PCG (QU) consultant information

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

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1. Introduction

This document details how the Quality Umbrella Company service operates.

Please take the time to read it so you will get the utmost benefit from the service that we provide.

If you have any questions on this guide, the service in general or would like to suggest improvements, then please email Consultant Support at members@parasolplc.co.uk or telephone on 0870 744 3908.

This product is not only a safe and secure payroll solution which is designed to meet the needs of the majority of professional contractors it also includes some extra benefits these are[1]:

- Inclusive PCG Standard Membership (excluding Professional Expenses Insurance):
- A Personal Legal Expenses Insurance Policy covering:
  - Consumer Disputes (a £250 minimum sum in dispute)
  - Property Disputes
  - Criminal Prosecution
  - Personal Injury
  - Employment Cover
  - Jury Service Cover
- One free ParasolTraining online Training course per calendar year
- 25% discount on BUPA healthcare and other BUPA products

2. Overview

This section gives a general overview of how our service operates.

Basically our service is split into the following areas:

- Registration and Contracts
- Using the website members area
- Timesheets and Invoicing
- Expenses
- Payroll
- Other general details

These areas are detailed in full in subsequent sections. For those who require a very quick overview of how the service works, and in particular, how you will be paid please read the following sections:

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[1] after qualifying period

2.1 How do I get paid overview

This brief overview assumes you have fully registered for the service and are familiar with the website members' area. If you are not, then please refer to the relevant sections in this document that provide greater detail.

To start the payment process you must do the following at the end of the week, fortnight or month (depending on what invoicing frequency you have agreed with your agency):

- In order to get paid by The Quality Umbrella you must enter you timesheet details on the Parasol Plc website – to log in go to www.parasolit.co.uk/pcgqualityumbrella
- You must enter timesheets on our website for all hours worked including any overtime or on call hours – these hours must be entered in line with your agencies payment processing deadlines – for example if your agency is going to pay for work done in a calendar month please enter 1 timesheet per calendar month which covers their payment periods (if you are unsure about payment period you need to refer back to your contract as this information is stated in this area)
- Complete your agency timesheet and get it signed by an authorised signatory at the client.
- Forward your signed timesheet to your agency (via post or fax – your agency will indicate to you their preferred method).
- If you do not work through a self-billing agency then an invoice will be raised and sent to your agency in line with our Service Charter. Your agency/client will then make payment to us based on this information
- If you work through a self-billing agency an invoice will not be raised – your agency will pay us based on the timesheet information you supply to them.
- Once your agency have paid us and sent us remittance information in an agreed form and the payment we have received matches the timesheet details you have entered on our website then we will pay you via CHAPS

NOTE

Any errors in inputting timesheets will invalidate our Service Charter and may delay payments.

The Quality Umbrella will not accept responsibility for late or incorrect payments caused by errors beyond our control.

2.2 Is that all I do?

Basically yes!

The only other work that you have to do is if you want to claim for Schedule E expenses that you have incurred wholly and exclusively in performing your business duties. Any expenses claims will be used to reduce your tax and NI deductions once they have been checked and verified.

Expenses can only be claimed on a calendar month basis.

Refer to our Expenses section for details on claiming Schedule E expenses.

2.3 Are there any common problems I should try to avoid?

Yes. The most common problems are:

- The time details you enter via the website do not match the details on your signed timesheet
- You forget to enter your time details via the website
- You do not completely confirm the timesheet details on the website – you will get an e-mail upon successful entry of your hours on the website.
- You enter days on your timesheet when you need to invoice in hours and vice versa
- You forget to send in your signed timesheet to your agency
- You have not entered your bank details via the website members area so we cannot pay you

If any of the problems detailed above, or any similar problems, occur then your payment will be DELAYED. We cannot pay you until we receive the money from the agency; the agency will generally not pay us until they receive your paper timesheet and our invoice; and we cannot pay you if you do not tell us your bank details.

3. Service details

3.1 Registration and contracts

This section details the initial registration process and what we do when we receive a new or renewal contract on your behalf.

3.2 Initial registration

If you have not already done so you can register for our service by visiting the Join page on our website at www.parasolit.co.uk/pcgqualityumbrella

Alternatively you can telephone us on 0800 583 6000 and we will enter the details on your behalf.

