

Electric Dreams

Helping individuals & businesses
to go 100% electric





This is Money

"...potentially, however, something of a financial game-changer for driving an electric car, which might save 32 per cent to 42 per cent of the monthly cost of getting behind the wheel"

Fleet News

"Salary sacrifice is 'perfect' for electric vehicles"

Tusker

"If you are not looking at salary sacrifice, electric vehicles still look quite expensive to buy, but that's where this scheme is good... Under a salary sacrifice scheme, you can make an expensive car incredibly affordable."

KPMG

"There are fantastic savings to be had for the employee and employers from successfully introducing salary sacrifice arrangements"

Smart Transport

On average, British drivers said they would consider purchasing an EV by 2025

**The Electric
Dreams Car
Scheme**



Refurbished
Handsets



Unified
Communications
& Voice

'Climate Positive'
Connectivity



FAIRPHONE

Your Co-op Business Solutions is on a mission to offer ethical, low carbon alternatives to support our, and your, sustainability policies.

We are open and transparent about our values and principles which have always been to create a better, fairer world, to give back to the environment and our communities.

We are the only co-operative utilities provider in the UK offering broadband, energy, mobile and business solutions, to promote flexible and easy working in all organisations.

We take a holistic approach to actively reduce carbon emissions across all these services by sourcing sustainably and through carbon offset/climate positive actions.

Our co-op colleague members are trained to provide exceptional service because we believe in providing first class customer care and helpful advice at every touch point.

Why Choose us?

Dedicated Account Management and single point of contact for all your benefits.

Timely updates on regulation changes that affect your benefits with market insights to keep you informed.

Bespoke marketing to promote the scheme and drive uptake.

Attendance at your benefits fairs to promote your benefits package.

We work with the best in the industry to ensure that you get a product that compliments our excellent customer service e.g. Octopus, Halfords, Talk Talk etc.

Access to preferential deals and offers across the Your Co-op Business Solutions product portfolio.



Why do companies implement an EV salary sacrifice?

Categorised as Scope 3 emissions, commuting accounts for 5% of the UK's total emissions - 18 billion kg of CO2e annually.

Employees sacrifice salary in return for a new electric car, saving up to 45% of costs on income tax and national insurance.

A hassle-free, unique benefit

No cost to the business to set up or run, de-risked & all services included, included the necessary payroll reports

An amazing employee retention benefit, helping the business and their employees become more sustainable

Super low Benefit-in-Kind rates make getting an electric car through salary sacrifice really attractive

Future proofed for Ultra Low Emission and Clean Air Zones

A great employee experience

Including an intuitive digital quoting tool

Webinar events with our EV experts

Electric vehicle education – we speak to all your employees before placing an order

Test drive events – COVID allowing

Collateral to support the launch & development of the scheme

Dedicated Customer Service Team for support

The Electric Dreams Package

- A brand new EV with no up-front cost over 2, 3 or 4 years
- Routine servicing, maintenance, repair & tyres
- Breakdown & recovery assistance
- Fully comprehensive insurance
- Accident & claims management services
- Charging solutions
- Online webinar launches & a dedicated customer service team



Meet Julia...

Julia is a 40 year old engineer, living in Milton Keynes

Salary: £60,000

Tesla Model 3 SR+

Lease term: 36 months

Annual mileage: 10,000 miles

Julia's net monthly payment
Over 3 years (2021-23)

£420*
per month

- Also includes:
- Insurance and accident management
 - Servicing, maintenance & repair
 - Roadside assistance
 - Tyre replacement
 - Leaver protection for unforeseen circumstances
 - A £500 end of contract damage waiver



Meet Max...

Max is a 35 year old HR Manager, living in Wiltshire

Salary: £40,000

Renault ZOE GT Line

Term: 36 months

Annual mileage: 10,000 miles

Max's net monthly payment
Over 3 years (2021-23)

£371*
per month

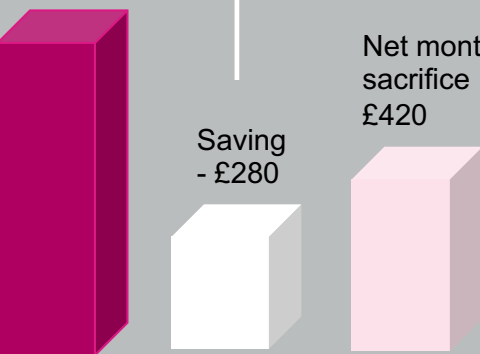
- Also includes:
- Insurance and accident management
 - Servicing, maintenance & repair
 - Roadside assistance
 - Tyre replacement
 - Leaver protection for unforeseen circumstances
 - A £500 end of contract damage waiver



Julia's numbers in detail

Tax year 2021/22:

Gross monthly sacrifice
£700



Income tax saving = -£280
National insurance saving = -£14
Benefit in Kind (BiK) tax = £14

TOTAL SAVINGS

Julia's savings
Over 3 years (2021-23)

£10,080

Later tax years:

Julia pays Benefit in Kind (BiK) tax:

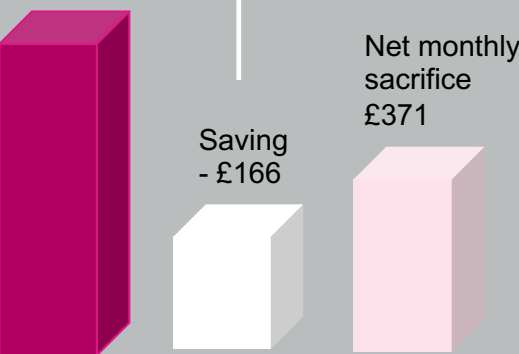
Value of car x BiK % x tax rate / 12

	BiK%	BiK Payment	Net Monthly Sacrifice
2021-22	1%	£14	£420
2022-23	2%	£27	£433
2023-24	2%	£27	£433

