

Salary Sacrifice Home and Electronics Scheme Terms & Conditions

The term 'Organisation' refers to your employer.

If you wish to participate in the Home Electronics Salary Sacrifice Scheme, you must sign the order form which varies the terms of your contract of employment with the Organisation. This will be taken as confirmation that you have read and understood all of the terms of the Scheme and that you accept the changes to the terms and conditions of your employment contract. The changes required by your participation in the Home Electronics Salary Sacrifice Scheme will mean that your level of annual salary will be reduced by the sum shown on your order form.

ELIGIBILITY

a) You must be a member of staff on PAYE payroll (but those on zero hour's contracts are ineligible). The reduction in salary cannot take you below the National Living/Minimum Wage.

b) You must be on a permanent contract or if on a fixed term contract which covers the length of the repayment agreement.

PROVISION

The Organisation is supplying you with equipment per the conditions set out in the order form including this schedule. The Organisation reserves the right, but does not bind itself, to unilaterally replacing the equipment wholly or in part with equivalent goods on due notice of variation. The term of the agreement is fixed unless extended as covered elsewhere in this schedule.

OWNERSHIP

The equipment will transfer to your ownership one week after you have received it.

ADJUSTMENT TO REMUNERATION PACKAGE

You agree that your gross salary will be reduced as stated on the order form for the term of the agreement and that your remuneration will include the provision of the equipment to you.

Salary Sacrifice

By signing the order form you should be aware that, technically, you waive your rights to automatically return to your original salary at the end of the term. However, the Organisation confirms that your salary will return to the amount of pre salary sacrifice at the end of the term.

Employment Benefits

Participating in a Salary Sacrifice may affect those benefits linked to salary such as Maternity Pay, Sickness Pay and Pension Schemes.

UNPAID LEAVE

Life Events

Events such as Maternity Leave and Sick Leave are defined as "Life Events" by the Organisation and are evaluated on a case by case basis. In the event of a "Life Event" where your salary decreases or stops altogether, the Organisation will review the agreement with you and decide with you the appropriate course of action. This could be, but is not limited to:

- an agreement to terminate current arrangements and replace them with new and revised salary sacrifice arrangements
- giving you the option of opting out of salary sacrifice and making a payment to the Organisation out of net pay
- continuing to provide the benefit.

Maternity Pay Calculation

Your maternity pay is calculated on your "average weekly earnings" during weeks 17-25 of your pregnancy. For the purpose of calculating your maternity/ pay your lower salary (after all salary sacrifice reductions) will be used. This will have a direct impact on your level of maternity pay.

Other Unpaid Leave

If a change in your circumstances prevents you from continuing with the salary sacrifice under this schedule, the Organisation will discuss with you ways in which the financial commitment can continue to be met.

ORDERING AND DELIVERY

Ordering

The Organisation will have the sole decision whether or not to accept and proceed with your order. All orders need to be completed and received by the closing date or your order will not be processed.

Delivery

The equipment will be delivered to your home address as detailed by you on your order form and as verified by the Organisation during the authorisation process. Any deliveries will take place at an unspecified time between 8am - 6pm on a weekday (Monday to Friday only). You will be contacted by email to confirm the delivery date. You must ensure that someone is available to receive the equipment on the delivery date or you may be required to arrange redelivery separately with the courier.

Daily Ordering

Goods will be ordered from the supplier when your order has been authorised by your employer.

Delivery should be within 5 working days from ordering with the supplier.

Missed Delivery

For small items the courier will leave a delivery card when possible and send you a text to let you know that that the delivery was missed (if you provided a mobile number when placing your order). The courier will usually try to deliver again the following day, or you can follow the instructions on the delivery card, or text, to re-arrange another delivery date. The couriers may deliver the parcel to your neighbours if they miss you. Please refer to the delivery card or text.

For large items an email will be sent to you providing a delivery date and reference number as well as a contact number, should the date not be suitable and you would like to change it.

If you have any queries in regard to a missed delivery you must contact Vivup within 7 days of the first missed delivery, telephone 01252 784540.

