DriveElectric X ReFLEX ORKNEY

Drive electric for less with Salary Sacrifice

Employee guide



Orkney Islands Council

What is Salary Sacrifice?

Imagine driving a brand-new or used electric car, with no upfront costs, no credit checks, and everything included for one fixed monthly payment.

With DriveElectric's Salary Sacrifice scheme, it's all possible. Your payments come directly out of your gross salary, saving you money on Income Tax and National Insurance Contributions (NICs).





Why choose Salary Sacrifice?

Save money
Reduce your Income Tax and National Insurance Contributions by paying through your pre-tax salary.

Hassle-free
No deposits or credit checks, just a seamless, all-inclusive package.

Go green
Drive an electric car and contribute to a cleaner planet.

Peace of mind
Your all-inclusive package includes comprehensive insurance, servicing, maintenance, and more in one fixed monthly payment.

Low BiK rates
Salary sacrifice is seen by HMRC as a taxable benefit, so you need to pay Benefit in Kind (BiK) tax. The good news? Rates are very low.

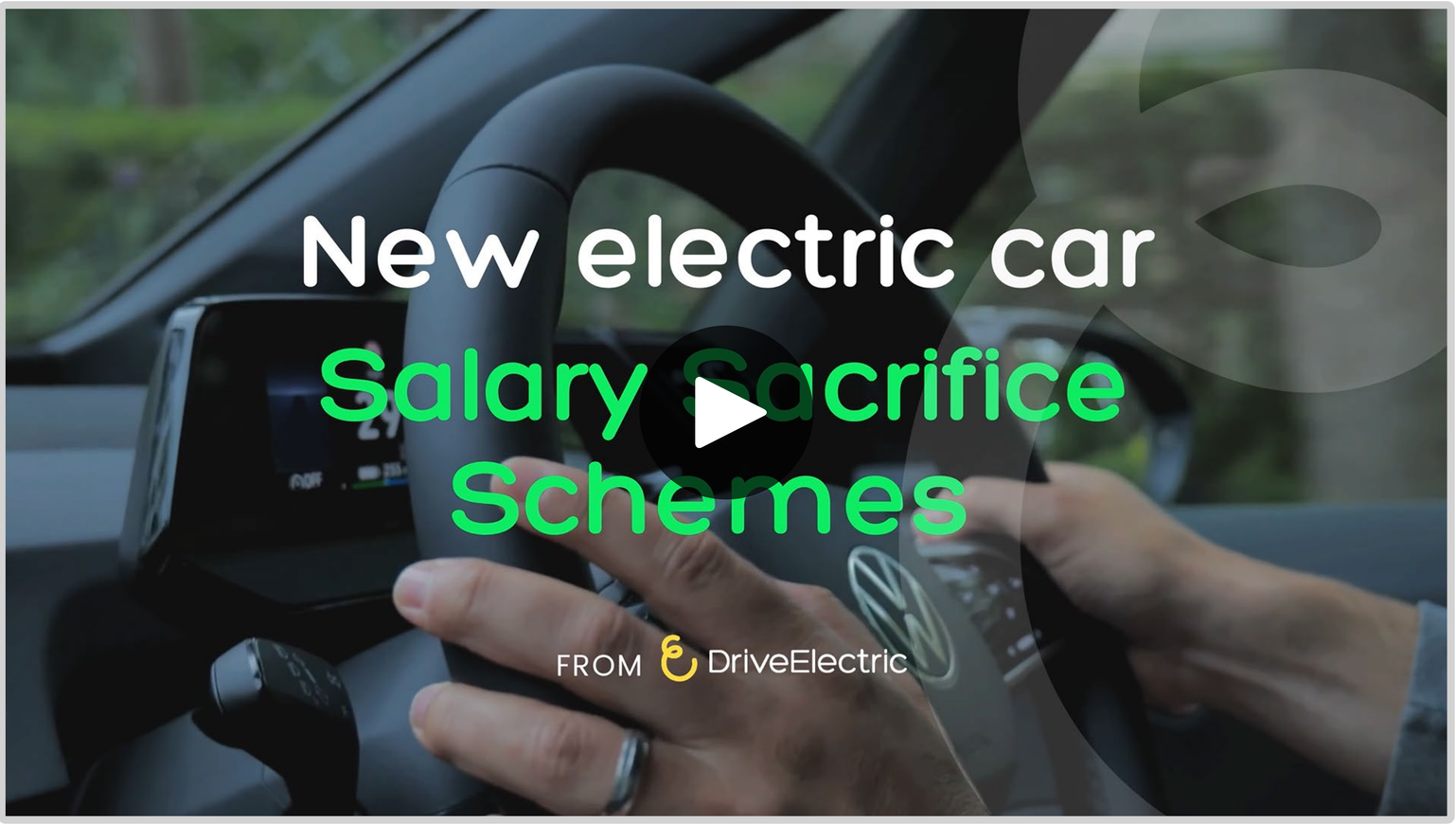


It’s really quite simple

Salary Sacrifice is the most cost-efficient way to drive a brand-new electric car – and the savings can be even greater on used vehicles.

