

## **University of Bristol Cycle to Work Scheme (Cycle Solutions) Frequently Asked Questions**

### **1. Am I eligible to take part in the University of Bristol Cycle to Work Scheme (the “Scheme”)?**

1. Eligible employees are either permanent employees or fixed term employees of the University of Bristol. You are not eligible if you are paid through an agency or external funding body.
2. If your contract of employment finishes earlier than 13 months after you sign up then you may take part in the Scheme but you will be treated as a ‘leaver’ when you finish your employment at the University and will have to pay the University the remaining value of the Cycling Equipment. Please see further information further down this page under What if I leave the University during the Scheme?
3. If you are paid above the National Minimum “Wage ( “NMW”) but have chosen Cycling Equipment of a value which would reduce your salary below the NMW as a result of the salary sacrifice, please speak to Cycle Solutions (0330 100 2480). Cycle Solutions will then discuss the choice of Cycling Equipment which is of a lower cost and/or over an extended hire period (18 months) which would not reduce your salary below the NMW. Alternatively, you can email [transport-plan@bristol.ac.uk](mailto:transport-plan@bristol.ac.uk) for further advice on low cost options for purchasing Cycling Equipment (including second hand). In addition, the University will make available pool bikes to employees.
4. You are not eligible if you do not receive a salary directly from the University.

### **2. What can I get under the Scheme? What are the criteria for what I can order under the Scheme? Do I have to use it only for commuting to work? Do I have to be a first time cycle owner to take advantage of the scheme?**

1. You cannot order Cycling Equipment on behalf of another person (for example your child). You can lend your Cycling Equipment on occasions to another person, with no restriction on their use. However by signing the hire agreement, you will be solely responsible for the Cycling Equipment supplied and are responsible for insuring it.
2. You may take out a total of two sets of Cycling Equipment through salary sacrifice at the same time. You may also take out a second set of Cycling Equipment through salary sacrifice while participating in the extended hire agreement, providing at no point is your salary taken below NMW or exceed the HMRC limit of £1,000 (inclusive of VAT).
3. More than 50% of your use of the Cycling Equipment must be for work purposes. This will include commuting i.e. all or part of the journey (for example to the station) from your home to your workplace or from one workplace to another.
4. You do not have to be a first time cycle owner to take advantage of the scheme. Although the scheme has been introduced to encourage cycling among those who do not have their own bicycle, any eligible employee can use the scheme.
5. You cannot order cycle parts under the scheme, for example you must hire a whole bicycle not just a set of wheels.

### **3. How do I order Cycling Equipment under the Scheme?**

1. Ensure that you meet the eligibility criteria (see above).
2. Decide which Cycling Equipment meets your needs. You have the option of ordering Cycling Equipment from Cycle Solutions or from one of the local bike shops signed up to the scheme:
  - Bike UK - 0117 9293500,
  - Bike Workshop - 0117 9268961 ,
  - Mud Dock - 0117 929 2151
  - Electric Transport Shop - 0117 973 4046,
  - The Triathlon Shop - 0117 9292 711
  - Fred Baker Cycles - 0117 9249610)
  - BW Cycling - 0117 927 2947
  - Take Charge Bikes - 01225 789568
  - Psyyclewerx Ltd - 0117 946 7946
3. Add any additional safety or equipment packages required. Remember the total value of goods must not exceed £1,000 inclusive of vat.
4. If you choose to order your Cycling Equipment from Cycle Solutions you can order in the following ways:
  - a. [online](http://www.cyclesolutions.co.uk/bristoluni) – <http://www.cyclesolutions.co.uk/bristoluni>
  - b. By telephone on 0845 2799970.
  - c. By post: complete the order form in the Options Leaflet and return it to Cycle Solutions, Kingsway, Swansea West Industrial Park, Swansea, SA5 4DL.

If you choose to order from a local shop then the shop will complete an order form with you and will then email it to Cycle Solutions.

**Please note** that an order will not be formally placed with Cycle Solutions until Payroll have authorised it which takes place after the hire agreements have been signed and the eligibility checks completed (see below).

