



Frequently Asked Questions.



Introduction to TCH Salsa

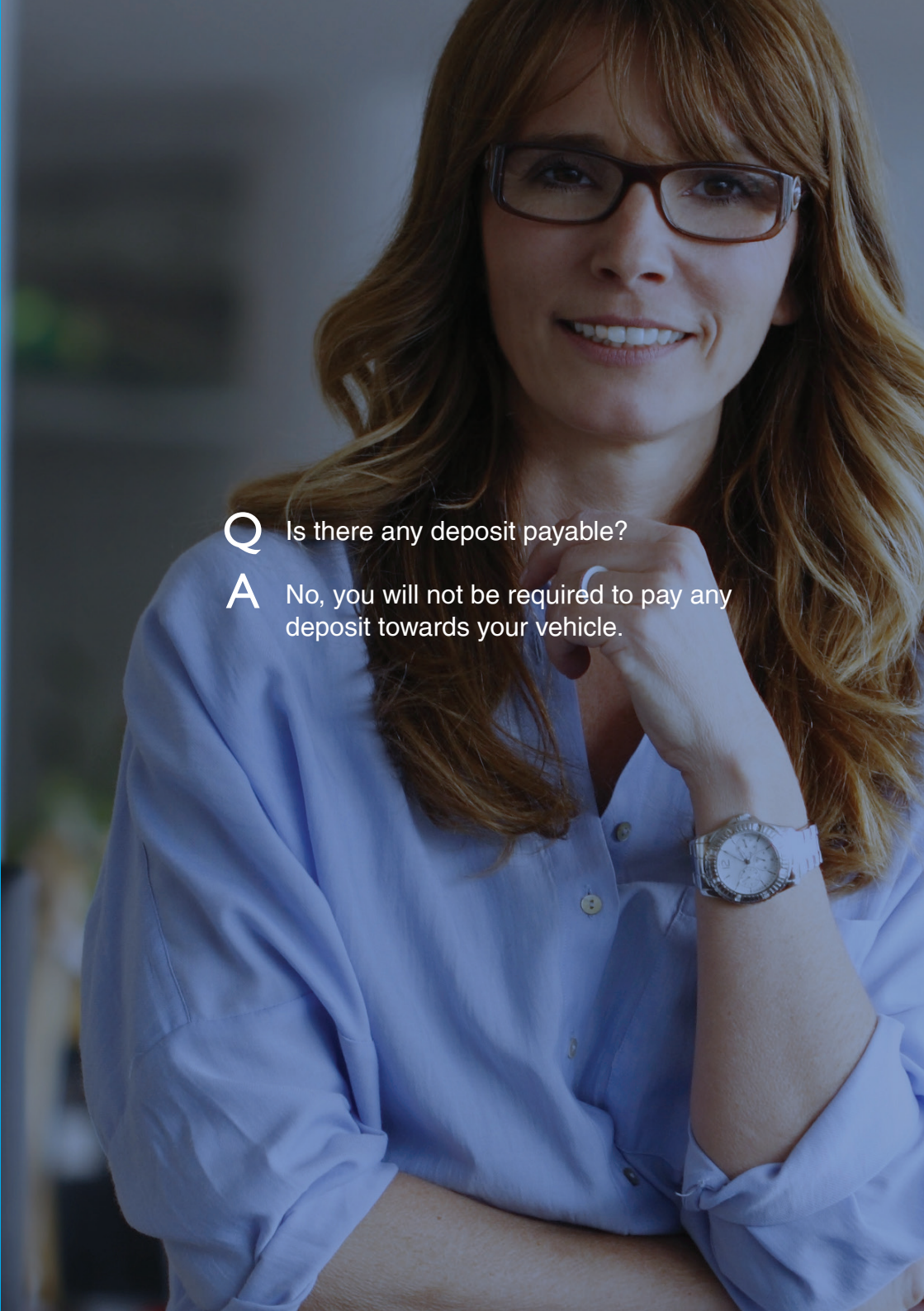
We are introducing a unique benefit to our employees which allows you to sacrifice an element of your salary for a leased car, taking advantage of large manufacturers fleet discounts and substantial tax and national insurance savings. Under the arrangement called "TCH Salsa" the vehicle will be provided by a company called TCH Leasing and will be fully maintained and insured for the whole of the lease period. Participation in the scheme will however require you to agree to a variation in your terms and conditions of employment.

