

# GREEN COMMUTE INITIATIVE

The UK's industry leading C2W provider

[WWW.GREENCOMMUTEINITIATIVE.UK](http://WWW.GREENCOMMUTEINITIATIVE.UK)





# “Hello”



We are a  
**not-for-profit  
social enterprise**

Green Commute Initiative is the UK’s industry-leading cycle to work scheme with no £1,000 limit. Established in 2016, GCI’s vision is to get commuters out of cars and onto any kind of bike, with the dual purpose of improving both the individual’s health and wellbeing, as well as reducing the environmental impact of pollution and congestion from cars.

As a not-for-profit, we put our efforts into getting more commuters cycling and supporting independent bike shops. We are passionate about E-bikes, believing they are the future of commuter travelling.

Green Commute Initiative is HMRC compliant and FCA authorised and regulated for consumer hire. In addition, GCI has ISO-27001 and ISO-9001 certification.



# Benefits For all



## Benefits for employees

- Save between 32% – 47%
- Any bike, any price (no £1,000 limit)
- Electric, cargo, conventional, adapted or specialist
- Accessories and clothing allowed
- No end-of-scheme fees
- Own the bike at the end of the scheme
- Save money by not using a car or public transport
- No car parking worries
- Enjoy using the bike at weekends too

## Benefits for the environment

- Reduce air pollution and it's environmental impact
- Reduce rates of asthma and other lung related illnesses
- Help make the planet a better place to live

## Benefits for employers

- Inclusive scheme for all employees regardless of any disability or mobility issues
- Save up to 13.8% on reduced employer's NICs
- Minimal admin, all electronic
- Third party finance is available to ease cash-flow
- Support employee's health and fitness goals
- Improve staff retention
- Create a happier workplace
- Ease congestion in your local area
- Improve your employee benefits package
- Enhance your corporate social responsibility
- More employees commuting by bike will reduce your Scope 3 emissions

## E-bikes – The future of commuting

With an E-bike you can sail over hills and cruise long distances, all because of the battery. This powers the bike, when you want it to, so whenever you feel cycling is taking too much effort, activate the power and away you go.

E-bikes are better for the environment and great for commuting; cycle in your business attire without getting hot & sweaty and arrive at work on time, feeling energised, and not stressed from the commute. E-bikes are perfect for those new to cycling and want to build their confidence.

We call it the E-bike smile. Once you've been on an E-bike, you'll never look back!



# Employer Information

## Why no £1,000 limit

GCI is authorised by the Financial Conduct Authority for Consumer Hire so we can hire any value directly to the employee.

## How GCI works

The employer buys a voucher for the hire of a bike package including any accessories and provides it to the employee. The employee then uses the voucher to hire a bike package through GCI. GCI hires the bike directly to the employee.

The employee sacrifices the same amount of salary as the cost of the voucher. The sacrifice is made from gross pay so higher rate taxpayers will save 42% and lower rate taxpayers save 32%. Additional rate taxpayers will save 47%.



We have over  
**1,600**  
suppliers  
and growing!



## Two scheme platforms

### 1. Instant GCI

Instant GCI is perfect for organisations who only expect a small number of bikes to be ordered. Everything is submitted online. We send a pro forma invoice and once that's paid, we will send out agreements for electronic signature. Then the bike is authorised for release. You'll get a receipt for your payment and full instructions on salary sacrifice. We aim for a same day service!

### 2. Corporate GCI for larger organisations

If you have 1,000+ employees, require a bespoke set-up or require integration with a benefits platform, we recommend you use our Corporate GCI platform. You'll use a dedicated portal to approve or reject each employee request. You can customise your scheme to suit your requirements e.g. order limits, salary sacrifice periods and selection windows.

## It's all online

All order information is submitted online and the agreements are signed electronically. Employees can use PCs, tablets or smartphones.

## No end of scheme fees

GCI manages the entire end of scheme process with a free-of-charge loan. We take care of everything; there won't be a tax liability for your employees and no end of scheme fees to de-motivate them or reduce their savings. Employers are not involved in the hire agreement or end of scheme process, so there's no extra admin to deal with.

## Two separate agreements

GCI uses separate Salary Sacrifice and Hire agreements. You can agree a long term sacrifice period (at least 3 months) with your employees, making better bikes more affordable for them.

## Finance available

To ease cash flow, it may be possible to apply for third finance for the acquisition of the vouchers. There is a small charge of around 8.5% which is more than covered by the 13.8% employer's NIC saving. So employers will still make savings of around 5%. When using third party finance, there is a minimum order value of £1,000 (subject to acceptance).

