



University of  
St Andrews

## Cycle to Work scheme

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1.1	<ul style="list-style-type: none"><li>• Update to FAQs</li><li>• Application process moved onto HR Self-Service</li></ul>	Published	Lisa Jobling Pay & Pensions	11/09/2023

## **What is the Cycle to Work Scheme (C2WS)?**

The C2WS was introduced by the UK Government with the aim of encouraging people to make healthier and more environmentally friendly life choices when traveling to their workplace. The scheme allows employees to hire bikes and relevant safety equipment as a tax-free benefit, also known as “salary sacrifice”. Employees can choose to purchase a bike and relevant safety equipment (up to the value of £2,500) and spread the cost over monthly tax-free instalments. The monthly payments towards the hire of the bike will be taken from the employee’s monthly salary.

## **Who is the cycle to work provider?**

The University of St Andrews uses, [Green Commute Initiative \(GCI\)](#) as their provider. Eligible employees can select bikes and safety equipment (such as helmets, lights, hi-visibility garments and lock) from this provider.

## **Which bike shop can I buy a bike from?**

Look at [www.greencommuteinitiative.uk/gci-registered-bike-shops/](http://www.greencommuteinitiative.uk/gci-registered-bike-shops/) for a list.

## **My bike shop is not on the list, what do I do?**

Employees can contact the bike shop and ask them to sign up to GCI, or fill in the form at <https://www.greencommuteinitiative.uk/contact/> requesting they contact the bike shop.

## **What is the maximum cost of a bike that an employee can hire?**

The Cycle to Work limit has been increased to £2,500 in recognition of the increasing cost of bikes and the rising popularity of electric and cargo bikes.

## **How does the GCI scheme work?**

- The employee chooses a bike/safety equipment directly from one of the [GCI registered bike shops](#).
- The employee notifies the University that they would like to request to enter into a hire agreement with GCI in order to purchase a bike/safety equipment. The request form is located on [HR Self-Service](#). The form will ask you to state the total cost you wish to spend on a bike/safety equipment and the duration of the repayment period. (3 months up to a maximum of 24 months)
- On receipt of the form, Pay & Pensions will review eligibility and if approved, provide the employee with a link to access the GCI site to apply for a voucher from GCI to be used to purchase the items.
- Employee will use the link provided to submit details of the bike request, and select the shop they want to purchase from.
- GCI will email the employee a copy of the hire agreement and request that the employee signs this via E-sign.
- GCI will share the details of the agreement with Pay & Pensions for approval via their portal.
- Pay & Pensions will then check the submission details against the initial request and authorise it if correct.
- Once Pay & Pensions e-signature has been received, GCI will email the employee a voucher (of the value of the goods) that should be presented to the bike shop to collect the purchases.
- Pay and Pensions receive a copy of the signed Salary Sacrifice Agreement between the University and the employee which contains details of the monthly deduction values and duration. This gets actioned in the next available payroll.

## **What is the duration of the “salary sacrifice” agreement?**

The salary sacrifice agreement is between the University and the employee and covers the repayment of the voucher cost paid by the University for the hire of the bike/safety equipment requested via GCI by the employee. Employees can request to repay the value of the voucher over a 3-month period and up to a maximum of a 24-month period.

### **Who is eligible for the scheme?**

All permanent and fixed-term employees with the University are eligible to participate in the scheme provided they are 18 years or over. The exception to this is if the salary sacrifice agreement would bring the employee's gross earnings below the National Minimum Wage (NMW) or National Living Wage (NLW). [Pay & Pensions](#) will review this during the approval process.

### **What happens if my contract comes to an end, or I leave the University before the end of the hire agreement?**

If you leave the University before the end of the lease, any outstanding balance would be immediately repayable by you. Alongside the normal monthly reduction, the remaining balance will be recovered from your net pay - if your final salary payment does not cover the outstanding balance, Pay and Pensions will pass details of the outstanding balance to Transitions and an invoice will be raised for you to repay the final balance to the University.

