

SUBJECT: CYCLE TO WORK SCHEME**JOINT REPORT OF THE CHIEF FIRE OFFICER, CHIEF EMERGENCY PLANNING OFFICER, CLERK TO THE AUTHORITY, THE FINANCE OFFICER AND PERSONNEL ADVISOR**

1 INTRODUCTION

- 1.1 The Authority is committed to promoting the health and fitness of its employees and has previously introduced a number of policies in support of this ethos. This report is to propose the introduction of a cycle to work scheme throughout the Authority.
- 1.2 The scheme would encourage employees to cycle to work and thus contribute towards a healthier workforce. Research has shown that improved health and fitness of the workforce can lead to a better performance at work and may contribute towards reduced absenteeism. There is also evidence of an increase in motivation, morale, productivity and service delivery when such schemes have been implemented.
- 1.3 Promoting alternative transport initiatives will also help to reduce environmental pollution and will increase the Authority's corporate image and levels of corporate social responsibility.

2 PROPOSAL

- 2.1 The Government has introduced a Tax and National Insurance Contributions scheme to encourage employers to offer Cycle to Work Schemes to their employees. The Chief Fire Officer has carefully considered the introduction of a Cycle to Work Scheme within the Service and expressions of interest from employees would indicate that such a scheme would be viable, benefiting a significant number of employees as well as building upon the excellent employee-employer relations as a consequence.
- 2.2 Eligible equipment within a Cycle to Work Scheme would include the cycle and cyclist's safety equipment, including helmets, lights and mirrors. It is proposed to limit the total value of the scheme to £1000.
- 2.3 It is therefore proposed that Members approve the introduction of a Cycle to Work Scheme and delegate the operation of such to the Chief Fire Officer/Chief Emergency Planning Officer. Such a benefit scheme, where employees have money deducted from wages (salary sacrifice) have proved to be successful in many other local authorities.

3 EQUALITY AND FAIRNESS IMPLICATIONS

- 3.1 In accordance with the Government Guidelines any Cycle to Work Scheme offered should be one to which all employees are eligible to apply. With the proviso that this is carried out and no differential decisions are taken on the grounds of race, gender, disability, religion or belief, sexuality or age there will be no grounds for any adverse impact. In addition, the scheme will not involve any form of means testing.

4 HEALTH AND SAFETY IMPLICATIONS

- 4.1 The implementation of a Cycle to Work Scheme will improve the health and fitness of employees.

5 FINANCIAL IMPLICATIONS

- 5.1 The Cycle to Work Scheme would be a salary sacrifice scheme, whereby the employee gives up the right to receive part of their cash pay due under their contract of employment. The employee can receive the benefit of the cycle and equipment free of Income Tax and National Insurance. Members are advised that the Authority will accrue some savings by virtue of the National Insurance Contributions on that element of the salary which has been 'sacrificed'.
- 5.2 There are a number of issues which must be taken into consideration when considering each application to join the scheme:
- a) A salary sacrifice scheme cannot be used if the employee's pay drops below the national minimum Wage.
 - b) Any pension scheme being contributed to and in particular if an employee is nearing retirement.
 - c) Entitlement to benefits, for example, State Pension and Maternity Allowance, as a result of a reduction in National Insurance Contributions.
- 5.3 There will be some minimal administration costs which can be met from existing resources and within current budget headings.
- 5.4 The Finance Officer will oversee the administration of the salary sacrifice elements of the scheme via the payroll system.
- 5.5 In view of the value of such a scheme, if approved the provider would need to be sourced utilising the Authority's standard procurement practices.

6 RECOMMENDATIONS

6.1 The Authority is recommended to:

- a) Approve the introduction of a Cycle to Work Scheme as detailed in this report:
- b) receive further reports as appropriate.

BACKGROUND PAPERS

The undermentioned Background Papers refer to the subject matter of the above report:

- Department for Transport guidelines on Cycle to Work Schemes