Confirmation of Receipt

When the equipment is received by you, you must sign the necessary documentation to confirm receipt. If there are any items missing when the equipment is received or if there is any damage to the packaging, you must clearly write this on any documentation.

Goods Not Received

If the goods do not arrive, are incomplete or are the wrong goods, you must call Vivup within 14 days of receipt or expected delivery, telephone 01252 784540. In cases of damaged or missing parts, photos will be required for evidence of this.

Delays

The Organisation will not be liable for any delay in supplying the equipment to you or for failing to supply the equipment at all, if that delay or failure is due to any event or circumstance beyond our reasonable control. This includes where the Organisation cannot get supplies of the equipment. If the Organisation are unable to obtain the equipment, then the Organisation may cancel the agreement without any liability to you.

Inspection

Big Box Items, White Goods, TV's, Know How Deliveries.

If you have ordered big box items, White Goods, TV's or anything delivered by the Know How Team you must inspect and report any damage to your goods within 48 hours of delivery. Report damage directly to Vivup by e-mailing orders@vivup.co.uk to advise any defects or other problems.

All Other Items

You must inspect and test the equipment as soon as you receive it and notify Vivup by email orders@vivup.co.uk promptly of any defects or other problems. If you do not notify Vivup by email within 7 days of receiving the equipment, the equipment will be assumed to have been delivered free from any defects or problems that you could have discovered by reasonable inspection and operation of the equipment within such 7 day period.

FAULTY PRODUCTS

Faulty goods must be reported to Vivup within 21 days of receiving the goods, telephone 01252 784540. Outside of 21 days the item will be subject to the manufacturers' limited warranty.

Where Currys PCWorld is the supplier of Big Box Electrical Items: collection and exchange for the same item (or offer of an alternative if it is no longer available) will be arranged.

Where Currys PCWorld is the supplier of Small Box Electrical Items: A returns letter will be provided allowing you to take the item to your local Currys & PCWorld store, to allow the exchange of the goods within 21 days, or to support with the manufacturers' warranty. In all cases, the store reserves the right to inspect the product to verify the fault.

RETURNS

If for any reason you need to return goods, the following must be adhered to (whether being collected via courier or sent at your own disposal/convenience):

The Customer warrants, undertakes and represents that:

- (i) the goods have been properly and sufficiently packaged and labelled for the intended Service and destination, so that the Consignment will not be lost or damaged whilst being transported or cause injury or damage to any person or any property or other goods;
- (ii) if goods are lost or damaged in transit when returning the customer is liable and as such should properly and sufficiently package and label goods for return and ensure adequate insurance cover is in place.

Unwanted Goods

An unwanted product can be returned for a full refund within 21 days of delivery as long as it's still in its original, unopened packaging. This returns policy for unopened goods is in addition to your statutory rights and applies to purchases made in store, online or over the phone.

Separately to the 21 day policy above, and in accordance with your rights when you purchase goods online or over the phone, unwanted items can be returned even if you have opened them for inspection as long as you let us know within **14 calendar days** from the day after delivery. Once you have told us you want to return an item, you should do so without undue delay and **not later than 14 days from the day on which you informed us** of your decision to cancel the order. You can examine the goods as you would in a shop but to obtain a full refund you must not start using them, install them or input any data/software. The goods must be returned in 'as new' condition and in their original packaging.

WARRANTY

Manufacturer's Warranty

All equipment comes with a standard manufacturer's warranty. Warranty is limited to malfunction caused during normal wear and tear. You should complete and return immediately any registration card or other form, or carry out any other action required to validate such warranty.

Withdrawing from Salary Sacrifice Home Electronics Scheme

On submitting your order your employer has agreed that you will have a 14 day period in which you can withdraw from the scheme, whilst your order is processed.

Statutory Rights

Your statutory rights are not affected by this agreement.

Peripherals or Other Goods

The Organisation shall have no liability for any additional items or other goods purchased separately by you from any supplier introduced by the Organisation, and your agreement for them is solely with that supplier.

