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## FAQs



[Click here for our COVID-19 Frequently Asked Questions](#)



We have split all of our most frequently asked questions into categories so it's super quick and easy to find the answer you are looking for! Just click on a question to view it's answer.

Who is Cycle2Work?



As the **fastest growing cycle to work provider** in each of the past four years, we at Cycle2Work want to share our **passion** for commuting by bike, whilst offering businesses and employees alike, the very best in **choice, service** and **value**.

Our customers are at the **heart** of everything we do, keeping us focused on delivering the **ultimate cycling journey**. Via our unique scheme, we're proud to offer a solution that's **suitable for everyone**, making it easier than ever to live a **fitter, healthier** lifestyle.

## What is a cycle to work scheme? ▼

Cycle to work is a **government initiative** that was introduced in 2001 to encourage more people to **commute to and from work by bike**, enabling people to make **healthier choices** and reducing the **UK's carbon footprint**.

The initiative also allows employees to make **Tax and National Insurance savings** on the cost of a **new bike and safety accessories**. These savings are achieved via **salary sacrifice** which is managed by their employer.

## What is a salary sacrifice? ▼

Salary sacrifice is where an employee agrees to give up **part of their pre-tax salary** in exchange for a **benefit** from their employer, in this case, **the hire of a cycle and/or cycle accessories**. Since a portion of the salary is foregone, the employee pays **less tax and National Insurance Contributions** on the amount sacrificed.



## How much does it cost to set up a Cycle2Work scheme? ▼

**Nothing!** We do not charge a fee or any administration costs to set up and run your Cycle2Work scheme.

3. Cycle to work <https://www.cycle2work.info/>

## Who do I need to involve from my organisation to launch a scheme? ▼

**Anyone** in your organisation can promote and manage the scheme! Typically, someone from **payroll** will approve the application and implement the salary deductions.

## How much can employees apply for? ▼

This is completely up to you! The employer chooses their Cycle2Work limit when they set up their scheme.

## How does this work for employees on long-term sickness or maternity? ▼

If employees are on maternity, paternity, adoption leave or long-term sickness and still receiving pay they will still have salary deductions. If they are not receiving pay, you will freeze payments until they return to work.

## Where can employees redeem? ▼

Cycle2Work is supported by a wide range of specialist bike dealers, catering to everyone regardless of their needs, budget, location or journey to work! This includes:

- **Halfords:** 465+ stores and online via Click & Collect at [www.halfords.com](http://www.halfords.com)
- **Tredz:** Online at [www.tredz.co.uk](http://www.tredz.co.uk)
- **Independent bike stores:** 860+ stores around the UK and Ireland

Through these channels' employees will not only have access to over 98% of bike brands, they will also benefit from regular discounts and offers at Halfords and Tredz – saving them even more on their perfect bike and accessories!

## What support will I receive when implementing the scheme? ▼

You will be assigned a **dedicated Account Manager** who will assist you in setting up your scheme and support you with your scheme promotion. We can provide **marketing material** printed and distributed free of charge, as well as **videos** and **webinars**. Your employees will also be fully supported by our **Customer Experience Team**, as well as organised **roadshows**, **events** and **late-night store openings**.

3. Cycle to work <https://www.cycle2work.info/>

## Will my employees receive any aftercare on the scheme? ▼

Every colleague that takes part in Cycle2Work will receive:

- **Unlimited Lifetime Safety Checks on all cycles obtained through the scheme**

This means unlimited checks for wear and damage, ensuring the bike is safe to ride. We will inspect points across all key areas of the cycle: frame, saddle, handlebars, wheels, brakes and drive train.

- **Lifetime Guarantee on Halfords brand cycles**

We take pride in the bikes we design, build and sell and are happy that all of our bikes are the highest quality. That's why we offer a Lifetime Warranty on the frame and rigid forks of all Halfords and Halfords exclusive brands.

- **14 Days FREE insurance**

We don't want anything to stop you cycling if your bike is stolen or damaged. This is why we will cover your bike for the first 14 days for up to £4,000, as well as providing cover for theft of your bike at home, away from home or in a vehicle, and accidental or malicious damage to the bike.

