



Q U I C K S T E P

Quickstep Contracting Services Limited
EXPENSES POLICY

July 2020

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Introduction

This document sets the policy of Quickstep Contracting Services Limited (the Company) in relation to expenses that you may incur in the course of your duties as an employee or deemed employee (for tax purposes) of the Company.

The Company will allow you to claim travel expenses that do not give rise to an Income Tax charge or National Insurance ('NIC') liability, as long as **one or more** of the following scenarios apply to your engagement with the Company;

- a) You are travelling in the performance of your duties
- b) You expect to work at multiple worksites for the same labour user

For travel expenses, you must also meet criteria that all expenses are incurred in the course of your attendance at a temporary workplace. Any other expenses must be incurred wholly, exclusively and necessarily in the performance of your duties of employment.

In order to ensure you are eligible to receive tax relief on expenses, we will require you to complete and return documentation which we can retain as evidence that demonstrates you are in fact eligible to claim expenses. We aim to make this documentation as simple and short as possible however it is important that you do take the time to complete what is asked of you honestly and accurately so that we can allow tax relief on your expenses, where appropriate.

You will be asked a series of questions to establish your eligibility to claim expenses for travel costs each time that you start a new assignment. You will be expected to re-confirm these details for each period of claim and will be responsible for advising the company if these details change as a consequence of a change of assignment, re-location or if food is provided by the labour user.

You are expected to adhere to these guidelines and behave with honesty and integrity when making a claim for business related expenses. If you are found to have not acted in accordance with the policies contained within this document, you may be subject to disciplinary procedures.

If you have a query in relation to expenses which are not covered within this policy, please contact the Office Manager who will be able to provide further guidance.

This edition is valid from July 2020 and the company reserves the right to make periodic changes to this policy as required. Any amendments will be circulated at the appropriate time.

Receipts

Receipts must be obtained to support each expense claim where the supplier can reasonably be expected to provide a receipt, detailing VAT as appropriate. You must provide these receipts with your claim.

Receipts must be supplied to support each and every expense on each claim form (other than mileage and subsistence), detailing VAT as appropriate.

For mileage you need to submit a receipt to demonstrate a purchase of fuel. The receipt must have VAT equivalent to at least 10% of the monetary value of your weekly mileage claim. These are examples of the receipt values that you need to supply;

Value Of Fuel Claim For The Week	Minimum VAT Amount Required on Receipt
£80	£8
£120	£12
£150	£15
£220	£22

The receipt needs to show the purchase of the type of fuel that your vehicle uses e.g. petrol or diesel as appropriate.

For subsistence you must obtain a receipt to prove that you have purchased a meal (food **and** drink) on each day that you claim for subsistence. The amount that you spend does not need to be equivalent to the amount of the benchmark scale rate (£5 or £10).

Credit card vouchers and statements, or photocopies alone are insufficient for the purposes of receipting.

Amounts incurred in foreign currency should be converted and claimed in British Pounds using the rate of exchange at the date the expenditure was incurred.

Approval and payment of claims

Expenses must be claimed using the Company's standard claim form/claim process. You can either complete a paper claim form or an electronic claim form via the worker portal which can be accessed via our website. You are required to sign a declaration on each expense claim submitted to confirm that the expenses have been incurred in the course of travel in the performance of your duties or travel to a temporary workplace or, for other expenses, incurred wholly, exclusively and necessarily in the course of your employment. Expense claims must be submitted by 12pm on Wednesday in order to be processed in the next pay.

You will be asked a series of questions to establish your eligibility to claim expenses for travel costs each time that you start a new assignment. You will be expected to re-confirm these details periodically and will be responsible for advising the Company if these details change as a consequence of a change of assignment, re-location or if food is provided by the labour user (Client).

The Company will undertake periodic reviews to ensure that expenses are claimed in accordance with this policy and that receipts are provided as required.

Any expenses claimed which do not satisfy the terms of this policy will be rejected.

