



## The Smart Parking Scheme

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**Help your staff save up to 42%  
of their car parking costs**

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**Fair Care**  
Employee Benefits

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Under current tax legislation, employers are able to provide car parking spaces for their employees, at or near to the workplace, without the employee paying any income tax or national insurance on the cost of that space.

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The Smart Parking Scheme works within the legislation, enabling employees to save up to **42%** of their parking costs.



The scheme operates via salary sacrifice, which means that the parking costs are met by the employer but recovered from the employee by way of deductions from their gross pay. This gives rise to income tax and national insurance savings for the employee, as well as national insurance savings for the employer.

#### Example Employee Savings:

Employee Savings:	Basic Rate Taxpayer @ 20% NI @ 12%	Higher Rate Taxpayer @ 40% NI @ 2%
Annual Cost of Parking	£1,000	£1,000
Annual saving to an Employee in the scheme	£320	£420

#### Applications

##### Season Ticket/Permit Schemes

The scheme lends itself perfectly to situations where season tickets or permits are purchased for a set term. Typical scheme terms are 6 or 12 months. In this instance, the employer will purchase the season ticket/permit and recover the cost from the employee via the payroll, over the term. In the event that an employee leaves before the end of the term, the employee will have to pay for the balance of the season ticket/permit from their final net pay. The employee can then either continue to use the season ticket/permit or seek a pro-rata refund from the car park operator.

#### Employee Contribution Schemes

Any regular payment for parking by employees (for example, where employees make a monthly contribution to the employer for use of on-site car parking spaces) can be adapted to work under the scheme. These schemes typically work on an annual cycle. In the event that an employee leaves during the period of the agreement, the scheme simply stops, with no balancing payments required.

#### Pay & Display

Under salary sacrifice agreements, employees normally agree to a regular reduction in their gross pay for a pre-determined period. It is therefore difficult to operate a scheme for employees who use pay and display car parks. There are, however, new technologies being currently tested in certain car parks which will be more suited to salary sacrifice schemes.

#### Setting-up and Operating

Fair Care has developed a simple, fully-outsourced solution for employers wishing to implement this benefit.

After an initial consultation, bespoke documentation will be produced (which will be personalised with your organisation's logo) and distributed to your employees. The documentation will include marketing material, an application form and a salary sacrifice agreement (this will be an addendum to the employees' contract of employment). A help-line will be open and available to your employees for the duration of the scheme. Once the scheme is up and running, Fair Care will produce a monthly report which will give full details of the scheme members and the necessary gross pay deductions for payroll purposes. The administration of the scheme is very simple, taking-up very little time.

#### The Costs and Savings for the Employer

By providing this benefit, rather than a cost there will be a saving for the employer because the management charge will always be significantly less than the 12.8% saving (Employer's NI) enjoyed by the employer.

#### The Facts

The Smart Parking Scheme

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month or 12 month season tickets can be purchased through this scheme.

42%

is the maximum saving available under the Smart Parking Scheme.

£500

is the potential saving enjoyed by scheme members each year.

## Getting Started...

Implementing a Smart Parking Scheme is very straightforward. We will just need to ask you a few simple questions to establish your preferences, and then we will construct your scheme. Please call the number below to speak to one of our consultants.

# 0800 652 4745

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## Our Services

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If you would like more information on any of our services, visit our website [www.faircare.co.uk](http://www.faircare.co.uk) or call **0800 652 4745** to speak to one of our consultants.

Our range of employee benefits solutions includes:

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CHILDCARE VOUCHERS

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CYCLE TO WORK SCHEMES

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GREEN CAR SCHEME

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BUS TO WORK

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**SMART PARKING SCHEME**

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SALARY SACRIFICE PENSION SCHEMES

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STAFF DISCOUNT SCHEME

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THE JAM CARD

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HEALTH CLUB & WELLBEING SCHEME

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HEALTH SCREENING

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CORPORATE HEALTH & WELLBEING SERVICES

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EMPLOYEE ASSISTANCE PROGRAMME (EAP)

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BENEFITS CONSULTANCY

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HR PROTECT

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TOTAL REWARD STATEMENTS

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FLEXIBLE BENEFITS CONSULTANCY

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HOLIDAY TRADING

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REWARD & RECOGNITION

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Fair Care Employee Benefits Limited  
1 Farnham Road, Guildford,  
Surrey GU2 4RG

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**T:** 0800 652 4745 **F:** 0845 241 0984

**E:** [info@faircare.co.uk](mailto:info@faircare.co.uk)

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

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