



Expense Policy

Introduction

Why you can claim expenses.

As a Contractor you are able to offset expenses if it is your intention to work via Simplify for more than one assignment. This means that if your assignment with the End Client is Temp to Perm from the outset, or you find out at a later date that the role will be made permanent, you will not be eligible to offset expenses. It also means that at the point that you give notice to us, you will no longer be able to offset expenses after that point.

The ability to offset expenses is also based on the fact that you are only onsite for 24 months, which is how HMRC define a temporary place of work. If you know at the outset that you will be onsite for more than 24 months, then you cannot offset expenses. If during the course of the assignment you become aware that you will be on site longer, eg if after 18 months you receive a one year contract extension then you can't offset expenses from that point. It is the point at which you know rather than the point at which you have been on site for more than 24 months. If you move to a different site, you need to demonstrate a substantially different journey is undertaken to get there, and if you return to the same site you will need to show there has been a significant break in the time at that site.

What expenses you can claim

This policy sets out what expenses are allowable.

All expenses must be claimed on an Expense Record Form within 28 days of being incurred.

Simplify Business reserves the right to reject any expenses claims that we feel contravene this expenses policy, or have not been incurred wholly and necessarily in the performance of your duties. We also reserve the right to change this policy at any time, where it is necessary to do so to remain within the HMRC guidelines.

Travel Expenses

Travel expenses cover travel in the performance of the duties of the employment (e.g. travel between sites) or travel to "temporary workplaces". Travel expenses include associated subsistence.

Temporary Workplaces

We can pay travel, accommodation and subsistence expenses without deduction of tax if the site at which you are working is considered to be a temporary workplace. A site will normally qualify as a temporary workplace if you are expected to work there for less than 24 months. The 24 months starts from the time that you started working at that site, not when your current contract started.

If at any time it becomes clear that you will work at a particular site for more than 24 months, you must stop claiming expenses from that time.

For example: if it is agreed from the start that you will work on site for 18 months, and you are told at the 18th month that the work will take another 9 months to complete you will only be able to claim your travel expenses for the first 18 months.

The 24 month restriction does not apply if, over a 24 month period, you spend 40% or less of your time at the workplace. When a contractor spends 40% or less of his time at a workplace all expenses incurred travelling to and from that site are allowed, regardless of the 24 month rule. This rule must be considered if you work at more than one site in the course of a contract or if you return to a site that you have previously attended.

Sites that are close together are regarded as the same site. When you change site you need to be able to demonstrate a significantly different journey is being undertaken

Cars and Vans

	First 10,000 miles	10,000+ miles
Cars & Vans	45p per mile	25p per mile
Motor cycles	24p per mile	
Bicycles	20p per mile	

*Note that the mileage is for each tax year, not each site change.

The mileage rates incorporate the costs involved in running a vehicle including petrol, tyres, road tax, insurance, depreciation and repairs, therefore claims for "Wear and Tear" will not be allowed.

You should send us receipts showing that you have spent roughly half of what you are claiming in mileage with each claim. This is so we can verify that you aren't car sharing etc.

Non Mileage expenses Car Parking/Tolls

We will need receipts for all car parking, tolls and congestion charges.

Travel Cards

If you buy a monthly travel card this can be claimed at the time that the Expense is incurred. If you have an oyster card please get a receipt for purchase otherwise we will not be able to process it.

Accommodation

If you stay overnight in a hotel the cost of the room, evening meal and breakfast can be claimed as a re-imbusement of the exact expense. Accommodation is to be claimed on a weekly basis. All receipts must state name of hotel/B&B, address, telephone numbers and a contact name. They must also state the name of the guest staying in the room.

Incidentals

Whilst staying away for work, a £5 incidental allowance can be claimed per day. This is to cover items such as phone calls, laundry or newspapers whilst away. Incidental allowances will only be processed if you clearly write on the claim form eg. 5 nights x £5 incidentals = £25.00. No receipts are needed for the claim. If you are staying away for work outside of the UK, then the amount rises to £10 per night.

Subsistence

Whilst staying away you can claim the reasonable and necessary cost of a meal/snack and beverage. This is where you are staying overnight, or where travel is the whole or substantial part of a working day encompassing the normal meal breaks. Such claims must be supported with receipts. These can't include meals where you were accompanied by a partner or relative, and does not cover beverages taken without a meal.