5. Cycle Solutions will contact you by phone to ensure suitability of your order. If you ordered your Cycle Equipment online directly from Cycle Solutions this will include if you would like your bicycle assembled - please note that with some (not all) models it will not be possible to attach the pedals before delivering the bicycle, if this is the case then the Cycle Solutions should inform you at this stage (for further information please see the section below –'If I order my bicycle online from Cycle Solutions will it be assembled?').
6. You will be sent a letter enclosing details of your order and the hire agreements with a request that you visit the University's Payroll office, sign two copies of the hire agreement.
7. Payroll will confirm your eligibility and process your forms.
8. Once Payroll has processed the forms Cycle Solutions will contact you to organise free delivery to your preferred address.
9. **Please note** that it should take between 3 to 4 weeks for your order to be processed. This is subject to the availability of the Cycle Equipment you have chosen, for example if the Cycle Equipment you wish to order will not be delivered from the manufacturers to Cycle Solutions for one month from the date you order then you may wait longer than the standard 3-4 weeks.

#### **4. Can I upgrade my bicycle package at a later date?**

You can add any new components or accessories subject to warranty agreements, throughout the agreement period. These items would not be covered under the Cycle Solutions warranty, and must be removed when you return the bicycle at the end of the agreement period. A range of commonly purchased equipment is available on Cycle Solutions website at the following address [www.cyclesolutions.co.uk](http://www.cyclesolutions.co.uk)

#### **5. What is the length of the hire agreement? What are my options at the end of the hire agreement?**

1. The hire agreement typically lasts for 12 months.
2. Shortly before the end of the hire agreement, Cycle Solutions will contact you to discuss your end of scheme options (see 3- 5 below).
3. If you wish to purchase the Cycling Equipment at the end of the hire period (usually 12 months), and if Cycle Solutions are prepared to sell it, Cycle Solutions will charge the fair market value payment as specified by HMRC - 18% or 25% of the original value. The following is the HMRC table setting out acceptable values

Age of cycle	Acceptable disposal value percentage	
	Original price less than £500	Original price £500+
12 months	18%	25%
18 months	16%	21%
2 years	13%	17%
3 years	8%	12%
4 years	3%	7%

4. You can return the Cycling Equipment to Cycle Solutions.
5. You can extend the hire agreement by 36 months directly with Cycle Solutions. The payment due under the extended hire agreement will be the fourth year value of the Cycling Equipment i.e. 3% of the original value of the Cycling Equipment if it was less than £500 or 7% if original value of the Cycling Equipment was in excess of £500. **You will have nothing else to pay and no further monthly rentals.** At the end of the 36 month extended hire period, Cycle Solutions will contact you to confirm if Cycle Solutions are prepared to sell the Cycling Equipment or not. If you want to purchase the Cycling Equipment, and Cycle Solutions are willing to sell the Cycling Equipment, then Cycle Solutions will retain the 3% or 7 % payment and send you a receipt for the sale.

#### **6. How do I pay for the Cycling Equipment?**

1. You pay the amount due under the hire agreement by way of a salary sacrifice which you agree to by signing the hire agreement. You will pay for the lease of your Cycle Equipment in equal instalments, rounded up where necessary to the nearest penny. A salary sacrifice happens when you give up the right to receive part of your salary due.
2. This is neither a deduction from salary nor is it a charge on salary; it is where you agree to accept a lower amount of salary, in return for the University providing you with the non-cash benefit of the loan (under the terms of the hire agreement) of the Cycling Equipment.
3. You will not pay tax and National Insurance contributions on the amount due under the hire agreement. For a benefit such as a hired bicycle, where there is a specific tax exemption, you can receive a tax and National Insurance Contribution (NIC) free benefit instead of salary on which tax and class 1 National Insurance Contributions (NICs) would have otherwise been fully payable.

**7. If I take up the scheme will I have to go through any credit checks?**

No. Provided you meet the eligibility criteria referenced above (see Q2) then there are no other checks required.

**8. As it is a benefit do I need to tell the taxman?**

No. The Scheme is set up using tax rules that exempt you having to pay tax on the benefit and therefore you do not have to notify HMRC.

