



Glasgow
CITY COUNCIL



Glasgow City Council

Frequently Asked Questions

Call us free on 0800 612 7110

glasgow.widerwallet.com

Your quick guide to Workplace Bikes

Introduction

Workplace Bikes is a cost-effective way for you to enjoy a brand new bike for commuting to work. Bikes and equipment can be purchased from Halfords or from their network of independent retailers up to a value of £1500.

The scheme is a hire agreement (lasting 18 months) and works through salary sacrifice, meaning you exchange part of your salary each month in return for using the bike and accessories. Full details of the scheme can be found in your employer's scheme rules. You don't pay tax and National Insurance on the part of your salary that you sacrifice so you make a saving too!

How much will I save?

The savings you make will depend on the amount of your total order and the amount of tax and National Insurance you pay.

Tax band	Percentage saving	Example (£350 order value)		
		Reduction in your monthly net pay <i>(based on 18 month contract)</i>	Total reduction in net pay <i>(over 18 months)</i>	Overall saving against retail price
Basic rate	32%	£13.22	£238.00	£112.00
Higher rate	42%	£11.28	£203.00	£147.00
Additional rate	47%	£10.30	£185.50	£164.50

Salary sacrifice is £19.44 per month from your gross salary, for 18 months.

Tax band	Percentage saving	Example (£850 order value)		
		Reduction in your monthly net pay <i>(based on 18 month contract)</i>	Total reduction in net pay <i>(over 18 months)</i>	Overall saving against retail price
Basic rate	32%	£32.11	£578.00	£272.00
Higher rate	42%	£27.39	£493.00	£357.00
Additional rate	47%	£25.03	£450.50	£399.50

Salary sacrifice is £47.22 per month from your gross salary, for 18 months.

Am I eligible to join?

You can join the scheme, subject to your employer's approval as long as:

- Any salary sacrifice from your pay does not let it fall below the National Minimum Wage.
- At least 50% of the bike's use is to commute to and from work.

How do I join?

You can join the scheme through your Employee Benefits Platform on the Glasgow City Council Wider Wallet website.

You will need to know the exact amount you require before ordering as this amount cannot be changed – choose your bike and accessories from Halfords or one of their independent retailers (for orders from an independent retailer you will need to call the special order line on 0345 504 6444 beforehand).

If you have not yet signed up for Wider Wallet you can register online at glasgow.widerwallet.com.

You will need:

- Your scheme reference number, S196242G
- Your payroll and National Insurance number

Completing this process means that you have placed an order. You are bound by the terms of the agreement and scheme rules. You have a 14 day cooling off period from the point of order.

On receipt of your order we seek approval from your employer, once confirmed we will send your order to Halfords who will issue your Letter of Collection.

Your Letter of Collection is valid for 4 months from date of issue, if you do not use it before it expires you are still liable to pay for the whole hire agreement.

Your salary deductions will begin on the date (usually your next payday) shown on your Salary Sacrifice Agreement, and not when you redeem your LOC or collect your bike.

Impact on other benefits

Your salary sacrifice agreement will lead to your gross pay being reduced. This may affect your entitlement to statutory benefits, such as statutory maternity pay (“SMP”) and state pension benefits.

Your employer will keep a record of your full notional salary (defined as the salary you would be receiving if you had not chosen to exchange part of it for access to a cycle and accessories). All non-statutory employee benefits will be based on your full notional salary, including:

- any pension scheme contributions and benefits
- any life assurance or critical illness benefits
- any salary-related pay rises or bonuses
- non-statutory redundancy benefits

This means that these benefits will not be affected by your membership of the Workplace Bikes scheme.

Before ordering your LoC and agreeing to a legally binding variation to your employment contract which may affect you financially, you are advised to seek appropriate advice.

Neither Glasgow City Council nor Wider Plan will be liable for any reduction in benefits, or any other financial loss, caused by you being a member of the Workplace Bikes scheme.

What happens if I leave this employment?

You will be required to pay a termination fee in respect of any outstanding hire charges. This will be deducted from your final pay. If your final pay is insufficient to cover the amount owed, you will have 30 days to pay it back directly to your employer.

You do not automatically have the right to retain the cycle or equipment and should return them unless your employer offers you an alternative option at the time.

What happens at the end of the agreement?

At the end of your hire agreement, you will either be asked to return the cycle and accessories, at your own cost, to your employer, or you may be provided with an option which will allow you to retain the equipment.

Under the rules governing the tax and National Insurance exemption, it is not possible for you to have an automatic right to take ownership of the cycle and accessories at the end of the hire period.

If your employer decides to allow you to retain the equipment, you may be required to make a payment equivalent to the residual value of the equipment, which will be based on a matrix of values provided by HMRC.

If you choose to exit this agreement, Halfords will advise you of the fair market value at that time so you can

you declare the value to your local Tax Office.

Under the rules governing the tax and National Insurance exemption, it is not possible for you to have an automatic right to take ownership of the cycle and accessories at the end of the initial hire period.

The bike is cheaper or more expensive than my LOC, what can I do?

You need to choose your LOC amount carefully before ordering your bike and accessories as the amount cannot be changed afterwards. You would lose the difference if the items are less than the LOC and you cannot add any extra to it by funding yourself. LOCs are available in £20 increments.

What safety equipment can I get?

- Cycle helmets to European Standard EN 1078
- Bells & Horns
- Pumps, puncture repair kits and tyre sealant
- Lights including dynamo packs, reflectors & reflective clothing, cycle clips
- Mirrors and mudguards
- Child seats
- Locks and Chains
- Panniers, luggage carriers and straps

When can I collect my bike?

On receipt of your Letter of Collection you can simply surrender it at Halfords or one of their partnered independent retailers. You will also need to present a form of photographic ID.

What if the bike is lost or stolen?

You remain liable for the hire charge for the bike and equipment until the end of the hire period. It is your responsibility to maintain adequate insurance cover for the bike and accessories.

What if I don't use the bike for commuting after I've joined the scheme?

You'll no longer qualify for the tax relief for this benefit. If so, your payroll department will arrange for the remaining hire charges to be taken from your net pay, i.e., after tax and National Insurance have been deducted.

Can I choose more than one bike?

That depends on your scheme. However the legislation doesn't stop you selecting two cycles so long as both are used for commuting to work and the combined cost does not exceed £1000. For example, you may have a summer route and a winter route to work, both needing different things from a bike.

Can I cancel the agreement?

It is not normally possible for you to cancel except during the 14 day cooling-off period. However you may be allowed to cancel or change the agreement, with your employer's consent if you experience one of the lifestyle changes listed in your scheme rules.

Still have questions? Please call us on 0800 612 7110.