

## Salary sacrifice for electric cars

By making electric cars more affordable, you can support your team's journey to Net Zero



Take 3 minutes to read:

HOW IT WORKS &
HOW TO GET STARTED





### Happy employees healthy company





#### Make your team feel rewarded

Improve your benefits package, saving your team £5,000 to £15,000 each on the cost of their car through salary sacrifice – at no cost to the company.



#### Drive down CO2 emissions

Switching to an electric car is the biggest step people can take to reduce their carbon footprint.

Provide an affordable alternative to petrol and lead the charge to hit your sustainability goals.



### What is salary sacrifice for electric cars?





#### The employer leases an electric car

Employees choose a car on The Electric Car Scheme. The employer signs up, orders, and pays the leasing company for the car.

### Employees get the car (as a benefit) in exchange for salary

The employer agrees to provide the car in exchange for the employee looking after the car and sacrificing gross salary to pay for it.

### Sacrificed salary is not taxable, saving thousands of pounds

The Electric Car Scheme provides payroll adjustments so that the employer recoups the cost of the car from the employee's salary.

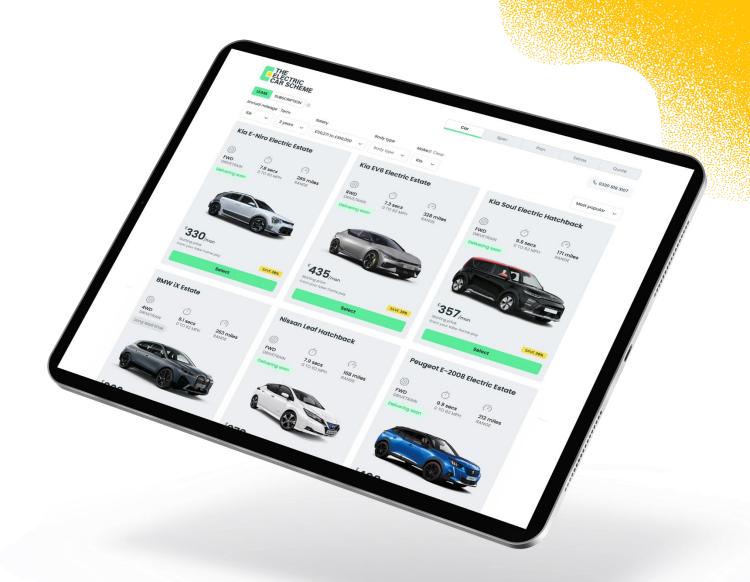
The employee saves 30-60% on the cost of any electric car by paying from salary before tax.



Leasing through salary sacrifice helps employees to save 30-60%









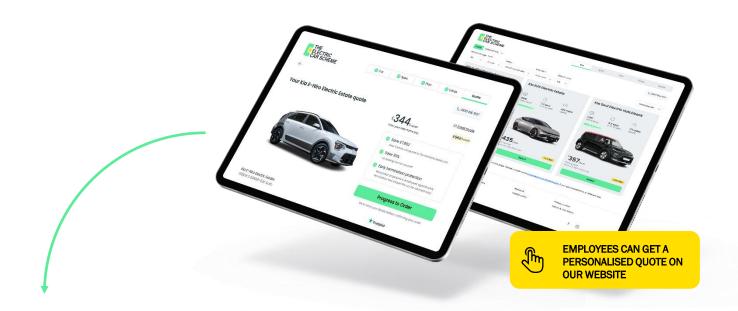
Leasing through salary sacrifice helps employees to save 30-60%

#### The detail

Kia e-Niro 2 Save £7,300



<sup>\*</sup> Assumes a 3-year lease starting on June 2023, for a higher rate taxpayer. Prices are indicative only, the best deals on the market change daily.



Kia e-Niro 2 Higher rate taxpayer	Per month	
Best lease available (5,000 miles pa)	£520 Inc VAT	The Electric Car Scheme finds the best prices available on the market. This amount is taken from gross salary before tax
Employee tax savings	-£233	Income tax and National Insurance are reduced due to salary sacrifice
Average benefit-in-kind tax over lease	+£30	Electric car benefit-in-kind tax is set at very low rates until at least 2028
Net cost / employee pays	£317	Making electric cars much more affordable



# All-inclusive package, all through salary sacrifice





#### THE CAR

Any brand, every model, best prices



#### **SERVICING**

Includes maintenance, tyre replacement, MOT breakdown cover







#### **INSURANCE**

Fully comprehensive top rated <u>NIG</u> car insurance, incl. GAP insurance





#### HOME CHARGER

Installed by Which?
Trusted Traders Smart
Home Charge







#### FLEXIBLE TERMS

Subscription cars available for 1 year terms or for use while you wait for your delivery





#### PUBLIC CHARGING

Salary sacrifice for public charging makes EVs more accessible



### Why choose The Electric Car Scheme?



#### **Complete** protection

Companies and their employees shouldn't have to worry about extra fees if their electric car needs to be returned early due to unforeseen circumstances.