## Any bike, any price

Thanks to having no scheme limit, GCI makes any type of bicycle possible. Your employees can choose from e-bikes, road or off-road bikes, folders or cargo bikes. Specialist cycles and trikes are also available through the scheme. If it's a bicycle under the Road Traffic Act, it qualifies.

## A professional hirer

With some other C2W schemes, the employer is the hirer of the bikes. So if there is a problem with the bike it means a problem for the HR department. GCI is different, because we hire the bikes directly. So the hirer responsibility is ours.

## Our suppliers

We have over 1,600 suppliers, a list which is growing every day. We'll even recruit resellers directly to meet your staff requirements.

# Employee Information

## Am I eligible?

If you are a UK PAYE taxpayer, your employer is willing, and the salary sacrifice doesn't take you below minimum wage, then you can get a bike on the scheme.

## How much will I save?

- lower rate tax payers save 32%
- higher rate tax payers save 42%
- additional rate tax payers save 47%

Rates will vary in Scotland. If you are unsure which rate you pay, please contact your payroll department.

Check out the [savings calculator](#) on our website to see how much you can save.

## Why am I hiring the bike?

If you own the bike, then HMRC would deem it to be an employee benefit and subject to tax which reduces your savings. A hire arrangement = no tax

## When will I own the bike?

When the three month hire ends, GCI will offer you a free of charge extended loan agreement to take the bike to six years old, after which ownership will be passed to you for a nominal £1 charge. You won't need to pay tax under this arrangement. If you wish to take ownership before the bike reaches six years old, this can be arranged and GCI will advise you of the tax due to HMRC.



A large green circular graphic with a teal center. Inside the teal center, the text "Save up to 47%" is written in white. The "47%" is significantly larger than the rest of the text.



## This is how it works

Through the scheme, your employer can provide you with a bike as a tax-free benefit-in-kind. This means you don't have to pay tax on the price of the bike.

In an ideal world, £1,000 of gross pay would get you £1000 of bike. However, you need to pay tax and NI on your £1,000 which means you are left with just £680 in your net pay to buy your bike. However with GCI, the money comes from your gross pay so you don't pay tax or NI on the value of the bike voucher value. Your £1,000 = £1,000 bike.

Another way to look at it: if your bike budget is £1,000, then you could increase this to £1,470 without it costing you anymore than your original budget. This is because £1,000 net pay is actually £1470 gross pay. So if you take £1,470 from gross pay for C2W, then your take home pay is reduced by only £1,000.

Once you have the bike package, you will start to repay your employer via monthly salary reductions. This will be spread over an agreed period of time which will be for at least 3 months. So essentially you are receiving a massive discount on your bike and paying the money back interest free.

### Example savings for higher rate tax payers

Bike package price	£2,452
Net monthly cost (18 months)	£79
You save 42%	£1,030

### Example savings for lower rate tax payers

Bike package price	£1,297
Net monthly cost (18 months)	£49
You save 32%	£415

## Two simple agreements to sign

- A Salary Sacrifice Agreement between the employer & employee;
- A Hire Agreement between the employee & GCI.

The salary sacrifice period will be for a minimum of 3 months but can run up to 60+ months. Typical terms are 12 – 36 months. The employer will advise the employee of the terms available to them. Having a long salary sacrifice period will make e-bikes more affordable for lower paid employees.

## End of scheme arrangements

The Hire Agreement is for 3 months and is separate from the Salary Sacrifice Agreement which probably will be for a longer period. At the end of the hire period, GCI can't simply give you the bike because if we do you will incur a HMRC tax liability based on the purchase value of the bike.

So, we'll make you a free loan until the bike is 6 years old, at which point there will be no tax liability. Check out HMRC's Fair Market Values table for more information. At the end of the 6 year period, and under a separate agreement, we can transfer the ownership title to you for a £1 processing fee. However, in practice, the bike is yours from day one.

Some other C2W providers will charge you 7% of the value of the bike to do this. We don't believe that's fair as your savings are reduced whilst they profit.

As a Social Enterprise that cannot take on debt, GCI won't go bust so your bikes are safe with us; there won't be any creditors asking for the bikes back.

## More information

See our website [FAQ](#) section and visit the HMRC and FCA websites for information.

## Ready to go?

Start the process now and submit your quote.

# Instant GCI

## Step-by-step guide (pay as you go)

