Cycle to Work

Payments and Deductions · https://paiyroll.com/kb/cycle-to-work/

Follow this guide to set up a **Salary Sacrifice** Pay Definition. Please ensure your scheme meets all salary sacrifice rules.

You can base this on:

1. A simple **Payment** pay template, which is added when the scheme starts and removed or zeroed when you wish it to stop
2. A **Loan (amount)** pay template which can be set once and operate automatically, then stop

Based on Payment Pay Template

Company setup > **Pay Definitions** > **Add**

Select the Company and **Payment** Pay Template.

Suggest **Cycle to Work** as the Name and Description.

Change the **Reuse** to **Use indefinitel**y

Outputs: Clear the .**Gross Pay** tick box to allow gross pay to continue to be the reference salary for reporting (this does not affect pay).

Click **Update** to add the pay definition.

Pay Item

Pay Item Editor > Search for the employee

Select the **Cycle to Work** Pay Item and then click the **Create** button

The Pay item will appear on the employee.

Enter the required value as a negative amount, e.g. -100, which will reduce taxable and NIable pay

Click **Update** to view the mini payslip and check the correct operation.

Based on Loan (amount) Pay Template

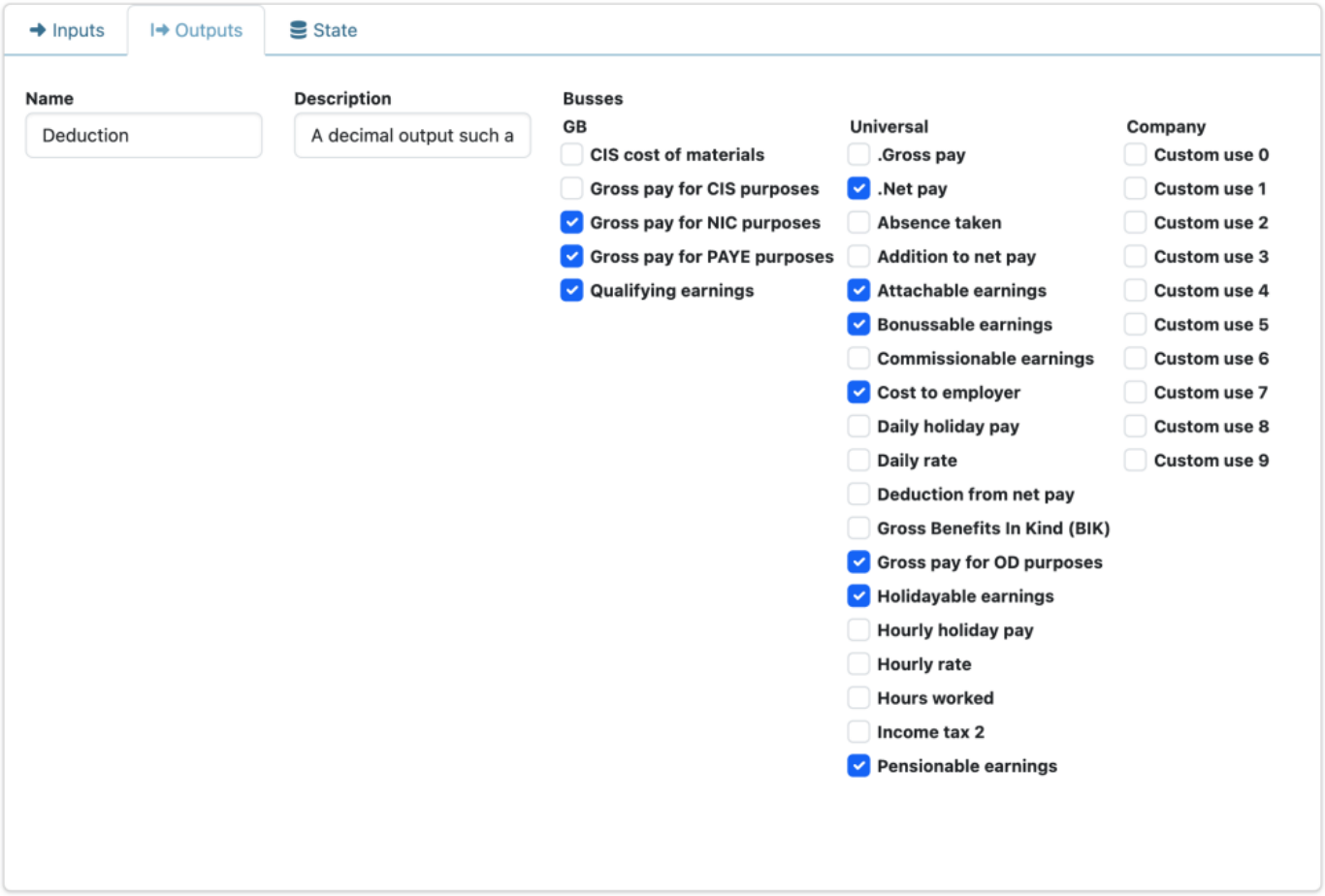
Company setup > **Pay Definitions** > **Add**

Select the Company and **Loan (amount)** Pay Template.

