

# Green Car Scheme - salary sacrifice

NLC Frequently asked questions

- Basics of the green car scheme

## How do I benefit from a salary sacrifice green car scheme?

A salary sacrifice green car scheme is where a colleague can sacrifice a fixed amount of their salary each pay day in exchange for a brand-new car. This supports a greener, more environmentally friendly lifestyle. The fixed amount for a car is taken before income tax and National Insurance deductions which results in significant savings for colleagues.

## What other impacts does a green car scheme have?

It is important to note is that participation in a salary sacrifice green car scheme reduces both employee and employer pension contributions.

If colleagues have any concerns regarding the impact that the car scheme salary sacrifice might have on their pension contributions or benefits, they should consult an independent financial advisor. NLC cannot provide any pension advice as we are not regulated or permitted to do so as per the Financial Conduct Authority.

The quote colleagues will receive for a car of their choice will only show the monthly reduction for the employee pension contribution, not the monthly reduction for the employer pension contribution.

More information is available below on pension contribution rates and actions colleagues may consider to support the pension impact of the employee and employer reductions.

*Single status colleagues*

[Contribution rate bands for Scottish Local Government Pension Scheme \(download\)](#)

[Additional Voluntary Contribution \(AVC\) scheme](#) with the Prudential

[Additional Pension Contributions](#) with the Strathclyde Pension Fund

*Education colleagues - teachers*

[Contribution rate bands for Scottish Public Pensions Agency \(download\)](#)

[Options to increase retirement benefits](#)

## Will the mileage rate I receive for business miles be affected?

Participation in the green car scheme means that if a colleague claims mileage expenses this would be at a lower rate of [HM Revenue & Customs advisory fuel rates](#). This is due to the tax implications of the change in the vehicle ownership.

## What is included with a salary sacrifice car?

Fully comprehensive insurance, vehicle tax, replacement tyres, routine servicing (pickup and delivery service), MOTs, break-down cover and lifestyle protection for ending the agreement early under certain circumstances. Plus you can plan a delivery date subject to availability.

## What isn't included in the scheme?

The car scheme is designed to offer colleagues a fixed price motoring package however it doesn't include: fuel/charging, fines, engine oil top-ups outside of servicing, insurance excess, personal number plate transfers or damage due to misuse or excess mileage.

## Is a deposit required for a salary sacrifice car?

No deposit is required.

## Who can participate in our green car scheme?

To take part in the scheme, a colleague's salary must be £30,600 or greater so they still earn over the National Living Wage after the sacrificed salary has been taken. This includes any other deductions on top of a car scheme salary sacrifice such as bought leave, childcare, cycle2work or additional voluntary pension contributions.

The minimum salary level of £30,600 will next change in April 2025 to reflect future updates in National Living Wage.

In addition to meeting the required salary level, a colleague must be on a permanent contract or suitable length of fixed term contract. If colleagues are on a fixed term contract, the car scheme provider requires the contract of employment to be for a longer period than the proposed salary sacrifice agreement.

## Where can I get a car from using the green car scheme?

The green car scheme provider is a specialist company called Tusker. Tusker provide a car scheme platform where colleagues can see the cars available, delivery timescales and costs. Once a colleague submits a car order, our Employee Service Centre will get it all approved.

## What's the delivery timescale after my order is approved?

The car scheme provider, Tusker, will place the order with the manufacturer who will give an estimated delivery timescale. Colleagues will be able to monitor the status of the car selected and will be contacted once the car is in stock and ready for delivery.

An average delivery time for a car that's being built to specification is 28 weeks. If a car that has been ordered is in stock then it's a much quicker process as it doesn't need to wait on a production slot or shipping date so can often be delivered in as little as 3 weeks.

## How many makes and models are there?

There is a huge selection with almost all manufacturers offering a full range of electric cars.

## How long can I keep my car?

When ordering a car colleagues can choose the period they want the car for between 24 to 48 months. This commits colleagues to the agreement for that time period. If during the agreement a colleague decides they simply no longer want the car then they will be responsible for an early termination charge.

## What happens if my circumstances change while I have a car?

The car scheme includes a level of lifestyle protection. This provides protection for colleagues experiencing certain lifestyle events. The lifestyle protection can only be used once during the salary sacrifice agreement period.

## What happens if I take a car and then at a later date I want to reduce my working hours?

To take part in the scheme, a colleagues' salary must be £30,600 or greater so they still earn over the National Living Wage after the sacrificed salary has been taken. If by reducing their hours, that is no longer the case, a colleague would have to terminate the green car scheme salary sacrifice agreement early and pay an early termination fee.

## Where can I charge an electric car in North Lanarkshire?

Apps such as [www.zap-map.com/live/](http://www.zap-map.com/live/) and [www.chargeplacescotland.org](http://www.chargeplacescotland.org) have easy-to-use maps showing all public EV charge points. Through the Glasgow City Region the existing charging network is also being extended (for delivery potentially at the start of 2025).

## Can I get a domestic charger installed?

Anyone thinking of ordering an electric car should check with an approved domestic charger installer if one can be connected at their home address. This installation can be up to £1,000. This cost would be self-funded and is not supported in any way by the Green Car Scheme.

## Could I incur any additional charges during my agreement?

Yes. Additional charges on top of the initial set salary sacrifice agreement amount can include: fines, parking fees, admin charge, rewrite mileage value to cover high mileage use over the set mileage level, adding a new driver to the insurance or incurring 2 insurance claims in 12 months triggering an insurance rewrite. Colleagues will be liable for an excess of £250 for accidental damage, fire & theft, £550 for 17-20yrs, £450 for 21-24yrs and over 25's who are new drivers.

## Tell me more about the mileage rewrite

As part of the agreement a specific annual mileage is set by the colleague. If during the agreement period, this annual mileage is proving unrealistic for a colleague then they will need to have a rewrite of the mileage in the agreement. This would increase the salary sacrifice amount.

To take part in the scheme, a colleagues' salary must be £30,600 or greater so they still earn over the National Living Wage after the sacrificed salary has been taken. If increasing the salary sacrifice due to the mileage rewrite, that is no longer the case, the colleague would have to terminate the green car scheme salary sacrifice agreement early & pay an early termination fee.

## Could I incur any additional charges at the agreement end?

Yes. Following the return of the vehicle at salary sacrifice agreement end date, colleagues may have to pay: excess mileage charges (see below), for any damage or defects not resulting from fair wear and tear, the costs of rectifying any sub-standard repairs that were not arranged in accordance with the processes set, for the replacement of any missing accessories (including keys, locking wheel nuts or service books), for the removal of any accessories/equipment fitted by a colleague or for the repair of any damage caused by the removal of any accessories/equipment fitted by a colleague.

## What happens at the end of the set agreement length?

There are 3 options at the end of the salary sacrifice car agreement; order a new car, return the vehicle, or to purchase the car for an open market value set in the agreement last three months.

## Can I insure the car?

No. The car insurance is arranged by Tusker, the Green Car Scheme provider. Please note if a colleague is planning to add a younger driver this will reduce the numbers car available to select in the scheme due to insurance categories. Learner drivers are not allowed on the insurance.

## How many cars can I take out on the scheme at one time?

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