

CARCC ULEV Salary Sacrifice Scheme



This is the Driver Handbook, and both the Council and employee are required to sign and agree to these terms.

As an employee, you understand and agree that:

- ☐ You have read and understood this driver handbook, and agree to be bound by the terms contained in this document
- ☐ Participating in this scheme may impact your pension and we recommend you speak to your pension provider or an independent financial advisor to understand the implications fully
- ☐ As participating in this scheme will reduce your gross salary, you understand that this can also impact affordability searches for mortgage applications and other financial services
- ☐ Participating in the scheme could change your tax code, and could also impact other benefits you currently receive
- ☐ Your employment contract is varied by the terms of the salary sacrifice agreement and this is a statement of change to your employment contract (under section 4 of the Employment Rights Act 1996)
- ☐ You are responsible for ensuring that the car is kept safe, supervised and in your custody, until the end of this arrangement
- ☐ You will keep the car in your possession and control, unless it is being serviced, maintained, repaired or MOT tested
- ☐ You are responsible for costs and charges, detailed in this driver handbook, which may not be covered by salary sacrifice. Such costs will be paid by you directly to Knowles Fleet
- ☐ You understand and agree that changes in law and BIK tax rates may result in an increase in costs of the car and therefore increase the monthly salary sacrifice to deal with such changes
- ☐ You will not use the car for commercial purposes, including as a delivery driver or to transport individuals for a fee, nor will you use it for competing in any motor sport
- ☐ You will not undertake any action which would invalidate the fleet insurance policy
- ☐ You will not sell, assign, charge, pledge, hire or deal in any other way with the car, and you will not allow a security interest to be created over the car

Declaration

I have read, understood, and agree to all terms and conditions within this Salary Sacrifice policy agreement, specifically that any required deductions will be deducted via payroll, as necessary and that a formal change of my employment contract will be required.

Employee	
Signature	
Position	
Date	

Approver	
Signature	
Position	
Date	

CARCC ULEV Salary Sacrifice Scheme

Contents

What is the ULEV Salary Sacrifice Scheme?	3
Who are Knowles Fleet?	3
Is this scheme right for me?.....	3
What are the eligibility / scheme rules?	4
How does this affect my pension and state benefits?.....	4
What if I am on a part-time or fixed-term contract?.....	5
What are the benefits of the scheme?	5
What is included?.....	5
What is Benefit-in Kind?	6
What are the lease hire period options?	6
What will your Salary Sacrifice payment not cover?	6
What are early termination charges?	7
What if I go on long term sick leave during the contract?.....	7
What about Parental Leave?.....	8
What if I leave my employment with the Council?	8
Can I transfer my car if i change jobs?	9
What other fines and charges would I be liable for?.....	9
Will I still be able to claim business mileage?.....	11
How do I get a quote and place an order?.....	11
Can I change my order once its been placed?	13
Can I cancel an order?.....	13
When will my first payment be?	13
Why do my quotes differ from those of my colleagues?.....	13
Can I add items to the car during the contract such as a Tow bar or Winter Tyres?	13
Can I place an order through my local dealership?	13
Do you have a vehicle I can use whilst I wait for mine to be delivered?	14
What care and maintenance are needed?	14
How can I get a home charge point installed for an electric or hybrid car?.....	15
What about insurance?.....	15
What if I have an accident?.....	17
Can I take my car abroad?	18
What happens at the end of the contract?	18

CARCC ULEV Salary Sacrifice Scheme

What is the ULEV Salary Sacrifice Scheme?

The CARCC ULEV (ultra-low emissions vehicle) Salary Sacrifice Lease scheme is operated by Knowles Fleet.

Salary sacrifice is an arrangement under which you agree to give up (sacrifice) some of your gross salary (your salary before income tax and National Insurance Contributions (NIC) have been deducted) in exchange for a non-cash benefit, such as a car, provided by your employer.

This means that you do not have to pay tax, or national insurance contributions on the amount that you give up. Other examples of salary sacrifice schemes are cycle to work and childcare vouchers.

By signing up to this scheme, you agree to sacrifice an amount of your gross salary, on a monthly basis, in return for a brand new ULEV car. This car will be leased to you for a fixed period (either 2 or 3 years) and there will also be a pre-agreed mileage limit.

The Council is implementing this scheme with the sole aim of helping employees to benefit from significantly reduced lease rates and, on this basis, selecting to sign up to the scheme will mean that you must take full responsibility for your chosen vehicle.

Who are Knowles Fleet?

Knowles Fleet is an employee-owned company that specialises in lease car scheme design and administration services to organisations across the UK. We are not a vehicle leasing or hire company or a credit broker.

All vehicle quotes, terms and conditions and documentation have been approved by your employer and are in line with your organisation's policies.

Is this scheme right for me?

As noted, it is important that you take independent financial advice before entering into any financial commitments. This scheme is a long-term financial commitment, and you should consider it carefully before proceeding. In taking on a lease you are making a financial commitment for that duration and as detailed within this handbook, such a scheme can impact other aspects such as pensions and other financial implications such as affordability checks for mortgages and loans.

The Council is unable to provide any financial advice and as such we recommend you seek independent advice to make an informed decision. These bodies may also be able to help you:

- Unbiased: <https://unbiased.co.uk/>
- Money Advice Service: <https://www.moneyadviceservice.org.uk/en/articles/choosing-a-financial-adviser>

Please ensure you fully understand your legal obligations before proceeding and that this salary sacrifice is a formal change to your employment contract.

