

End of hire agreement options

You have three choices (most employees choose option 3):

1. Return the bicycle to Cyclescheme and make no further payments
2. Take ownership of the bicycle by paying Cyclescheme a higher valuation (e.g. for a one year old bicycle this would be 18% or 25% of the certificate value* in accordance with HMRC requirements)
3. Under a separate agreement with Cyclescheme, pay a small refundable deposit (3% or 7% of the certificate value*) and continue to use the bicycle for 3 years. The monthly payments are zero. At the end of this period, Cyclescheme refund the deposit if the employee does not wish to keep the bicycle. No further action or payment is required if they wish to keep the bicycle.

*

	% Certificate value under £500	% Certificate value £500 or over
Option 1- ownership after 1 year	18%	25%
Option 3- ownership after 4 years	3%	7%