**9. What is the impact on my pension or other benefits?**

1. The likelihood is that any effect of a reduction in your cash pay may well have a small effect in the following areas:
  - a. Any pension scheme being contributed to (in particular this may be important if you are nearing retirement and have a final salary pension scheme)
  - b. Entitlement to contribution based benefits like a State Pension
  - c. Entitlement to earnings related benefits like Maternity Allowance
  - d. Entitlement to work related payments like Statutory Sick Pay
2. A salary sacrifice will not usually have an impact on entitlement to holiday pay and bonuses, which are usually, calculated separately using the previous higher rate of pay.

**10. What if I leave the University during the term of the hire agreement (including retiring during the term of the hire agreement)?**

1. You will be required to pay any future outstanding gross salary sacrifice amounts as a lump sum from your final net salary payment; such a payment cannot be taken from gross pay. I.e. This sum will be deducted from your net pay and no taxable or NI benefit will be allowable on this payment.
2. If your final salary will not cover the entire final balance payment due, then you will need to pay the University the balance owed over and above your final salary payment within 14 days of you leaving.
3. If you are made redundant, the rules of the Scheme mean that you will be treated as a leaver and therefore the above will also apply.
4. Once you paid the outstanding balance and then you could take advantage of all of the end of scheme options (see section above- 'What is the length of the hire agreement? What are my options at the end of the hire agreement?').

**11. What if I can't afford to carry on with the hire agreement?**

The Hire Agreement is a legal contract which commences on the date it is signed by the University of Bristol you cannot cancel it or withdraw from it. The rules set by HMRC are that once you have agreed to a salary sacrifice for the period of the hire of the Cycling Equipment, you do not have the option to revert back to the original salary until the hire period has ended. So, if you agreed to the hire for the rental period then you cannot revert to your original salary until after the rental period. If they would like further clarification please ask them to contact Amy Heritage (Sustainability Manager for Transport), [Amy.Heritage@bristol.ac.uk](mailto:Amy.Heritage@bristol.ac.uk)

**12. What happens if I go on an authorised absence from work (such as maternity leave)?**

If you are subject to an authorised absence from work the salary sacrifice will continue unless your monthly hire payments cause your salary to reduce below National Minimum Wage. If this is the case then the payments would be suspended and your hire agreement would be extended upon your return by the number of months equal to the period that the payments were suspended. If you do not return, you will be treated as a leaver as set out above. You should contact Payroll to discuss any authorised absence and its impact on any salary sacrifice you have or may enter into.

**13. What happens if I go on unpaid leave?**

If you take any form of unpaid leave the University will extend the hire period by the number of months for which you were not paid.

**Delivery and Technical Support****14. What will the delivery arrangements be?**

It should take between 3 to 4 weeks for your order to be processed. This is subject to the availability of your chosen cycle equipment, for example if the Cycle Equipment you have wish to order will not be delivered by the manufacturer for a month from the date of your order then you may wait longer than the standard 3 to 4 weeks. Once your order has been processed and your Cycling Equipment is ready you will receive a call to arrange a convenient time to take delivery of it. Following this call, delivery can be made to any UK mainland address for free on the next working day delivery service. Time-banded deliveries may be available to you at an extra charge. Cycle Solutions will also check with you to ensure that the Cycling Equipment you have chosen is the correct size, frame style (if a ladies or gents option is available) and in the colour you want.

**15. If I order my bicycle online from Cycle Solutions will it be assembled?**

Once you have placed your order for your Cycle Equipment Cycle Solutions will contact you to ensure the suitability of your order. If you ordered your Cycle Equipment online directly from Cycle Solutions this will include if you would like your bicycle assembled - **please note** that with some (not all) models it will not be possible to attach the pedals before delivering the bicycle, if this is the case then the Cycle Solutions should inform you at this stage. If the bicycle does get delivered without pedals fitted then you will receive instructions and tools to fit the pedals, please **ensure you follow the instructions exactly** as it may be unsafe not to do so - if you are at all unsure how to attach the pedals please contact the Cycle Solutions Helpdesk (0330 100 2480) and they will be able to assist.