That's why we offer unrivalled protection and peace of mind to you and your team.



#### Best prices available

We search across the electric car market to find the best prices. Our access to the top leasing companies means we can access the best prices available.

Employees can be confident that they are getting the best deal.





#### Trusted 5\* service

We've helped more than 1,000 companies setup their Electric Car Scheme, delivering a service rated "Excellent – 5 stars" by our clients.

Our straightforward tools and team of dedicated experts support you from launch and all the way along your electric car salary sacrifice journey.



### Complete Risk Protection What if an employee's

#### circumstances change?



We provide protection to safeguard you from unexpected costs if a car needs to be returned early.

If the employee can no longer salary sacrifice, the car may need to be returned early. Early termination fees charged by the lease provider are generally 50% of remaining lease payments.

Employers should not need to pay any fees for charges outside of their control.

That's why we offer Complete Employer Protection Services and peace of mind for you and your team.

#### Who pays early termination fees if the lease ends early?

WHO PAYS REASON Redundancy or dismissal Resignation THE ELECTRIC CAR SCHEME after 3 months into lease **Family Friendly Leave** (incl. statutory maternity, paternity & adoption) THE ELECTRIC CAR Long term sickness or death SCHEME pays if... If your employee doesn't pay their fees Resignation in first 3 months of lease Loss of driving license, breach of lease terms EMPLOYEE pays if... or dismissal for cause Car written off or stolen normally through the car insurance provider





#### Complete Risk Protection is market leading

No exclusion periods for employers, no excess to pay, no underpayment for maternity, plus protection if your employee doesn't pay for fees or damage

	THE ELECTRIC CAR SCHEME
Resignation	From 3m
Redundancy	Yes, immediately
Dismissal	Yes, immediately
Parental leave	Yes, immediately
Long term sickness	Yes, immediately
Loss of license (medical)	Yes, immediately
Death	Yes, immediately
Excess to pay for protection	None
Caps or limits of usage	None
If employee doesn't pay for ET fees	Yes
If employee doesn't pay for damage	Yes
<b>306</b> 30000000000000000000000000000000000	
	Rest on

everything

octopus electric vehicles	Tusker.	<b>love</b> electric
Before 6m	From 3m	From 3m*
From 6m	From 3m	From 6m*
From 6m	From 3m	From 3m*
From 6m	From 3m	From 6m
From 6m	From 3m	Yes
Loss for 6m+, from 6m	Yes	Yes
From 6m	Yes	Yes
None	None	1 month rental denoted by *
10 cars or 10% pa	None	None
No	From 3m	No
No	No	No

Worst on nearly everything

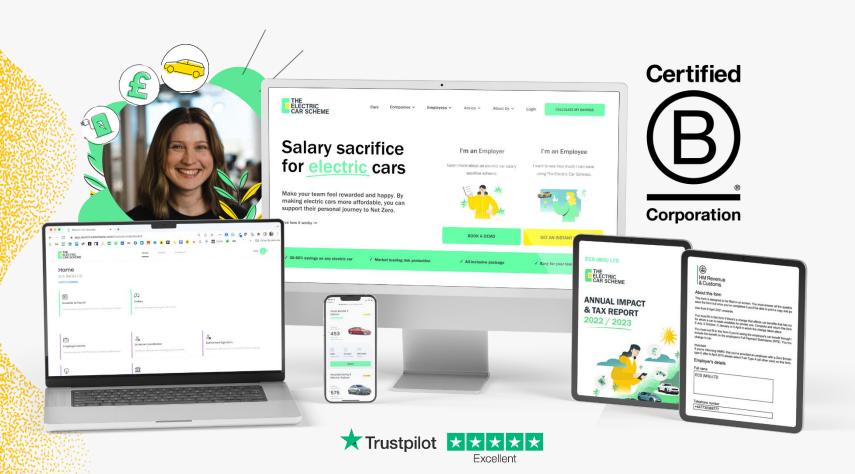
No protection for dismissal; Capped parental & sickness