CARCC ULEV Salary Sacrifice Scheme

What are the eligibility / scheme rules?

To take part in the CARCC EV Salary Sacrifice Scheme, eligibility would be based on employees who:

- ✓ are on a permanent or fixed term (FT or PT) contract paid through the Council payroll system
 - fixed term employees only permitted to take out agreements that finish before their fixed term post ends
- ✓ have successfully completed their probationary period
- ✓ have not been placed under formal notice as being at risk of redundancy
- ✓ is not under formal disciplinary investigation where allegations could constitute gross misconduct
- ✓ after the agreed salary sacrifice has been deducted, their pay would not fall below the national living/minimum wage
- ✓ are not planning on retiring during the duration of the agreement
- ✓ hold a valid a driving license permitted for use in the UK

You are able to join the scheme at any point during the year and the salary sacrifice will continue for the duration of the agreed lease period of the vehicle. You're responsible for notifying us of any changes to your circumstances which might affect your eligibility.

How does this affect my pension and state benefits?

This will depend on your individual pension and so there may be implications both in terms of employee and employer contribution to your pension. CARCC cannot provide financial advice relating to individual pensions and so does not accept any responsibility for impact on any individual's pensions through joining the scheme. We therefore recommend you seek independent pensions advice before joining the scheme, so you are fully aware of the impact.

For reference the table below summarises the Universities understanding of the three main pension solutions (as of November 2022):

USS	As USS is based on notional salary (before any salary sacrifice reductions), then pension contributions for the employee and employer would remain the same even with salary sacrifice deductions. For help and support through USS visit https://www.uss.co.uk/help-and-support
LGPS	For employees with either a Dyfed or Swansea LGPS pension, if an employee took out a salary sacrifice scheme, then unlike the USS approach, this would be based on gross salary (after salary sacrifice). So, if entering this scheme both the employee and the employer contributions would reduce and negatively affect employee pension pots. See below link for further details from the Dyfed and Swansea LGPS schemes – as previously noted it is recommended you seek pensions advice before committing to this scheme. LGPS Car Salary Sacrifice Factsheets: https://www.dyfedpensionfund.org.uk/media/1704/dpf-salary-sacrifice-factsheet-english.pdf https://www.swanseapensionfund.org.uk/wp-content/uploads/2018/06/Salary-Sacrifice.pdf LGPS more information: https://www.dyfedpensionfund.org.uk/local-government-pension-scheme/

CARCC ULEV Salary Sacrifice Scheme

	https://www.swanseapensionfund.org.uk/
TPS	As with the LGPS pensions, TPS (Teachers' Pension Scheme) is also based on gross salary after salary sacrifice deductions. So, if entering this scheme both the employee and the employer contributions would reduce and negatively affect employee pension pots. For more information, please contact your pensions provider. As noted previously, it is recommended you seek pensions advice before committing to this scheme.

Please note that sacrificing an amount of gross salary may also affect entitlement to some state benefits. We recommend you seek advice from the relevant bodies before joining the scheme.

What if I am on a part-time or fixed-term contract?

All employees on the Council payroll are eligible for this scheme providing they meet the eligibility criteria detailed earlier within this document, this includes part-time or fixed-term contracts.

What are the benefits of the scheme?

Save on income tax and National Insurance - You won't pay tax or National Insurance on the portion of your salary you give up paying for the car. You will need to pay Benefit in Kind Tax (see further details below), but the greener the car you choose, the less you pay. If you select an electric vehicle, you will save substantially on tax.

Save on the cost/running of the car – You can benefit from preferential rates and the discounts negotiated with manufacturers through the supplier. As well as this, as part of the fixed monthly cost you are covered for all servicing and maintenance as well as having 24/7 breakdown cover and fully comprehensive insurance.

Certainty on the cost of insurance – Your vehicle insurance is included in the monthly lease rate and is fixed for the duration of your lease. See the “What about insurance?” section for more details.

Zero Deposit – with no credit checks and no arrangement fees or delivery/collection fees

What is included?

You pay one simple fixed cost each month, for the duration of your agreement. That includes:

- The cost of the car
- Car Tax (Road Fund Licence)
- Maintenance and servicing costs
- Replacement tyres including accidental damage and punctures
- Fully comprehensive insurance fixed for the period
- Accident Management
- 24/7/365 Breakdown Assistance/Recovery
- Early Termination contingency to protect against certain scenarios (see Appendix 1)
- MOTs (if required)

Your salary sacrifice payment does not cover your requirement to pay your benefit-in-kind tax that will be applicable to you if you utilise the scheme.

CARCC ULEV Salary Sacrifice Scheme

What is Benefit-in Kind?

Employees who join the scheme are required to pay Benefit-in-Kind tax, as the vehicle is available for private use and has been provided as a benefit through your employer. As part of the Knowles Fleet quote process, employees are provided with an indicative annual Benefit-in-Kind charge, however, that figure is subject to change from 2025/26.

Employees should refer to the HMRC website for further information on company car tax and how it is calculated www.hmrc.gov.uk/cars. Your monthly BIK tax will be added to your monthly tax payment automatically.