**16. Can I have the equipment delivered to my workplace?**

This is at the discretion of your team leader. Please contact Cycle Solutions to clarify delivery options.

**17. Can I change my mind once I have ordered under the Scheme?**

You can prior to the University signing the hire agreement. After which you cannot cancel or withdraw from it. If you would like further clarification please contact Amy Heritage (Sustainability Manager for Transport)

[Amy.Heritage@bristol.ac.uk](mailto:Amy.Heritage@bristol.ac.uk)

**18. What if I have a problem with using the Cycling Equipment?**

Call the Cycle Solutions Helpdesk (0330 100 2480) and they will be able to assist. If it is Cycling Equipment you assembled yourself, either the Helpdesk will assist or, if it is not common equipment you may be asked to call the supplier of the equipment.

**19. What do I do if the Cycling Equipment is damaged or parts are missing when I receive it?**

Contact the Customer Care team on 0845 2799970.

**20. What if I lose or damage the Cycling Equipment?**

1. You **must insure the** Cycling Equipment **against theft, fire or accidental damage**. Even if the Cycling Equipment is lost/stolen or damaged, your salary sacrifice will continue for the whole period of the hire agreement.
2. Please get in contact with the company that provides your home contents insurance policy and they will be able to advise you on how to cover your new equipment.
3. The Cycle Solutions team (0330 100 2480) will be pleased to provide you details of other insurance companies who are able to provide cycle specific insurance policies.

**21. It sounds too good to be true! What's the catch?**

As long as you understand how the Scheme works, there isn't one. The Government is concerned with the health of the workforce in the UK and environmental factors linked with traffic pollution. With only one in three adults in the UK owning a bicycle they are using the scheme to promote and encourage cycling amongst the UK's workforce.

**22. What if something goes wrong with the Cycling Equipment during the hire period?**

All Cycling Equipment come with a full warranty depending on the length of the rental period. In case of problems please call Cycle Solutions' technical support team on 0845 2799970.

**23. Why are we using Cycle Solutions?**

The University invited staff to participate in [consultation exercise](#) where they were invited to vote for the cycle to work supplier they would like to use. The highest numbers of votes were for Cycle to Solutions.

**24. Can I participate in the University's Internal Cycle to Work Scheme?**

Existing users of the University's Internal cycle tax benefit scheme will be able to carry on as previously arranged. However, the scheme is no longer available to new participants.

**25. Is this a one-time offer?**

This is an ongoing scheme which is subject to review. In the event that the scheme is withdrawn it would not affect anyone already participating in the scheme. If the scheme were to be withdrawn this would be communicated in advance of the withdrawal to all staff.

**Useful Contacts**

<p><u>General Queries on the Scheme</u>          Julia Pollard          Travel Plan Assistant          University of Bristol          Sustainability          1-9 Old Park Hill          Email: <a href="mailto:Julia.pollard@bristol.ac.uk">Julia.pollard@bristol.ac.uk</a> / <a href="mailto:transport-plan@bristol.ac.uk">transport-plan@bristol.ac.uk</a>          Tel: 0117 3317259 / 07875274371  <a href="http://www.bristol.ac.uk/cycling">www.bristol.ac.uk/cycling</a></p>	<p><u>Salary Sacrifice Queries</u>          Angela Curnow / Paul Hobden          Payroll          University of Bristol          Senate House          Tyndall Avenue          Bristol          BS8 1TH          (0117) 954 6375 / 954 6376  <a href="mailto:Angela.Curnow@bristol.ac.uk">Angela.Curnow@bristol.ac.uk</a> / <a href="mailto:Paul.Hobden@bristol.ac.uk">Paul.Hobden@bristol.ac.uk</a></p>	<p><u>Bicycle Orders and Queries by Staff</u>          Wheelies Direct          Cycle Solutions,          Kingsway,          Swansea West,          Industrial Park,          Swansea, SA5 4DL          0330 100 2480  <a href="mailto:info@cyclesolutions.co.uk">info@cyclesolutions.co.uk</a>  <a href="http://www.cyclesolutions.co.uk/bristoluni">www.cyclesolutions.co.uk/bristoluni</a></p>
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