This document provides further details on the way that the salary sacrifice scheme works and addresses questions that you will need to consider should you wish to participate.

Please note that participation is completely voluntary.

Q Is there any deposit payable?

A No, you will not be required to pay any deposit towards your vehicle.



The Scheme and how it works

1: Why is this car scheme being introduced?

We are keen to introduce flexible benefits to your overall reward package.

2: Who is TCH Leasing?

TCH Leasing are one of the leading car leasing companies in the UK.

3: What is a salary sacrifice?

This new arrangement enables you to be provided with a new car of your choice. If you choose to be provided with a vehicle you will agree to a reduction in your monthly basic salary (your salary before taking into account any salary sacrifice arrangements) by an amount equivalent to the monthly vehicle value outlined when ordering your car. This vehicle value will not usually change over the course of the agreed period that you keep the car.

By entering into this arrangement you will typically save on Income tax and National Insurance Contributions (NIC). Under the arrangement you will receive an Adjusted Salary (i.e. your salary after the salary sacrifice has been taken into account). Usually the sacrifice is made in return for some form of non-cash benefit, which in this case is a car and is equivalent to the monthly lease cost. In the UK, many tax efficient benefits are provided via salary sacrifice such as childcare, pensions etc. The sacrifice is achieved by varying your terms and conditions of employment for the term which you choose to receive the benefit.

4: What are the benefits of a Salary Sacrifice Scheme?

The benefits of sacrificing some of your gross salary for a company car are reduced employee tax and National Insurance contribution, access to large fleet discounts and the use of a fully maintained new vehicle for the period of the lease. As the cost of the car is taken from gross salary, the cost to you is the net amount. You will become liable for company car tax but for low emission cars this is likely to be much lower than the tax and NIC saving you make on your salary.

5: What is included in the Car Salary Sacrifice arrangement?

The package is extremely comprehensive and incorporates;

- All servicing and maintenance costs.
- The cost of all Tyre replacement and repair.

- Road tax for your vehicle for the term of your lease (at the prevailing rate).
 - Full vehicle roadside breakdown and recovery service.
- You just have to pay for Fuel and top up Oil.

6: What will be the net cost to me?

You will save tax, NI and possibly pension contributions (subject to pension scheme) on the salary sacrificed, the amount that you save depends upon your personal tax and national insurance position.

Example;

You decide to take a vehicle through the arrangement and the vehicle has a rental value of £300 per month, you agree to reduce your salary by this amount. The vehicle is a diesel with Co2 emissions of 95 g/km and a list price of £17,000 and you will therefore pay tax on a benefit in kind value of £2,550 using the 2014/15 tax rates (see Appendix 1). Savings to you are dependent on your personal circumstances but would broadly be as follows;

Vehicle	Per Month
Ford Fiesta 1.5 tdc Zetec 3dr	£300
(Includes Insurance and all maintenance costs)	
Tax & NIC Savings on Sacrificed Salary	(£96)
Company car tax payable on benefit	£42
Net cost to employee	£246

7: Could I get a similar deal by visiting my local franchised motor dealer?

No, the tax, NIC and fleet discount savings are only available via a salary sacrifice arrangement through us, your employer.

8: On what basis is the car provided?

We have entered into an agreement with TCH Leasing one of the UK's leading leasing and vehicle management companies to supply the cars ordered under the Salary Sacrifice car scheme. Once you have chosen your car, we will enter into a Contract Hire agreement for that car and will then provide it to you under the salary sacrifice arrangement. The car is classed as a "company car" for tax purposes and will be treated as a "benefit in kind".

At the end of the agreement employees will have the choice to hand the car back or to request a price to purchase the car at the market value based on the vehicle's age and mileage.

9: Can I have more than one car under the car scheme?

Yes, providing the overall amount of salary sacrificed does not take you below National Minimum Wage

10: Will quotations vary over time?

Yes. Changes can occur in the amount of discount offered by manufacturers and quotes will take account of the changing cost of particular cars together with financing costs.

11: How long is the quote valid for?

