



Cycle**to**Work

# What is the Cycle to Work Scheme?

The Cycle to Work scheme is a Government initiative created to encourage more people to adopt cycling as a means of 'active travel' and to establish cycling as a healthy and sustainable commuter option.

Your employees select their bike (and optional accessories) and the equipment is then leased to the employee with the cost of the package reclaimed via salary sacrifice. This allows the employee to benefit through substantial tax savings of the cost of the equipment.

The scheme is simple to implement and administrate, in fact we will provide you with all the necessary tools to set-up and manage

your scheme, with many employers able to get up and running with a Cycle to Work scheme in a matter of days.

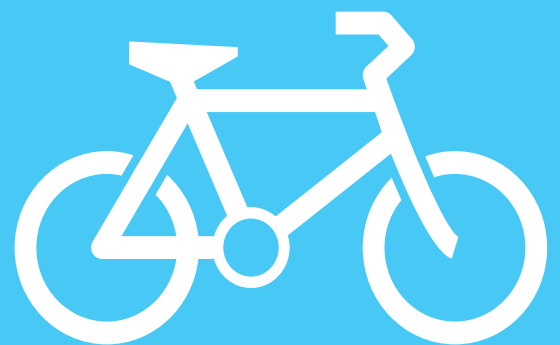
The scheme has seen huge growth in uptake and is currently one of the most popular workplace benefits available. The ultimate goal of the scheme is to create a healthier and happier UK and we believe that there is no better way than through the Cycle to Work scheme.

A Cycle to Work scheme guidance refresh introduced in June 2019 has removed the compulsory limit of £1,000 from the Cycle to Work scheme. Employers now have the flexibility to make their scheme suit their staff by increasing limits so that more employees can take advantage of the huge savings available and, more importantly, allowing a wider range of bikes (including electric bikes) to encourage more first time cyclists to get active.

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**FLEXIBLE  
SCHEME LIMITS  
MEAN YOU CAN CREATE  
A TAILORED SCHEME  
FOR YOUR STAFF**

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**THE CYCLE TO WORK SCHEME**  
**IS NOW BIGGER, BETTER &**  
**MORE INCLUSIVE**



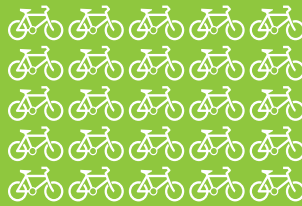
# What are the scheme benefits?

## EMPLOYER BENEFITS

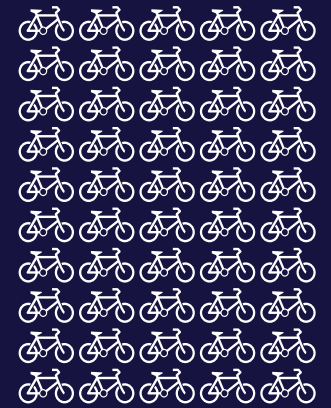
**10 Employees**  
**£1,500 saving**



**50 Employees**  
**£7,500 saving**

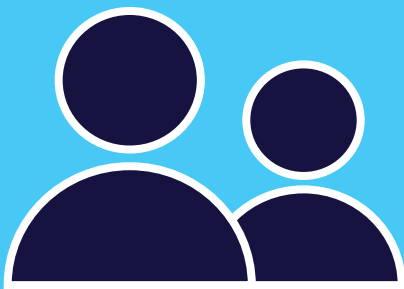


**100 Employees**  
**£15,000 saving**



\*National Insurance savings for number of employees who take up the scheme (based on an average £1,000 order value and 15% NIC)

- Save money through reduced National Insurance Contributions
- Help employees get more active improve wellbeing
- Promote a healthier lifestyle and achieve CSR goals
- Reduce car park congestion
- Managed employee sign up and ordering to minimise admin
- Provide a popular workplace benefit at no cost to the business



## EMPLOYEE BENEFITS

- 'Best of Both Worlds' approach, online store and local bike shops
- Savings on new cycling equipment
- Access to the UK's largest range of bikes and accessories
- Access to a healthier, happier more active lifestyle
- Manageable monthly payment structure
- A zero cost, end of scheme solution
- 8 weeks free insurance with all bikes



## Who are Cycle Solutions?

Cycle Solutions are one of the UK's leading providers of the Cycle to Work Scheme, we have been providing our end-to-end scheme solution for over 19 years and consistently see excellent scheme uptake rates from the businesses that we work with.