How it works

1. Choose your dream car from a full range of electric models.
2. Your employer handles the paperwork and deducts a fixed amount from your gross salary each month.
3. You drive away in a fully maintained car while saving big on taxes.



You could save big on driving electric

Renault 5 E-Tech

110kW Techno + Comfort Range 52kWh

Save over £2,388 every year!



Gross salary sacrifice[1]	**£589**	DriveElectric will apply the biggest discounts available and pass them on to you. This amount is deducted from your gross salary before tax.
Employee tax saving	**-£259**	The Income Tax and National Insurance Contributions you pay are reduced due to salary sacrifice.
Average BiK[2]	**+£60**	Because you are receiving a benefit from your employer, you will pay BiK tax.
Net cost/employee pays	**£390**	**You can make significant savings with salary sacrifice.**

34% Saving



Complete cover

- Servicing
- Maintenance
- Tyres
- Glass
- Breakdown assistance
- Early Termination Protection
- Insurance[3] and more

Plus, you'll also benefit from **Local Orkney Support from ReFLEX!**

*see page 10 for more detail

1. Illustrative quote based on a 48-month agreement, 5,000 miles per annum, for a 42% taxpayer, living in Orkney, aged 40. Figures correct as of 28/09/26. E&OE.
2. BiK rates are favourable for zero and low-emission vehicles. See FAQs for 2026-2029 rates.
3. Insurance is subject to eligibility criteria, terms and conditions, and exclusions.

What's included with Salary Sacrifice?

What's included[1]	Complete
Fixed monthly rentals One fixed price set for the duration of your agreement, making budgeting simple and predictable.	✓
Servicing and maintenance[2] All routine servicing and maintenance, so you don't face unexpected garage bills.	✓
Breakdown assistance Comprehensive roadside cover, including Homestart and Recovery services, to keep you moving.	✓
Tyre replacement Replacement tyres for fair wear and tear (damage caused by abuse, neglect, theft, or vandalism is excluded).	✓
Glass replacement Windscreen and glass repairs or replacement included – avoiding extra costs if chips or cracks occur. Excess charged.	✓
Road Fund Licence Included at today's rate for the duration of your lease (future government increases may apply).	✓
Insurance[3] Fully comprehensive insurance with up to two named additional drivers – keeping you protected on the road.	✓
Early Termination Protection Protection that reduces or removes early termination costs if your circumstances change.	✓
Local Orkney EV support Local vehicle handover, EV advice and support with servicing and MOTs through our partnership with ReFLEX Orkney.	✓

1. Terms, conditions and exclusions apply. Read your agreement carefully before signing.
2. Not covered by the manufacturer's warranty and subject to fair wear and tear.
3. Insurance is subject to eligibility criteria, terms and conditions, and exclusions.

How you're protected

Employment event	What happens	What the customer pays
Resignation / Dismissal / Redundancy / Secondment / Career Break / Retirement / NMW[1] breach / Licence revoked (not ill health)	Hire ends	If this happens within the first 3 months, an Early Termination Payment[2] applies. After 3 months, you pay the lower of 3 months' Rent[3] or the Early Termination Payment.
Parental Leave (incl. adoption)	You can continue or end your hire	If this happens within the first 6 months, an Early Termination Payment applies. After 6 months, you pay the lower of 3 months' Rent or the Early Termination Payment.
Long-term sick (Payment Event) / Licence revoked due to ill health / Death in service	Hire ends	No Early Termination Payment applies. Mileage Rent[4] still applies.

Jargon explained

1. **National Minimum Wage / National Living Wage**
   The minimum rate of pay an employer must provide after any salary sacrifice deductions have been applied.
2. **The Early Termination Payment**
   A cost that applies if the hire ends early, usually equal to 50% of the remaining Rent for the rest of the term.
3. **Rent**
   Your total monthly cost (including maintenance and insurance).
4. **Mileage Rent**
   A charge if you exceed your agreed mileage.

When protections do NOT apply

- More than 10% of employees are made redundant in a year
- 5 or more Employment Events have already occurred in the same year
- You leave during or at the end of your probation period

Too complicated? For clear, personalised guidance, speak to a salary sacrifice expert.