Expenses which can be claimed

1. Mileage

You may claim a mileage allowance if you use your own vehicle for travelling in the course of your duties of employment or for travel to and from a temporary workplace (see detailed guidance at Appendix 1 for the definition of a temporary workplace).

Business mileage can be claimed at HM Revenue and Custom's Approved Mileage Rates. The current rates are as follows:

	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p
Passenger	5p	5p

Note that these rates are designed to cover fuel, servicing, insurance and all other running costs which must not be claimed in addition.

You may only use a private vehicle for business travel if you have fully comprehensive insurance cover which specifically includes use for business journeys. The Company may ask to see a copy of your insurance and MOT certificates and registration document.

The Company will check your mileage claims via a web based mileage calculator to check that the mileage claimed is reasonable. Therefore, it is essential that the information you provide is correct and that details of any changes in your circumstances are immediately provided to the Company e.g. you move house, your car is off the road and you use public transport etc.

2. Other Travel

Other travel costs such as bus, train, ferry, air, taxi or tube costs can be claimed where the mode of transport is the most appropriate and/or cost efficient and where the travel is for the performance of your duties of employment or for travel to a temporary workplace. Parking costs (but not fines), congestion charges and tolls can also be claimed. Please note that where an Oyster Card is used a claim will only be accepted when accompanied by a printout indicating the business journeys and their costs.

Where you purchase a season ticket only the proportion of the ticket cost which is used in respect of travel to a temporary workplace can be claimed. When submitting a claim for a season ticket cost please state if any proportion of the ticket was used for private travel. Receipts or tickets must always be provided with your claim.

Only the standard daily congestion charge can be reclaimed, provided it is incurred whilst travelling on company business. Additional penalty costs where the driver omitted to pay the standard charge will not be paid.

3. Subsistence

Daily subsistence (food and drink) expenses can be claimed when it is necessary to work away on company business, but only where the workplace is temporary. All subsistence claims must correspond to a business journey, whether or not a travel expense claim is made in relation to that business journey.

This means that an expense must be incurred on the day of travel and not in advance of the date of travel i.e. you cannot claim for items purchased as part of a shop on a different day such as items for a packed lunch.

Subsistence can be claimed at the following daily rates, where you have incurred the cost of meal(s) (food and drink) within the UK. Receipts must be provided for all subsistence claims, however, they do not need to equal the full amount of the below subsistence rates.

Minimum journey time	Maximum amount of meal allowance
5 hours	£5
10 hours	£10
15 hours (and ongoing at 8pm)	£25

Where a scale rate of £5 or £10 is paid and the qualifying journey in respect of which it is paid lasts beyond 8pm a supplementary rate of £10 can be paid to cover the additional expenses necessarily incurred as a result of working late. You must provide a receipt to demonstrate that you have incurred an expense on food and drink on each day that you claim a subsistence scale rate when asked to do so.

4. Overnight accommodation and Personal Incidental Expenses

Where you are working at a temporary workplace which necessitates your staying away from home, you may claim reasonable costs associated with accommodation. Receipts must be provided showing the full name, address, telephone number and VAT number of the provider.

Where you are required to stay overnight on business you may also claim an incidental overnight expense allowance of £5 per night for overnight stays within the UK and £10 per night for overnight stays outside the UK. Receipts are not required.

The reasonable cost of additional meals incurred in conjunction with hotel or B&B accommodation can be claimed as an expense. If breakfast and/or dinner is not included on the accommodation bill, you can claim the receipted costs for these meals.

5. Tools and equipment

You may claim the cost of small tools and equipment used solely for your work.

6. Safety wear and uniforms

Where your duties are such that you are required to wear protective clothing or safety wear such as high visibility jackets, overalls, steel capped boots etc., the costs can be claimed.

If your protective clothing or company provided uniform needs to be laundered, you may claim tax relief on the costs associated with laundry direct from HMRC by asking them to pay the allowance via your tax code.

7. Telephone

If you make business calls using your home or mobile telephone you are entitled to claim the actual cost of such calls. You must attach to your claim, the original telephone bill with business calls highlighted. The Company will not allow for the cost of any part of the

line rental of a home telephone, the costs of any private (non-business) calls, mobile phone top ups or mobile phone contracts.

