

Access the latest tech  
and spread the cost!



# Employee Benefit Home Electronics Scheme

[www.fleethomeelectronics.co.uk](http://www.fleethomeelectronics.co.uk)

# The home electronics scheme

## Overview

Fleet Home Electronics is a salary sacrifice scheme delivered in partnership with UK tech retailer, Currys. Providing exclusive access to the latest home electronics and appliances while being able to spread the cost of these products over 12 or 24 months.

This booklet outlines the terms and conditions which you will need to agree to in order to join the scheme.

## Wording

- Where the words: “The Organisation“, “we“, “us” and “our” are used, they refer to Mersey and West Lancashire Teaching Hospitals NHS Trust Deanery (your employer).
- Where the words: “You” and “your” are used, they refer to you (the participant in the scheme and named in the variation of contract).

Once your order has been approved, you will be sent a collection card. This can be supplied electronically by email, or by post. Either format can be redeemed in-store or online at [currys.co.uk](https://www.currys.co.uk).

## How it works

Register your account on the website. You will need your organisation's VPD code (096), we suggest having a Payslip to hand.

We will send then you a password (via email) to sign into your account.  
We suggest changing your password once you have logged in.

Once logging into the website, you can then browse through the range of products available to order via the scheme.

After you have selected the product(s) you would like, you can proceed to the basket for a quotation.

You will then have the option to choose the agreement length of your salary sacrifice and we will provide you with a quotation.

Once accepting your quotation, we will send you the documentation to complete for your agreement (this can be done online).

After accepting, your agreement will be sent to us for approval. When this is approved your collection card will be dispatched.

When your collection card arrives, it will be ready to use straight away.  
You will be able use this in any Currys store nationwide or online.

Your salary sacrifice agreement will begin the month after your order has been approved by us and will run for the term you have selected.

At the end of your agreement, you will revert to your original terms and conditions, as well as your Higher National Salary.

## Eligibility

Eligibility is subject to the following conditions:

- Permanent employee of Mersey and West Lancashire Teaching Hospitals NHS Trust Deanery.
- You must be able to accept a 12- or 24-month contract.
- The total value of products must not exceed 10% of gross salary.
- You must be suitable to enter a salary sacrifice arrangement.
- Earn more than the National Minimum / Living Wage following ALL salary sacrifices.
- Not exceed the maximum thresholds set by the trust as a reasonable amount of salary to be sacrificed by band/grade.

## Salary Sacrifice

A salary sacrifice arrangement is an arrangement whereby an employee agrees to a change in their terms & conditions of employment, so that the employee receives a reduced Basic Salary (“Revised Basic Salary”). The employer may then provide a benefit to the employee, in this case new home electronic products.

You can choose to participate in the arrangements and in no way are the arrangements compulsory.

## Taxation

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, details of how the tax will be collected through payroll are available in the ‘How the Salary Reductions and Benefit-in-Kind tax work’ section of this document.

Note that following the HMRC changes, although tax savings may no longer be achieved, savings in pension and NIC will remain.

### IMPORTANT

Any future changes in tax, pension and NIC rules may result in a change in the saving you receive, either upwards or downwards. Such changes are outside of the control of Fleet Home Electronics and / or the organisation.

## Ownership

The equipment is automatically transferred to you on day one (the day the contract is approved by your employer). You own the equipment from this point onwards and retain ownership of the equipment once the salary sacrifice agreement has ceased.

## How the Salary Reductions and Benefit-in-Kind tax work?

Your salary sacrifice will commence the month following your order being approved by the organisation and will be taken from your salary in equal amounts (over 12 months), for example if you place an order in May your salary sacrifice will begin in June.

The tax payable on your Benefit-in-Kind will be collected in the tax year in which the product is provided to you and spread over the remaining months in that tax year (the tax year runs from April until the following March).

Therefore, if your order is approved in May, your Benefit-in-Kind tax will be spread over ten months (June-March) however if your order is approved in December, it will be spread over three months (January to March).