For April 22/23 the BIK tax amount for an electric vehicle is 2%, this is also the case for 23/24 and 24/25. For April 25/26 onwards, this is yet to be decided by the UK government.

For Hybrid vehicles, the BIK tax amount is dependent on the car itself (based on CO2 emissions g/km and electric mileage range). For further information on this see [here](#).

What are the lease hire period options?

The standard lease terms either 24 or 36 months. Mileage will be variable, dependant on your requirements. However, there is a maximum of 20,000 miles per annum. Over and above this amount, a customer quote and advice will be provided on an individual basis. [What will your](#)

Salary Sacrifice payment not cover?

- Certain early termination costs (please review the Early Termination Charges section below and Appendix 1)
- Driving fines and sundry charges including excess mileage costs (see fines and charges)
- Unreasonable wear and tear costs (see fines and charges)
- Insurance excess in the event of a claim (see insurance section for details)
- Top up fluids including antifreeze, engine oil and AdBlue (if required) between servicing. If any fluids are refilled as part of a service, the cost will be included.
- Although Knowles make every effort to arrange a replacement vehicle in the event of a breakdown or accident, the contract does not include a free of charge courtesy car. A relief vehicle can be included in your contract at an additional cost on request from our quotes team when your vehicle is ordered but cannot be added during your contract.
- Any damage caused to the vehicle by incorrect driving, failure to follow the instructions published in the manufacturer's handbook or impact damage is not included. Any additional cost not covered under the contract will be the responsibility of the driver.

All reasonable steps have been taken by CARCC and Knowles Fleet to mitigate these costs and information is provided throughout this document telling you more about your responsibilities.

Please note that Knowles Fleet, as part of the fleet administration service, would look to obtain these costs from you the employee, directly.

Whilst the process is slightly different in each case, in summary all invoices for these charges would be received by Knowles Fleet. They will contact you to request payment with full supporting documentation. Payments will generally be made over the telephone to Knowles Fleet who will settle these directly with the leasing company.

Any insurance excesses will be paid by you, directly to the repairing garage upon completion of repair work and prior to the vehicle being collected.

CARCC ULEV Salary Sacrifice Scheme

What are early termination charges?

If you leave the scheme within your contract period, you may be liable to pay an early termination charge based on the table below.

YEAR OF TERMINATION	SCHEDULED LEASE PERIOD	
	2 YEARS	3 YEARS
YEAR 1	2 months	5 months
YEAR 2	1 month	3 months
YEAR 3		1 month

Depending on your agreement length, you would pay the number of months leasing payments – please note the leasing payments used in early termination fees are based on the leasing companies car cost and not your monthly net reduction.

For example, if you were on a 3-year lease period and left during the first year you would have an early termination fee of 5 x the lease cost payment. This would be 3x in year 2 and 1x in the final year.

Full details of early termination scenarios are documented in **appendix 1** but in summary where an early termination is required, the following scenarios would mean **you would be liable** for the relevant early termination charges:

- Resignation
- Employer termination of contract
- Retirement during the agreement
- Loss of license (due to non-medical condition i.e., disqualification or suspended license)

However, as part of the scheme setup, the Council has put in place with our supplier specific early termination cover which would mean the following scenarios would mean any early termination charges would be covered by the supplier:

- Compulsory Redundancy
- Loss of license (due to medical condition)
- Death in service
- Terminal illness

As our supplier, Knowles Fleet's approach will be that early termination fees are a last resort and wherever possible attempts would be made to move the lease to another Council employee, or even to other customers of the supplier. Thus, reducing the risk further for employees in relation to early termination fees.

As part of the quote process, the early termination fees relevant to the quote will be summarised so you have clarity on the fees for each year of the agreement.

What if I go on long term sick leave during the contract?

CARCC recognises that employees who are unable to work because of illness or incapacity during the period of a lease contract, may move onto reduce pay and therefore employees may have concerns about possession of a leased car.

CARCC ULEV Salary Sacrifice Scheme

In these circumstances CARCC has also built-in protection through our chosen supplier, who would ensure that any employee who is unable to attend work due to long-term sickness - from the point their salary reduces from full pay to reduced pay - will have payments covered for up to a maximum of 6 months. Once the employee returns to work, payments will restart. Further details on this can be found in **appendix 1**.

What about Parental Leave?

CARCC recognises that employees may wish to take parental leave during the period of your lease contract, during which time salary may drop to statutory or reduced pay. Given this you may have concerns about the costs of possessing a leased car.

CARCC has built into the scheme through our chosen supplier, protection so that if an employee moves onto statutory or reduced pay during parental leave, then payments will be covered by the supplier up to a maximum of 6 months from that point. Once the employee returns to work on full pay, payments will restart.

Please note this protection will only cover one instance of maternity leave during the lease of your vehicle. If a second instance of parental leave is taken during your contracted lease period and your pay drops to below national living wage, then you will then have the following options when you move to reduced pay:

- Option 1 - To look to end the agreement and return the car. You would be liable for the early termination fees noted previously.
- Option 2 - To continue paying for the car via a separate standing order* to CARCC, once deductions are no longer possible from your salary

If you return to work but it is agreed, upon your request, to reduce your contracted hours, you must consider the following:

If your available salary, after lease cost deductions are made, falls below the national living wage, the lease contract cannot continue in its current form. In this instance, you will have the following options:

- Option 1 - You can return the vehicle to and pay any associated early termination costs.
- Option 2 - To continue paying for the car by standing order*, to CARCC, once deductions are no longer possible from your salary.

