

Frequently Asked Questions

Q. How does the scheme work?

A. Your employer provides home electronic equipment to eligible employees in return for a reduction in salary (salary sacrifice) over a set term. In this way employees save National Insurance and NHS Pension Scheme contributions on the value of the equipment ordered.

Q. How does salary sacrifice work?

A. A salary sacrifice is where an employee gives up the right to receive part of their gross cash pay due under their contract of employment. In the case of the Home Electronics scheme you are agreeing to accept a lower amount of salary in return for your employer providing home electronic equipment. The monthly gross salary reductions will be made direct from salary through payroll, starting the month following submission of your order.

Q. I'm thinking of reducing my working hours, how will this affect my salary sacrifice arrangements?

A. You cannot sacrifice an amount which would result in your salary being lower than the National Living / Minimum Wage. If the reduction in your hours would mean that you cannot meet the salary sacrifice commitment as it would result in your salary being lower than the National Living / Minimum Wage, then the employer may exercise discretion to delay a change to your hours until the completion of your salary sacrifice reduction.

Q. What is the eligibility criteria?

A. This scheme is open to substantive staff, fixed term contracts must have a minimum of a 12-month term but their payment must be made over no longer than 10 months.

Q. How much equipment can I order through the scheme?

A. You can order no more than 2 months of your gross salary through the scheme, as long as the combined total value does not take you below National Living Wage/National Minimum Wage.

Q. Does the equipment come with a warranty?

A. Yes. All products come with a standard manufacturer's warranty. Warranty is limited to malfunction caused during normal wear and tear.

Q. Is the equipment covered for insurance?

A. There is no insurance through the scheme, and it is your responsibility to insure the equipment if you wish. If the equipment is lost, damaged or stolen the reduction in your salary will continue.

Q. How much will I actually pay through the scheme, after the savings?

A. You will make savings on the salary sacrifice at the same rate you pay National Insurance and NHS Pension Scheme contributions. Your payslips will show your original gross salary and the amount of reduction for the equipment that you have agreed to. The savings will be automatically applied to your payslip and your take home pay will reflect the amount you are actually being charged. National Insurance or NHS Pension Scheme contributions will not be payable on the reduction of salary. The level of overall savings will depend on your personal situation.

Q. What happens if I place orders that reduce my salary below the National Living/minimum wage?

A. Your order will be rejected when it is reviewed by the employer.

Q. Will the other salary sacrifice scheme I use be considered when I apply through this scheme?

A. Yes, as part of the review undertaken by the employer, any other salary sacrifice schemes that you are paying for will be taken into account before the order can be approved e.g. childcare vouchers, car salary sacrifice and the cycle to work scheme.

Q. Will I pay Income Tax on the benefit of being provided with the equipment?

A. Yes. Income tax is paid on the value of the salary sacrifice either at the time of salary reduction or at the end of the tax year through an adjustment to your tax code.

Q. When will I receive my equipment?

A. 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.

However, when new Apple iPhones are released, they may initially have up to a 3 month lead time. For example, if the new apple iPhone is released in September, delivery to you may not be until February. Please note that payroll reductions will start the month following submission of your order, even if you have not received your phone.

Q. Where can I have the equipment delivered to?

A. Delivery is to your home address only, as detailed on your order form and verified by your employer.

Q. When will the salary reduction start?

A. The salary reduction will commence the month following submission of your order. Please note that reductions will start as stated, regardless of whether you have received your equipment or not.

Q. Are SIM free/unlocked phones locked to any network? (This only applies if your employer is offering SIM free handsets as part of your scheme)

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

Q. What happens at the end of the agreement?

A. As you own the goods as part of the agreement, they are yours to do whatever you choose with them.

Q. What happens if I leave before I have paid off the full salary sacrifice?

A. If you should leave before the end of the agreement, the employer will seek to recover the final payments in your last salary.

Q. If I have a query about the scheme, who should I contact?

A. The contact details are orders@vivup.co.uk

The Rules

To apply for this employee benefit, there are two main rules that apply, as follows:

The salary reduction cannot take you below the National Living/Minimum Wage.

This is calculated only using your basic salary excluding unsocial hours and overtime. If you leave your employer for any reason during the term, you agree to a single net salary adjustment equal to the salary sacrifice that would have applied across the remainder of the agreed term. This adjustment will be made from your final net pay.