

EXPENSE GUIDELINES FOR NOVA UMBRELLA EMPLOYEES

Each week you will be incurring business expenses. These expenses are deductible against your business income and you obtain tax relief on them.

HM Revenue & Customs (HMRC) state that any expenses claimed must be incurred wholly and exclusively for the use of your trade/business. If HMRC decide to review your individual case and rule that some of the expenses that you have claimed should be treated as taxable, you will have extra tax to pay.

The following information is to help you identify the various expenses you can claim when carrying out your duties for your business. Please remember that if HMRC were to check your claim, you would need to be able to justify the business nature of the expenses you have claimed.

WHAT EXPENSES ARE PERMITTED?

BUSINESS 'COSTS'

Business costs can be claimed when they are actually incurred and are paid tax and National Insurance (NI) free. ONLY the following costs can be processed immediately when they have been submitted to Nova -

- **Travel/Mileage**

If you are working at ONE temporary location, mileage claims for travelling to and from the workplace are NOT allowable where it is found that you, the worker, are under the Supervision, Direction or Control (SDC) or the right thereof by ANY person.

This means that you will **NOT** be able to claim for mileage to and from the worksite and your permanent address.

Proving that you are not under SDC is very difficult as it does not need to be demonstrated in practice. There only needs to be the right of SDC as to the manner of how you perform your duties. Most contracts between agencies and end users have an SDC clause for insurance purposes and therefore neither the agency nor your end user client will be able to assist you.

If you have any questions about this, or feel that you are genuinely not under SDC, or there is no right of SDC, then please speak to us about this. Please do not speak to your agency about this first, as in many cases the agency consultant will not have the authority to make a decision on this matter.

HOWEVER if you are working at multiple sites for your end user client (not an agency), then **you are** able to claim for mileage allowances as long as each site is a temporary workplace and you do not expect to work at the sites for over 24 months.

To summarise, if you are NOT under SDC (or the right thereof) or you are working at multiple sites for your end user client then you are able to submit mileage costs.

The allowance is paid at 45p per mile for the first 10,000 miles and then reduces to 25p per mile.

Please show the start point and destination and the reason for the journey. Dates of travel and car details must be completed on each form. Please enter the daily mileage as accurately as possible without rounding up/down. This explains the business reason for the journey if HMRC wish to review your expenses. The start and end of the journey should be specific enough for HMRC to check the mileage using software such Google Maps, AA Route Planner. Postcodes are preferable.

Other costs that can be claimed when they are incurred -

- **Incidental Overnight Costs**

This expense is capped at £5 per night to cover costs on items such as laundry and newspapers. **No receipt is required.**

- **Work related training courses**

This includes CPC courses for HGV drivers

- **Workplace parking costs**

- **Travelling and subsistence during public transport strikes**

- **Transport for disabled employees**

- **Eyesight tests/prescribed glasses**

- **Health screening and medical check ups**

- **Overseas medical treatment**

- **Occupational medical treatment up to £500**

RECEIPTS ARE REQUIRED FOR ALL BUSINESS 'COSTS' UNLESS STATED OTHERWISE.

BUSINESS 'EXPENSES'

Other expenses are allowable **BUT** any potential tax refund on these expenses can only be claimed after the end of the financial tax year (5th April). This is made either through a P87 claim, a written claim or under a self-assessment form. You can still submit the following expenses and Nova will keep a record of them on your behalf and we can assist you in applying for a tax refund from HMRC by providing you with all the information that HMRC will need. These expenses include:

- **Actual travel costs other than mileage allowances (bus, trains, tolls)**
- **Actual subsistence costs (meals/drinks) whilst incurred when travelling in the performance of your duties**
- **Accommodation costs at a temporary workplace**
- **Personal protection equipment**
- **Tools**
- **Uniforms and protective clothing**
- **Laundry costs**
- **Professional subscriptions**
- **Business phone calls (calls need to be itemised)**
- **Overseas travel expenses**
- **Foreign accommodation costs**
- **Other general expenses incurred in the performance of your duties.**

Despite these 'BUSINESS' expenses only being reimbursed to you by way of a tax refund after 5th April, it is STILL worth submitting the expenses to Nova (with receipts) whenever you can and we will keep a record of all your expenses submitted to us. These expenses (no matter how small) will all add up and you should receive a very welcome tax rebate (assuming HMRC do not dispute any of the claims made). It is worth the effort!

Please call us to ask us how we can assist you in making a claim for these expenses on 0113 273 9970.