

# Expenses Policy

## Introduction

During your employment with Parasol Limited you may incur expenses whilst working on assignments. For the purposes of this Policy, there are two categories of expense claims: those that the end client or recruitment business have agreed to reimburse ("Client Billable Expenses") and mileage that is reimbursed by Parasol as described below ("Parasol Mileage").

All expense claims, whether reimbursed by the end client or paid by Parasol, will be subject to the same HMRC guidelines and are covered under this policy accordingly.

This Policy provides guidelines on claiming these expenses and outlines your obligations.

You cannot claim for any expenses that you incurred before you became a Parasol employee or following the termination of your employment. All expenses must be approved and reimbursed prior to the termination of your employment with Parasol; no expenses will be reimbursed after your final salary payment. Expense claims incurred while on an assignment must be submitted to Parasol within 4 weeks of the expense being incurred and/or prior to the end of that same assignment.

Please note that it is not our policy for Parasol to reimburse working from home expenses and costs, including office equipment or costs relating to office space.

For the avoidance of doubt, you are not able to claim for travelling to and from a normal place of work.

In line with HMRC legislation, Parasol will require evidence of any expenditure incurred that you wish to claim for. You are, therefore, required to upload scans or photos of VAT receipts for all expenses being claimed, including mileage and attach them to your claim through MyParasol. Where we believe it is necessary to do so, Parasol reserves the right to request that you provide further supporting documentation to support your claims. Failure to provide this information may delay the claim process.

It is the policy of Parasol to only pay travel and subsistence expenditure that relates to travel to temporary workplaces, such as ad hoc journeys or those undertaken by Mobile Workers, who have no fixed place of work. All other Commute Expenditure will be subject to tax and NI deductions

## 1 Client Billable Expenses

The recruitment business or end client may agree to pay for certain expenses you incur. We refer to these as "Client Billable Expenses".

Before you submit any Client Billable Expense claims, you should have written confirmation from the recruitment business or end client that they will reimburse specific types of expense claims to Parasol.

Client Billable Expenses are subject to the same HMRC rules and regulations as any other expense claim; this includes adherence to Section 2, Allowable Claims. Claims relating to Commute Expenses (please see definition in Section 2, Allowable Claims) are not allowable where the workplace would not be considered a temporary workplace and you are not determined as a Mobile Worker.

If the expense is not allowable, the Client Billable Expense will be treated as Parasol's income and distributed to you in accordance with your employment contract. Parasol's decision on this matter will be final

## 2 Parasol Mileage

Only qualifying Parasol Mileage expenses can be reimbursed by Parasol without deductions for tax and National Insurance Contributions (NICs) in accordance with this Policy. The monetary value of the expense is paid to you from the invoice value Parasol receives for the services Parasol provides in supplying you to work for our clients. You may be required to supply milometer images to evidence your mileage, as well as fuel VAT receipts, therefore, we recommend each week, you record your milometer mileage via image at the start and end of the week.

Where a mileage claim does not meet our policy criteria, Parasol will not reimburse these to you, however, you will have the option to claim mileage through HMRC directly through the P87 process or, where applicable, through your Self Assessment tax return.

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Parasol Limited

Company number: 03940716

Registered office: 840 Ibis Court,  
Centre Park, Warrington, Cheshire, WA1 1RL  
(Registered in England and Wales).

### 3 Allowable Claims

The types of expenses that can be claimed and paid to you without deduction of tax and NICs must be in accordance with HMRC rules, regulations and this Policy. All expenses must have been incurred by you wholly, exclusively and necessarily in the performance of your duties as a Mobile Worker whilst a Parasol employee, or while travelling on a journey which qualifies as an ad hoc one to your usual place of work. You are not able to claim any expenses relating to travel to and from your usual place of work

In addition, you cannot submit any claims in respect of Commute Expenses if:

- Your first assignment with Parasol is the only assignment you expect to complete as a Parasol employee; or
- You believe your current assignment is the last assignment you will perform for Parasol; or
- You have worked or know you will be working for 24 months or more at the same workplace; or
- You have spent, or are likely to spend, 40% or more of your working time at a workplace(s) over a period that lasts, or is likely to last, more than 24 months; or
- For any other reason the workplace is not considered a temporary workplace; or
- You do not hold the appropriate license(s) and insurance(s) that covers business use to drive any vehicle, as applicable.