This page gives a simple overview of how the scheme works. It doesn't include all the details and doesn't replace the full Master Contract Hire Agreement. If there is any difference between this summary and the agreement, the agreement will always take priority. Please read the Master Contract Hire Agreement before signing up. Mileage Rent is payable on all events.

Why go electric?

Switching to an electric car is a game-changer for your wallet and the planet.

With lower running costs, cheaper charging compared to rising fuel prices, and fewer moving parts to maintain, driving electric simply makes financial sense. EVs are smooth, quiet and packed with cutting-edge tech, making every journey more enjoyable.

And every mile you drive helps cut emissions and create a cleaner, greener future for everyone.

Benefits you'll love

- **Make big savings**
  Enjoy significant reductions on the cost of driving electric.
- **Predictable costs**
  A fixed monthly payment makes budgeting simple.
- **Access great deals**
  On popular models.
- **Better driving experience**
  Smooth, quiet performance with instant acceleration.
- **Greener choice**
  Reduce your carbon footprint every day.



Why choose used electric?

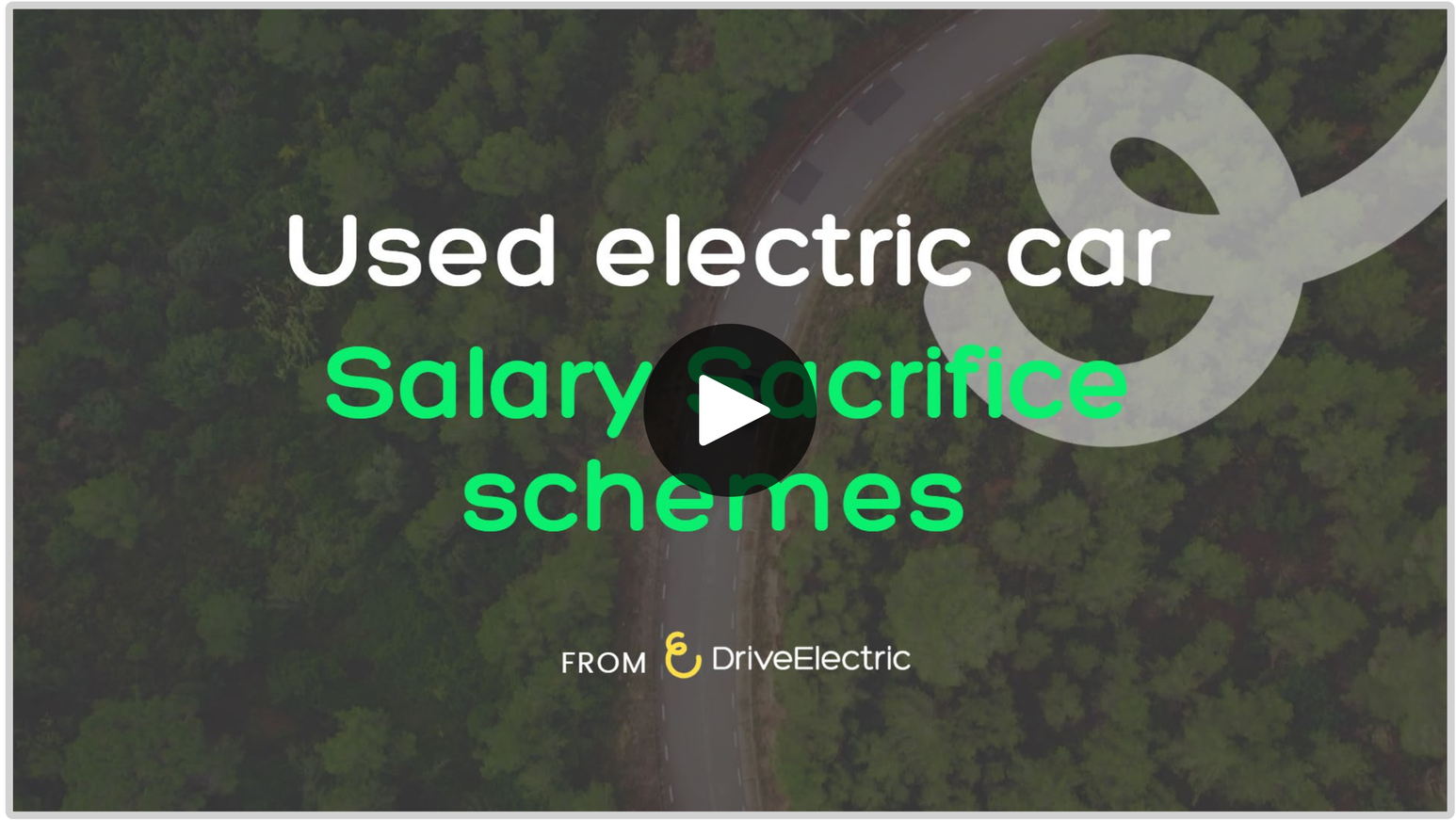
Experience electric driving for less with DriveElectric's used vehicles. You get all the benefits of Salary Sacrifice at a lower cost and with complete peace of mind.