YOUR GENERAL OBLIGATIONS

Deduction of amounts due

Where any amounts become payable by you under the agreement, you agree to pay all such amounts punctually at the times stated in this schedule. All reductions shall be made without previous demand. You agree that all amounts due under the agreement will be paid by reduction in your salary, unless otherwise notified. You must pay VAT at the rate from time to time in force on each reduction payable under the agreement.

Care of the equipment

You must use the equipment in accordance with any operating instructions issued by the manufacturer.

International Usage

Phones are supplied unlocked/SIM free. The SIM-free phones the Organisation supply are unlocked to any UK network provider although cannot be used with foreign SIM cards on foreign networks.

Permitted uses of the equipment

The equipment is provided to you for your own private use and can be used by others that you authorise.

Permitted alterations to the equipment

You can modify or alter the equipment, but you should note that this may invalidate or affect any warranty or guarantee provided and you should check the terms of such warranty or guarantee before doing so.

Damage, Loss and Repair

You shall be responsible for all theft and loss of or damage to the equipment from the moment you receive it, unless due to our negligence, or due to any defect.

Insurance

There is no insurance through the scheme and it is your responsibility to insure the equipment if you wish.

Warranty Claims

If the equipment or any part of it shall malfunction, manifest any defect, or be damaged, and this is covered by a manufacturer warranty or guarantee provided in respect of the equipment, or your statutory rights, then you shall promptly make a claim under such warranty or guarantee and arrange for the equipment to be corrected and repaired by contacting the supplier or manufacturer. For the avoidance of doubt, you will not be responsible if such malfunction, defect or damage that fails to be corrected under any warranty, guarantee or statutory right, and the supplier or manufacturer fails to carry out such correction.

Damage and Defect Repairs

If the equipment becomes damaged or defective, and such damage or defect is not covered by warranty, then, if such damage or defect is economically repairable, you shall promptly arrange for the equipment to be collected and repaired at your cost by contacting such persons as the Organisation may specify to you.

Total Loss

If the equipment is damaged beyond economic repair or is lost, stolen, seized or confiscated or comprises a total loss or a constructive or agreed total loss, you shall immediately inform the Organisation, and the Organisation shall be entitled to terminate your agreement, in which case you shall on demand pay to the Organisation the amount specified in the section titled "Your Liability on Termination", by such time as the Organisation may specify in a notice to you. Such amount may be deducted from your NET salary.

GENERAL

No Security - The Organisation shall not ask for any security from you personally to cover the agreement.

Assignment

You shall not assign or transfer your agreement or the benefit of your agreement without the prior written consent of the Organisation.

Waiver

Any waiver or indulgence by the Organisation or failure of the Organisation to enforce its rights (whether by oversight or otherwise) shall not affect our right to rely subsequently on the terms of the agreement.

Third Party Rights

A person who is not a party to the agreement has no right under the Contracts (Third Party Rights) Act 2017 to enforce any term of the agreement.

Law

Scots law governs the agreement and the parties submit to the exclusive jurisdiction of the Scottish Courts.

TERMINATION OF EMPLOYMENT

If your employment terminates with the Organisation for any reason whatsoever, then in such event you shall be obliged to pay the amount set out in the section titled "Your Liability on Termination". This will be deducted from your final pay, and if this is insufficient, you must pay the shortfall within 7 days of leaving the Organisation and failure to do so means the shortfall shall be recoverable as a debt.

YOUR LIABILITY ON TERMINATION

If the agreement is terminated, you shall become liable to pay the Organisation the following amount:

The amount stated as the total salary reduction for the product under the agreement LESS the amount of all salary reductions applied up to the date of termination under the agreement. You will also be liable for any damages for breach of this schedule. This payment will be deducted from your final pay and if this is insufficient, you must pay the shortfall within 7 days of leaving the Organisation and failure to do so means the shortfall shall be recoverable as a debt.