We offer a unique 'Best of Both Worlds' scheme solution, where our extensive online store is complimented by a network of local bike shops. This gives the employee the best available choice of equipment while the employer gets flexibility over the scheme administration, including e-sign hire agreements and direct delivery from our online shop where we can guarantee complete HMRC compliance for our clients.

Signing up to a scheme could not be simpler and one of our implementation team can often get you set up with a short phone call or in person. Our schemes are set up with no fuss and minimal administration and can often be ready to use within days.

We also make the end of scheme options straightforward and flexible to suit your employees, with extended agreement options or even returns options if they no longer wish to keep the equipment.



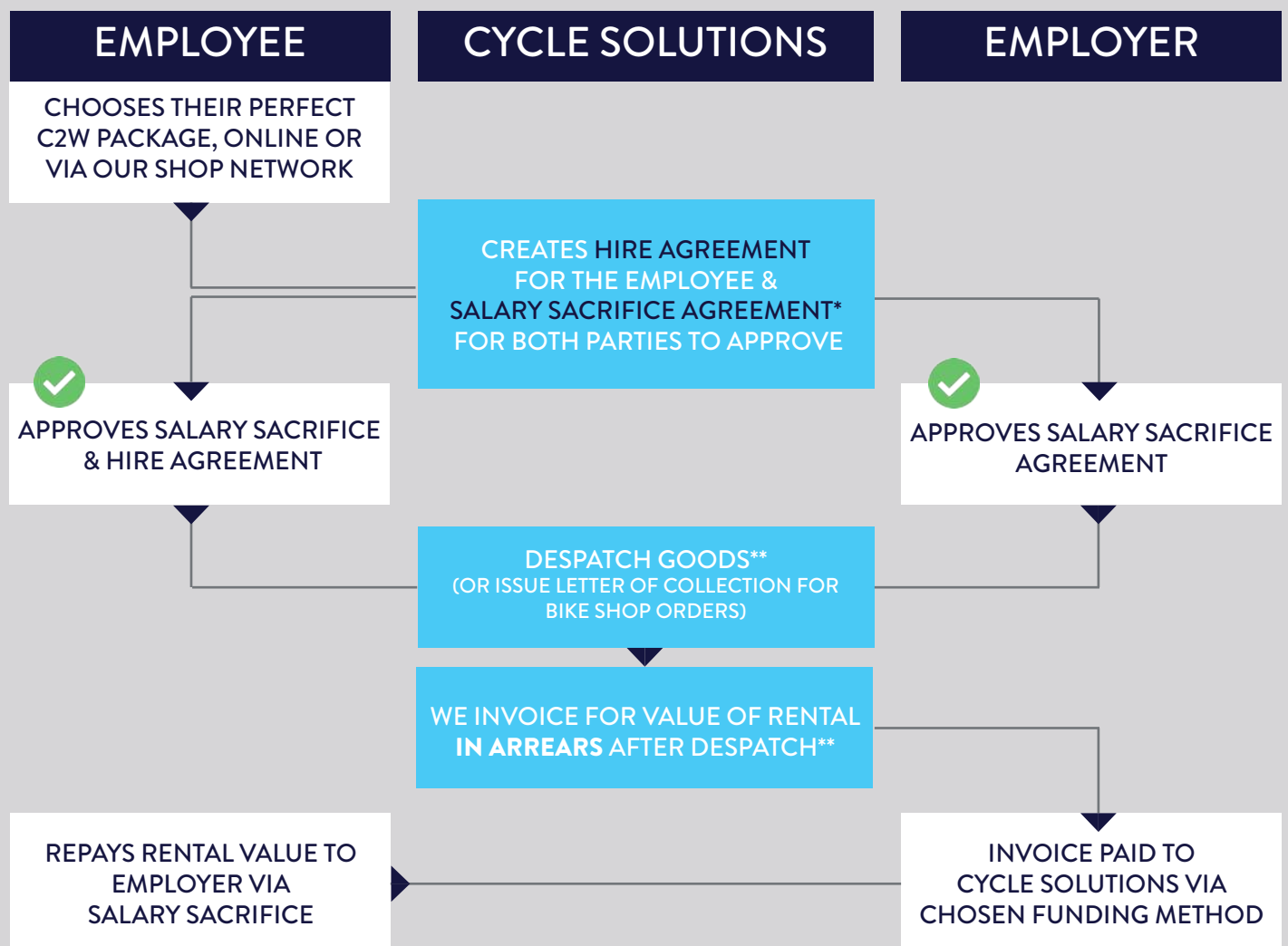
# How does it work?