Save even more
Lower monthly rentals with the same great savings on Income Tax and National Insurance.

More car, same budget
Enjoy a higher-spec or longer-range model without increasing your monthly spend.

Drive with confidence
Every used vehicle is rigorously inspected, expertly refurbished and fully maintained, supported by the same all-inclusive package as a new lease.

Ready when you are
No long waits. All vehicles are in stock and ready to go.



150+ used EVs in stock







EV support, right here in Orkney

DriveElectric has partnered with ReFLEX Orkney to give you dedicated local support throughout your Salary Sacrifice journey.

The best of both

DriveElectric's EV expertise, with dedicated support from people here in Orkney.

Here when you need us

Delivered to Orkney
We'll take care of getting your new EV to Orkney, ready for a personal handover from the ReFLEX team.

Servicing made simple
We'll remind you when your service or MOT is due and help arrange it with an approved EV-trained garage in Orkney.

Local EV support
Questions about your car or charging? You'll have knowledgeable EV support right here in Orkney.

Keeping you moving
Courtesy EVs are available during servicing, MOTs and warranty repairs. If specialist work is needed on the mainland, we'll help arrange that too.[1]

Going further?
You can access a longer-range vehicle for mainland journeys for up to 14 days per vehicle, per year.[1]



1. Terms and conditions apply.

Home charging, made easy

A simpler, more rewarding way to charge your EV at home.

Pod Drive brings everything you need to charge at home into one simple package: an award-winning Pod Point home EV charger, professional installation and the exclusive Pod Power tariff from EDF. Plus, Pod Rewards lets you earn cash when you smart charge.

What's included?

Pod Point 7kW Solo 3S home charger
A smart, reliable home charger with app control trusted by over 250,000 customers.

Professional installation
Installed by accredited engineers, with safety checks included as standard.

Exclusive Pod Power tariff from EDF
Access lower off-peak rates to help you charge for less.

Earn cash with Pod Rewards[1]
Earn cash when you smart charge, with rewards worth up to £100 a year.

Five years of peace of mind
Your charger and installation are covered by a comprehensive 5-year warranty.

Home charging that works around you

Plug in when you get home, set when you need your car ready and let smart charging do the rest. Pod Drive helps you charge at lower-cost times and earn cash through Pod Rewards.

Choose how you pay

- **Pay upfront**
  ~~£999 RRP~~ **From £899[2]**
- **Subscribe**
  ~~£99 upfront~~ **£0 upfront,[3] then £30/month for 36 months.[4]**



1. Exclusive to Pod Power customers. No sign-up fee. Just download the app.
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3. £0 upfront offer available to Pod Drive subscription customers with an installation completed on or before 31 December 2026. Finance subject to status.
4. One fixed monthly payment for 36 months. After that, your Pod Drive subscription continues on a rolling monthly basis.

It's easier with DriveElectric

At DriveElectric, we're here to make your Salary Sacrifice journey as easy as possible. From answering your questions to providing quick, efficient support, we take the hassle out of the process so you can focus on the benefits.

With our positive customer feedback, you can count on us for exceptional service when you need it most.

Plus, with our online tools and expert advice, everything you need to make informed decisions is right at your fingertips.

"We've been using DriveElectric for many years, for both Business Contract Hire and more recently for Salary Sacrifice for pure electric vehicles. DriveElectric's unique scheme has enabled us to offer our team a compelling benefit with access to hundreds of electric vehicles, whilst there has been very little admin or risk to Fully Charged."

Robert Llewellyn – Fully Charged Show

"DriveElectric have supported us with every step in the introduction of our EV Salary Sacrifice scheme. Initially we had thought only a few Managers would wish to benefit from the scheme. 12 months on and we have a total of 9 employees with EV vehicles and 2 more on order. The benefits of this scheme have proven great for employee retention. A huge thanks to the team at DriveElectric."

Kate Minion – Yorkshire Wildlife Park

Ready to start?

Get in touch today

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reward@drive-electric.co.uk

drive-electric.co.uk

Onboard now

Follow @DriveElectricUK



Frequently Asked Questions

What is a car salary sacrifice scheme?
It's a way for employees to drive a new or used electric car by giving up part of their gross salary. Because the cost comes out before Income Tax and National Insurance Contributions, employees save compared to funding a car privately.