The Company will undertake periodic checks to ensure that you are claiming reimbursement for business calls only. Employees or deemed employees should keep adequate details of business calls to allow the Company to check on the accuracy of claims made.

8. Training Costs

The Company will allow claims for training costs which are necessary for the performance of your duties. This includes not only direct job related training but also training in health and safety and to develop leadership skills. This is part of a tax exemption which also includes learning materials, exam and registration fees. Travelling and associated subsistence incurred whilst attending the course can also be claimed. You must obtain authorisation before incurring the expense.

9. VDU Eye Test (for display screen equipment users)

Where you are required to use a VDU as part of your normal duties the Company will allow the cost of an annual eye test. Where it is found that you require glasses or contact lenses solely for VDU use the cost of these may also be claimed. Where you require glasses for general use but they contain a special prescription for VDU use a proportion (*not greater than 50% of the total cost*) of the cost may be claimed.

10. Professional subscriptions

The Company will allow claims for the cost of annual subscriptions or fees to certain professional bodies where the Company considers that membership of the organisation in question will enhance your effectiveness in performing your duties, or where it is a requirement of the profession that you are a member of in order to perform the duties of the employment.

The professional body must be included on HM Revenue and Custom's approved list which can be found at <http://www.hmrc.gov.uk/list3/index.htm>

Expenses Which Cannot be Claimed:

- expenses incurred in travel to a permanent workplace;
- expenses incurred on a non-working day;
- expenses that were not incurred by yourself;
- expenses in respect of travel to a workplace where you know you will work for a total period in excess of 24 months;
- you cannot claim any travel expenses if you walk to work or if you are given a lift by somebody else;
- you cannot claim a subsistence allowance unless you have purchased some food and drink during the course of your travel to work or during the working day;

- you cannot claim for the cost of food items purchased as part of a weekly shop;
- you cannot claim for the cost of food items which you take to work as a packed lunch if you purchased them outside the period of travel to work and returning home;
- you cannot claim expenses if you know, or become aware, that this will be your last assignment for Quickstep Contracting Services Limited or the end user you are working for;
- other than travel costs, you cannot claim for any items which are not wholly, exclusively and necessarily used in the course of your work e.g. you cannot claim for items which have a dual purpose such as clothing that you can wear outside work; and
- you must not report expenses that you have already claimed via the Company on your tax return should you be required to submit one.

Appendix 1

Temporary workplaces

If you attend a workplace for a limited period of time or for a temporary purpose, subject to meeting certain criteria, your workplace can be defined as a temporary workplace. For the purpose of this definition “workplace” is the relevant workplace of the end hirer that you are currently on assignment with.

To be classed as working at a temporary workplace all of the following must apply:

- during your assignment with the same end hirer, you expect to move to other site locations following this one;
- this will not be your last assignment for Quickstep Contracting Services Limited or the last workplace that you are deployed to during this engagement;
- you are happy to move to a variety of geographical locations; and
- you do not expect to be at your current workplace for a period longer than 24 months.

The legislation concerning the definition of a temporary workplace is very complex and so, we will discuss this with you when you start each assignment to check that you can qualify for Income Tax and National Insurance relief on your expenses. If you are working at a permanent workplace you cannot claim tax free travel and subsistence expenses. As soon as you know that a temporary assignment will be reclassified as a permanent assignment you will be treated as working at a permanent workplace and so, you will no longer be entitled to claim expenses.

Change in Workplace

When you move to a new assignment location Quickstep Contracting Services Limited will need to consider if you still qualify for tax relief on your travel expenses. You are required to make a declaration of your expectations regarding the workplace each time you submit a claim to expenses. In addition, Quickstep Contracting Services Limited will establish if the move to the new location has had a significant effect upon your journey or the cost of travel. They may need to call you to discuss this further.

If you change assignment location, but this does not significantly alter the length or cost of your journey, the change of location would be ignored and the 24 months would continue to accumulate based on your start date at the original workplace.