All quotes will be valid for a period of 30 days but in order to accommodate our order sign off process, the leasing company will refresh all quotations at the point of order if the above time limit has been exceeded. You will then have the opportunity to amend your car selection if the price has increased.

12: Is there a minimum or maximum term for the car scheme?

Yes, the scheme is restricted to either 24 or 36 months.

13: Once I have chosen a vehicle, is the level of sacrifice guaranteed?

Once your order has been authorised the sacrifice will be honoured excluding manufacture price increases or exceptional circumstances. If the rate of VAT increases or VAT rules change during the period that the car is provided, we reserve the right to adjust the salary sacrifice arrangement to reflect the additional net cost of VAT that we are incurring or are unable to recover, in providing the car.

14: When will my car be ready for delivery?

This varies greatly depending on the car chosen. Typically the waiting time is between 8 - 14 weeks. An estimated delivery date will be available once the order is placed.

15: I placed an order recently but have now changed my mind. What can I do?

You may cancel the order but there may be a dealer cancellation charge payable, this would be a maximum of £500 unless otherwise advised. TCH Leasing will always endeavour on your behalf to avoid such charges, however, this cannot be guaranteed.

Eligibility and impact on pay and benefits

1: Who will be eligible to join the car scheme?

For insurance purposes you must have a full* driving licence and be aged 18 or above. If you are under the age of 18 or have a poor driving history, you may be refused insurance cover and cannot therefore participate. You also cannot participate if the amount of the salary sacrifice is considered to be unaffordable, you must be sure that you can afford the vehicle you have chosen and commit for the term of the agreement. You will not be able to exit the scheme if you cannot afford the reduced salary without incurring termination costs.

Monthly vehicle deductions must not exceed more than 20% of an employee's monthly net salary. You also can not participate in the scheme should the amount sacrificed take your gross pay below the National Minimum Wage.

* Issued in the UK, EU, South Africa, USA, New Zealand, Canada or Australia

2: Do I have to be in full time employment to be eligible for the car scheme?

No, however, you will be unable to participate in the car scheme if the amount sacrificed resulted in your salary falling below the National Minimum Wage limit.

3: Can I take a car for anyone else?

Yes, you can take a car for yourself or another member of your household as long as they too have a full valid driving licence and meet the insurance criteria previously outlined.

4: I am on a fixed term contract - can I participate in the Car Salary Sacrifice Scheme?

If you are on a fixed term contract you can participate provided that the agreement ends prior to the end date of your fixed term employment contract. A minimum 2 year Car Salary Sacrifice Scheme contract applies

If you are on a fixed term contract you can participate provided that the agreement ends prior to the end date of your fixed term employment contract. A minimum 2 year Car Salary Sacrifice Scheme contract applies.

5: Is there any impact on other pay and conditions?

From a pension perspective, your pensionable salary will reduce and therefore your

own and any contributions by us will reduce accordingly. If you are close to retirement, participation in the scheme may affect your salary for pension calculation purposes and you should therefore consider avoiding any salary sacrifice in the calculation period. Please seek advice from your pension administrator. Other payments or benefits that you receive from employment are unlikely to be impacted by the salary sacrifice. If you are unsure, please check with the relevant department.

6: Does the salary sacrifice have any impact on state benefits?

Most state benefits will not be affected by participation in salary sacrifice, unless participation in the car scheme means that your salary after the sacrifice is brought below the NIC Lower Earnings Limit. To protect your entitlement to certain future state benefits you cannot participate in the salary sacrifice arrangement if your Adjusted Salary were to fall below the NIC Lower Earnings Limit.

7: What is the effect on state pension?

There are two elements to the state pension, the basic element and the second element. The basic is not affected by salary sacrifice as earnings will not be reduced low enough.

The second element is an adjusted amount depending on what you earn above the minimum wage, known as the Additional State Pension or the State Second Pension. A salary sacrifice may reduce contributions for this element for the duration of the time that you participate in the salary sacrifice, although the impact on your final state pension is likely to be negligible. You should seek professional advice if you are unsure of the impact on your pension benefits.

8: What is a benefit in kind?

The provision of a car under a salary sacrifice arrangement constitutes a Company Car arrangement and therefore triggers a benefit in kind charge. The benefit is calculated by reference to a percentage related to the CO2 emissions and list price of the vehicle. This CO2 related percentage determines the level of taxable benefit in kind an employee is charged by the revenue, i.e. the lower the emissions the lower the effective tax rate.