Day Subsistence

Subsistence is designed to cover the costs of meals that are eaten whilst at the temporary place of work. The allowance is not designed to be a daily allowance, HMRC view is that everyone has to eat lunch whether temporary or permanent place of work! However, if you are travelling, or working away from home at a temporary workplace, it is likely that you will purchase a meal at a cost in excess of normal. If that is the case then the cost of the meal is part of the expense of travel hence lunch can be claim.

One Meal (5 hour) rate = £5 (This is where the working time, including travelling to the temporary site exceeds 5 hours)

Two Meal (10 hour) rate = £10 (This is where the working time, including travelling to the temporary site exceeds 10 hour)

Breakfast – If you leave home before 6am £5.00

Late Evening Meal – If you finish work after 8pm £15.00

(These are for use in exceptional circumstances only and are not intended for employees with regular early or late work patterns. Should you wish to claim the breakfast or late evening meal rate you will need to supply a copy of the receipt and the reason for the claim – for example, if you work in IT and there has been a major server crash, or you work in Marketing and have a product launch. Finishing after 8pm or starting before 6am as part of your shift pattern or working hours are not sufficient reason to allow you to claim.)

You don't need to send receipts to us when you are claiming the normal One or Two meal rates, however the allowance is based upon you having incurred a cost, and therefore you MUST retain receipts for a period of 6 years in case of audit (Please see the section below)

Telephone Bills

Phone top up cards cannot be claimed. An itemised bill must be received, with all work calls highlighted and totalled. The line rental and VAT cannot be claimed.

Stationery

Stationery for sending in expenses to us is claimable ie stamps and envelopes. Please send in original receipts with a non mileage expense form.

Professional subscriptions and courses

These are allowable expenses provided that they are incurred wholly, exclusively and necessarily in the performance of your duties. For example a golf club subscription is not allowed, nor is a language course. In other words, they have to be relevant to the assignment you are currently undertaking.

Laundry

Receipted laundry costs are allowed to be off-set. This is for overalls only, and not for general work wear such as suits, or items of clothing that could be worn outside of the working environment.

Work Wear and Safety Equipment

The cost of the provision of specialist clothing and safety equipment such as hard hats, safety boots, florescent jackets etc can be claimed. As can the cost of clothing supplied such as corporate uniform / protective clothing, provided that any such clothing is

prominently and permanently labelled so as to identify the wearer as an employee of the company and is not suitable for everyday wear outside of the working environment.

General Office attire is never allowed to be claimed.

Receipts

You can scan and upload or email receipts for us, and if you don't have access to a scanner you can take a picture with a camera phone (although it must be of an acceptable quality that we can read all the relevant information clearly).

Where you do this, the original receipt must be retained and be available to be inspected if requested on audit.

How to complete the Expenses Claim form.

The easiest way to complete the expenses is to log onto my.simplifybusiness.co.uk and select Add a New Expense Sheet from the Dashboard.

However if you prefer to complete a paper copy then you need to:

Complete the Details section at the top. Your Payroll Number can be found on your payslip. Claim Date should be the week ending date for the claim.

The expense form is split into 3 sections – Travel, Non Travel & Subsistence.

Travel – Mileage in Tax Year Brought forward. This is the total amount of miles that you have already claimed this tax year (starts on 6th April each year). We are not looking for your odometer reading. Add the Mileage B/Fwd to the total Miles to give you the figure for the C/Fwd to next claim box. Complete the Reg No/Make/Model & Engine Size boxes. Fill in the boxes below with the journey details.

Non Travel Claims – Complete with the details of any claims for Accommodation, Tools, and Work Clothes etc.

Subsistence – Where Subsistence is being claimed completed the details requested, and total the amount claimed in the box marked amount. Current rates can be found on the Expenses Policy.

Total Claim – Add the Travel, Non Travel and Subsistence claims together and put the figure in the Total Claim box.

Signature – All claims must be signed and dated to be accepted

Please fax or e-mail your scanned receipts with the expenses form to which they relate to **01332 650959** or email to expenses@simplifybusiness.co.uk or you can post them to **Simplify, The Old Fire Station, Darley Abbey Mills, Darley Abbey, Derby DE22 1DZ**. Please be aware that we can't be responsible for delays caused by the post reaching us.

Audits

Anyone can be randomly audited by HMRC and therefore any receipts not sent to us, it is your responsibility to ensure are available for a period of 6 years should they be required.

As part of our Dispensation with HMRC we are required to undertake random audits on our contractors' claims. When you are selected for audit we will write to you and require to see the receipts for any unreceipted items claimed. These must be sent to us in a timely fashion, and failure to do so will prevent us from processing further expenses whilst an audit is ongoing.