For example, if you receive a product where the gross salary sacrifice is £1,000 and you are a basic rate taxpayer, your total Benefit-in-Kind tax will be £200. If your order is approved in May 2025, your monthly Benefit-in-Kind tax will be spread over ten months (June 2025– March 2026) at £20 per month. If the same order was approved in December 2025 your Benefit-in-Kind tax would still be £200, however this would be collected over the period January 2026 – March 2026 at £66.67 per month.

## National Minimum / Living Wage

The salary sacrifice cannot result in your Revised Basic Salary being below the prescribed National Minimum/Living Wage rates (i.e. so that the Revised Basic Salary would equate to less than the hourly legal minimum rate). For this reason, participation in the arrangements may be restricted to those employees earning at a rate that is higher than the current National Minimum/Living Wage rates which will anticipate any potential increases in the rates during the period of the salary sacrifice agreement.

## Reducing your salary

Employees accepting this proposal may pay a reduced amount of NIC each month. However, a number of state benefits are dependent on paying a minimum level of NIC, for instance Statutory Sick Pay and Job Seekers Allowance. You should consider the impact on such future contributory-based benefits if the salary sacrifice means that your Revised Basic Salary falls below the starting level for paying NIC. For further information on the current starting level for NIC please contact the payroll department.

You should be aware that agreeing a Revised Basic Salary may affect other company and state benefits such as Statutory Maternity Pay ("SMP"), sick pay and their level of entitlement in the event of death.

Agreeing a Revised Basic Salary might also affect more general financial matters such as mortgage applications. However, the majority of high street lenders take into account the arrangements outlined when making mortgage decisions, especially since many of the banking institutions already have similar salary sacrifice arrangements in place for their own employees. Any other payments (i.e. over and above basic salary) such as shift allowances, overtime payments and redundancy entitlements will continue to be calculated based on the Higher National Pay (i.e. the rate before the Revised Basic Salary was agreed). Any annual salary increments may be stated both in terms of the Higher National Pay and Revised Basic Salary.

It is important to note that percentage salary increases will be made by reference to the Higher National Pay.

## Tax Credits

From April 2003 the Government introduced Working Tax Credit ("WTC") and Child Tax Credits ("CTC") and in 2013 Universal Credits ("UC").

It should be noted that quotations do not consider the impact on WTC, CTC or UC which may mean that it may not be appropriate for some employees to participate in the scheme. WTC and UC are means tested and WTC effects the amount of CTC an employee may receive.

These credits consider the earnings and savings of both the employee and their spouse/partner. If participating in these arrangements were to alter the amount of credits an employee could claim, any loss of credits may be greater than the tax and NIC savings that may be generated. In principle a Benefit-in-Kind is considered earnings for the purposes of these credits.

Consequently, each employee's situation is different, and it is necessary to take the spouse/partner's salary and savings into account in order to estimate the most realistic impact of participating in the Scheme. If you qualify for state benefits such as the Disabled Persons Tax Credit (DPTC) you may qualify for a higher level of credit.

Note that following the 6th April 2017 HMRC changes (see Taxation paragraph on page 2), benefits provided under salary sacrifice arrangements are included in the calculation of income for Tax Credits. As such, reducing your salary through salary sacrifice may have little or no impact on your Tax Credit entitlement when the value of the taxable benefit is subsequently added back for the purpose of the income calculation.

If you are currently claiming WTC, CTC, or UC you should consider very carefully the likely impact on your net disposable income before committing to any salary sacrifice.

## Pension Implications

What impact will participating in salary sacrifice have on my pension?

Each year of your pensionable pay counts separately towards the build-up of your final pension benefits. If you are a member of the NHS pension scheme, when considering whether to sign up to a salary sacrifice scheme it is important to bear in mind entering into any salary sacrifice arrangement that reduces your gross pensionable pay may reduce the amount of pension you are able to build up for the duration of the salary sacrifice as there are no pension contributions for the portion of your salary that you sacrifice. This can affect your final pension in the following ways:

1. For members of the 1995 section of the scheme your final pension is based on the best of your last three years. If salary sacrifice is carried out within the last three years of pensionable membership before retirement, this could affect the calculation of your pension.
2. For members of the 2008 section, your benefits are based on the average of the best three consecutive years reckonable pay in the last ten years of working. If salary sacrifice is carried out within the last 10 years of pensionable membership before retirement, this could affect the calculation of your pension.
3. If you become a member of the career average 2015 section of the NHS pension scheme (CARE) any reduction in your pension contributions as a result of salary sacrifice will impact on your final pension.