9: Will my benefit in kind charge change in the future?

HM Revenue & Customs (HMRC) is keen to encourage drivers to use vehicles that are as green as possible and generally the set thresholds reduce annually, the appropriate benefit in kind percentage related to your vehicle can be found at

<http://www.hmrc.gov.uk/statistics/tax-benefits/tc2b.pdf>

10: Will the amount I pay increase if the company car tax percentage is increased?

The amount you sacrifice will remain the same but if the company car tax rate increases, the additional tax will become payable and normally collected via a change to your tax code.

11: How will the tax on the benefit in kind charged be taken from me?

We will notify the Tax Office when you take delivery of a car. The Tax Office will issue a tax code change which payroll will apply in order that the benefit in kind tax can be collected monthly from your salary. In some instances where HMRC cannot process the car details for new cars within the tax coding before the end of the tax year there may be some adjustments regarding the collection of tax following the tax year end.

We strongly recommend that you telephone your local revenue office once your vehicle has been delivered and advise them that you now have a company car. They will need you to provide them with your national insurance number the vehicle description, P11d value and g/km CO2 emissions.

12: When will the salary sacrifice take effect?

You may see the reduction in your salary within the month your car is delivered dependent on the date delivered, alternatively the reduction will take place in the following month.

13: Is this a change to my terms and conditions of employment?

Yes. In order for the car scheme to be effective we will need to make amendments to your Terms and Conditions of employment in accordance with the provisions of Section 4 of the Employment Rights Act 1996. You will be agreeing to these changes when you sign the vehicle order form and employee agreement.

14: I already participate in a salary sacrifice scheme. Can I participate in the car scheme as well?

Yes. You will be able to participate in the car scheme providing your Adjusted Salary (post sacrifice salary) is not reduced below one of the following:

- National Minimum Wage, or;
- The NIC Primary Earnings Threshold

Eligibility, is subject to the combined amount of all salary sacrifice arrangements not resulting in your Adjusted Salary falling below the above thresholds.

15: What about maternity/paternity and sick leave?

You can continue to have use of your vehicle. We will cover payments for the vehicle if your pay falls to statutory minimum amounts. Any financial assistance is discretionary and may be subject to repayment on your return.

16: Is there any impact on student loans?

If you have a student loan it is recovered at a rate of 9% on gross annual earnings above £16,365 (2013-14, the earnings threshold). Under a salary sacrifice arrangement you are agreeing to reduce your gross salary. This will result in a reduction in the amount of your student loan recovery where your gross earnings before the salary sacrifice are above the earnings threshold. If after taking into account the salary sacrifice arrangements your gross earnings fall below £16,365 no deductions for student loans will be made.

17: Will it affect my ability to get finance?

As your taxable gross salary will be reduced, payslips and end of year P60 forms will show a lower amount. This may affect your ability to get credit, for example it may affect a mortgage application if the lender uses income multiples. We would be willing to provide confirmation of your pre-sacrifice salary for borrowing purposes.

Ordering a Vehicle

1: Can I arrange to test drive vehicles?

This facility is not available through TCH Leasing. However, test drives can often be arranged direct with the vehicle manufacturer via their website or through a local franchised dealer. You must arrange your own insurance for test drives unless this is provided by the dealer.

2: How do I get quotes and place an order for a car?

You need to log onto www.tchsalsa.co.uk using the pin number provided. Once you have logged on for the first time you will need to set up your own username and password for future access to the quotation portal.

On the website you can obtain a quotation for the car and insurance package. There is also a wide range of special offers. The price quoted on the website is the amount of salary sacrifice that you will be required to make. When you are happy with the package and the cost, you can order this online and then you will be contacted to progress your order.

Please note that vehicle prices change on a regular basis and each quotation will be subject to ratification against current prices at the time you place an order.

3: What makes and models are available?

You can obtain quotes on any make or model of vehicle but it should be noted that vehicles with higher CO2 emissions will be less attractive. You should also consider the location of the nearest service agents for your vehicle. All vehicle warranty conditions must be adhered to and this includes servicing and maintenance in accordance with manufacturer guidelines. Manufacturers require that servicing and maintenance is undertaken by an authorised service agent. All service agents must be authorised by TCH Leasing. In general, most franchised dealers are authorised by TCH Leasing and if they are not they generally can be.

