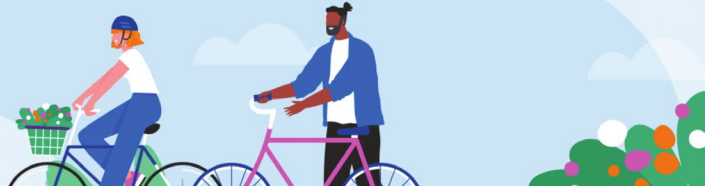


# CYCLE & SAVE FAQ'S

MORE INFO ON OUR CYCLE BENEFIT SCHEME



## What is the Cycle Benefit Scheme?

- As part of your benefits offering, you have access to a tax and National Insurance free bike and/or bike accessories. You can save up to 42%\*, depending on the tax bracket you're in\*\*. This is the most cost-effective way of getting a brand-new bike and/or accessories!
- **Example - If you bought a bike, helmet, lights and high vis in store and the cost was £200 then you pay £200! If you get the same items but apply for a voucher (known as a letter of collection or LoC) via the cycle benefit scheme you only pay £136 if you earn under £50,270 per year (basic rate tax) or £116 if you earn over £50,271 per year (higher rate tax\*\*)! With the added benefit of paying monthly so it's more affordable than having to pay all in one go!**

## How do I apply for the Cycle Benefit Scheme?

- In most cases the application link can be found on your company benefits platform. If you can't find this information or want us to key the application for you call 01908 303498, by email on [employeebenefits@sodexoengage.com](mailto:employeebenefits@sodexoengage.com) or contact your HR team for further support.

## How much can I spend?

- Your company has set a maximum value which is detailed on the welcome section of the application portal. You will not be able to apply for an amount that would take you below National Minimum Wage, so keep that in mind when setting yourself a budget!
- Important thing to note! - You must establish the exact price of what you want before you apply as the value cannot be amended once your application is complete.

## How will I pay for the cycle?

- Once your application has been approved by your HR/Payroll team an email will be sent with your letter of collection (LOC) attached. You take this to the shop and collect your cycle. The payments will be spread over an agreed time usually 12 or 18 months and the first payment will be taken from the next available pay subject to when your application is approved.

## What sort of bike and/or accessories can I get through the scheme?

- You can choose any adult bike to suit your needs – there is a huge range to choose from and through the scheme you will have access to over 98% of bike brands available in the UK. You can even get two bikes if you wish to suit different types of terrains.
- Accessories are basically anything that support you to use the cycles safely and more efficiently – cycle helmet, lights, locks, child seats & trailers, battery packs, bags, pedals, saddles, wheels, and lots more! We have added a more detailed list at the end of the FAQ document.

## Can I just take advantage of the scheme to upgrade my cycling accessories?

- Yes, lots of people will use the scheme this way, we have provided a detailed list at the end of this FAQ if you want to understand more about what's included.



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MORE INFO ON OUR CYCLE BENEFIT SCHEME



## Where can I get my bike and accessories from?

- You can shop in-store or online at **Halfords and Tredz**, or at one of the **independent shops** we work with. If you are happy to select your bike and/or accessories online, you can redeem your Letter of Collection at [www.tredz.co.uk](http://www.tredz.co.uk) or by using click & collect at [www.halfords.com](http://www.halfords.com)
- We work with hundreds of independent stores across the UK & Ireland – you can find out more about the network of **independent stores** [here](#)
- If you'd like some help or advice on sourcing a particular bike, please call the Cycle2Work contact centre on 0345 504 6444 who are on hand to advise 9-5 Monday to Friday.

## Can I amend my application once I've applied?

- Technically once you have submitted your application, 'you' can't amend it, but we can (within 14 days). Please contact our Customer Care Team who will be able to advise, and support should you need to do this - 01908 303498 or email - [employeebenefits@sodexoengage.com](mailto:employeebenefits@sodexoengage.com)

## When can I apply?

- Your employer will often give you the option to apply all year round. In some instances, your employer may have specific application windows. If you're not sure when this, please contact your HR Department.

## I'm a hybrid worker, can I take part?

Absolutely! Hybrid workers can still join the scheme. As long as half of the bikes usage is part of your journey to work (e.g. cycling to the train station) it doesn't matter whether you are onsite every day or pop in now and then.

## How is the use of the bike monitored?

- The scheme rules are provided to you as part of the application process and so the use of bike is based upon trust. We understand that you might just like to cycle in the summer or for just one day a week. It's a great way of breaking up your day and boost your physical and mental health.

## Can I still apply if I already own a bike?

- Of course! You may want to get a whole new upgrade, or a second bicycle for a different season or terrain. Using the Cycle Benefit Scheme for accessories only is a very popular option if you already own a bike and just want to upgrade the rest of your equipment!

## Can I get a bike for a family member, partner, or friend?

- No, the items that you select must be for yourself.

## Can I add my own money to my Letter of Collection?

- No. You are not allowed to use your own money to add funds or 'top up' the value state on your Letter of Collection (LOC).





## Will this affect my other employee benefits?

- This benefit is unlikely to impact on other employee benefits, however every employer is different so if you want clarification please speak to your HR/Payroll team for more advice.