### **Do I own the bike during the hire agreement?**

No, this is a loan agreement. Green Commute Initiative owns the bike for the duration of the hire. At the end of the hire period, GCI will offer the employee a free of charge loan of the bike (see question below). Further information on this can be found at <https://www.greencommuteinitiative.uk/faqs-2/>.

### **What happens at the end of the extended loan period?**

At the end of the hire period, GCI will offer the employee a free of charge loan of the bike (so not to incur tax liability). After 6 years, under a separate agreement, GCI can then transfer the ownership to the employee for a £1 processing fee. The £1 acts as a marker to protect the employee from any future claim that HMRC may make.

Should you require any further information on this please contact [cycletowork@st-andrews.ac.uk](mailto:cycletowork@st-andrews.ac.uk).

### **How often does the bike have to be used for work?**

The scheme is strictly for the purchase of bikes which will be used for commuting at least 50% of the time. HMRC does not require a record of mileage/trips completed during the hire period. Employees can also choose to use the bike for leisure at weekends/holidays.

### **Whose responsibility is it to insure the bike?**

It is the employee's responsibility to insure the bike and this will be a requirement as part of the hire agreement. Employees should advise their insurance company that they are hiring a bike as part of an employer scheme.

### **What happens if my bike is stolen?**

If the bike is stolen, the employee must continue to repay the University for remaining cost of the bike. GCI will terminate the hire agreement and the employee won't owe GCI anything.

### **Who is responsible for maintaining the bike?**

It is the employee's responsibility to maintain the bike. The provider will be able to advise on necessary servicing depending on the bike usage.

### **How many bikes can be purchased through the scheme?**

Employees can only enter into one agreement at a time.

### **Can a bike be purchased for a family member?**

Technically, no. The scheme is aimed at supporting staff commuting to work.

### What if something goes wrong with the bike (or safety equipment) during the hire period?

All the bikes GCI hires come with a 12-month warranty provided by the bike shop to cover any faults that may develop. Any concerns regarding the equipment or bike within this period should be addressed to the bike shop where you bought the bike from. Employees are responsible for any repairs required that are not covered under or beyond the warranty.

### What happens if I change my mind after joining the scheme?

Under the terms of the scheme it is not possible for you to cancel your hire. You are therefore committed to Cycle to Work for the duration of the hire period. If your employment is terminated or you leave the University during the hire period, you will still be liable to complete payments identified in the agreement. This means that you must ensure that you make the right decision, based on your circumstances, prior to entering the scheme.

### What happens if I go on authorised absence from work such as maternity leave?

The salary sacrifice will remain in place during authorised absence from work unless the monthly hire agreement payments cause your salary to fall below the NMW/NLW or you are in receipt of statutory pay only. If this is the case, the payments will be suspended, and your hire agreement will be extended upon your return by the number of months equal to the period that the payments were suspended.

### Useful contacts

Department	Description of queries	Webpage/email
Sustainable Travel (Transitions)	Provides information on sustainable travel, including the Cycle to work initiative.	<a href="https://www.st-andrews.ac.uk/sustainability/travel/">https://www.st-andrews.ac.uk/sustainability/travel/</a>
HR Pay & Pensions	For queries regarding eligibility and outstanding balances.	<a href="mailto:monthly-ns@st-andrews.ac.uk">monthly-ns@st-andrews.ac.uk</a>
Green Commute Initiative	To source information about the Cycle to Work Scheme and the provider.	<a href="mailto:cycletowork@st-andrews.ac.uk">cycletowork@st-andrews.ac.uk</a>
Accounts Payable		<a href="mailto:accpay@st-andrews.ac.uk">accpay@st-andrews.ac.uk</a>
Estates	For queries about cycling in St Andrews, storage on campus and on DIY bike maintenance.	<a href="mailto:environment@st-andrews.ac.uk">environment@st-andrews.ac.uk</a>

### Version control

This document will be reviewed regularly. Any feedback on the guidance content should be directed in the first instance to Estates ([environment@st-andrews.ac.uk](mailto:environment@st-andrews.ac.uk)) or via the [HR Feedback Form](#).

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Update to FAQs	Update to FAQs	Update to FAQs	Update to FAQs	Update to FAQs

This document is not contractual and may be amended by the University from time to time.