

General

- 1 All claims must meet the fundamental rule that they are wholly, exclusively and necessarily incurred in the performance of your duties. Claims made that later prove to be either disallowed or taxable may incur further tax, penalties and interest levied by HM Revenue & Customs (HMRC).
- 2 All claims must be accompanied by a receipt except where a claim is made using HMRC's benchmark scale rates. It is preferable if copies of receipts are submitted with your claim as original receipts cannot be returned to you.
- 3 Please remember to complete each claim form in full and to sign where indicated. Incomplete or unsigned claim forms cannot be processed and may cause a delay when reimbursing your expenses.
- 4 Expenses must be claimed no later than two months from the date that the costs were incurred. It is good practice to submit expense claim forms on the same frequency as your timesheets (i.e. weekly/monthly) to allow time for processing and for any discrepancies to be addressed in good time.
- 5 All invoices and receipts should show the name of the company wherever possible (e.g.. Advanced Personnel Ltd). Receipts are retained and may be required in the event of an enquiry by HMRC. Receipts showing the company name will help to confirm that reimbursements made to you contain no personal element.
- 6 To enable us to monitor the expenses paid to employees under HMRC's benchmark scale rates we operate a continuous review process. As part of this ongoing process we may contact you and request that receipts are submitted to accompany a future claim to quantify your claims. If we find that meal costs are not actually being incurred by you and you are claiming reimbursement under HMRC's benchmark scale rates we reserve the right to cease reimbursement of these claims.
- 7 On each claim form we will ask you to confirm the number of complete months that you have attended your workplace and also whether it is your intention to attend any other workplace during your employment with us. If you confirm that you have attended your workplace in excess of 24 months **or** you confirm that it is your intention to only attend one workplace during your employment with us, your workplace will not be deemed as a temporary workplace under HMRC's guidance and we cannot reimburse travel and subsistence costs relating to your attendance at that workplace.

Travel **Travel costs are only allowable if they are clearly incurred for business purposes.**

Travel costs incurred from home to your workplace are only allowable if your workplace is deemed as temporary. A workplace is not deemed as temporary if attended for a period of more than 24 months, or if it is your intention to attend the same workplace for the entirety of your employment. Further guidance on whether your workplace may be regarded as temporary can be sought at www.hmrc.gov.uk (or see booklet 490 - <http://www.hmrc.gov.uk/helpsheets/490.pdf>). You can also contact our us for further information.

Subsistence **Subsistence is only allowable if travel is allowable.**

We have chosen to adopt the benchmark scale rates introduced by HMRC from 6th April 2009. The benchmark scale rates that apply from 6th April 2009 are as follows:

Breakfast rate	£5.00
One meal (5 hour) rate	£5.00
Two meal (10 hour) rate	£10.00
Late evening meal rate	£15.00

Breakfast rate This rate may be paid where you leave home earlier than usual and before 6.00 am and you incur the cost on breakfast taken away from your home after a qualifying journey has started. **If you usually leave home before 6.00am then this rate does not apply.**

Late evening meal rate This rate may be paid where you have to work later than usual and finish work after 8.00pm having worked your normal day and have to buy a meal before a qualifying journey ends which you would normally have at home.

The breakfast and late evening meal rates are for use in exceptional circumstances only and are not intended for regular early or late work patterns.

One meal (5 hour) rate This rate may be paid where you have undertaken qualifying travel for a period of at least 5 hours and you have incurred the cost of a meal.

Two meal (10 hour) rate This rate may be paid where you have undertaken qualifying travel for a period of at least 10 hours and you have incurred the cost of a meal or meals.

Benchmark scale rate payments must be limited to three meal rates on one day or 24 hour period. A meal is defined as a combination of food and drink and would take a normal dictionary meaning. Where you are required to start early or finish late on a regular basis, the over 5 hour and 10 hour rate, whichever is applicable, may be paid provided that the other qualifying conditions are met. The other qualifying conditions are:

1. The travel must be in the performance of your contractual duties or to a temporary place of work.
2. You must be absent from your normal place of work or home for a continuous period in excess of five or ten hours.
3. You must have incurred the cost of a meal after starting your qualifying journey.

