

How Cycle Plus Works

The Cycle to Work scheme was set up by the government to encourage bike commuting. The rules state that the bicycle obtained under the scheme has to be used at least for 50% for commuting. This means, that the bikes can be used for other purposes, may it be for leisure or utility.

You sacrifice (give up) part of your annual salary to cover the hire of a bicycle (and associated safety equipment) for 12 months.

For the initial 12 month hire period the bicycle will be hired from the scheme provider. The monthly payments towards the hire of the bicycle will be taken directly from your monthly salary and will cover the cost of the certificate value.

After the 12 month period, you have three options:

- Return the bicycle to the scheme provider
- Continue to use the bicycle and hire from Halfords by signing an “Extended Use Agreement”. There are no further monthly deductions, or other payments.
- Take ownership of the bike paying Halfords either 18% or 25%* of the certificate value.

Please follow this link for a quick and simple guide to [Cycle2.Work from Halfords](#).

Eligibility

You can participate in this benefit, provided that you do not earn less than the Pay Protection Limit or if your earnings would fall below the National Minimum Wage.

If you participate in any other parts of Benefits Plus then these will also be taken into account when deciding if you can participate in Cycle Plus (see [Benefits Plus: frequently asked questions](#) for more details).

Those who have a standard parking permit through the Car Parking Scheme are not eligible to participate in Cycle Plus. Occasional use parking permit holders may still be eligible to participate in Cycle Plus should they meet all other eligibility criteria.

Cycle Plus can be selected by employees who have at least 12 months remaining on their employment contract.

If you leave employment before the end of the initial 12 month hire agreement, the outstanding balance would be repayable immediately and, if possible, it would be deducted from your last net salary payment, meaning you would not have benefited from Income tax and National Insurance savings on any outstanding balance.

If you leave employment during the “Extended Use” period, as your contract is directly with Halfords the contract and bicycle will transfer with you.

Please note that although you do not have legal ownership of the equipment during the hire agreement, it will be your responsibility to adequately insure and maintain the bicycle. Please also note, that the scheme does not allow to obtain bicycles for use by other than the participating employee.

For quick answers to common questions please follow this link [Cycle to Work Scheme - Questions answered](#).