**** IMPORTANT – Please note that any deductions taken by standing order are likely to be at a higher rate than the salary sacrifice rate.***

Further details on this can be found in **appendix 1**.

What if I leave my employment with the Council?

As per the section above, if you resign from the business, **you normally will be liable for meeting the early termination costs as well as any other costs incurred (fines and charges).**

There is no option for any vehicle to be purchased by an employee leaving the business part way through a lease contract. If you are leaving the business at the **end** of the lease contract, you will have the option to purchase the car through Knowles Fleet.

CARCC ULEV Salary Sacrifice Scheme

Please note - Knowles Fleet will contact you for payment of any early termination fees, excess mileage charges and damage recharges. Please note, any vehicle damage should be reported via the Knowles Fleet Accident Management team prior to a vehicle being returned.

However, if you leave your employment and move to another organisation then the vehicle may be able to transfer to the new employer but only subject to the new employer's, current employer's and leasing company agreement, along with payment of an administration charge. If the employee chooses to return the vehicle, they will be liable for a financial penalty on account of early termination of the contract (see Early Termination section of this document).

Can I transfer my car if i change jobs?

If you are changing jobs within your current employer, in most cases it will be possible to keep your vehicle. To discuss, please call us on 01206 255425.

Where you are changing employer, it may be possible to transfer the vehicle if you are remaining in the public sector. If you are moving to the private sector, you will most likely have to return your vehicle and pay any termination costs that apply.

To find out if your vehicle can be transferred, please contact us on 01206 257219 before handing in your notice so you can make a fully informed decision.

If we are not advised of a potential transfer until just before or after the required transfer date, or if there are any gaps in employment, the transfer may not be possible and you will be liable for any early termination costs. Therefore, early notice of a possible transfer is essential.

What other fines and charges would I be liable for?

It is the employee's responsibility to pay any driving fines received whilst driving your car, without delay. Any fines not paid within the stated period will be paid by the leasing company. There will then be an additional charge to be added to the fine at a cost of £20+ vat, with Knowles Fleet contacting you to recover the full cost of the fine including the administration fee.

Employees will also be responsible for any sundry costs associated with the vehicle provided. These will also be payable directly to Knowles Fleet. These include, but are not limited to:

- Cancellation charge – costs associated with cancelling a vehicle order prior to delivery
- Excess mileage charge – pence per mile charge, levied at the end of the contract, if the vehicle has exceeded its contracted mileage. In order to avoid excess mileage, you should ensure that you carefully estimate your anticipated annual mileage when placing your order as this cannot be amended during the course of the contract
- End of contract charges – costs levied by Knowles Fleet if the vehicle is returned with damage or excessive wear and tear. Further details below
- Items outside the maintenance agreement – lost, damaged or broken items and driver abuse (e.g., incorrect fuel)

End of contract charges

You can expect to incur charges if a vehicle is returned with an unreasonable level of wear and tear at the end of the contract period. The main causes of unreasonable wear and tear are:

CARCC ULEV Salary Sacrifice Scheme

- Lack of regular checks by the driver leading to faults and damage going undetected and unrepaired
- Not adhering to the manufacturer's recommended maintenance and servicing schedule
- Drivers not taking responsibility for the day-to-day care and maintenance of the vehicle leading to general neglect
- Poor quality of body repairs (you should always use a Knowles Fleet approved repairer)
- Missing stamps on service books / missing service books
- Missing keys

End of contract recharges will be payable directly to Knowles Fleet, please ensure that the vehicle is maintained in line with the manufacturer's recommendations.

You will be notified around six to nine months in advance (depending on market conditions) that your vehicle is coming to the end of its lease term. At this point it is advisable to check the vehicle over and report any damage to Knowles Fleet so that it can be repaired.

Fines and Fixed Penalty Notices

As noted, it is your responsibility to pay fines without delay, unless you intend to dispute them. If there are genuine grounds for dispute, you should write contact the issuing authority immediately, explaining the circumstances and keep a copy of the letter for your own records and send a copy to Knowles Fleet.

We'll explain more about the different fines below:

Speeding Fines

As the registered keeper of the vehicle, Knowles Fleet will receive the speeding fine notification first. Next, Knowles Fleet will supply your details to the issuing authority. It's your responsibility to pay the fine to Knowles as quickly as possible.

Fines for using mobile phones

We want you (and those around you) to stay safe while you're driving. It is against the law to use your phone whilst driving unless it's with a handsfree kit or Bluetooth. If you do use a mobile phone whilst driving and are caught, it is your responsibility to pay any associated fines.

Parking fines

Knowles Fleet will receive any outstanding parking fine notifications. Upon receipt, Knowles Fleet will supply your details to the issuing authority.

It is your responsibility to pay the fine as quickly as possible. Any fines not paid within the stated period will be your responsibility and Knowles Fleet will add an administration charge to the fine. Knowles Fleet will recover the cost of the fine, including the administration fee, from you directly.

Once a fine has been paid it cannot be disputed, therefore, if you want to dispute it you need to let Knowles Fleet know as soon as possible.