Suggest **Cycle to Work** as the Name and Description.

Inputs: Change the **Earnings** source to buss: **.Gross Pay**

Outputs: Change all the Output **Busses** as below, ensuring that **.Gross Pay** is never selected:



Click **Update** to add the pay definition.

Pay Item

Pay Item Editor > Search for the employee

Select the **Cycle to Work** Pay Item and then click the **Create** button

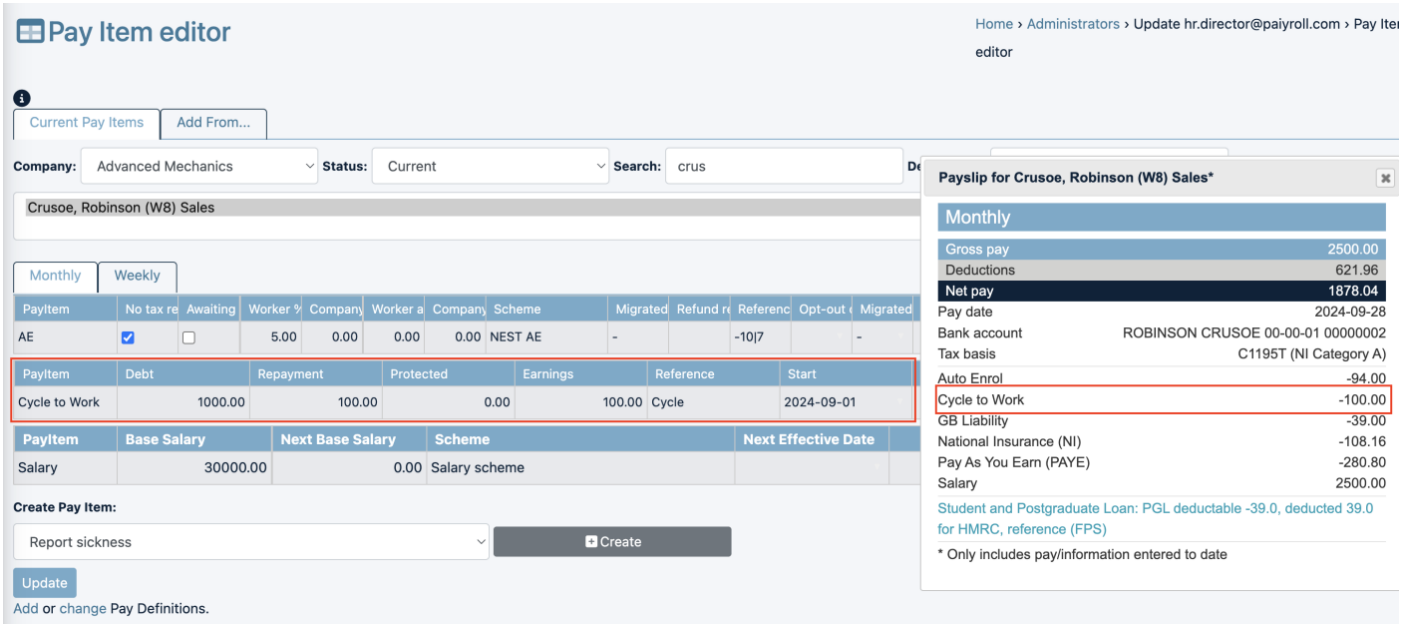
The Pay item will appear on the employee.

Enter the required positive values:

- **Debt** is the total sacrifice to be made over several pay runs
- **Repayment** is the amount in each Pay run, e.g. 100
- **Protected**: 0
- **Reference** can be any useful string about the cycle
- Enter a **Start** date to commence

If you hover over the Pay Item Input names, a tooltip will provide more information.

Click **Update** to confirm the mini payslip and correct operation:



The amount will continue to be taken until the total Debt is exhausted.