You will be required to enter the time that you leave home to commence a qualifying journey and the time that you return home from that qualifying journey on each subsistence claim made.

The cost of meals prepared at home and taken with you on a qualifying journey is not allowable.

Rented Accommodation

If you have to rent accommodation away from your home address, in order to carry out your contract, you may be able to claim a proportion of certain items such as rent and utilities. Please contact us for further guidance.

Hotel

All reasonable costs are allowable providing you have a permanent residence elsewhere and the fundamental rules regarding attending a temporary workplace are satisfied. Receipts must be provided.

Incidentals

Costs associated with overnight stay in hotel accommodation (laundry, hotel internet access, newspaper etc.). £5.00 per night.

Telephone

Business calls are allowable if made from your home telephone. To claim these costs a copy of your phone bill is required with the relevant charges highlighted and entered on to your expense claim form. This procedure should also be followed for mobile telephone calls. No line rental, monthly fees, 'Pay As You Go' costs are allowable.

Entertainment

Entertainment is not allowed.

Mileage Allowance

Business miles only are allowable, and must be accompanied by a daily log of journeys.

Cars and vans (Regardless of engine size)	
First 10,000 miles in the tax year	45p per mile
each additional mile over 10,000 miles	25p per mile
Motorcycles	24p per mile
Bicycles	20p per mile

Other Expenses

If you are unsure whether a cost that you have incurred can be claimed as an expense, please contact us for clarification.

Payroll Expenses

Payroll expenses are business costs that you incur wholly, exclusively and necessarily in the performance of your contractual duties. These expenses are not invoiced to your agency or client. Payroll expenses are treated as an employer cost and are reimbursed to you from monies received from your agency or client before arriving at your taxable pay. You will therefore receive tax relief on the expenses incurred.

Recharged Expenses

Recharged expenses are costs that your client or agency have agreed to pay in addition to your standard hourly / daily rate. These expenses are invoiced to your agency or client. Any income (including recharged expenses) received by the company will be paid to you as taxable income. **To receive recharged expenses without the deduction of Income Tax and National Insurance you must claim any allowable amounts as payroll expenses.** Recharged expenses are not automatically paid to you as non-taxable because although rechargeable amounts may be agreed in the contract between you and your agency or client, it is not your agency or client's responsibility to ensure that such expenses are allowable for tax purposes. This responsibility rests with us as your employer.

Temporary workplace examples

Example 1

You incur the cost of a train journey to attend a workplace that you have attended for a period of less than 24 months. It is not your intention for the workplace to be the only workplace you attend during your employment. You leave the house at 8.30am and return home at 6.00pm. You incur the cost of a meal during the day.

You are entitled to claim for the cost of your train journey and you are also entitled to claim £5.00 for the cost of your meal (5 hour rate).

Example 2

You incur the cost of a train journey to attend a workplace that you have attended for a period of less than 24 months. It is not your intention for the workplace to be the only workplace you attend during your employment. You leave the house at 7.30am and return home at 6.30pm. You incur the cost of two meals during the day.

You are entitled to claim for the cost of your train journey and you are also entitled to claim £10.00 for the cost of your meals (10 hour rate).

Example 3

You incur the cost of a train journey to attend a workplace that you will be attending for the entire period of your employment. You leave the house at 8.30am and return home at 6.00pm. You incur the cost of a meal during the day.

You are not entitled to claim for the cost of your train journey or for the cost of your meal. The workplace will not be deemed as temporary under HMRC's guidance because it is your intention to attend the same workplace for the entire period of your employment.

Example 4

You have been attending a workplace for 18 months and it has not been your intention to attend the same workplace for the entirety of your employment. In month 17 a 12-month contract extension is offered to you and you choose to accept it.

You are no longer entitled to claim for travel and subsistence costs incurred in connection with your attendance at the workplace because your intention is now to attend the same workplace for more than 24 months. You should cease to claim from the date you are aware that you will attend the same workplace for a period in excess of 24 months (not from the 24th month).

Further examples of whether travel and subsistence costs are allowable can be found in HMRC's guidance booklet 490 (<http://www.hmrc.gov.uk/helpsheets/490.pdf>).