Excess payments; 6m exclusion on redundancy & parental





### Trusted 5\* service to make salary sacrifice simple





#### **Online Tools**

- Secure employer portal
- Personalised tax saving calculator and car configurator for employees



#### Personal support

- A brilliant launch to your team including webinars and drive days
- EV specialists on hand to help your team find their dream car
- Dedicated account management and HR & Finance support



#### Straightforward reporting

- Clear, simple to use payroll input
- Draft HMRC notifications incl. P46 (Car), P11D and P11D(b)
- BIK, NI and VAT calculations
- Annual impact report including Scope 3 carbon emission reductions



# Easy for employees to understand, quote & order







"The experience was fantastic! Highly recommend The Electric Car Scheme to anyone wanting to get into an EV!"

James Browne - Founder, Hilo





"I couldn't fault the process at any stage"

Gail Atkins – Head of People, PACE-XL Limited





"The Electric Car Scheme provided a really good experience from start to finish"

Graham Appleby – Head of Development, Great Annual Savings Group



### The scheme runs at net zero cost



Our fee is equivalent to the employer's tax savings so the scheme is a **net zero cost** 

Employer tax savings consist of **reduction in Employer NI** due to salary sacrificed, and **VAT recovery** on the lease





Example 3-year lease	Monthly	Explained	
Total cost of lease and extras (paid by employer to lease provider)	- £520 (inc. VAT)	The lease cost is recovered	
Reduction in Employee gross salary	£520	directly from salary sacrifice	
	£0		
Reduction in Employer NI (due to salary sacrifice)	£72		
Class 1A Employer NI due to BIK	-£8	The employer realises tax savings from a reduction in NI and recoverable VAT	
Total impact on Employer NI	£64		
VAT recovery (reclaim 50% of VAT on lease costs)	£43		
The Electric Car Scheme fees	-£107	Fees equal the employer's tax savings	
	£0		
Net impact to employer	£0		

<sup>\*</sup>Example assumes reclaim of VAT at 50%. Note that reclaim of VAT on maintenance is 100%.



#### Don't just take our word for it...

#### Our service is trusted by more than 1,000 employers











Contract CAMPLINGS





Tuffnells TopCashback Tugoff Kingston



Cowan circet





































































**REVIEW WHAT OUR CLIENTS SAY ON OUR WEBSITE...** 

or on





























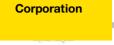


Certified











































#### Happy employees, healthy companies...





#### Holland<sup>®</sup>Barrett

**Holland & Barrett** 

**Business:** Wellness Retail Services

Team: 800 employees

"Colleagues can lower their environmental impact while reducing their own motoring costs"

- Richard Mason, Head of ESG





Curve

**Business:** Financial technology

Team: 300 employees

"This is a must-have benefit for any business that cares about employees and the environment"

- Shachar Bialick, Founder - CEO





**Tufnells Parcels Express** 

**Business:** Freight and Package Transport

Team: 2,000 employees

"The Electric Car Scheme helps us move towards a leaner, greener and cleaner future."

- Chris Mansley - Network Risk Director



XE.com

Business:

**Team:** 250

"It helps electric a impact."

- Nigel Cham



#### ... reward your team while driving down emissions







XE.com

**Business:** Foreign exchange

Team: 250 employees

"It helps our employees switch to electric and lessens our environmental impact."

- Nigel Chambers - Chief of Staff





**Fugro Holdings** 

**Business:** Surveying & geodata services

Team: 1,800 employees

"Sustainability is core to our business. We want our clients to understand that is matters to us.""

- Gordon Duncan, Head of Finance



See more



**Leeds Bradford Airport** 

**Business:** Transport

Team: 450 employees

"The Electric Car Scheme has provided first rate service from start to finish."

- Alexander Tong, Chief Financial Officer

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We believe that everyone wants to make choices to achieve a net zero future.

We want to create a 'no brainer' decision for everyone to transition to Net Zero, at an affordable cost.



Featured by

















Certified























#### Why choose The Electric Car Scheme?

#### You & your employees get



Complete risk protection



Best prices available



Everything in one place to make the switch

#### With a trusted 5\* service



Online tools to make salary sacrifice simple



Straightforward reporting for payroll, HMRC & carbon emissions



Dedicated HR, Finance and EV specialist support



All at no cost to you as an employer Are you ready to get started?

www. electric carscheme. com





#### Our team is on hand to help you join us



We will run through these simple steps:



Product review



Portal setup and sign-up



Credit check for leases



Launch scheme



**BOOK A CALL** 





STILL NEED TO FIND OUT MORE?

VISIT OUR WEBSITE