Is the scheme open to all employees?
Employees earning £31,000 or above (inclusive of Distance Island Allowance or any other guaranteed contractual payment) can participate, subject to OIC policy, affordability checks and National Minimum Wage or National Living Wage requirements. If participating in the scheme would reduce your pay below the applicable minimum rate, you may not be eligible. If you're unsure, speak to your HR & OD, or payroll team.

Can fixed-term employees join the scheme?
Yes, subject to your employer's scheme rules and the time remaining on your employment contract. Your Salary Sacrifice agreement must not extend beyond the end of your fixed-term contract. For example, if you have 13 months remaining on your contract, your vehicle agreement would need to end within those 13 months. If you're unsure, speak to your HR & OD, or payroll team.

Is a salary sacrifice car classified as a company car?
Yes, a salary sacrifice car is technically considered a company car because it is provided through the employer as part of your benefits package. Since the car is offered in exchange for a reduction in your gross salary, it falls under the definition of a company car for tax purposes.

What's included in the monthly cost?
The all-inclusive monthly payment covers:

- Servicing, maintenance and MOTs
- Tyre and glass replacement
- Breakdown assistance
- Comprehensive insurance

Are all electric vehicles included?
Yes. The scheme gives employees access to a broad selection of new and used electric vehicles, all available with low Benefit in Kind (BiK) rates.

How long can I keep the car?
Agreements usually run for 2, 3, or 4 years at a fixed monthly cost for easy budgeting.

Are there limits on mileage?
Yes. Each lease includes an agreed mileage allowance. Exceeding this will result in an excess mileage charge.

What happens at the end of the lease term?
At the end of the lease, employees can return the car or choose a new one.

What counts as fair wear and tear?
Normal day-to-day use is expected. Charges may apply for damage outside industry-standard 'fair wear and tear,' such as dents, neglect, or misuse.

What is an early termination payment?
An early termination payment is a cost that applies if the lease ends early.

What protections are in place against early termination payments?
Early Termination Protection covers many common life events where an employee may need to end their agreement early. After the first three months, it reduces or removes early termination charges in situations such as redundancy, long-term sickness, parental leave or death in service.

How does salary sacrifice affect my take-home pay and tax contributions?
Salary sacrifice reduces your gross salary, which lowers your income tax and National Insurance Contributions. The reduction is offset by the savings and benefits you gain with a salary sacrifice car including maintenance and insurance.

How does the scheme affect my pension contributions and other benefits?
Salary sacrifice reduces your gross pay, which may impact contributions to salary-based benefits such as pensions. However, the effect is usually minimal. We recommend discussing this with your HR & OD or payroll team to understand the specific impact on your benefits.

Frequently Asked Questions

What is Benefit in Kind (BiK) tax?

Employees pay BiK tax on perks they receive from their employer, like a company car, on top of their salary. HMRC calculates BiK separately from your salary, so the BiK tax is deducted before your pay reaches your bank account. If you use a company car for personal trips, you'll pay BiK tax from your monthly wages.

Do I pay Benefit in Kind (BiK) tax on a salary sacrifice car?

Yes, BiK tax applies, but here's the good news: electric cars have the lowest rates, helping you save more!

How is BiK tax calculated?

BiK tax is based on two factors: your car's CO_2 emissions and the car's P11D value (the list price of your car including VAT and delivery fees but excluding first registration fees and annual Road Fund Licence). Multiply the car's P11D value by the BiK rate to get the annual benefit, multiply that by your Income Tax rate to get the annual tax, then divide by 12 – that's what's taken each month through PAYE.

What are the BiK rates for electric vehicles?

The lowest rates apply to zero and low-emission vehicles:

Tax Year	BiK Rate
2026/27	4%
2027/28	5%
2028/29	7%
2029/30	9%

This compares to up to 37% for high-emission cars, making EVs a far more affordable choice for your employees.

Do I have any responsibilities as a driver?

Yes. You must hold a valid driving licence, notify your employer of any changes that may affect your entitlement to drive, keep the vehicle serviced and maintained in line with the manufacturer's recommendations, and report any accidents, damage or insurance claims promptly. At the end of the agreement, the vehicle should be returned in line with the funder's fair wear and tear guidelines.

DriveElectric

We've done our best to ensure the information in this brochure is accurate, but DriveElectric cannot accept responsibility for any loss or damage caused by relying on it. This brochure is for general information only – it's not financial or legal advice. If you need guidance tailored to your situation, we recommend speaking to a professional.

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