Members of the 1995 and 2008 sections who, as at 1 April 2012, were either already over their normal pension age or 10 years or less from their normal pension age and in active membership on both 1 April 2012 and 31 March 2015 are entitled to full Protection.

Members of both the 1995 and 2008 sections who, as at 1 April 2012, were more than 10 years, but less than 13 years and 5 months from their normal pension age and in active membership on both 1 April 2012 and 31 March 2015 are eligible for

limited Protection. We call this Tapered Protection, for more information please follow the link to NHS Pensions tapered protection calculator link (<http://www.nhsbsa.nhs.uk/Pensions/4019.aspx>).

Where an employee leaves the NHS pension scheme and freezes their pension entitlement, the value of the frozen pension may be affected if an employee participates in the salary sacrifice arrangement immediately prior to leaving the pension scheme.

A salary sacrifice may impact on the ongoing pension entitlement where a staff member becomes seriously ill and is required to take medical retirement or dies in service. In such circumstances, the pension entitlement is determined by the income level in the preceding 12 months and therefore may be impacted if a salary sacrifice is in place.

You will need to take independent advice if you want to identify any risks that participation in a salary sacrifice may present in the future.

Is salary sacrifice pensionable?

No salary sacrifice is not pensionable. The part of your salary you are giving up in exchange for a non-cash benefit is not pensionable. Pension is only paid on the remaining amount of salary for the duration of the salary sacrifice.

How Salary Sacrifice may affect your pension from 2015

'CARE' stands for Career Average Revalued Earnings. CARE is a form of defined benefit pension scheme. A defined benefit scheme guarantees a certain level of benefit at retirement, according to a fixed formula. In this respect it is similar to the current final salary sections of the NHS Pension Scheme. Most people will be in the 2015 CARE section of the NHS pension scheme from April 2015.

How does a CARE pension work?

In a CARE scheme your pension is based on your pensionable pay across your career. The final pension is calculated by adding together the pension earned in

each year of membership. This means that if you reduce your pension contributions as a result of salary sacrifice it will have some impact on the pension benefit you receive on retirement.

Example: A pension scheme member earning at mid-point band 5 earning £29,758.80PA (£24,799 plus HCA £4,959.80) reduces their gross salary by £1,000 over a 12-month period. Their pension contribution would reduce by:

Employer contribution 14.38% = £12 a month

Employee contribution 9.3% = £8 a month

Total reduction = £20 a month or £240 over the 12 month term

## IMPORTANT

You will need to make your own individual enquiries to identify any risks this may present you personally in the future.

## Long Term Sickness, Maternity Leave, Redundancy & Resignation

The organisation recognises that employees who are unable to work because of illness or incapacity, or who take maternity leave during the salary sacrifice, may have concerns. In these circumstances any employee who is absent from work for a period exceeding six months, will remain on their varied terms and conditions of employment throughout their period of absence and they will retain the electronic products.

If your period of absence is related to a “lifestyle event”, on your return to work the salary sacrifice arrangements may continue for an extended period that will include the duration of your period of absence. For example, if the salary sacrifice arrangements were entered into for a 12-month period and you entered a period of absence for a year after the first seven months had elapsed, on your return to work the salary sacrifice will be reinstated for a five-month period. Under no circumstances will the cumulative periods of salary sacrifice extend beyond the period provided for by the Agreement.

If you are expecting a baby and are considering entering a salary sacrifice for electronic product(s) through the Fleet Home Electronics scheme, you must be aware that your SMP and Occupational Maternity Pay (“OMP”) (where payable) could be affected. SMP and OMP are calculated on the amount of average weekly earnings during the eight-week period preceding the 15th week prior to the expected date of childbirth. A salary sacrifice will reduce the amount of salary that is liable to NIC.