Bus lane abuse fines

Knowles Fleet will receive notification of bus lane abuse fines. Knowles Fleet is unable to refuse payment on the grounds of the vehicle being a lease car. On this basis, payments will be made, and Knowles Fleet will recover the cost of the fine, including any administration fee, from you directly.

Congestion charges

CARCC ULEV Salary Sacrifice Scheme

If you are travelling in a congestion zone, you will need to pay the charges in advance or by 10pm on the day of entering the congestion charge area. Make sure you keep hold of the receipt as proof of payment. The charge can be paid by telephone, online or at a payment point situated in Post Offices and some shops and garages. If you don't pay the charge by midnight on the day of entering the congestion charge area, you will get a fine which will be issued to you via Knowles Fleet. You will be required to pay the fine in line with the time stipulations stated on the notice. Any charges not paid within the stated period will have an administration charge added to the fine. Knowles Fleet will recover the cost of the fine, including any administration fee, from you directly.

Will I still be able to claim business mileage?

If you travel on official business, you will still be able to claim mileage reimbursement through the normal Council process. However, when obtaining a car through this scheme it will mean that the car is treated by HMRC as a company car and so mileage claims are processed slightly differently.

As part of the quote process, you can enter your estimated annual mileage for personal and business miles. If you do enter business miles into the quote then the monthly cost will include the relevant under salary deduction, with part of the allowance deducted from the cost of the car during the quote, reducing the amount you pay for private use. The other part of the allowance is for fuel and will be taxed if the allowance exceeds the HMRC advisory fuel rate (AFR). These rates can be found [here](#). Please note that currently (as of November 2022) for electric cars the AFR is 5p per mile whilst for hybrid cars this depends on the engine size and fuel.

Please note that by adding business mileage to the quote, it will show a cheaper monthly cost as it assumes you will be claiming back that mileage each month. Click on the quote details option to see a breakdown of the costs when obtaining a quote.

With salary sacrifice, savings are based on your reduced pay, so the mileage allowance is not offset against the cost of the car. This is because it would result in lower savings and reduce the benefit of salary sacrifice. The full allowance is paid on submission of your business mileage return. The allowance you receive will be in line with HMRC published fuel rates.

How do I get a quote and place an order?

1. Log into "Portal name"

Once you have decided that you would like to explore this option further, the first thing you will need to do is visit the Knowles CARCC portal system via www.knowlesfleet.com/CARCC and set yourself up as a user. On setting up your user account you will need to choose the correct employer pension option to ensure you receive accurate quotes.

2. Get a quote

Once you have decided which car you are interested in, you can get a quote for the monthly lease cost. If you are interested in more than one car, you can request quotes for all, saving these to then compare to help you make a decision.

The consideration and comparison stage of the process is very important as, once you have submitted your order, it cannot be amended or cancelled without incurring charges that you will be liable to pay.

- Quotes are valid for 14 days and are subject to any manufacturer or legislative price changes as well as vehicle production availability
- If your quote is older than 14 days, you will need to request a new quotation

CARCC ULEV Salary Sacrifice Scheme

- Although a quote is valid for 14 days, you should submit your quote as early as possible to allow for the authorisation team at Knowles Fleet to authorise your order. Knowles Fleet will then confirm your eligibility and authorise the order, then the process is complete.

3. Test Drives

If you'd like to test drive a car at a garage near you, please contact the relevant dealer directly. Knowles Fleet or the Council are unable to arrange test drives on your behalf.

4. Order your vehicle

Once you've decided which car you would like to lease, you can submit your order on the Knowles Fleet CARCC portal, and this will then be referred to the HR / Payroll team at CARCC for approval. A final eligibility check will be completed, based on the details at the top of this document.

Knowles Fleet will then review the approved application, current pay and benefits to ensure that by taking a car through the scheme your salary will not fall below the national minimum wage. Once your order has been authorised you will receive an email asking you to accept changes to your terms & conditions of employment relating to the salary sacrifice you will be making.

Once you have accepted the change to your terms & conditions, Knowles Fleet will order the vehicle and contact you to confirm the likely delivery timescales.

Reminder - By submitting the order and having the order authorised by CARCC, you are committing yourself to leasing the vehicle through the CARCC ULEV Salary Sacrifice Scheme and you will be liable for any cancellation charge[s] if you change your mind. You will not be able to change your mind or make any changes to the order once it has been submitted.

Vehicle availability is subject to manufacturer order lead-times. In some instances, vehicles may be delivered from stock, where the specification required is immediately available.

5. Receive your order confirmation

Once Knowles Fleet receives your authorised vehicle order, you will receive an order confirmation. This will be emailed to you within five working days. If you don't receive your confirmation within five working days, please contact the Knowles Fleet.

At this point, it is your responsibility to carefully check the order confirmation to make sure that the correct vehicle and any accessories have been ordered as requested. **If anything is incorrect, you will need to call Knowles Fleet within 48 hours.** After this, Knowles Fleet may not be able to amend your order.

6. Have your new car delivered

Knowles Fleet will let you know when you can expect your new car delivered. This date is an estimate but as soon as the vehicle is in stock, they will be in contact to arrange a delivery date and time, that is suitable to you.