4: How does mileage affect the cost?

When requesting a quote you will be required to enter your anticipated annual mileage. The higher the mileage, the higher the cost will be to take into account additional depreciation etc.

You should set your mileage level to cover the amount you expect to drive. If at

the end of the contract you have exceed the agreed mileage level, you will be required to pay an excess mileage charge which will usually range between 5p and 10p per mile depending upon the car you choose.

5: What about accessories?

You can add any factory fitted options you wish to the vehicle. If these are not available via the online quotation system, please e-mail info@tchsalsa.co.uk for assistance.

6: What paperwork is required?

To complete the order for your vehicle you will need to:

- Sign a salary sacrifice agreement, agreeing for your salary to be reduced.
- Agree to the terms of the agreement for proper use and care of the vehicle
- Complete the order form for the vehicle

The above documents will be emailed to you once you have completed an online order.

7: Is there any deposit payable?

No, you will not be required to pay any deposit towards your vehicle.

8: Where do the cars come from?

Cars are normally factory ordered via TCH Leasing's preferred supplier network. These are generally manufacturer franchised dealers. None of the cars are used or are grey imports. Factory order will generally take between 8 and 12 weeks but is dependent upon the type of vehicle being ordered. If you have any questions with regard to lead times for a particular vehicle, please e-mail info@tchsalsa.co.uk

9: What about servicing, repairs and breakdown?

All vehicles will come with a maintenance package which includes:

- All routine servicing and mechanical repairs
- Replacement tyres due to normal wear and tear
- Puncture repair,
- 'Roadside' and 'at home' breakdown cover, including 48 hour emergency replacement vehicle. European cover can be added by contacting TCH Leasing by email at info@tchsalsa.co.uk or call TCH Assist on 0333 800 1451
- A service booking facility

10: What about road tax?

Road tax is included within the scheme for the full term at the prevailing rate at the time of delivery.

On annual renewal, licences will automatically be sent to your home address (no longer applicable after October 2014). If road tax rates have increased since you ordered your vehicle, you will be charged the difference between the new rate and the rate applicable at the time of order.

11: Who provides the insurance?

Insurance is provided via Lloyd Latchford, a motor insurance broker who specialise in policies suited to salary sacrifice schemes. The policy is underwritten by Aviva.

12: What is included in the insurance policy?

The motor insurance policy is fully comprehensive including:

- Fixed premiums for up to three years*
- Guaranteed courtesy car
- Unlimited cover for business use
- Legal expenses and uninsured loss cover
- Cover for European travel
- Free windscreen repair

If there is any fault claim you will be required to pay an excess. Current excess rates will be shown with your insurance quote on the website.

* Premium fixed subject to any additional driver requirements in the term

13: Are the insurance premiums competitive?

As with any insurance policy, competitiveness can depend upon a number of factors including the car, the postcode where it is kept, the age of the driver etc. Overall, the insurance premiums should be in line with the market. However, as the cost of the insurance is included within the salary sacrifice, the net cost to you after tax and National Insurance should always be competitive.

14: What conditions must be met for the insurance?

You will be able to obtain a quote for insurance if you have been employed for at least 6 months and all drivers:

- are aged between 18 and 68 years old (a maximum age of 71 at end of contract)
- are UK resident

- hold a full licence from one of the following countries; UK/EU, South Africa, USA, New Zealand, Canada or Australia (any other licences are not acceptable)
- have no more than 1 fault claim in the last 3 years
- have no more than 2 'Category A' convictions in the last 3 years (Category A convictions start with codes SP, CU, LC, MS, MW & PC and will be shown on your licence)
- have no convictions starting AC, BA, CD, DD, DR, IN, MS, TT, UT in the last 5 years
- do not have any conviction resulting in a driving ban
- have no more than six penalty points on their licence

If you do not meet the above criteria, unfortunately you may not be eligible to participate in the scheme, please contact Lloyd Latchford on 01844 276197 or e-mail them at tchsalsa@lloydlatchford.co.uk for confirmation.

For young drivers aged 18-24, cover is only available on cars up to insurance group 21. For drivers aged 25 and 26, cover is only available on cars up to insurance group 29.

