

As a Sterling Umbrella employee you have an overarching contract which allows your various assignments to be treated as temporary work places. This is on the provision that it is your intention to undertake various assignments for the company.

If it is your intention to do a single assignment or your intentions change on a future assignment, the work place will be deemed as permanent and no expenses for travel and subsistence can be claimed. From April 2016 further legislation regarding Supervision, Direction and Control (SDC) was introduced so that all contractors must pass a further assessment to determine whether they are eligible to claim expenses.

What can be claimed?

Through Sterling Umbrella, employees who have passed SDC checks can claim back expenses related to mileage, travel, accommodation, subsistence, professional courses, tools, business related phone calls and protective/safety wear that are incurred wholly, exclusively and necessarily in the performance of duties on assignments when working at a temporary workplace.

A temporary workplace is deemed as a place where an employee carries out a short term assignment lasting less than 24 months on one site. An employee's workplace will be deemed as a permanent workplace if they work or anticipate working at the same site continuously for more than 24 months, or intend to spend more than 40% of their time here. A change in workplace is also only warranted if the workplace is more than 10 miles apart.

Submitting expenses

In order for expenses to be processed with your wage each week your expense claim and receipts will need to be submitted online at least 48 hours prior to your payment being processed. The easiest way to do this is via our mobile app which can be downloaded via the app store or Google Play. You can also submit via our website www.thesterlinggroup.co.uk/portal or alternatively, a completed paper expense form with original VAT receipts can be sent by post to Sterling Umbrella. If you require paper expense forms, please contact Sterling and these will be posted out to you or they can be downloaded from our website.

Required receipts

Sterling Umbrella requires sight of the original VAT receipts that detail the goods/services purchased to ensure that every claim an employee makes is legitimate. Credit/debit card statements or receipts cannot be accepted.

How much can be claimed in expenses?

There is no limit to what business related expenses can be claimed provided that the expenses were incurred during employment with Sterling Umbrella and relevant VAT receipts are submitted as supporting evidence. If your claim exceeds what we can process the rest will accumulate and be processed to you with subsequent payments.

Processing claims

To ensure that claims are processed quickly and accurately employees must;

- Complete all relevant sections on the expense form.
- Include copies of original VAT receipts for all items if claiming online and original receipts if claiming by post. Address, landline telephone number and the dates of the stay for any accommodation claims, we cannot authorise a claim without this information.
- Complete all details on the mileage section (e.g. car details, destination postcodes, dates of journey, worksite and fuel type), if applicable.
- Sign and date the declaration if claiming by post.
- Ensure online claims are completed 48 hours prior to payday, or post the forms to reach Sterling Umbrella 48 hours prior to payday. Expense forms that arrive later than required may not be processed for payment until the following week.

What can be claimed?

The expenses list below can be claimed when working at a temporary workplace.

Mileage

Mileage between a workplace and home or lodgings can be claimed on various types of transport including any motor vehicle and bicycle.	Miles Travelled	
	0 - 10,000	10,001+
MOTOR VEHICLE	45p per mile	25p per mile
MOTOR CYCLE	24p per mile	24p per mile
BICYCLE	20p per mile	20p per mile

Mileage allowance for cars and vans is paid at a higher rate for the first 10,000 miles travelled and at a lower rate above 10,000 miles. This is currently 45p per mile and 25p per mile.

Mileage claims: receipts required (as from 1 June 2019)

To claim for mileage original VAT fuel receipts must be provided and be sufficient to validate the number of miles claimed. See below for guidance on mileage claims.

ENGINE SIZE	PETROL	LPG	ENGINE SIZE	DIESEL
1400cc or less	12p	8p	1600cc or less	10p
1401 to 2000cc	15p	9p	1601 to 2000cc	12p
2000cc +	22p	14p	2000cc +	14p

For example; if claiming for 100 miles in a 1400cc petrol car, the required VAT petrol receipt would be at least £12.00.

A 1600cc LPG vehicle would require a VAT fuel receipt for £9.00 per 100 miles claimed.

For a 3000cc diesel car, a VAT receipt would be required for £14.00 for every 100 miles claimed.

Petrol hybrid vehicles will be treated as a petrol vehicle for mileage claims.

Advisory Electricity Rate

The Advisory Electricity Rate for fully electric cars is 4 pence per mile. Electricity is not a fuel for car fuel benefit purposes.