**Mileage Rates** - Business mileage in cars, vans, motorcycles or bicycles.

| <i>If you qualify you may claim the following mileage rates:</i> | <b>First 10,000 miles per tax year</b> | <b>Mileage over 1,000 miles per tax year</b> |
|--|--|--|
| Cars & Vans  | 45p per mile                           | 25p per mile                                 |
| Motorbike  | 24p per mile                           | 24 per mile                                  |
| Cycle  | 20p per mile                           | 20 per mile                                  |

*If a Client re-imburses Mileage in excess of these rates, then the excess will be subject to payroll deductions in line with HMRC.*

## 4 Processing Claims

### How to claim

Claims for all expenses must be claimed online via My Parasol

#### 4.1 Uploading receipts to MyParasol

As your employer, Parasol is required by HMRC to keep evidence of all expenditure which has been reimbursed to, or paid without tax and NI deductions, to its employees. It is our policy to therefore refuse such payment without a valid supporting receipt. In respect of all expenses, you can upload pictures or scanned versions of your receipts to MyParasol.

#### 4.2 Itemised Receipts

All receipts must be itemised and include the time and date of the purchase, description of item bought and the total cost of the transaction. We do not accept credit or debit card receipts, or bank/credit card statements, as they are not deemed by HMRC to be reasonable evidence of items purchased. Sending these documents as evidence may delay the approval of your claim.

#### 4.3 Additional information regarding Client Billable Expenses

Parasol must have received payment from the recruitment business or end client and we require an original, photocopied or scanned copy of the receipt. (The receipt must be a VAT receipt if the item you are claiming for has a VAT element).

## 5 When and how much will I be paid?

In accordance with this Policy, qualifying Mileage claims will be approved and paid to you free from deductions of tax and NI at the same time as your normal weekly or monthly pay. Parasol will only reimburse Mileage up to the value that may be paid from the total invoice value Parasol receives from the recruitment business or end client in respect of your services, after payment of all Parasol's employment costs and the payment to you of National Minimum Wage (or National Living Wage as applicable) and holiday pay.

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Parasol reserves the right to refuse any claims that, in Parasol's reasonable opinion:

- Do not comply with this Policy;
- Do not meet Parasol's internal audit requirements;
- Are in breach or not within the spirit of any HMRC regulations or guidance;
- Are deemed unreasonable.

If you submit any Client Billable Expense claims which the recruitment business and/or end client has not agreed to pay, and Parasol reimburse you for that expense, Parasol reserves the right to recover the amount reimbursed to you in accordance with the overpayment provisions contained within your Contract of Employment.

## **6 Right of Audit**

We may ask you for further information about a new or previously approved claim. If we ask for a receipt or further information, you must provide it to Parasol within 14 days.

While we are reviewing your expense claim(s), we may prevent you from submitting further claims. However, provided that the audit does not reveal any discrepancies with your claims, Parasol will permit you to submit backdated claims in relation to the period when the expense block was in place. Parasol cannot guarantee that those backdated claims will be approved. In any event you can submit a P87 to HMRC.

Parasol reserves the right to apply a block which would temporarily suspend payment of pay to you.

If you do not provide any further information in response to our request, we reserve the right to recover the expenses that we, or the recruitment business or end client, have reimbursed by deducting the amount from any future pay.

If we do not consider the further information you supply to be sufficient or satisfactory, or for any other reason we do not consider the expense claim allowable, we reserve the right to reverse our approval for that claim(s) and recover the expenses that we have reimbursed by deducting the amount from any future pay.

Further, we reserve the right to take disciplinary action against you if we have reasonable grounds to doubt the validity of your expense claim(s). In serious cases disciplinary action may result in summary dismissal on the grounds of gross misconduct, without pay or pay in lieu of notice.

This clause relates to expense claims made in the last tax year and in the current tax year.

You can use a P87 form to make a claim at any point in the tax year for tax relief on allowable expenses that have not been reimbursed by Parasol as long as the value of your claim/s is no more than £2,500. If it is, you'll need to submit your claim via your Self-Assessment Tax Return at the end of the tax year.

## **7 Fraudulent claims**

In addition to Parasol's right to audit expenses in accordance with clause 7, Parasol has a duty to report any fraudulent claims submitted to HMRC and the Police.

## **8 Changes to this Policy**

This Policy is non-contractual. Parasol reserves the right to make amendments to it from time to time. The current version of this Policy is available on MyParasol under the 'My Details' tab. It is your responsibility to familiarise yourself with the current version of the Policy.

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