7. See the arrangement in your next payslip

Your next payslip following delivery will show the reduction in your gross salary and the reduced amount of income tax and National Insurance that you pay. Because you pay tax on the car value i.e., benefit in kind, your tax code may change, and any additional tax will be deducted from your salary. Please be aware that this may not happen for a few months, unless you have contacted HMRC directly to have your tax code amended.

CARCC ULEV Salary Sacrifice Scheme

Can I change my order once its been placed?

It may be possible to amend your order although a charge may apply. Please contact our order team on 01206 255422.

Can I cancel an order?

You can cancel an agreement by email (applications@knowlesfleet.com) or post to Red Lion House, The Green, Great Bentley, Essex, CO7 8QG. You have **FIVE WORKING DAYS** from the date that you signed your agreement. If you cancel this agreement within the cancellation period, any money you have paid will be returned to you. You will not have to make any further payment.

If you cancel the order after the five-day period has expired, you will be required to meet all costs associated with the cancellation. You are advised to contact Knowles Fleet before you cancel the order. An administration charge will also apply, and this will be advised at the time of cancellation.

When will my first payment be?

Your first payment will depend on your employer's processes but it is usually the next pay run following delivery of the vehicle. Your payment may be calculated on a pro-rata basis to take into account the delivery date.

Why do my quotes differ from those of my colleagues?

Quotes are based on the best price available from several different lease companies at the time you obtain your quote. The leasing companies update their prices on a regular basis. Also, a lease company that provided a price yesterday may not do so today.

As our website constantly generates live prices, quotes can change daily. However, if you save a quote, it is valid for 14 days, so you benefit from the best price. However, quotes are subject to change if supply costs, interest rates, government grants or legislation change.

Your quotes are also based on your individual circumstances and mileage which is why they may differ to your colleagues.

Can I add items to the car during the contract such as a Tow bar or Winter Tyres?

It is usually possible to add items during the contract, but you would need to contact the lease company to confirm as the vehicle belongs to them. If you add any items to the vehicle during the contract, they must be removed before the car is returned and any damage caused made good.

Can I place an order through my local dealership?

All orders will be placed through the Knowles Fleet preferred supplier network. They have a long-standing relationship with each of their preferred suppliers who fully understand their business and can offer an exceptional service.

However, if you wish to support your local dealership, you can use them for all your vehicle servicing and maintenance requirements.

CARCC ULEV Salary Sacrifice Scheme

Do you have a vehicle I can use whilst I wait for mine to be delivered?

If you have a vehicle on order and need a temporary vehicle while you wait for delivery, we may be able to help with a lead in car. Please call us on 01206 255422 to discuss.

What care and maintenance are needed?

Naturally, you will want to take good care of your new car but there are a few points around care and maintenance that we need to draw your attention to specifically.

- Your monthly payments are calculated by Knowles Fleet on the assumption that the car will be kept in good condition so this section will detail what is expected.
- Although you lease your car, you are personally responsible for the roadworthiness of the leased vehicle in accordance with legal requirements, as if you were the owner. It is important that you service and maintain the vehicle, in accordance with the schedule in the manufacturer's handbook.
- If the vehicle is damaged accidentally, or you notice a defect, you are duty bound, in line with the terms and conditions of the scheme, to report it immediately to Knowles Fleet.

If the car is returned with damage which is considered more than 'fair wear and tear' you may be charged when you return the car.

Damage Waiver

Knowles Fleet provides a £150 damage waiver to give you some protection when the car is returned. Please be aware that if any damage noted costs less than £150 to repair, you will be covered by this waiver. If any damage noted costs more than £150 to repair, you will be liable for the remainder.

If the car is damaged at any point, it is important that you notify Knowles Fleet so it can be repaired.

Servicing and maintenance

Servicing and repairs are included in the monthly cost you pay. To make sure it is safe to drive and keep your vehicle in the best condition, it must be serviced and maintained in line with the manufacturer's handbook. This should be carried out at a garage that is an authorised agent of the manufacturer or other garage approved by Knowles Fleet.

When your car is ready for its next service, or needs to be repaired, just call Knowles Fleet. Please ensure that following a scheduled service, the service booked is stamped by the garage. In order for the vehicle to be safe and perform well, Knowles Fleet recommends that you carry out regular maintenance checks in-line with the manufacturer's handbook.

Collection and Delivery

When your car is ready for a service and/or maintenance, you can call Knowles Fleet' and they'll arrange everything for you, including arranging for the car to be collected and returned to you once completed.

Breakdown Assistance and Recovery

You're covered by 5 Star emergency cover, 24 hours a day, 365 days a year, while you're in the UK. Have a look at the details that are sent to you by Knowles Fleet at the start of the contract. In an emergency you can locate support numbers by visiting <https://www.knowlesfleet.com/contact-info.aspx>

CARCC ULEV Salary Sacrifice Scheme

Tyres

The cost of replacement tyres is included in the lease agreement, and it is your responsibility to ensure that the vehicle always has at least the minimum legal tread depth around the circumference and width of the tyres. When your tyres are ready to be replaced, just call Knowles Fleet.

Glass and Windscreens

Got a chip or cracked your windscreen? Chances are it can be repaired. Just give Knowles Fleet a call. The cost of replacing or repairing your vehicle's glass is included in the leasing agreement although you may have to pay an insurance excess charge of £75 to the insurer for a screen replacement.