LGPS/SPPA PENSION SCHEME

Impact of Salary Sacrifice arrangements on LGPS/SPPA Pension

I'm in the LGPS/SPPA. What effect does this salary sacrifice have on my future pension?

Pension contributions for certain benefits e.g. cycles, childcare vouchers and shared cost AVCs will be based on your gross salary and there will be no reduction in pension contributions. However, pension contributions for other benefits such as home and electronics and cars will be based on the after-sacrifice salary.

The following paragraphs use the provision of a car as an example.

By participating in this arrangement your monthly gross salary will be reduced to reflect the cost of leasing your car. You will pay less Income Tax and National Insurance; however, there will be implications to your LGPS/SPPA pension.

Your taxable pay will be less which means that you will pay less in LGPS/SPPA pension contributions. Your current main LGPS/SPPA scheme contribution may even change as the LGPS/SPPA rate payable will be reassessed against your annual pensionable pay less your sacrificed amount.

Other benefits may also be affected so you should discuss this with your pension manager.

What can I do to ease this reduction?

You can choose to pay extra into the pension scheme by way of an AVC (Additional Voluntary Contribution). You should discuss this with your pension manager.

Death in Service Benefits

As your pay may decrease by the amount of the salary sacrifice, this may have an effect on your benefits.

Overtime and Pay Awards

The salary sacrifice will have no impact on salary related payments such as overtime and pay awards, which are based on your original salary, prior to your participation in the salary sacrifice scheme.

Statutory Benefits

There may be an impact on Statutory Maternity, Adoption, Paternity or Sick Pay when you take part in a salary sacrifice scheme. This is because these statutory benefits take into consideration your salary less the reductions for your product. Certain statutory benefits may be lost if your earnings fall below the Lower Earnings Limit. For further information please contact your local Department for Work and Pensions office or visit their website at

www.gov.uk/government/organisations/department-for-work-pensions.

Maternity Pay

Your maternity pay is calculated on your "average weekly earnings" during weeks 17-25 of your pregnancy. For the purpose of calculating

your maternity pay, your lower salary (after salary sacrifice reductions) will be used. This will have a direct impact on your level of maternity pay and you need to carefully consider the possible implications before taking part in a salary sacrifice scheme.

Scottish Local Government Living Wage

This salary sacrifice scheme must not reduce your pay to below the Scottish Local Government Living Wage. You will not be able to take part in the salary sacrifice scheme if this is the case. You will need to be mindful of your pay level, particularly if you already have a salary sacrifice in place.

Tax Implications

Unless there is a tax exemption in place (such as for the Cycle to Work scheme) Income Tax is payable on the value of the benefit. Although salary sacrifice arrangements may reduce Income Tax, pension, and National Insurance (NIC) charges, the provision of electronic products are taxable benefits.

From the 6th April 2017, HMRC announced that they would limit the tax advantages that employees could make through certain salary sacrifice arrangements. You will therefore be liable to a tax charge on the Benefit-in-Kind, or salary forgone, whichever is higher. The amount of tax liability will be shown in your quotation. Following the HMRC changes, tax savings may no longer be achieved, although savings in pension and NIC may remain. Tax is paid on the value of the benefit provided through the salary sacrifice scheme either at the time of salary reduction through your pay or at the end of the tax year through an adjustment to your tax code depending on how your organisation accounts for it. Please also note that certain schemes have specific rules relating to the calculation of the benefit and may not be taxable on the value of the salary sacrificed. In any case, the savings displayed when you make an order take this into consideration.

IMPORTANT Any future changes in tax, pension and NIC rules may result in a change in the savings you receive, either upwards or downwards. Such changes are outside of the control of Vivup and/or the Council.

Is it in everyone's interest to enter into a salary sacrifice scheme? No, your personal circumstances may mean that it is not beneficial for you. This is more likely to be the case for those on low income affected by Working Tax Credit which may cancel out the savings on Income Tax and National Insurance contributions. Employees in receipt of Working Tax Credit should seek advice from the HMRC on 0345 300 3900 or www.gov.uk/browse/benefits/tax-credits.