Therefore, any salary sacrifice entered into during this eight-week period will reduce entitlement to SMP and OMP (where payable). If you are pregnant and expect to have a period of maternity leave you should think carefully as to whether you should join the scheme during this period (please contact the payroll department for further details).

If you are receiving SMP and maternity pay at present, you should contact your Personnel Officer to find out whether you are receiving sufficient income to enter a salary sacrifice and take part in the Fleet Home Electronics scheme after taking into account your other financial commitments which are deducted at source whilst on maternity leave.

## Leaving the Organisation

Your Fleet Home Electronics salary sacrifice agreement cannot be transferred between employers, even if your new employer is part of the Fleet Home Electronics scheme. If you choose to leave the organisation during the agreement an early termination charge will apply.

### Early Termination

If for any reason the salary sacrifice is terminated before the Expiry Date – i.e. your employment with the organisations ends, you will be liable for an early termination fee.

The fee will be based on the value of the product(s) and the number of months remaining up to a maximum of the RRP of the product(s). This amount will be deducted in a one-off payment from your net salary (should there be insufficient funds available in your final salary, the organisation reserves the right to recover the outstanding balance from more than one pay period). As a condition of the agreement, you give the organisation permission to make such deductions from your net salary.

Where the organisation has been unable to recover the outstanding balance from your salary, you agree to pay the outstanding amount by either cheque or credit/debit card.

It is important that you are aware that the organisation will pursue any monies owed through its debt collection agency and ultimately through the courts. Return of the product(s) will not discharge the early termination fee.

Where the salary sacrifice is terminated early you will return to your original terms and conditions of employment and your Higher National Salary, unless of course you have left the organisation.

The organisation will consider paying any early termination costs if you retire on ill health grounds. You are liable to pay the early termination costs in all other circumstances, including redundancy, if you terminate the Scheme early.

## Commencement Date

The salary sacrifice will be effective from the beginning of the month following the approval of the agreement by us. For example, if the agreement is approved in October the commencement date of the salary sacrifice will be 1st November and the sacrifice will be reflected in your November payslip.

## Delivery

The collection card can be delivered to an address of your choice, delivery will take approximately five working days from your order being approved by the organisation. Alternatively, you can request an e-Collection card which will be emailed to your registered email account within 24 hours of your order being approved by the organisation.

If the collection card does not arrive or is for the incorrect product, please inform Fleet Home Electronics, using the contact details at the end of this document.

## Collection Card

You can use the collection card at any Currys store or online at the Currys website. Once the collection card has been dispatched to you, the order cannot be cancelled unless expressly agreed with the organisation.

If the organisation agrees to the cancellation of your order, you will return to your original terms and conditions of employment and your Higher National Salary.

## Warranty

All product(s) provided under the scheme have the benefit of the manufacturer's warranty. Extended warranty or repairs beyond the standard manufacturer's period is your responsibility.

If there are any concerns or issues with the products after redeeming the collection card, then you should return the product to a Currys store who will deal with the matter in accordance with their returns policy.

## Returns

If your product develops a fault within 21 days Currys will always offer you an exchange provided you have your receipt.

Most products come with at least a one-year guarantee, so if your product develops a fault during the guarantee period Currys will help you to get a prompt resolution. Please note that this will vary by product type.

If Currys refers you to the product manufacturer or repair agent for service or repair, this is because they are their agents for the products and have been chosen because they are best placed to help customers with product queries. Fleet Home Electronics and/or the organisation will not be responsible for any warranty issues.

## Insurance

It is your responsibility to safeguard the product(s) and you may wish to insure your product(s) against fire, theft and accidental damage.

## Next Steps

If you wish to take up this option, wish to discuss this further, or find out more about the products available under this arrangement please contact:  
Fleet Home Electronics by email at [enquiry@fleethomeelectronics.co.uk](mailto:enquiry@fleethomeelectronics.co.uk)

or by telephone on 0344 811 9229

or visit our website at: [www.fleethomeelectronics.co.uk](http://www.fleethomeelectronics.co.uk)

You will be required to register on our website using VPD 096.



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