The Cycle to Work scheme now allows you to choose what package value limit you want for your scheme. This change in guidance means you can provide a Cycle to Work scheme that's more inclusive than ever before, allowing you to cater for every type of cyclist in your workplace.

When an enhanced scheme limit is used, Cycle Solutions retain ownership of the bike but issue a Salary Sacrifice Agreement to both the employee and employer, along with a Hire Agreement for the employee to approve before goods are released. Alternatively, employers can still choose a 'standard' scheme where equipment is bought from us and hired to employees with a max £1,000 limit.

WE WORK WITH YOU TO SET UP A TAILOR MADE SCHEME INCLUDING;  
**SELECTING A SCHEME LIMIT (IT'S NOW YOUR CHOICE),**  
RENTAL PERIOD, AND FUNDING METHOD.

OUR IMPLEMENTATION TEAM WILL START CREATING EVERYTHING YOU NEED TO  
SHOUT ABOUT YOUR NEW SCHEME TO YOUR STAFF.



\*IF YOU CHOOSE TO RUN A 'STANDARD' CYCLE TO WORK SCHEME WITH NO ENHANCED LIMIT, THE SALARY SACRIFICE AGREEMENT IS NOT NECESSARY AND THE BIKE OWNERSHIP WILL BE TRANSFERRED TO THE EMPLOYER \*\*UNLESS SCHEME IS PROFORMA FUNDED

# End of Scheme

Your End-of-Scheme process is slightly different if you are running an enhanced scheme limit Cycle to Work scheme but the process is designed to be as simple as possible for both you and your employees.

## STANDARD SCHEME

CYCLE SOLUTIONS ISSUE A CREDIT NOTE (£1+VAT) TO TRANSFER OWNERSHIP BACK FROM THE EMPLOYER

## ENHANCED LIMIT

CYCLE SOLUTIONS OFFER EMPLOYEES 3 OPTIONS FOR THEIR END OF SCHEME:

### OPTION 1

#### ZERO COST EXTENDED HIRE

EMPLOYEES CAN SIGN UP TO AN 'EXTENDED RENTAL AGREEMENT'. THEY WILL HAVE NOTHING FURTHER TO PAY AND OWNERSHIP WILL BE AUTOMATICALLY TRANSFERRED TO THEM AFTER THE EXTENDED RENTAL PERIOD