## What is a 'Letter of Collection' or 'LoC'?

- This is the email that will be sent to you once your application has been approved. It will have an LoC number on which you can use to order your bike.

## Do I have to spend my Letter of Collection all at once?

- Yes, you must spend the whole Letter of Collection as you can only use it once, and the amount you have applied for will be the amount that you pay, even if you spend less.

## Can I apply more than once?

- As long as you don't exceed the maximum limit your employer has set, you can certainly apply more than once (providing the deductions from your payslip don't take you below the National Minimum/Living Wage) For example, if your scheme's limit is £2000 and you've applied for £1000, you could apply for another £1000 if you decide you want to make more savings! If this is something you want to do, please contact us on 01908 303498 as second applications can only be keyed by Sodexo the administrator of the scheme.

## What happens if my bike gets damaged or stolen?

- This one's down to you! Looking after the bike is your responsibility, however, to make this a whole lot easier we offer all of our members 14 days FREE Insurance which has to be activated to be valid – plus an extra discount is available if you take out a longer policy. This insurance is NOT applied automatically, and you must activate it [here](#) ([Halfords Bike Insurance | Halfords UK](#)). This will ensure nothing will stop you cycling if your bike is damaged or stolen!

## What are 'hire periods' and 'hire agreements'?

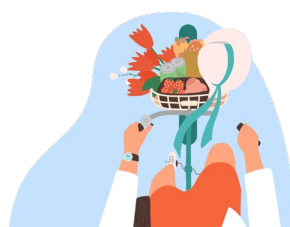
- Your hire agreement (the document you sign to say you want to join the scheme) is essentially the 'terms and conditions' of the Cycle Benefit Scheme. Your hire period is how long the agreement is valid for - this is also the period in which you will pay your salary sacrifice – usually 12 or 18 months.

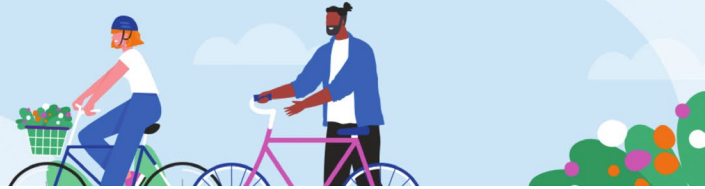
## What if leave my company within my hire agreement?

- If you were to leave your company for any reason or are made redundant within your hire period, the remaining gross balance (salary before tax) would simply be deducted from your final take home pay (net pay). If you don't have enough salary to cover the final amount you will be required to pay the remaining balance to your employer.

## What happens to the bike at the end of the agreement? (Month 12 or Month 18)

- Once your hire period has come to an end, Cycle2Work (Halfords) will get in touch to discuss your options. This will include the opportunity to extend the hire of the cycle at no additional cost until HMRC deem the value to be negligible. This is typically 4 or 5 years, and once this agreement has finished you will become the rightful owner!





## How does the Cycle Benefit Scheme differ to Interest Free Finance that some retailers offer?

- If you took an interest free finance, then this would be paid with your salary that had already had tax and NI deducted from it.
- By sourcing a bike and/or accessories via this benefit and paying for it through salary sacrifice, you are saving the amount of tax and NI you would have normally paid on that bit of salary. There are no credit checks and no deposit to pay either. This bike benefit is the most cost-effective way to get a cycle.
- If you paid for a bike and/or accessories through your salary which you have already paid tax and NI on:
  - £1,000 over 12 months you would pay £1,000 in total, making **zero savings!**
- If you got a bike and/or accessories via the Cycle Benefit Scheme:
  - £1,000 over 12 months you would pay £680 via salary sacrifice if you earn less than £50,270 **saving £320**
  - £1,000 over 12 months you would pay £580 via salary sacrifice if you earn over £50,271\*\* **saving £420**

## Please find below a detailed list of accessories:

- Cycle helmets
- Reflectors and lights, including dynamo packs
- Bike locks and chains
- Mudguards and mirrors
- Bags, baskets, phone holders, panniers and pannier racks
- Cycle clothing, shoes, cycle clips and dress guards
- Hydration packs, water bottles and holders
- Bells and bulb horns
- Child safety seats and trailers
- Pumps, puncture repair kits, tyre sealant and cycle tools
- Bike lube and cleaning equipment
- Tyres, inner tubes & wheels
- Pedals, saddles, drivetrain & brakes
- Battery packs and chargers for electric bikes
- Adaptions for disability/mobility issues

For a definitive list of what accessories are eligible, please read the HMRC guidance [here](#). Please note scooters are NOT permitted on the scheme.

\*At time of publication tax and NI rates :- lower rate 32%, higher rate 42%, additional rate 47%.

\*\*At time of publication tax and NI rates for Scotland – higher rate 42% payable when earning above £43,663

**Don't forget we are here to help so if you haven't been able to answer your question, please give our friendly customer service team a call or email on:**

Call - 01908 303498

Email - [employeebenefits@sodexoengage.com](mailto:employeebenefits@sodexoengage.com)