## Are there any other benefits included? ▼

All Cycle2Work customers will receive **10% off cycling essentials at Halfords for 12 months**, giving them better prices on locks, lights and much more! As well as their savings of at least 32%, employees will also have access to **instore sale and promotional prices** and Halfords and Tredz – meaning they can make savings on top of savings!

## How long should my scheme be open for applications? ▼

We can align with your organisations needs and run windows of **any length**, at **any time of year!** We usually recommend a window of **around a month, 2-3 times a year**, as we find this targeted approach makes schemes much more successful. If your company uses a **third-party benefit provider**, you are able to have your scheme open all year round if you wish.

## Do my employees really have to cycle to work every day? ▼

In short, no! The government guidelines state that employees should use their bike and accessories for commuting for at least 50% of its usage however they

do not have to log their bikes mileage and we thoroughly encourage them to use it in their spare time!

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

An LoC is exactly what it says - A **letter** that you use to **collect** your chosen bike and accessories! You will be sent this via email or post once your application is approved.

### How quickly can employees collect their bike? ▼

As soon as you **approve** their application, employees will be **immediately** sent their Letter of Collection via email. Providing their products are in stock, your employee can simply present their LoC, a form of ID and collect their items! If it's not in stock, they can have their chosen bike ordered into that store. Their bike will then be build and inspected by a qualified bike mechanic, ready for them to ride away.

### What happens at the end of the hire period? ▼

At the end of the hire period, there will be no more admin for the employer and Cycle2Work will completely manage the process. The employee will have the three options:

1. **Zero Cost Extended Hire** Most Popular Option ✓

This allows the employee to opt into an extended rental agreement at NO additional cost. They will have nothing more to pay, and the ownership will be automatically transferred to them at the end of the period.

2. **Take ownership of the goods using HMRC Fair Market Value**

This allows the employee to pay the HMRC Fair Market Value (usually 18% or 25% of the original value) and then the bike is theirs.

3. **Return the goods to their local Halfords store**

### Can an employee enter into more than one Hire Agreement at the same time? ▼

An employee may want to take out a **second** Hire Agreement which is **absolutely possible** on Cycle2Work. However, the total value must not take the employee over the **scheme limit** or below the **National Minimum Wage**. You

may choose to **remove this option** restricting employees to one hire term at a time.

### What happens if an employee leaves or is made redundant? ▼

If an employee were to **leave** your company or be **made redundant** in their salary sacrifice period, the remaining balance would simply be deducted from their last payslip as a net deduction.

### What happens if the bike is lost, stolen or damaged? ▼

It is ultimately the employee's responsibility to look after the bike, and if the bike is **lost, damaged or stolen** the salary deductions will still continue until the end of the hire period. This is why we try to minimise this as much as possible by giving all colleagues **an optional 14 Days FREE Insurance**.

[Activate my 14 Days FREE insurance](#) →

### Will joining Cycle2Work affect employees' pension or other benefits? ▼

In some cases any effect is likely to be small. However, your employees need to be made aware of the implications of paying less tax and NI contributions and accepting a reduced salary. They should get professional advice if they have any concerns or need more information.

### Can Cycle2Work be added to my existing benefits platform? ▼

We work with the vast majority of benefit providers. Please get in touch with us or your provider to find out further information on how we work together!

### Is Cycle2Work available in Ireland, Isle of Man and the Channel Islands? ▼

Yes, all can be subject to their own government guidance. For further information contact the team here or on [cycle2.work@halfords.co.uk](mailto:cycle2.work@halfords.co.uk).

### Are you part of any open frameworks? ▼

Yes, we are part of **ESPO**, **NPS** and **CSS** as an approved partner.

Ready to get started?

**Register here**



Still need help?

**Contact Us**



## I'm an employee

Save money and  
spread the cost

 **Apply now**



## I'm an employer

Embrace a happier,  
healthier workforce

 **Find out more**



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**FAQs**

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