Please note that insurance terms may change from time to time and you should check the website for the latest information.

15: Can the vehicle be used for tuition?

No, the insurance policy does not cover any driver who does not have a full licence.

16: How do I obtain a quotation for insurance?

Quotations for insurance are available via the TCH Salsa website. You will need to know:

- Your total annual mileage.
- Your number of years no claims bonus.
- Whether a tracker is fitted (most new cars do not have this unless specified as an option)
- Who will be driving and their dates of birth
- Whether you have had any claims or convictions in the last three years.

Please note that the insurance premium will not be affected by areas such as factory accessories or the contract mileage on your car. This means that even if you need to contact TCH Leasing for a specific car quotation, you can still obtain a valid insurance quote from the TCHSalsa website. You will need to ensure that when ordering the vehicle, the correct vehicle quotation is noted on your order.

17: What if I have any questions about insurance?

A dedicated helpline is available on 01844 276197 if you wish to speak to Lloyd Latchford about the insurance policy. You can also email them at tchsalsa@lloydlatchford.co.uk. They may not be able to provide you with a quotation if you fall outside of the eligibility criteria outlined above.

Please note that neither we nor TCH Leasing can answer insurance queries and Lloyd Latchford will not be able to assist with vehicle related queries.

18: How is the insurance policy activated?

The premium quoted when you order is guaranteed until the time your vehicle is delivered. As soon as you know the delivery date, you must contact the insurance company to activate the policy. Please ensure that the policy is activated to start on the delivery date of your vehicle, otherwise there may be a period at the end of a three year term where the insurance expires and you will not be insured. Full instructions on how to activate the policy will be sent to you. If you do not activate the policy you will not be insured.

19: What documentation will I receive?

You will receive a certificate of insurance and policy booklet. This pack will contain details of your responsibilities and how to make a claim etc.

20: What about company car tax?

You will be liable for company car tax but providing the car you choose has relatively low CO2 emissions, the amount of tax payable should be far less than the tax and National Insurance saving you will make on the salary sacrifice.

The amount of company car tax payable is calculated by reference to the list price of the vehicle and its CO2 emissions. The list price is multiplied by a sliding scale percentage according to CO2 emission levels. This calculation will determine the taxable benefit in kind. To calculate the tax payable you need to multiply the taxable benefit in kind by your personal tax rate.

The company car tax will be collected via your tax code. We will advise the tax office that you have a company car. To ensure that your tax code is changed promptly, we recommend that you telephone the tax office to have your tax code amended.

You will need your National Insurance number the vehicle description, P11d value and g/km CO2 emissions ready to ensure HMRC can locate your tax record.

The TCHSalsa website will estimate how much company car tax you will have to pay for the current tax year. However, you must undertake your own investigations as to the tax impact of the scheme and consider any future increases in company car tax. The Government generally set company car tax rates three years in advance.

21: What happens at the end of the term?

At the end of the term you will be required to return the vehicle to TCH Leasing. If you are ordering a replacement on the same scheme then we will try to ensure that this coincides with the delivery of your new car.

To ensure that your new car arrives on time, you should look into ordering your new car at least three months in advance. Once your old vehicle has been returned, any damages or excess mileage charges will be due from you.

After my new car is delivered

1: What happens if I do more than the mileage I selected when choosing my vehicle?

When you choose your vehicle you have the opportunity to choose the annual mileage. If you return your vehicle with more than the selected mileage you will be liable for an excess mileage charge to cover the expense of the additional depreciation and servicing costs that will have been incurred because of the additional mileage. The excess mileage rate at which you will be charged will be included on the quotations. TCH Leasing will endeavour to help you prepare for any potential charge by projecting the end of contract mileage and likely charge so that you can accrue a fund to cover this.

2: What if the mileage is below the selected mileage?

There will be no change to the salary sacrifice amount, however at the end of the agreement, any price provided to you to purchase the car will be based on the selected mileage at the start of the agreement rather than the actual mileage.

3: If I request a price to buy the car at the end of the agreement, how will the value be calculated?

The value will be set in line with the CAP book price which is the industry reference guide for pricing of used vehicles based on the vehicle's age and mileage.

4: What other costs will I be liable for?

