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Cycle to Work Alliance welcomes Chancellor's support for the Cycle to Work scheme

The Cycle to Work Alliance welcomes the support for the Cycle to Work scheme announced by the Chancellor of the Exchequer in today's Budget.

The Budget offered confirmation that "Cycle to Work should continue to benefit from income tax and NICs relief when provided through salary sacrifice arrangements". The protection of the Cycle to Work scheme from the government's proposed restriction of the salary sacrifice schemes that attract income tax and NIC advantages is a recognition of its role in promoting employee health and wellbeing.

The Alliance - a policy coalition of four of the largest providers of the Cycle to Work Scheme (Cyclescheme, Cycle Solutions, Evans Cycles, Halfords) – will consider the detail of the proposed changes carefully to ensure that the scheme continues to deliver benefits for commuters, businesses and government.

Steve Edgell, Chair of the Cycle to Work Alliance and Director of Cycle Solutions said: *"This is a very welcome announcement which recognises the ongoing success of the Cycle to Work scheme, and confirms the key role that it has to play in promoting employee health and wellbeing."*

"The scheme is a proven mechanism for increasing participation in cycling and achieving behavioural change. We are delighted that this has been recognised in such a positive way".

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Contact:

For more information please see www.cycletoworkalliance.org.uk or contact Angus Hill at angushill@westminsteradvisers.co.uk or on 020 7227 1645 / 07904 506259.

Notes for editors:

- The Cycle to Work Alliance is a group of the leading providers of the cycle to work scheme, including Cyclescheme, Cycle Solutions, Evans Cycles and Halfords.
- The Cycle to Work Alliance seeks to raise awareness of the role played by the cycle to work scheme in encouraging people to take up cycling, and promote its role in meeting the government's public health and sustainable transport policy objectives.
- The cycle to work initiative is a tax-efficient, and on the whole, salary-sacrificed employee benefit that provides a way of encouraging more adults to take up cycling. Introduced in the 1999 Finance Act, the scheme encourages employers to loan bicycles and cycling safety equipment to employees as a tax-exempt benefit for the purpose of cycling to work. Under the scheme, employers buy cycling equipment from suppliers approved by their scheme administrator, and hire it to their employees. At the end of the loan period, the employer may choose to give the employee the option to purchase the equipment.
- Since its introduction, over 1.1 million certificates have been issued. It is estimated that over 500,00 people currently commute to work through the scheme. The scheme operates nationwide.
- The Budget document noted that: *"The government is considering limiting the range of benefits that attract income tax and NICs advantages when provided as part of salary sacrifice schemes. However, the government's intention is that pension saving, childcare, and health-related benefits such as Cycle*

to Work should continue to benefit from income tax and NICs relief when provided through salary sacrifice arrangements”.