



# Cycle to Work Scheme

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Employees can make savings up to 42%

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Currently the fastest growing employee benefit in the UK

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Fully outsourced with no net cost to the employer

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**Fair Care**  
Employee Benefits

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The 1999 Finance Act introduced a tax exemption which allows employers to provide employees with bicycles and accessories as a tax-free benefit. Employees joining the scheme will enjoy savings of up to 42% of retail value.

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The scheme operates via salary sacrifice, which means that payment for the bicycle by the employee is by way of deductions from gross pay, typically over a 12 month period. This gives rise to tax and national insurance savings for the employee and national insurance savings for the employer too. The exemption applies as long as the bicycles are used, at least in part, for journeys made between the employee's home and their place of work.

Fair Care is delighted to be offering the scheme in conjunction with a wide variety of bicycle retailers, giving great flexibility and access to almost any make of bicycle.

Finance can be arranged for the purchase of the bicycles and accessories, which minimises any cash flow implications.



## The Fair Care Approach

The Fair Care service is fully-comprehensive, aimed at maximising uptake whilst keeping your involvement to a minimum:

- Full support is given, from the initial consultation through to the conclusion of the scheme.
- Fair Care will provide all the necessary marketing material, application forms and legal documentation, either in electronic or paper format. This material will be tailored to your requirements and will be branded with your logos.
- As well as arranging on-site launch days and presentations, support is given through the Fair Care helpline, which is available to all employees for the duration of the scheme.
- Fair Care will process all documentation, liaising direct with the bicycle retailers to ensure orders are processed quickly and efficiently.
- A scheme report is provided for payroll purposes, identifying scheme members and indicating the amounts that need to go through payroll as gross pay deductions.
- The Fair Care Cycle to Work Scheme is compliant with HMRC, DfT and Consumer Credit Act regulations.

Fair Care has developed a simple, fully outsourced solution for employers wishing to implement this benefit, with any costs being more than covered by the employer's national insurance savings.

### Example Employee Savings:

Employee Savings:	Basic Rate	Higher Rate
	Taxpayer @ 20% NI @ 12%	Taxpayer @ 40% NI @ 2%
Value of bicycle voucher	£500	£500
Net Cost to employee*	£340	£290

\*Assumes employer's national insurance at 13.8%.

### Example Employer Savings:

Employer Savings:	
Assuming Scheme launched to 400 employees, 10% take-up, with employees spending an average of £500 each:	
Total value of bicycle vouchers	£20,000
Gross employer NI Savings	£2,760*

\*\*Assumes 13.8% VAT reclaimable in full and employer's national insurance at 12.8%.

### The Facts

Cycle to Work Scheme

# 15%

our highest employee take-up rate in companies with over 500 members of staff.

# 42%

is the saving that employees can enjoy under the scheme.

# £550

the average retail spend by employees joining the scheme.

# More than 10,000

UK employers have signed up to cycle to work schemes.

## Getting Started...

Implementation is very straightforward. We will just need to ask you a few simple questions to establish your preferences, and then we will construct your scheme. Please call the number below to speak to one of our consultants.

# 0800 652 4745

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## Our Services

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If you would like more information on any of our services, visit our website [www.faircare.co.uk](http://www.faircare.co.uk) or call **0800 652 4745** to speak to one of our consultants.

Our range of employee benefits solutions includes:

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CHILDCARE VOUCHERS

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**CYCLE TO WORK SCHEMES**

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GREEN CAR SCHEME

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BUS TO WORK

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SMART PARKING SCHEME

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SALARY SACRIFICE PENSION SCHEMES

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STAFF DISCOUNT SCHEME

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THE JAM CARD

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HEALTH CLUB & WELLBEING SCHEME

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HEALTH SCREENING

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CORPORATE HEALTH & WELLBEING SERVICES

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EMPLOYEE ASSISTANCE PROGRAMME (EAP)

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BENEFITS CONSULTANCY

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HR PROTECT

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TOTAL REWARD STATEMENTS

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FLEXIBLE BENEFITS CONSULTANCY

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HOLIDAY TRADING

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REWARD & RECOGNITION

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**Fair Care**  
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