You will need to pay any costs arising due to:

- Damage or misuse of the vehicle, including any damage on the vehicle at the end of the contract and any insurance excesses
- Motoring fines.
- Increases in road tax as this is only included at the prevailing rate when you order your vehicle

5: What if the car is damaged?

As with a private vehicle, if the car is damaged by you and no claim is made under the motor insurance policy, you must repair the vehicle at your own cost. Any repairs not undertaken will be charged to you at the end of the term. All charges are made in accordance with BVRLA (British Vehicle Rental & Leasing Association) guidelines. A copy of the guide can be viewed below.
<http://www.tchsalsa.co.uk/fair-wear-tear-guide/>

6: What happens if I decide I don't want the vehicle any longer?

You are committing for the term you select. If you do decide you no longer want the vehicle you can obtain an early termination quotation at any time during the term of the agreement but you will be responsible for any charges arising.

7: What if I resign?

If you leave employment for any reason you must return your car to TCH Leasing. The only exception is if your new employer is prepared to novate the lease into their name and operate a salary sacrifice arrangement for you.

If you leave voluntarily, you will be required to pay a fee for early termination from your final salary. The amount of the fee will depend upon how much your vehicle costs to lease and the remaining term on your contract. If the fee exceeds your final salary payment, you may be required to reimburse us for any excess.

If you are made redundant, we may cover any early termination costs arising dependant on the severance package agreed. If after the return of the vehicle there are any damage or excess mileage charges due, these will be charged to you.

8: If I resign can I buy the car and if so would I still pay an early termination charge?

It may be possible to agree a value to purchase the car which negates the need for any early termination fee but you will need to discuss this with TCH Leasing.

9: What happens if I retire on the grounds of ill health during the period of the agreement?

If you are forced to retire due to ill health, providing the vehicle was not damaged or exceeded its contractual mileage (pro-rata) there would be no termination charge. However dismissal resulting from incapability would result in an early termination charge being levied against you.

10: What happens if I lose my driving licence on medical grounds?

You can simply return the vehicle with no termination penalties.

11: What happens if I am disqualified from driving whilst in the car scheme?

You may continue to participate in the car scheme but you must not drive the car yourself. Alternatively you can opt to terminate the agreement but you would then be liable for any early termination fees.

12: Who is responsible for arranging servicing of the vehicle?

You are responsible for ensuring that the Manufacturer's recommended servicing schedule is adhered to and it is imperative that you do so to ensure that the warranty is not invalidated and avoid incurring any additional charges. For insurance services to remain valid the first and subsequent service of the vehicle must not be exceeded by more than 500 miles or 14 days.

The cost of maintenance is included in the car scheme. Simply call TCH Assist on 0333 800 1451 and they will arrange for the service to be completed at a dealer convenient to you. It may be possible (given a sufficient lead time) to arrange to have the vehicle collected from your place of work or your home, serviced and returned to you.

13: What happens if my car needs new tyres?

The cost of tyres is included. Simply call TCH Assist on 0333 800 1451 and they will either direct you to the nearest nominated Tyre Centre or arrange for a nominated mobile unit to visit you to replace your tyres.

14: What do I do if I breakdown?

All vehicles include roadside assistance so whether you breakdown at home, or on the road you are covered. Call TCH Assist on 0333 800 1451 and you will be directed to our national breakdown provider who will arrange for you to be attended.

15: What happens if my vehicle is off the road due to mechanical failure or accident damage?

Roadside assistance is included to ensure you are never stranded and a 48 hour relief vehicle is provided under the Breakdown cover should your vehicle be irreparable at the roadside. In the event of your car being off the road due to accident, your motor insurance includes a courtesy car if the insured vehicle is being repaired by an approved repairer of the insurer. 'At Fault' accidents must be reported within 48 hours to ensure full cover applies.

Should your vehicle be off the road due to mechanical failure TCH Assist will also endeavour to provide a replacement vehicle via the manufacturers at no cost to you, although this cannot be guaranteed.

16: Who is responsible for the payment of any fines incurred on the vehicle or any vehicle provided whilst the primary vehicle is off the road?

Any parking, congestion charges or other fines incurred by you whilst using the vehicle will be your responsibility. Any fines paid by TCH Leasing will be recovered from your net salary.