Keep it clean

It's your responsibility to keep the vehicle clean and tidy inside and out. Valeting costs are **not** included within the maintenance contract. However, certain dealers may wash and vacuum your vehicle as part of service or maintenance work when booked via Knowles Fleet.

Driver Neglect and Uncovered Incidents

You will be charged for, and costs associated with neglect of the vehicle, and for some limited incidents not covered by the vehicle's insurance. This includes, but is not limited to the following:

- Damage (not reported to Accident Management)
- Lost items (including keys, wheel locking nuts and service manuals)
- Malicious Tyre damage

Taxing your Vehicle (Road Fund Licence)

The cost of taxing your car (Road Fund Licence) is included in your monthly payment. We look after the paperwork, so your car is taxed and ready to go.

MOT Testing

If your car needs an MOT, the cost is completely covered in your monthly payment. We'll send a reminder to your home address around four months before it's due. Then you'll need to book it into an MOT test station at a time that suits you. Contact Knowles Fleet to arrange for the vehicle to attend a Knowles Fleet approved MOT station.

What is the Helpline number?

The Driver helpline contact number is 01206 252300.

How can I get a home charge point installed for an electric or hybrid car?

The Council is able to offer staff a discounted rate for PodPoint home electric charge points. Staff are eligible for a £30 discount from PodPoint when installing home charging points. You can start an enquiry by following this link: <https://info.pod-point.com/partners/home-charging/>

Alternatively, Knowles Fleet can also put you in touch with an approved installer who will contact you directly to carry out a survey on your home prior to installation. If you would like to discuss this option, please call the quotes team on 01206 255422 or email evcharging@kafleet.com

What about insurance?

As part of the scheme there is fully comprehensive vehicle insurance included in your monthly payment. Full policy details can be found [here](#) and further details of eligibility and policy excess can be found [here](#).

CARCC ULEV Salary Sacrifice Scheme

Eligibility

- All drivers must be between 18 and 75 years of age (a maximum age of 78 at the end of a contract)
- All drivers must hold a full licence from the UK, EU, EEA or one of the following countries: Andorra, Australia, Barbados, British Virgin Islands, Canada, Falkland Islands, Faroe Islands, Hong Kong, Japan, Monaco, New Zealand, Republic of Korea, Singapore, South Africa, Switzerland, USA or Zimbabwe
- You must have been a permanent employee for a minimum of 6 months or for fixed term employees have an employment contract which exceeds the length of the vehicle lease
- All drivers must be a permanent UK resident or have a UK visa in excess of the vehicle lease length.
- No more than 2 category 'A' convictions disclosed and no more than 1 FAULT claim per driver disclosed in the last 3 years
- Claims or category 'A' convictions over 3 years old from the car delivery date are acceptable. Convictions that are shown below in red, which are over 5 years of age from date of delivery, are also acceptable
- No drivers have a non-motoring conviction that is not spent under the Rehabilitation of Offenders Act
- No drivers are employed by the emergency services unless explicitly agreed
- No drivers are celebrities or otherwise in the public eye including professional sportspeople, actors and musicians

Category 'A' Convictions show on online licence checks beginning with the following codes:

- CU or LC or MW or PC or SP or TS

Please note: If you have any of the following then you DO NOT meet the eligibility criteria for the scheme.

- Any conviction which has resulted in a ban in the last 5 years (including any of the minor conviction codes above)
- A conviction in the last 5 years with any of the following letters on your licence;

AC – BA – CD – DD – DG – DR – IN – MS – TT – UT

Policy Excesses

- Accidental Damage excess £250
- Fire, Theft and Malicious damage excess £250
- Replacement windscreen excess £75 (No excess if the windscreen is repaired)
- An additional excess of £300 applies to drivers aged 17 to 20 for accidental damage
- An additional excess of £200 applies to drivers aged 21 to 24 for accidental damage

What's covered

- Premium is a true fixed price for the lifetime of your agreement
- Social, domestic, pleasure and commuting cover, including use by the Policyholder in connection with their Employer's business is covered as standard. Other forms of business use for the policyholder and/or spouse/civil partner may be considered on a case-by-case basis but do not order a car without checking first. Any other drivers listed on the insurance (not partner/spouse) will only be covered for social, domestic and pleasure use
- Unlimited cover for audio and navigation equipment that is permanently fixed to your vehicle and has no independent power source
- Personal belongings in your car up to £350
- Replacement locks (see full policy wording for details.)

CARCC ULEV Salary Sacrifice Scheme

- Damage to your vehicle following incorrect fuelling (No cover for removal of incorrect fuel and refuelling of the car)
- Emergency medical treatment
- Medical expenses, up to £350 per person
- Accident transport/vehicle recovery
- Child car seat cover, up to £100 per seat
- Free extended use of your car in the EU, up to a period of 60 days
- Courtesy car for the duration of repairs if in the event of an accident the car is repaired by an NIG approved repairer.
- If the vehicle is stolen and not recovered or if it is declared a total loss, a courtesy car is provided for up to 14 days or until a settlement offer is agreed (whichever is earlier).

What if I have an accident?

All damage must be reported, and a claim submitted via Knowles Fleet. As with any insurance policy, there are always exclusions that apply. It is important that you are aware that any costs relating to damage that is NOT covered by the motor insurance, will remain your responsibility.

