
100% Electric Salary Sacrifice Scheme

Frequently asked questions



ABOUT THE 100% ELECTRIC SALARY SACRIFICE SCHEME

What is the Octopus 100% Electric Salary Sacrifice Scheme?

The Octopus 100% Electric Salary Scheme allows you to get a new car through salary sacrifice, paying for it out of your gross salary before tax and national insurance, with no up-front costs and a simple monthly fee that includes all of the below!

What is included in the Octopus 100% Electric Salary Sacrifice Scheme?

This scheme is designed to be all-inclusive and as convenient as possible for both the employer and employee.

The monthly payment includes:

- Your electric car.
- Breakdown cover and roadside assistance.
- Servicing, MOT, Tyres (subject to Fair Wear and Tear guidelines).
- Relief vehicle.
- Accident Management.
- Road Tax.
- New EV starter pack and expert advice.
- Early termination protection for resignation, redundancy, parental leave and loss of license due to medical conditions.
- End of contract damage waiver.

What are the main benefits of the Octopus 100% Electric Salary Sacrifice Scheme?

You can drive a brand new car for less money with no up-front payment. By switching to a fully electric car you can take advantage of the extremely low benefit-in-kind rates – as well as all the other benefits of switching to electric, such as really low running costs. You'll be supported by a team of EV specialists who will help match you with the right car, and pair you with the right charger and energy tariff.

Why should I consider salary sacrifice?

By 'sacrificing' gross salary before income tax and national insurance, you can save as much as 60% on your monthly car costs. It's also a one-stop shop product reducing hassle and giving peace of mind.

ABOUT CONTRACTS

Is the scheme available to everyone?

The employer decides who can partake in the scheme. As a minimum, you need to have completed your probation period, be on a permanent contract and have held a UK eligible driving license for a minimum of 2 years, as well as be able to afford the vehicle without going below minimum wage and are not planning on retiring during the life of the contract agreement.

How long is the agreement for on the car?

You can choose either 24, 36 or 48 months.

Can I choose a specific yearly mileage allowance?

Yes, there are many options - the minimum being 5,000 miles and maximum being 30,000 miles.

What happens when the car needs a service or maintenance?

The vehicle is provided under a full maintenance scheme, which includes servicing, batteries and tyres under normal wear and tear conditions. The car will be delivered with a 'new EV driver pack', which will detail the service and maintenance contacts. Any damage will be billed directly to the driver at point of repair.

What happens if I resign or I am dismissed?

If you resign or are dismissed by your employer, the vehicle can be returned and your early termination protection will be used, usually resulting in no fee.

What happens if I go on parental leave?

You may retain the car and continue to pay for the vehicle for as long as you can afford it. If your salary drops to a level below minimum wage and/or statutory pay, you will be covered for up to 12 months from the start of your leave. Alternatively, if you no longer require your vehicle, you can return the vehicle and your early termination protection will be used, usually resulting in no fee.

What happen if I lose my licence on medical grounds?

The vehicle can be returned, and your early termination protection will be used, usually resulting in no fee.

What happens at the end of the contract?

Your car will be returned. An assessment will be made at the point of handover to assess any damage or excess mileage charges. Any recharges, including excess mileage, will be invoiced to the employer and are normally then deducted from the employee's salary.

Do you need to see my driving licence?

Yes, this will be checked during your quoting and ordering journey.

ABOUT FEES & PAYMENTS

Will I pay company car tax?

An Octopus 100% Electric Salary Sacrifice Scheme lease is subject to company car tax, also known as Benefit-in-Kind. HMRC will charge you the Benefit-In-Kind on the vehicle payment. However, as it's an electric vehicle, the BiK rates are ZERO between April 2020/21 and then only 1% in 2021/22 and 2% in 2022/25! We expect this to continue to marginally increase following that.

Do I make the same payment throughout the life of the contract?

Your payments will vary based on benefit-in-kind rates. These are set until the end of March 2023 and closer to the time, the government will confirm rates from April 2023.

Is there a delivery charge?

No, this is already included. Your car will be delivered free of charge to any UK mainland address, either home or business (except for Tesla vehicles which will need to be collected).

Are there any fees or other payments involved?

There are no set-up fees and no upfront payments. There may be charges in circumstances of excess mileage, certain early termination circumstances, end of contract damages or fines.