



Expense Policy

Introduction

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, 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. As a general rule of thumb sites must be more than 10 miles apart to be classed as separate sites.

Mileage

	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. We cannot process your claim until we receive a signed and dated form from you.

Non Mileage expenses Car Parking/Tolls

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

Travel Cards

All travel cards are to be claimed on a weekly basis. Please be aware that if you buy a monthly travel card this can only be claimed once this has expired. 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 the full amount of the 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 subsistence can be claimed per day. This is to cover items such as phone calls, laundry or newspapers whilst away. Subsistence will only be processed if you clearly write on the claim form eg. 5 nights x £5 subsistence = £25.00. No receipts are needed for the claim.

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 original receipts. These can't include meals where you were accompanied by a partner or relative, and does not cover beverages taken without a meal. In short the subsistence has to be part of the cost of the journey.

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's 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.

Breakfast – If you leave home before 6am £5.00

Lunch – if you work over 5 hour hours £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.)

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 hours)

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 your job.

Laundry

An allowance of up to £10 per week for the laundry of overalls is allowed. This is for overalls only, and not for general workwear such as suits, or items of clothing that could be worn outside of the working environment. This will only be processed if you clearly write on the claim form in the Non Travel Claims section e.g. 1 week Laundry = £10.00. No receipts are needed for the claim.

How to complete the Expenses Claim form.

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, 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

Where receipts are due, the form must be posted with the original receipts attached. If no receipts are necessary, you can fax or email the form (If emailing it must be a signed copy of form which has been scanned)

Audit

Simplify will check all expense claims, and where we need further information to allow your claim we will contact you to request it. In that instance, we will not process the part that needs clarification until we receive further details from you.

Simplify also reserves the right to request that you provide receipts for items such as Subsistence, where we would not usually require them to allow the expenses. These random samples will be requested from you retrospectively to ensure that claims made for Subsistence are only being made where the cost of a meal has actually been incurred.

These random audits will be carried out monthly on at least 1/12 of our contractors per month, so you should expect to have at least 1 audit per year. Failure to provide the requested information will lead to delays in processing future expense as more detailed verification will be followed.