



CYCLE TO WORK SCHEME

Cycle to Work Scheme

1. Purpose of Scheme

- 1.1 The University of Limerick is committed to supporting the Government initiative that encourages more employees to cycle to work. Under the scheme, the University purchases bicycles and/or safety equipment for employees to use to travel to and from work, and the cost of the benefit to employees is deducted from their salary for a maximum period of 12 months. By paying for the cost of the bicycle and/or safety equipment through the payroll, the employee saves PAYE and PRSI at the applicable rate.
- 1.2 The purposes of the scheme are:
- To encourage more employees to cycle to and from work
 - To contribute to lowering carbon emissions
 - To help reduce traffic congestion
 - To help improve health and fitness levels

2. Eligibility

- 2.1 This scheme is open to all employees of the University of Limerick.

3. Procedure

- 3.1 Under the cycle to work scheme, the University may provide an employee with a bicycle and/or cycle safety equipment without the employee being liable for benefit-in-kind taxation.
- 3.2 The scheme will be implemented under a salary deduction arrangement through the employee's payroll (in a similar manner to the existing Travel Pass Scheme). Under such an arrangement, the University provides to the employee the facility to procure a pedelecs or ebikes, cargo ebikes, bicycle and/or safety equipment, and the employee agrees to a monthly salary deduction to cover the cost of the benefit. The full cost must be recovered within a maximum period of 12 months, and the salary deduction will be reflected in the employee's pay over that period.
- 3.3 Where an employee is employed on a contract of less than one year, the salary deductions will be applied over the contract period to ensure that the University recoups the full cost of the bicycle/associated safety equipment before the contract expires.
- 3.4 The employee will identify a supplier from the list of approved suppliers available on the Reports menu on Agresso; under Purchasing & Supplier Reports/Supplier Database Lookup.
- 3.5 The employee will identify the required bicycle and/or cycle safety equipment to a value not exceeding €1,250, or a Pedelec or E Bike and/or relevant safety equipment to a value not exceeding €1,500 or a Cargo Ebike and/or relevant safety equipment to a value not exceeding €3,000. The employee will then complete a Cycle to Work Application Form.
- 3.6 Employees must complete and present the Application form to Human Resources for approval together with Quotation from Supplier.

- 3.7 The employee will forward original approved Application Form to Purchasing together with Quotation from Supplier. Purchasing will issue Official PO to Supplier and provide copy PO to employee; Purchasing will forward original Application Form to Salaries for relevant deductions.

4. Qualifying Safety Equipment

- 4.1 The following safety equipment qualifies under the cycle to work scheme:
- Cycle helmets that conform to European standard EN 1078
 - Bells and bulb horns
 - Lights, including dynamo packs
 - Mirrors and mudguards
 - Cycle clips and dress guards
 - Panniers, luggage carriers and straps to allow luggage to be safely carried
 - Locks and chains to ensure bicycle can be safely secured
 - Pumps, puncture repair kits, bicycle tool kits and tyre sealant to enable minor repairs to be made
 - Reflective clothing along with white front reflectors and spoke reflectors

5. Conditions

- 5.1 The employer must purchase the bicycles and/or safety equipment.
- 5.2 The tax exempt benefit-in-kind for the bicycle and safety equipment will only apply where the employee agrees to use the bicycle to cycle to and from work or between workplaces.
- 5.3 The tax exempt benefit-in-kind will be limited to €1,250 for bicycles and safety equipment or €1,500 for Pedelec/ E bike and safety equipment or €3,000 for Cargo Ebike and safety equipment. Where the cost exceeds this amount, a benefit-in-kind charge will apply to the balance.
- 5.4 Under any salary deduction arrangement, the cost of the bicycle and/or safety equipment must be paid within 12 months.
- 5.5 The tax exempt benefit-in-kind may only be provided to an individual employee once in a four-year period.
- 5.6 Employees should note that if they avail of the scheme for even a small amount of expenditure relating to the provision of bicycles and/or safety equipment, they will not be able to avail of it again for four years.
- 5.7 While it is not envisaged at this stage that there will be a notification process involved, the purchase of bicycles and associated safety equipment by employers for employees will be subject to the normal revenue audit procedure with the normal obligations on employers to maintain records (e.g. invoices; salary deduction agreements between employer and employee, such agreements to include a statement from the employee that the bicycle/bicycle

safety equipment is for their own use and will be used for travelling to and from work).

- 5.8 Where employment with the University of Limerick is terminated prior to the expiry of the 12-month agreement, the outstanding debt for the bicycle or associated equipment will be deducted from the employee's final salary. If there are insufficient monies available to meet the debt in full, the individual will personally reimburse the University.
- 5.9 The bicycle/associated safety equipment must be used by the employee mainly for qualifying journeys. The term 'qualifying journey' refers to the whole or part (e.g. between home and train station) of a journey between the employee's home and normal place of work or between their normal place of work and another place of work. The University is not required to monitor the use of the bicycle/safety equipment. However, the University is required to obtain a signed statement from the employee that the bicycle is for their own use and will be used mainly for qualifying journeys.
- 5.10 The University of Limerick accepts no liability or responsibility in the case of any injury that the employee may incur while using equipment purchased under this scheme.
- 5.11 Bicycles/associated safety equipment purchased under this scheme will be the property of the employee upon delivery and will be their sole responsibility.