



CVSL

Leasing made easy

ELECTRIC CAR SALARY SACRIFICE SCHEME

Cars - Fact Find



Fact find	Question	Considerations	Information required
Eligible employees	<p>Will the Scheme be offered to:-</p> <ul style="list-style-type: none"> • current company car drivers; • cash alternative takers; • non-car eligible employees. 	<p>Salary sacrifice is more appropriate for cash alternative takers and non-car eligible employees, for whom the greatest savings could be generated.</p> <p>Savings may be available for current company car drivers who trade-up/car choice.</p> <p>But some employers may wish all its staff to participate in just one car scheme, in which case they would have to restructure any existing company car scheme.</p>	<p>Number of employees _____</p> <p>Number of company car drivers _____</p> <p>Number of cash takers _____</p>
Workforce profile	<p>Is the make-up of your workforce suitable for salary sacrifice?</p>	<p>If for example employees are mainly, young, on low pay or short fixed term contracts, salary sacrifice may not be suitable for your company.</p> <p>Because:-</p> <ul style="list-style-type: none"> • Short term contracts- more likely to terminate early. • Low pay- more likely to breach National Minimum Wage and therefore be ineligible. • Average age- employees must be at least 25 years of age, and even then, may be ineligible for cars in higher insurance groups. • Probation- if high number of employees and probation of 1 year may be high proportion of ineligible employees. • Retention rate- high turnover of staff, likelihood of higher number of employees to terminate early. 	<p>Average age of employees _____</p> <p>Average salary _____</p> <p>Employees on permanent contracts _____</p> <p>Retention rate _____</p> <p>Number employees on probation _____</p> <p>Period of probation _____</p>

Fact find	Question	Considerations	Information required
Company car profile	Does the employer have an existing company car scheme?	It will be useful for Leaseco/broker to understand the parameters of the current company car policy to be able to best advise the employer on the suitability of salary sacrifice.	<p>What is the current standard term? ____ years</p> <p>Payment profile? ___ advance rentals</p> <p>Spread/terminal pause _____</p> <p>Maximum annual contract mileage? _____</p>
VAT position	Is the employer able to reclaim VAT?	To ensure employee quotes are calculated correctly, VAT relief must be applied according to employer's VAT position.	<p>The employer can reclaim VAT at a rate of:</p> <ul style="list-style-type: none"> i. 100% ii. 0% iii. ____% (Partially exempt)
Flexible benefits	<p>What other benefits does the employer offer?</p> <p>Does employer have an external flexible benefits provider?</p>	<p>Employees on lower salaries may need to give up an existing benefit to participate in the Scheme to ensure National Minimum Wage requirements are not breached.</p> <p>In order to consider the suitability of salary sacrifice for the employer we will need to understand the range of benefits it offers; if the employer has an external benefits provider we may need to liaise with them.</p>	<p>The employer offers:-</p> <ul style="list-style-type: none"> a) We do not have an external provider; b) Our external provider is:- <p>_____</p>

Fact find	Question	Considerations	Information required
Early Termination	What percentage of early terminations would you like to cater for?	<p>Of the number of employees that leave the company, or take extended parental leave, each year, how many early termination fees would you anticipate re-charging to the employee?</p> <p>For instance, if an employee resigned from the company, or was banned from driving the company would re-charge the early termination fee to the employee, but the company is likely to pay the early termination fee for employees that take ill-health retirement, or are no longer able to drive for medical reasons.</p>	<p>Average number of employees per annum who:</p> <p>resign or are dismissed _____</p> <p>take extended parental leave _____</p> <p>take ill-health retirement _____</p> <p>are made redundant or take voluntary redundancy _____</p> <p>Other _____ (Death in service/loss of licence etc...)</p>
Payrolling	Are all/some company benefits payrolled?	If company cars are payrolled, a slightly different process would need to be applied by the payroll department.	<ul style="list-style-type: none"> The employer has elected to payroll company cars? Yes / No
Workplace charging	Does the employer have/have the ability to install, charge points at their workplace(s)?	<p>One of the main anxieties that prevents drivers from switching to an electric car is the concern that they may not be able to charge their car.</p> <p>Workplace charge points should increase uptake, and at present grants are available to companies towards the installation of charge points. Also, electricity is not deemed by HMRC to be a fuel, so the employer may provide charging to employees free of charge without any tax implications for the employee or the employer.</p>	<p>The employer has/will be installing workplace charge points?</p> <p>Yes / No</p> <p>The employer has an alternative solution:</p>

Fuel cards	Do any employees have corporate fuel cards?	<p>Company car drivers may currently have a corporate fuel card and cash allowance takers returning to a company car scheme may expect to have a fuel card. Employees may wish to continue to use a corporate card for charging.</p> <p>If employees are currently provided with free private fuel they may expect to receive free private electricity for their car.</p>	<p>a) Fuel cards are not offered to employees.</p> <p>b) ____ employees have fuel cards.</p> <p>c) All company car drivers have fuel cards</p> <p>d) Free private fuel/electricity will continue to be offered.</p> <p>e) Free private fuel/electricity will cease to be offered.</p>
Scheme promotion	Would the employer require promotional materials/support to be provided?	Promoting the Scheme will ensure maximum take-up by employees and so promotional material, such as ads for the employer's intranet and leaflets/poster for the workplace for employees, and appropriate material for any union representatives, will be very helpful.	<p>The employer requires promotional material?</p> <p>Yes / No</p>
Driver training	Does the employer require EV driver training?	As electric cars may be perceived to be significantly different to existing petrol or diesel cars, it may be reassuring to employees to be able to receive an introduction to driving one.	<p>The employer would like Leaseco/broker to provide introductory training for drivers:-</p> <p>Yes / No</p>