Please refer to the Fuel Calculator on www.thesterlinggroup.co.uk to calculate the value needed in VAT receipts to cover a mileage claim. Sterling Umbrella use route planning software to calculate the miles to be processed, should you have made a diversion please call our Customer Service team on 01925 626 200 to discuss this further.

HMRC usually review mileage rates quarterly in any one year. These will be updated on the Sterling website accordingly.

Fuel cards can not be accepted.

Hire vehicles will be paid at the above fuel rate.

Further transport costs

Expenses for other transport costs to get to and from a temporary workplace, or travel during the working day, can be claimed. These include ferry costs, bus tickets, taxi fares, train and tube tickets, parking costs, plane tickets, toll charges and congestion charges. Original receipts must be submitted for these expenses to be processed.

Accommodation

Accommodation expenses incurred when working away from a main residence can be claimed. This includes short term accommodation in hotels, B&B's or lodgings. For these a VAT receipt needs to be supplied that details the dates of the stay plus the name, address and the landline telephone number of the establishment. For long term accommodation we would require a tenancy agreement and proof of home address.

Meals

When staying away from home overnight for work purposes, the cost of an evening meal and non-alcoholic refreshments can be claimed. Full receipts must be provided to substantiate any claims.

Personal incidental expenses

When working away from home £5 per night is allowable to cover incidental expenses e.g. newspapers, laundry and home telephone calls. If working outside the UK this allowance is £10 per night. These will automatically be added to your accommodation claim.

Subsistence

For food and non-alcoholic drink costs consumed within the working day. (Food must be a meal - a sandwich and drink for example, general food shopping cannot be claimed for and the cost must be incurred that day.)

There are two options available:

1. The 5 hour rate

If away from home, or normal place of work, for at least 5 hours and in that time you have incurred a cost for a meal.

Example: Work starts at 8am and finishes at Midday at which point lunch is purchased. It takes 1 hour in total to travel to and from work. Total time away from home is 6 hours. A rate of £5 may be claimed.

2. The 10 hour rate

If away from home for at least 10 hours in any given 24 hours and in that time you have incurred a cost for meals.

Example: Work starts at 9am, lunch is purchased and work finishes at 6pm. It takes 2 hours in total to travel to and from work. Total time away from home is 11 hours. A rate of £10 may be claimed.

Please note, since the legislation changes in April 2019 receipts for subsistence to support your claim are no longer required.

Tools

Expenses can be claimed for tools purchased as long as the tools are of an industrial nature and are used solely for work. As these costs are likely to vary we would advise you to claim these on a P87 form via the HMRC.

Protective and safety wear

Expenses related to Personal Protective Equipment (PPE) such as safety boots, safety hats and visibility jackets can be claimed for. As these costs are likely to vary we would advise you to claim these on a P87 form via the HMRC.

Professional fees and courses

Any courses attended may be claimed. The course must be attended during employment with Sterling Umbrella. Some fees and subscriptions for professional bodies are allowable as business related expenses. As these costs are likely to vary we would advise you to claim these on a P87 form via the HMRC.

See <http://www.hmrc.gov.uk/list3/list3.htm> for a list of those allowable.

Mobile phone calls

Employees are able to claim for calls made from a mobile phone for work purposes. In order to make a claim, itemised business calls outside of your call package allowance should be highlighted and the original bill (not a photocopy) should be sent to Sterling Umbrella. Unfortunately calls made from Pay as You Go mobiles cannot be claimed. The cost of line rental or the handset is not an allowable expense. As these costs are likely to vary we would advise you to claim these on a P87 form via the HMRC.

Other expenses

If any clarification is required regarding what other type of business related expenses can be claimed contact Sterling Umbrella on 01925 626200.

Supervision, Direction and Control (SDC) options

If you pass our assessment and are eligible to claim business related expenses you will be offered two ways to have these processed.

1. Mileage Only - (This is the default option)

Your mileage will be paid at the relevant rate and validated against VAT fuel receipts submitted. There is no limit to what can be claimed as long as all mileage is work related. All non mileage expenses can be claimed on a P87.

2. Fixed Rate

Any non mileage business related expenses that are not variable and will be claimed each week can be set up as a fixed reserve which expenses can be paid out against.

If you decide that this option is more suitable to your circumstances please contact our office to discuss further.

Please Note : Your chosen expense route has to be set up at the start of each new engagement and cannot be changed until a new assignment begins.