The registration process requires some basic details, such as your email address, name, address and postcode, before your registration can proceed. Additional details, such as your bank account, can also be entered or left to later when your registration is complete. If you do leave out the bank details please remember to update them afterwards as obviously we won't be able to pay you without them.

3.2.1 Registration starter pack

When you have entered your initial registration details you will automatically receive the following emails:

3.2.2 Userid confirmation

This details the userid you entered, and that you will continue to use, to access our website for the on-going running of the service. This email should be saved in a secure place for future reference in case you forget your userid.

3.2.2.1 Password confirmation

This details the password you entered, and that you will continue to use, to access our website for the on-going running of the service. This email should be saved in a secure place for future reference in case you forget your password.

3.2.2.2 Terms and conditions

This is the contract of employment between Parasol and you. You must read this, and if the terms are acceptable, print it off, sign it and return it to us by post or fax. We cannot act on your behalf until we receive this signed document.

3.2.2.3 What to do next checklist

This details the actions that you must do to complete your registration.

3.2.2.4 Important identity check requirement

As part of the Checklist (also called Starter Pack email) there is a specific requirement for you to provide us with information relating to your identity. This is a UK government legal requirement and we are legally bound to ask for this. The details are as follows:

"You must be entitled to live and work in the UK to use the Parasol service and be over 16 years of age. The UK government (Home Office) place strict guidelines on employers checking an individual's identity and as a result we do require the following information to activate your account:

Any ONE item from the following list can be used to prove identity:

List 1

- A British Citizen passport
- A national passport or national identity card from EEU member country or Switzerland.
- A Home Office issued residence permit for a EEU or Swiss national.
- A passport or other travel document endorsed by the Home Office stating that the holder can stay in the UK because a family member is an EEU or Swiss national.
- A Home Office issued Application Card to an asylum seeker stating that they are entitled to look for employment.
- Once we have a copy of one of the above there is no need for further checks.

If a person cannot supply an item from the above list then the following COMBINATION of documents is required:

List 2

- A document giving the persons permanent NI number e.g. P45, P60, NI Card or a letter with NI number on from a government department.

  In ADDITION we ALSO need the following:
- UK issued birth certificate with both parents names stated
- A birth certificate issued in the Isle of Man or Ireland

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OR

- A certificate of naturalisation or registration stating that the holder is a British Citizen

OR

- Immigration document or letter issued by the Home Office that the person can stay indefinitely in the UK or has no time limit on stay or that they are permitted to do the work offered.

There is also a second combination of documents that we can ask for IF the above cannot be supplied from List 2. We cannot and must not receive a combination from Lists; it has to be as per the above and below rules:

List 3

- A Work Permits UK issued work permit or similar document that allows holder to take employment. Please note Parasol Ltd does not sponsor work permits.

In ADDITION we ALSO need the following:

- An endorsed passport showing that the holder is entitled to stay in the UK and take the work permit employment offered.

OR

- A Home Office issued letter stating that the holder can stay in the UK and take the work permit employment in question.

The Home Office link at www.ind.homeoffice.gov.uk/lawandpolicy/preventingillegalworking reiterates these requirements for employers.

3.2.3 Completion of your registration

We will complete your registration when we have received all of the following:

- The return of your signed Terms & Conditions form
- A copy of your proof of ID to work in the UK
- Online authorisation from you confirming the contract we have for you is acceptable

When we receive the contract documentation from the agency we will email you a summary detailing the main terms of the contract (e.g. Client name, Start and End Date, Standard Hours, Rate, Overtime Rate and Notice Period) whilst also asking that you accept the contract details online.

We will not proceed with your registration until you have authorised us to sign the contract on your behalf.

Once your Terms & Conditions and Proof of ID have been received and you have accepted the contract terms online, we will activate your registration giving you full access to our website whilst also returning the signed contracts to your agency.

Once you are activated your registration is complete and you have full access to our service and our website members' area.

Although to use our service this is all we require, in order to pay you using your correct tax allowance we require either a P45 or P46 form. The P45, which should be issued by your previous employer, details your earnings and deductions from that employment. In the absence of a P45 you can complete a P46 form, which we will send to you on request, which we can then use to get your correct tax code. If you require a P46 form please email Consultant Support.

In the meantime you will be taxed on an emergency tax code but any overpayment of tax will be refunded if due once a correct code is received from the Revenue. Please note that we cannot control how long it takes for the Revenue to process for a correct tax code.

