



Feidhmeannacht na Seirbhíse Sláinte
Health Service Executive

HSE HR Circular 002/2010

29th January 2010.

**To: Each Member of Management Team, HSE;
Each Regional Director of Operations, HSE;
Each Assistant National Director, Integrated Services Directorate, HSE;
Each Assistant National Director, Finance, HSE;
Each Assistant National Director, Human Resources, HSE;
Each Local Health Manager, HSE;
Each Employee Relations Manager, HSE.**

Re: Cycle to Work Scheme

Dear Colleagues,

Legislation was introduced in the Finance (No.2) Act 2008 that allowed an employer to incur the expense of providing an employee with a new bicycle and bicycle safety equipment without the employee being liable for benefit-in-kind taxation. The aims of the Scheme are to encourage staff to cycle to work for both environmental and health reasons. The bicycle and safety equipment provided must be used by the employee mainly for qualifying journeys. A qualifying journey means the whole or part (e.g. between home and train station) of the journey between the employee's home and normal place of work, or between his or her normal place of work and another place of work. In order to avail of the Scheme the employee will be obliged to sign a statement confirming that the bicycle is for his / her own use and will be used mainly for qualifying journeys.

The Scheme covers the purchase of pedal bicycles, tricycles and pedelecs (an electrically assisted bicycle that requires some effort on the part of the cyclist in order to affect propulsion). The Scheme also covers the following safety equipment:

- cycle helmets that conform to European Standard EN 1078;
- bells and bulb horns;
- lights, including dynamo packs;
- mirrors and mudguards to ensure rider 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.

The HSE will purchase the bicycle and safety equipment from the list of available suppliers provided by the Office for Public Works (this list can be viewed at www.opw.ie). All items required must be purchased at the same time from one supplier.

The HSE will then enter into a salary sacrifice arrangement with the employee, whereby the employee agrees to forego part of his or her salary to cover the costs associated with the purchase of the bicycle and safety equipment. In these circumstances, the employee will not be liable to tax, PRSI or levies on the salary foregone. Any such arrangements must be completed over a period of up to 12 months from the date of provision of the bicycle and safety equipment. Where an employee who has availed of the Scheme leaves the employment of the HSE prior to completion of the repayment period, any outstanding sums due under the Scheme will be deducted from outstanding sums due to the employee at the time of termination of their employment. If no sums are due to the employee at termination of employment, the employee will be liable to repay the sums due to the HSE under the Scheme, and the HSE will enter into appropriate arrangements to effect this.

The exemption limits of the Scheme apply to the first €1,000 expenditure incurred in connection with the provision of the bicycle and bicycle safety equipment in respect of each employee availing of the Scheme. An employee may only avail of the exemption once in any five-year period, commencing with the date on which the employee is first provided with the bicycle and bicycle safety equipment.

Further information for employees wishing to participate in the Scheme is available on the HSE intranet site, <http://hsenet.hse.ie>, or from each administrative area, as follows:

Dublin / Mid-Leinster:

Ann Kearney; Email: ann.kearney@hse.ie; Tel: 057 9359829

Dublin / North East:

Emer Smyth; Email: EmerMaria.Smyth@hse.ie; Tel: 046 907 6463

South:

Anne Power; Email: annep.power@hse.ie; Tel: 021 492 3592

West:

Damian Mullarkey; Email: damian.mullarkey@hse.ie; Tel: 091 775811 / 775809

Corporate (& employees who have their payroll processed by HR Shared Services):

Joyce Proudfoot; Email: joyce.proudfoot@hse.ie; Tel: 01 881 7011.

Please bring the contents of this Circular to the attention of all employees.



Séan McGrath,
National Director of Human Resources.