

Cycle-to-Work UCC Employer Bicycle Scheme



Procedures

Subject

UCC is offering all its employees the option to purchase a bicycle and related bicycle safety equipment through the University, as UCC will buy the bicycle and related safety equipment, and the employee will reimburse UCC by means of salary deduction, which will be exempt from income tax and PRSI. The Scheme is operated by the UCC Commuter Plan Office (Buildings and Estates) and Human Resources.

Introduction

As part of the Finance Bill 2009, the Government has introduced a tax incentive aimed at encouraging more employees to cycle to and from work. The proposal is to exempt the purchase of a bicycle / related bicycle safety equipment from income tax and PRSI if the employee buys it through their employer and where the bicycle/associated safety equipment is used by the employee mainly for the journey to and from work. In order to implement this Government incentive, the University has introduced the following scheme.

1. Eligibility

The Scheme is open to all UCC employees, employed on a permanent/probationary basis or under a fixed term contract at the date of application. For employees employed under a fixed term contract, the remaining duration of the present employment contract shall be 4 months or more (at date of application). Employees on a career break are not eligible to apply to the scheme.

2. Salary Deduction

The employee must sacrifice or forgo part of his/her annual basic salary in lieu of the provision of a new bicycle /related bicycle safety equipment by the University. This arrangement will operate for a period of one year (12 months / 52 weeks resp.) and the salary deduction will be reflected in the employee's pay cheques and pay slips over that period at equal periodical rates. If an employee's fixed term contract has a remaining duration of less than 12 months, the arrangement will operate for 6 months, or less if necessary.

3. Spending Limits

As of 1st August 2020, the spend limit for purchasing the bicycle and associated equipment has increased. These increases apply to two types of bicycle as follows:

- For pedelecs or ebikes and associated safety equipment, the spend limit is now €1,500.
- For pedal bicycles and associated safety equipment, the spend limit is now €1,250

In cases where the value of an ebike or pedal bikes exceeds these limits, the employee must pay the difference directly to the supplier.

4. Qualifying Journeys

The new bicycle /related bicycle safety equipment acquired under the scheme must be used primarily for the purpose of transport to and from work and/or travelling between workplaces (“qualifying journeys”).

5. Termination of Employment

The employee will not be able to cancel his or her participation in the scheme prior to the expiry of the 12 month (or less, if so agreed) pay-back period, except in the case of termination of employment. Where employment is terminated before the expiration of the salary deduction arrangement, the employee must pay the balance due to the University, which may be deducted from any outstanding payments due to the employee on termination of their employment. This also applies to employees starting a career break.

6. Four-Year Rule

Participation in the scheme will be limited to once in each four year period, being one purchase, regardless of the total value.

7. Qualifying Bicycles / Equipment

The scheme will cover pedal bicycles and tricycles, and “pedelecs” (an electrically assisted bicycle which requires some effort on the part of the cyclist in order to affect propulsion). It will not cover motorbikes, scooters or mopeds. The purchase package must include a new bicycle (equipment only is not allowed). Qualifying safety equipment includes

- Cycle helmets (which conform to European standard EN 1078),
- Bells and bulb horns,
- Lights, including dynamo packs,
- Mirrors and mudguards to ensure riders visibility is not impaired,
- Cycle clips and dress guards,
- Panniers, luggage carriers and straps to allow luggage to be safely carried, > Locks and chains to ensure cycle can be safely secured,
- Pumps, puncture repair kits, cycle tool kits and tyre sealant to allow for minor repairs,
- Reflective clothing along with white front reflectors and spoke reflectors. When purchasing a new bicycle, employees should be aware that the National Safety Authority of Ireland implements on behalf of the European Commission certain bicycle safety standards. Bicycles that comply with such standards are presumed to comply with the EU General Product Safety Directive 2001/95/EC which lays down an obligation on producers to place only safe products on the market. The relevant standards are:

I.S. EN14764:2006 – city and trekking bikes

I.S. EN14766:2006 – mountain bikes

I.S. EN14781:2006 – racing bicycles

I.S. EN15194: 2009 - EPACs, Electrically Power Assisted Cycles

More information on these matters can be accessed at <http://www.nsai.ie/>

8. Suppliers

The scheme applies only to new bicycles/related bicycle safety equipment purchased from approved providers. A list of suppliers is available on the UCC Website.

9. Warranty

The payment for the bicycle/related bicycle safety equipment will be made by the University, but it will be a requirement of the scheme for participating suppliers that all warranties relating to the bicycle/related bicycle safety equipment will be for the benefit of the employee and all issues arising in relation to the warranties will remain between the employee and the supplier. Any matter of suitability of the bicycle/related bicycle safety equipment is solely a matter between the employee and the supplier.

10. Liability

The employee acknowledges that the University is not responsible or liable for the security, disposal, maintenance, repair and use of the bicycle or related bicycle safety equipment. 10. The University accepts no responsibility for misuse of bicycles or equipment by its employees and asserts that bicycles and related bicycle safety equipment acquired by virtue of this scheme are strictly non-transferable. The University reserves the right of asking the employee to present their bicycle/related bicycle safety equipment to a University nominee within the duration of the salary deduction arrangement.

Procedure

1. Staff who wish to participate in the Scheme must complete a UCC Application Form. The Employee should select the bicycle/ related bicycle safety equipment of their choice from an approved supplier (being listed by the OPW for the Government's Cycle to work scheme, applying to public body employers) and request an invoice. The package must include full lighting equipment (front and rear lights, reflectors, according to statutory requirements). Prior to purchase, the application form and the invoice, should then be submitted to the Commuter Plan Office, Buildings and Estates for approval. UCC Human Resources will formally check the Employee's eligibility.
2. The University will then purchase the bicycle/safety equipment on the employee's behalf which will be repaid through the salary deductions.
3. Invoices will be accepted and paid in Euro only. Invoices are to be addressed to UCC, Commuter Planning, and must include the name and staff number of the employee and details of the bicycle/ safety equipment being purchased. Further it shall clearly state on the invoice that the purchase took place under the UCC Employer Bicycle Scheme and all warranties are in benefit of the employee, to be dealt with between the employee and the supplier.
4. The supplier must accept UCC purchase orders and payment schedules.
5. The employee needs to sign a salary deduction authorisation form to pay back the price of the bicycle and related bicycle safety equipment and a statement highlighting that the bicycle/related bicycle safety equipment will be primarily used for the commute to work.

6. The maximum value of the bicycle /related bicycle safety equipment under this scheme is €1,500 for pedelecs or ebikes and associated safety equipment, and €1,200 for all other bicycle types and associated safety equipment. In case the purchase exceeds this limit, the employee must make the payment for the excess amount directly to the supplier.
7. For non-permanent UCC staff members, the remaining time period of their contract must cover the pay-back period agreed (full calendar months following the purchase). The remaining duration of contracts for non-permanent employees will be verified at the application stage by human resources.
8. Salary deductions will begin in the next payroll from the date of approved application OR once a purchase order has been raised
9. The employee's net salary payment must cover the cost of the bicycle/related bicycle safety equipment. If an employee does not meet the pay-back requirements to cover the cost of the bicycle/related bicycle safety equipment, he/she will not be eligible for the scheme.
10. An employee, who terminates their employment prior to the expiry of their deduction agreement, will have the outstanding Employer Bicycle Scheme debt deducted from their final salary/wage or any other monies due. In the event of insufficient monies being available to meet the debt in full, the individual will personally reimburse the University.
11. The employee is not allowed to cease possession of the bicycle (e.g. by selling or handing it on to somebody else). The University reserves the right to verify same.