Please ensure you familiarise yourself with the full insurance policy wording document which confirms all cover and exclusions. It is important that you are aware that, by agreeing to the salary sacrifice terms and conditions, any costs as a result of the insurance policy not offering cover, will be recharged to you via Knowles Fleet.

If you are involved in an accident in the leased vehicle, you must always act to safeguard the interests of yourself, CARCC and the Insurers as follows:

- Take full details of all vehicles involved, together with drivers' names and addresses, their insurers (if available) and verify identification if possible (by asking for evidence of identity).
- Sketch out a rough plan of the accident scene, with road names and numbers, junctions, time and place of accident etc as soon as possible (only if it is safe to do so).
- If possible or practical, take photographs of the accident scene and damage to the vehicle[s].
- Obtain full details of any witnesses involved; independent or otherwise.
- Give your name and address, company name and address and insurer (as detailed on your cover note) to all third parties.
- Inform the police if anyone involved is injured or there is damage to property.
- The police must also be informed in cases of theft or if a third party did not stop or drove off without giving details.

All claims must be reported on our website www.knowlesfleet.com and select report an accident or by calling 01206 257220.

You will need to enter your registration number and login to your account before completing an accident form. You will need to include as many details as possible to prevent a delay in processing your claim. Once you have completed the form, you will have the opportunity to select a local repairer.

A full accident management service is provided as part of the scheme including:

- Claims management
- Repair management
- Courtesy car
- Like for like replacement hire on non-fault incidents
- Personal injury facility

CARCC ULEV Salary Sacrifice Scheme

Have these details to hand when you make contact:

- Your registration number
- Date and time of incident
- Incident location
- Damaged area of your vehicle
- Home address
- Third Party details, if applicable
- Any passengers in your vehicle

A courtesy car will be provided when the vehicle is being repaired subject to availability. If the vehicle is a total loss a hire car will be provided for the first 48 hours after the accident, free of charge, to enable the employee to make necessary arrangements for a replacement vehicle. At the end of the 48 hours the hire car will be collected from the employee, or they can continue with the vehicle but will be responsible for the hire charges.

Can I take my car abroad?

The lease company may allow you to take the vehicle abroad but you will need a VE103 form to do so.

If you wish to take your vehicle abroad, please call us on 01206 257220 and we will advise you of the procedure. Please ensure you contact us at least one month before your travel date.

What happens at the end of the contract?

At the end of the contract hire period the employee must immediately deliver the vehicle to the leasing company in good repair and condition (fair wear and tear only accepted) and free from any defects other than those already notified by the employee to the scheme manager. Payments will continue until the car is collected.

The car will be appraised for condition in the presence of the employee who may be required to reimburse the leasing company the cost of any repairs that the leasing company considers are needed to return the vehicle to good condition taking fair wear and tear into account.

As noted previously, at the end of the contract hire period the employee will be given the opportunity to purchase the vehicle at a rate agreed with the leasing company.

If you exceed your contract mileage you will receive an excess mileage bill at the end of the contract. The rate per mile will be detailed on your original quote.

If you know you are likely to exceed your contracted mileage, you can contact us for a requote to reduce the end of contract bill.

CARCC ULEV Salary Sacrifice Scheme

Appendix 1

Employee Scenario	Responsibility	Clarification
Resignation/Voluntary Redundancy	Employee	The liability of the early termination penalty would fall to the employee
Termination of contract	Employee	If the employee breaches their employment contract which results in termination of their employment, the liability of the early termination penalty would fall to the employee
Retirement	Employee	If the employee chooses to retire before end of agreement, then the liability of the early termination penalty would fall to the employee
Loss of license (non-medical i.e., disqualification or suspension)	Employee	If a license was lost then the employee would either continue paying the monthly payment until the end of the agreement, or they would return the vehicle. If the vehicle is returned, then the liability of the early termination penalty would fall to the employee.
Compulsory Redundancy	Contingency Fund	To be covered by the contingency fund, employee would return the car and not be liable for an early termination penalty
Loss of license (medical condition)	Contingency Fund	To be covered by the contingency fund, employee would return the car and not be liable for an early termination penalty
Death in Service	Contingency Fund	To be covered by the contingency fund, employee would return the car and not be liable for an early termination penalty
Terminal illness	Contingency Fund	To be covered by the contingency fund, employee would return the car and not be liable for an early termination penalty
Lifestyle Change (defined by HMRC)	Contingency fund	To be covered by the contingency fund, employee would return the car and not be liable for an early termination penalty
Parental Leave (Maternity, Paternity, Shared, Adoption)	Contingency Fund*	Once an employees pay drops to statutory pay, up to a max of 6 x monthly payments to be covered by the contingency fund until they return to full pay. <i>*However, if the employee returns to work following parental leave and requests reduced contracted hours which takes them below NLW, then the liability of the early termination penalty would fall to the employee.</i>
Sickness Leave – When employee pay drops to below NLW	Contingency Fund*	If an employees pay drops to half pay and below NLW, then contingency fund or policy to cover payments until return to full pay (up to a max of 6 months). <i>*However, if the employee does not return to work after the 6 months cover or does so and requests reduced contracted hours which takes them below NLW, then the liability of the early termination penalty would fall to the employee.</i>

CARCC ULEV Salary Sacrifice Scheme