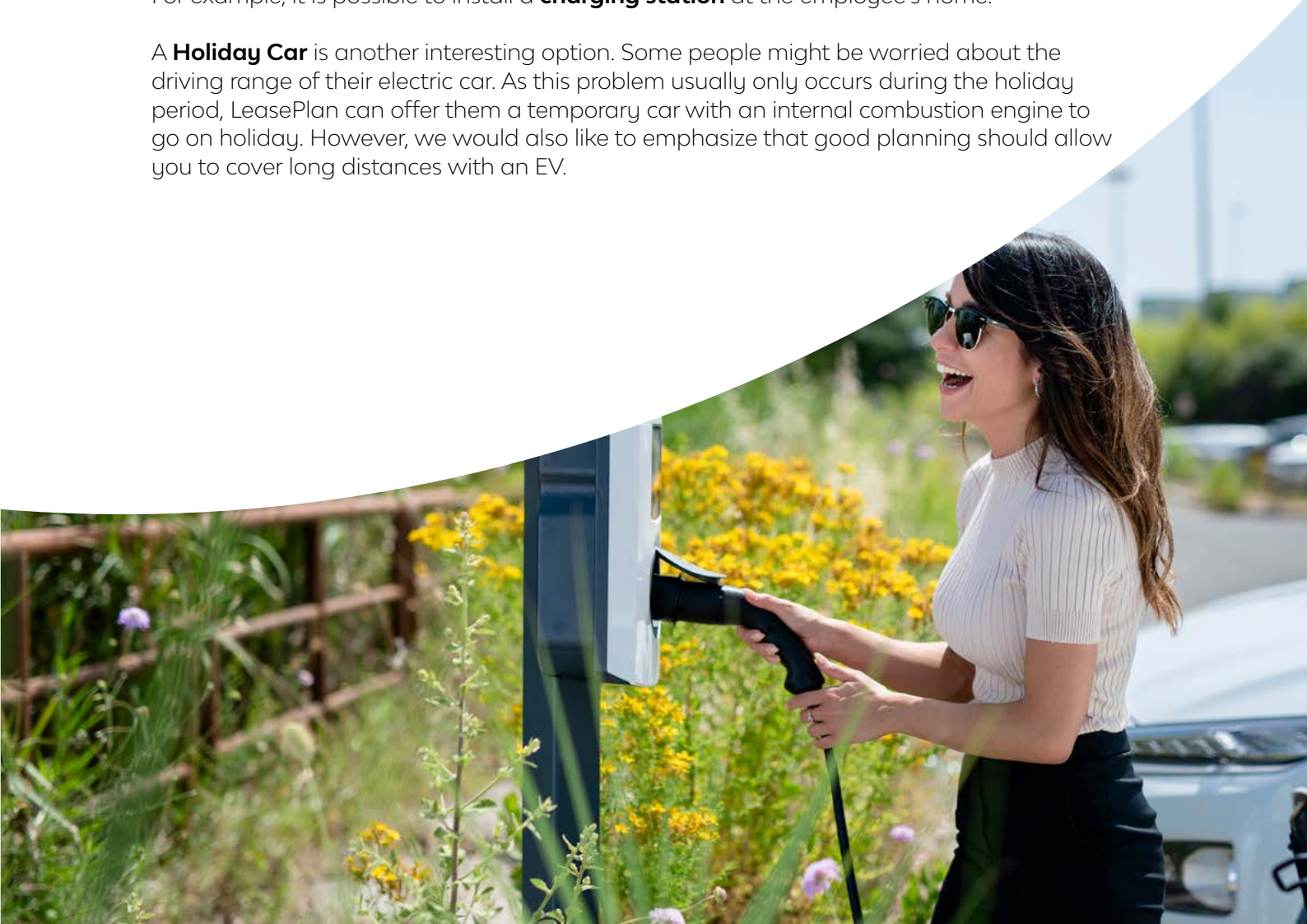
What can you include in a cafeteria plan/lease package?

The basis of a lease contract is, of course, the car itself. In addition, there are all kinds of services that you can add as separate pillars in the cafeteria plan:

- ✓ Funding
- ✓ Maintenance/tires
- ✓ Winter tires
- ✓ Breakdown assistance
- ✓ Insurance
- ✓ Replacement car
- ✓ Fuel and charge card

If you choose an EV, you can also include the charging infrastructure in the cafeteria plan. For example, it is possible to install a **charging station** at the employee's home.

A **Holiday Car** is another interesting option. Some people might be worried about the driving range of their electric car. As this problem usually only occurs during the holiday period, LeasePlan can offer them a temporary car with an internal combustion engine to go on holiday. However, we would also like to emphasize that good planning should allow you to cover long distances with an EV.





3. What LeasePlan can do for you?

Our services are tailored to each client, but LeasePlan can support you from A to Z in introducing car lease into a cafeteria plan. This is what we can do for you:

- ✔ **Consulting :** nous aidons d'abord à déterminer la vision de l'entreprise. Comment un plan cafétéria peut-il s'inscrire dans la stratégie de l'organisation ? Et quelle est l'importance de la mobilité ? Avec l'aide de nos conseillers, vous élaborez un plan concret pour votre entreprise.
- ✔ **Developing a concept:** as soon as we know the strategy, we can start making decisions. Are you going for one model or do you want to offer employees more freedom of choice? How often can people review options in the cafeteria plan? Once a year or every month? Which cars do you want to include in the cafeteria plan?
- ✔ **Implementation:** we help with the installation and integration of tools so we can align our own processes with those of your company and social partner.
- ✔ **Support:** a cafeteria plan can be a giant leap in the dark for employees. That's why we gladly explain what a cafeteria plan entails and ensure that everyone understands the concept of a lease car.

Extra support in the shift towards a green fleet.

Have you decided to go for a sustainable fleet? Then LeasePlan will help you to guarantee a smooth transition. Electric cars drive better than conventional cars, but in the beginning such a change will inevitably run into some resistance. We can anticipate this by explaining the counter-arguments beforehand. For example, driving range is a real concern for many people but in reality this is rarely a problem for anyone.

Once the driver leaves the garage with his new EV, we also continue to proactively support him/her with tips and newsletters that help to get the most out of the car. This will help people to understand that have made the right choice with their EV.

Want to know more? Based on our own experiences, LeasePlan has created an eBook on the smooth transition to an electric fleet. **[Download it here!](#)**

Car lease in the cafeteria plan of BASF Antwerp

"LeasePlan has the same vision of the future as BASF Antwerp. We believe that electric vehicles will make a full breakthrough in the coming years. Thanks to their experience with cafeteria plans, they were well prepared. Lease cars are a nice addition to make our employees' 'private mobility' more sustainable."

Peter Sterckx, Facility Manager, BASF Antwerpen

Sustainability is very important for BASF Antwerp. They are committed to switch to a green fleet and therefore decided to offer their employees the option of an electric car through a cafeteria plan. Watch our short video about this case for more information.

WATCH VIDEO

Contact us!

More and more companies are introducing a cafeteria plan. Flexible salaries are a crucial weapon in the war for talent. With car lease, you can give more employees the chance to choose a car without having to increase your salary costs. The result: you are in a strong position to attract talent, your retention rate improves, and employees are guaranteed to be more motivated.

Would you like to discover how your company can include car lease in a cafeteria plan? Fill in your details via the link below and we will soon get in touch with answers to all your questions.

[CONTACT US](#)

