# HR Policy

## Cycle to Work Scheme

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| **Version Control** | **Changes Made** | **Author** |
| Version 1  Jan 2025 | New policy outlining CFRS’s Cycle to Work Scheme | HR |

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### Introduction

Cumbria Fire & Rescue Service (CFRS) is committed to the health and wellbeing of our employees and encouraging sustainable modes of transport throughout Cumbria. To this end, the Cycle to Work Scheme aims to address both of these matters by providing a system to promote healthier journeys to and from work whilst at the same time contributing to the reduction in environmental pollution.

### Overview of the Scheme

CFRS has partnered with Cyclescheme (part of the Blackhawk Network – BHN extras) to be able to provide our employees with the benefit of the cycle to work scheme. Employees can apply to be part of the scheme using our [Unique URL](https://app.workplaceextras.com/employee-register/0f1a352?step2=EmployeeDetails).

The Cycle to Work Scheme operates on the basis of a salary sacrifice. The employee, in entering the scheme agrees a contract variation to accept a lower salary in exchange for CFRS providing the bicycle and/or equipment.

The Cycle to Work Scheme falls within a specific HMRC exemption for bicycle schemes which allows all CFRS employees to hire bicycles and/or bicycle accessories such as helmets, hi-vis and other safety equipment. The tax exemption relates to the tax charge which would usually apply to bicycles and equipment loaned to employees.

The tax exemption is dependent on the following conditions being met:

* the equipment hired must be a bicycle, bicycle related safety equipment or both.
* the employee must use the equipment mainly for commuting, although you are entitled to use it for other purposes as well.

### Eligibility for Cycle to Work Scheme

To participate in the Cycle to Work Scheme the following conditions must be met:

* the employee is a UK tax payer via the PAYE system
* following the salary sacrifice being applied, the employee’s gross pay does not reduce below the National Minimum Wage (NMW)
* the employee (at the time of application) has a contract of employment which is expected to outlast the duration of the twelve-month salary sacrifice period
* the employee is aged 18 years or over
* the equipment must be used mainly for qualifying journeys i.e. journeys (in whole or in part) between home and work or journeys between workplaces.

In order to qualify for the Cycle to Work Scheme you are required to hire a bike and/or cycle safety equipment. Qualifying safety equipment may include:

* Helmets
* Bells and horns
* Lights
* Mirrors and mudguards to ensure riders’ visibility is not impaired
* Cycle clips and dress guards
* Panniers, luggage carriers and straps to allow luggage to be safely carried
* Locks and chains to ensure cycle can be safely secured
* Pumps, puncture repair kits, cycle tool kits and tyre sealant to allow for minor repairs
* Reflective clothing

### Examples of non-qualifying items would include:

* Cycle computers
* Waterproof clothing that is not reflective
* Cycle training

### Terms of the Cycle to Work Scheme

Employees who sign up to the Cycle to Work Scheme are agreeing to temporarily vary their terms and conditions of employment due to the deduction to the gross contractual salary by the value of the bicycle and/or equipment.

The agreement entered into is regulated by the Consumer Credit Act 1974.

The maximum spend for items hired under the Cycle to Work Scheme is £5,000 (inclusive of VAT). The hire agreement lasts for a period of **twelve months** (this cannot be extended) and payments will be made via a salary sacrifice arrangement commencing at the next available pay date following the purchase which CFRS agrees to hire to the employee.

The item(s) hired under the scheme shall remain the property of Cyclescheme until the end of the twelve-month hire period, when the owner (Cyclescheme) will contact the employee to discuss the available options in relation to the equipment.

The employee entering the agreement shall be aware of the following:

* The employee is responsible for insuring the item(s) hired under the scheme against theft, loss and damage. CFRS or Cyclescheme will not be liable should the equipment be damaged, lost or stolen during the hire period and will not offer replacements.
* The employee will be responsible for replacing the item(s) at their own expense should they be lost, damaged or stolen.
* The employee is responsible for maintaining and repairing the equipment hired through the scheme.
* The employee who has hired the item(s) through the scheme shall not hire out, transfer or dispose of the item(s).
* the employee must remain in employment for the duration of the agreed hire period. If they cease employment with CFRS during the agreement, the remaining balance owed will be deducted from their final net pay. Should the employees final pay not cover the amount outstanding then an invoice will be raised by Fire against the employee to be paid in full within 30 days of issue.
* At this time, the owner (Cyclescheme) will contact you to discuss your available options in relation to the equipment.

### Joining the Cycle to Work Scheme

Employee’s who meet the qualifying criteria to be a part of the Cycle to Work Scheme can apply at any time of the year providing they haven’t already taken part in a Cycle to Work agreement or if they have this has been fully paid off at the time of application.

They need to go into one of the Cyclescheme’s partner shops and obtain a written quotation for the item(s) they intend to hire through the scheme. They then need to apply to Cyclescheme via the [Unique URL](https://app.workplaceextras.com/employee-register/0f1a352?step2=EmployeeDetails). The application will then be sent through the CFRS HR department for approval. There is a requirement for a minimum wage check to be undertaken throughout the application process by the service. If the application is approved and once the agreement has been signed, CFRS HR and Finance teams will arrange the payment of the invoice and payroll will be informed of the salary sacrifice and will organise this appropriately.

The employee undertaking the bicycle hire cannot purchase any equipment through this scheme on behalf of someone else.

A list of Partner Cycle shops is available here: [Cyclescheme Partner Cycle Shops](https://www.cyclescheme.co.uk/retailers)

### Pension Impact

There is no impact to employee’s corporate or operational pension as a result of signing up to this salary sacrifice scheme.

### Withdrawing from the Cycle to Work Scheme

Under the Consumer Credit Act 1974 you may withdraw from the scheme within 14 days of

receiving the agreement or under the Consumer Protection (Distance Selling) Regulations 2000

within 7 days of collecting your bike.

It is not possible to opt out of the scheme after this time period has lapsed. The employee signs up the scheme with the understanding they will be required to meet the twelve monthly payments to cover the cost of the hire. Before entering the agreement, employees should ensure they are satisfied with the terms and conditions of the agreement and the equipment they have chosen to hire before finally committing to the agreement.

If an employee ceases employment with Cumbria Fire & Rescue Service before the end of the twelve month hire period they are obliged to pay the outstanding balance of the agreement from their final salary payment or if this is not possible, e.g. the amount exceeds the last net pay, then an invoice will be raised by Fire against the employee to be paid in full within 30 days of issue.

### Facilities

Cumbria Fire & Rescue Service have bicycle storage facilities at all our stations which are available for all employees to utilise. There is also unisex shower and changing facilities at each of our stations for our employees to use who chose to cycle to work whether that is through the Cycle to Work Scheme or of their own accord.

### Key Contacts

HR: [HR@cumbriafire.gov.uk](mailto:HR@cumbriafire.gov.uk)

Cyclescheme: 03316 305416 or [enquiries@bhnetwork.com](mailto:enquiries@bhnetwork.com)

[Cyclescheme | Contact Us About Cycle to Work - Cyclescheme](https://www.cyclescheme.co.uk/help/contact-us?utm_source=knowledge-base&utm_medium=web-page&utm_campaign=how-to-contact-us&_gl=1*217r7k*_ga*MTUyMzc2ODcyMy4xNzAwMjE1MDE4*_ga_EFSG8D0TYX*MTczOTUzOTk1Ni44LjAuMTczOTUzOTk1Ni42MC4wLjA.)