### OPTION 2

#### IMMEDIATE OWNERSHIP FOR FMV

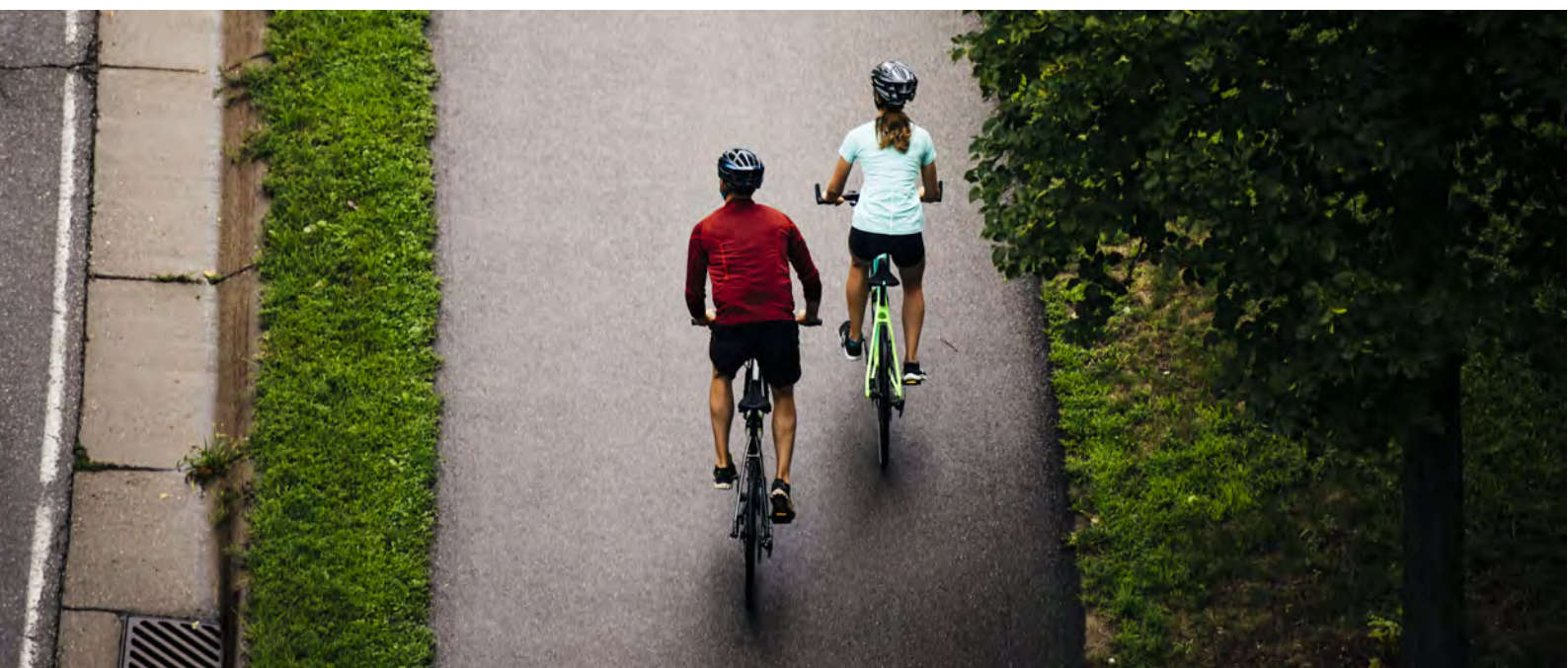
EMPLOYEES CAN PAY THE 'FAIR MARKET VALUE' (USUALLY 18% OR 25% OF THE ORIGINAL VALUE\*) AND TAKE OWNERSHIP IMMEDIATELY

### OPTION 3

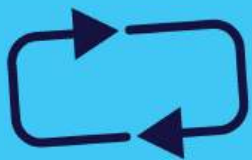
#### RETURN THE GOODS

EMPLOYEES CAN MAKE ARRANGEMENTS FOR UNWANTED GOODS TO BE RETURNED OR COLLECTED BY CYCLE SOLUTIONS

\* FOR MORE INFORMATION ON HOW THE FAIR MARKET VALUE IS CALCULATED PLEASE VISIT - [WWW.GOV.UK/HMRC-INTERNAL-MANUALS/EMPLOYMENT-INCOME-MANUAL/EIM21667A](http://WWW.GOV.UK/HMRC-INTERNAL-MANUALS/EMPLOYMENT-INCOME-MANUAL/EIM21667A)



# Why choose Cycle Solutions?



## End-to-End Solutions

We work with you to ensure everything is taken care of. From initial set up and approvals, ongoing management, end-of-scheme options as well as fulfilling orders via our own online store.



## Online Management

Online hire agreement approvals and order tracking mean that we can monitor and report on every step of the scheme process.



## Completely Free

We can provide lease finance options which make the scheme completely free for your business to implement.