17: Are there any events that could change the insurance premium during the term?

No, unless you require additional drivers. If you do require additional drivers you should contact Lloyd Latchford who will provide a quotation. As the salary sacrifice is fixed, you will be required to pay the additional in premium via debit or credit card.

18: What if the car is involved in an accident?

If the car is involved in an accident with a third party or you need to claim for any other reason, you must notify the insurance company Lloyd Latchford on 01844 276197 or email them at tchsalsa@lloydlatchford.co.uk. If the car needs to be recovered or a courtesy car is required then the insurance company will take care of this.

19: What if I need to make a claim under the insurance policy?

You will be provided with all of the necessary information on how to make a claim when the policy is activated. The process is similar to any other personal motor policy.

You will need to fully cooperate with the insurance company with regard to any claims made by you or against you.

20: What if the car is written off?

If the car is written off then the arrangement will cease and the insurance company will deal with the claim. You will need to order a new car under the scheme.

21: Are there any tax implications with regard to insurance?

No, company car tax legislation incorporates the provision of ancillary services such as maintenance and insurance.

22: What happens to my no claims bonus?

As with any other insurance policy, you will be required to provide proof of your no claims bonus and your new policy will also be eligible for accumulating further no claims bonus. You can request proof of your accumulated bonus if you leave the scheme.

23: Is there an excess on the insurance?

The Key Facts documents from the insurance provider, set out the detail of cover under each policy together with any excess. You need to ensure that you carefully read these before placing an order. They are available on the summary screen on the website when an insurance quote is requested.

24: Can additional drivers be added to the insurance policy during the agreement?

Additional drivers can be added but any increase in premium will be payable directly by you.

25: Will the number of drivers on the policy affect the overall cost?

Yes, the insurance premium will be affected by the number of drivers on the policy.

26: I have been given a courtesy car whilst my car is being serviced/repaired.

What do I need to do about insurance?

The motor insurance under the car scheme does not cover a courtesy car. You will need to ask the garage to insure the car or they may offer a cost or damage waiver.

Company car taxation

Company car taxation

You will be liable for company car benefit in kind taxation on your salary sacrifice vehicle. The amount of tax you will pay will depend upon the CO2 emission of the vehicle you choose. The benefit in kind amount is calculated as follows:

Manufacturer's list price (at the time of delivery) x CO2 scale percentage = BIK charge. Electric vehicles with zero emissions attract a 0% BIK until tax year 2016/17 when this will be 7%.

The CO2 scale percentage is determined by the table below (see notes below for diesels and hybrid vehicles). The amount of tax you pay will be the BIK charge multiplied by your tax rate. **From April 2016, the Government plans to remove the 3 percentage diesel supplement so that diesel cars will be subject to the same level of tax as petrol cars.

CO2 g/km	2014/15		2015/16		2016/17**
	Petrol	Diesel	Petrol	Diesel	All Fuel Types
0-50	5%	8%	5%	8%	7%
51-75	5%	8%	9%	12%	11%
76-94	11%	14%	13%	16%	15%
95-99	12%	15%	14%	17%	16%
100-104	13%	16%	15%	18%	17%
105-109	14%	17%	16%	19%	18%
110-114	15%	18%	17%	20%	19%
115-120	16%	19%	18%	21%	20%
121-124	17%	20%	19%	22%	21%
125-129	18%	21%	20%	23%	22%
130-134	19%	22%	21%	24%	23%
135-139	20%	23%	22%	25%	24%
140-144	21%	24%	23%	26%	25%
145-149	22%	25%	24%	27%	26%
150-154	23%	26%	25%	28%	27%
155-159	24%	27%	26%	29%	28%
160-164	25%	28%	27%	30%	29%
165-169	26%	29%	28%	31%	30%
170-174	27%	30%	29%	32%	31%
175-179	28%	31%	30%	33%	32%
180-184	29%	32%	31%	34%	33%
185-189	30%	33%	32%	35%	34%
190-194	31%	34%	33%	36%	35%
195-199	32%	35%	34%	37%	36%
200-204	33%	35%	35%	37%	37%
205-209	34%	35%	36%	37%	37%
210-214	35%	35%	37%	37%	37%
215-219	35%	35%	37%	37%	37%
220 or over	35%	35%	37%	37%	37%