Max's numbers in detail

Tax year 2021/22:

Gross monthly sacrifice
£537



Income tax saving = -£107
National insurance saving = -£65
Benefit in Kind (BiK) tax = £6

TOTAL SAVINGS

Max's savings
Over 3 years (2021-23)

£5,976

Later tax years:

Max pays Benefit in Kind (BiK) tax:

Value of car x BiK % x tax rate / 12

	BiK%	BiK Payment	Net Monthly Sacrifice
2021-22	1%	£6	£371
2022-23	2%	£12	£377
2023-24	2%	£12	£377

*Pricing accurate as of 8th October 2021 and averaged across three years; subject to eligibility and credit approval. Terms and conditions apply. Any prices quoted are subject to change and will be impacted by changes in law, regulation, tax or duty beyond our reasonable control. It assumes that the business can recover VAT and returns savings from their National Insurance Contributions due to the sacrifice back to the employee.

*Pricing accurate as of 8th October 2021 and averaged across three years; subject to eligibility and credit approval. Terms and conditions apply. Any prices quoted are subject to change and will be impacted by changes in law, regulation, tax or duty beyond our reasonable control. It assumes that the business can recover VAT and returns savings from their National Insurance Contributions due to the sacrifice back to the employee.

Why Electric Dreams work for employers

- It protects against unforeseen life circumstances such as (after 6 months into the lease):
 - Resignation & redundancy
 - Extended parental leave & long term sickness
 - Loss of driving licence due to medical reasons
 - Accidental death
 - (This is capped at 10 vehicles or 10% of the fleet per year)
- Extended parental & long term sick leave allowances ; where the employee’s salary falls below the national minimum wage, you will be able to return the car OR keep the car free of charge (up to 12 months for parental and up to 3 months for long term sickness).
- No company is too small, as long as you have 1 person interested, this scheme is available
- No cash flow risk, take the payment from the employees gross salary and pay an invoice for the equivalent value
- Payroll reporting & invoice support is standard (available in monthly and 4 weekly pay cycles)
- Dedicated Account Management across the scheme lifecycle
- Charging solutions

A deep dive into any possible risks and solutions

Circumstance	Mitigation by Electric Dreams	Mitigation by Employer
Where you exceed your Early Termination Waiver cap, or a vehicle is terminated within the first 6 months of a vehicle lease		Redeploy car within fleet/allocate to another employee Negotiate exceptional terms with Octopus Recover payment from employee outside of salary sacrifice arrangements Optional: Retain Employer NI Savings to create a 'contingency fund', for unexpected costs you wish to cover
Temporary reduction in hours or pay (including career breaks/sabbaticals)	N/A	Redeploy car within fleet/allocate to another employee Negotiate exceptional terms with Octopus Recover payment from employee outside of salary sacrifice arrangements Optional: Retain Employer NI Savings to create a 'contingency fund', for unexpected costs you wish to cover
Excess damage charges	At end of contract: A £500 damage waiver is included within the scheme. This will cover the first £500 of the overall amount. If the damage amounts to over £500, the amount will be due in full.	Recover payment through net salary if still employed. By signing up to the scheme, they enter into a binding contract with you to ensure you can recover payment.
	In life: The employee pays any insurance excesses as well as any non-insured damages at point of collection. We remind employees to ensure any damages are fixed before the vehicle is collected, therefore ensuring any insurance excesses are charged directly to them.	N/A
	Bad leaver: The insurance policy will cover damages but excesses may still be due. These would be recharged to the Employer.	Recover payment through net salary if still employed. By signing up to the scheme, they enter into a binding contract with you to ensure you can recover payment.
Excess mileage charges	Octopus will check in with the employee throughout the term of the lease agreement to track mileage. We also advise them upfront to select a mileage amount that suits their lifestyle needs. If we think that they are going to go over their agreed mileage, then we can requote their agreement to include these upfront and into their monthly sacrifice, rather than charge excess mileage charges as the end of the contract.	Have their mileage increased as a part of the lease agreement therefore requiring you to update their payroll deduction. Recover payment through net salary if still employed. By signing up to the scheme, they enter into a binding contract with you to ensure you can recover payment.
	Through the sign up process we encourage the employee to register with TFL, as this will exempt the colleague from these charges (there are no congestion charges for EV's if registered). Octopus will be required to pay these fines, and then invoice the Employer (with a clear note on the fine & relevant employee). We will also notify the employee of the fine incurred.	You would collect this from a colleague's net pay.
Congestion Charge, TFL, Bus Lane & DART Charge fine & fines incurred abroad		
Parking and speeding fines	Octopus will Transfer Liability of this fine directly to the employee and notify them. They can then contest or pay the fine directly.	N/A

Your Implementation Process

To get started, speak to Your Co-op Account Manager who is experienced in salary sacrifice arrangements and other benefits, to ensure your launch is seamless. Once live, the team at Electric Dreams will then take your employees through each step and support their individual journey.



Typically takes 2-4 weeks

**For more information call
0800 458 7929 or email
info@flexiblebenefits.coop**

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