## Marketing

We create and provide co-branded marketing materials free of charge, including digital and printed communications to drive take-up.





## Savings

Your business will save money by running a Cycle to Work Scheme. Typical savings are approximately **15%** and you keep the full benefit.



## Account Management

From implementation to marketing requirements to on-going scheme administration, we supply you with a dedicated account manager to work with you to ensure you launch a successful scheme.



## On-Site Pop-Up Shops

For sites with large employee numbers we can bring a unique Cycle to Work shop direct to your premises, with items specifically selected to suit your staff and scheme.

# Scheme Finance Options

## FUNDING OPTIONS

### PROFORMA

WE WILL ISSUE AN INVOICE TO YOU ONCE THE ORDER IS APPROVED.

ITEMS ARE NOT DISPATCHED UNTIL THE ORDER IS PAID

### FINANCE

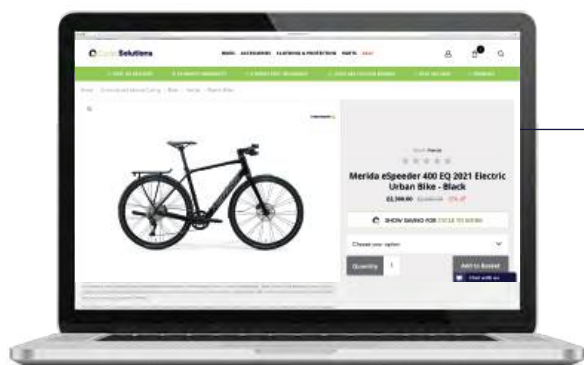
WE WORK WITH THIRD-PARTY FINANCE COMPANIES TO OFFER FINANCING TERMS TO COVER YOUR CYCLE TO WORK SCHEME.

THE COST OF FINANCE IS OFFSET BY SALARY SACRIFICE PAYMENTS

### CREDIT

WE CAN ISSUE BATCH INVOICES WITH CREDIT TERMS TO MAKE PAYMENT PROCESS EASIER.

## Example Employee Savings



### EXAMPLE CYCLE TO WORK PACKAGE (IN STOCK & AVAILABLE AT POINT OF PRINT)

MERIDA ESPEEDER EQ 2021 ELECTRIC HYBRID BIKE

RRP - £2,600.00

SALE PRICE

£2,300.00

+ FREE TOOLSET  
+ FREE HELMET BAG  
+ 8-WEEKS FREE INSURANCE

INCLUDED WITH ALL  
CYCLE SOLUTIONS SUPPLIED BIKES

TOTAL PACKAGE VALUE

	LOWER-RATE TAXPAYER	HIGHER-RATE TAXPAYER
GROSS MONTHLY SALARY SACRIFICE	£191.67	£191.67
NET MONTHLY SALARY SACRIFICE	£127.94	£108.77
TOTAL NET COST	£1,535.28	£1,305.24
SAVINGS (VIA CYCLE TO WORK SCHEME)	<b>£764.72</b>	<b>£994.76</b>
<b>TOTAL NET SAVINGS (FROM RRP)</b>	<b>£1,064.72</b>	<b>£1,294.72</b>

CALCULATIONS BASED ON A TYPICAL 12-MONTH SCHEME DURATION





## Go Electric!

For the first time, electric bikes across every discipline are now available on the Cycle to Work scheme.

Electric bikes help to boost the users natural pedalling power and gives riders the ability to ride further and longer with less effort. Hilly journeys are flattened, tiring rides become a comfortable commute and the barriers to getting back on a bike are effectively removed.

Help your staff get back on their bike with a selection of 100's of e-bike models available now via Cycle Solutions.





## Help is always at hand

Need support with your Cycle to Work Scheme? We're on hand to help:

**0330 100 2480**

### Contact Us

Tel 0330 100 2480  
Online [www.cyclesolutions.info](http://www.cyclesolutions.info) (Cycle to Work)  
[www.cyclesolutions.co.uk](http://www.cyclesolutions.co.uk) (Ecommerce)  
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