3.2.4 New contracts and contract renewals

When we receive a new or a renewed contract from an agency we will email you again requesting that you accept the contract details online.

Once accepted we will sign and return the details to your agency.

If we do not receive authorisation we will not process the contract.

3.3 Using the website Members Area

The website members' area is the focal point of our service. You use this area to view and modify your user details (email address, telephone number, address etc…) and to enter your timesheet details.

3.3.1 Logging on

The Members Area Log on page can be found by selecting the Consultants link from our main website (www.parasolit.co.uk/pcgqualityumbrella) or entering your username and password in the appropriate fields in the Consultants Area on the main website and clicking the Login box.

To log on, you will require your userid and password that you used when registering for our service.

3.3.2 Forgotten your userid?

If you have forgotten your userid refer to the Userid Confirmation email sent to you when you first registered. If you cannot find the email then contact Consultant Support.

3.3.3 Forgotten your password?

If you have forgotten your password refer to the Password Confirmation email sent to you when you first registered. If you cannot find the email then you can obtain a new password by selecting the "**receive another new password here**" link on the Members Area Log on page. This will prompt you for your userid before emailing you a new password to your designated email address. If you have a problem obtaining a new password then contact Consultant Support.

3.3.4 Getting the logon page to remember your userid and password

You can get the Members Area Log on page to remember your userid and password by entering your userid and password and then selecting the **"Remember the information above for your next login"** box. If you do this successfully then whenever you log on using the same PC your userid and password will automatically be pre-filled. Please note that for security reasons you must ensure that access to your PC is limited to only yourself before using this facility.

3.3.5 Logging straight into the Timesheet Add facility

By default when you logon the main menu will be displayed. If the majority of times that you use the members' area you want to go straight to the Timesheet Add page then you can select the **"Log on straight to the timesheet form"** box on the Members Area Log on page. If you do this successfully then whenever you logon using the same PC you will skip the main menu and the Timesheet Add page will be displayed.

3.3.6 Online contract authorisation

What is it?

Online Contract Authorisation is a system introduced to make contract authorisation quicker and more efficient for you, the contractor. Any new contracts or extensions to existing contracts will now be confirmed online and not via email.

What do I need to do?

You will receive an email, when we have entered a contract on to our system, requesting that you log on to the Members Area and authorise your contract.

Please be aware that contracts may take up to 15 minutes before they are made available for authorisation online.


Parasol IT Members' Area - Welcome

Welcome to the Parasol IT Members' Area. To continue please select an option from the top, or the bottom, of the page.

Contracts To Be Confirmed By You
(Please select contract(s) below to confirm)

1. Parasol PLC 01-Nov-2005 to 01-Nov-2006

Select the contract link (in this case, Parasol Europe) to view the details of the contract as below:

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

Your Contracts - Confirm

Please review the contract details below. If you agree with the details click the **Confirm Contract** button. If you do not agree with the contract details click the **Reject** button and provide a comment as to the reason.

Client	Parasol Europe
Agent name	Realtime Computing Ltd
Contract reference number	Ref 1231
Revision	00
Start date of contract	24-Mar-2006
End date of contract	24-Mar-2006
Notice period	14 Days by either party
Self billing	No

Contract Rates:

Standard rate	£10.00
Standard rate (Units)	Hours
Standard overtime	£15.00
Standard overtime (Units)	Hours
Weekend rate	£25.00
Weekend rate (Units)	Hours
Callout - general	£50.00
Callout - general (Units)	Hours

When authorising a contract, we will be asking some questions regarding the nature of your work - this is to ensure our Professional Indemnity Insurances fully covers you. You will see this underneath the details of the contract.

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

How do I confirm or reject the contract?

If you are satisfied with the details of the contract, complete all fields and select Confirm Contract. If the nature of you contract involves certain industries, we will require additional information to be captured during contract acceptance. If this is the case you will be asked to complete further details as listed below. Please answer all questions honestly and with as much detail as possible.

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

Your Contracts - Referral Screen

It is not within our Parasol plc's underwriting philosophy to normally accept your selected industry without further information;

Please complete the following questions;

1. Do you work as part of a team or does your work involve the input of those you work for?

2. Are you responsible or do you provide advice in relation to; full project implementation, mission critical systems, internet service provisions?

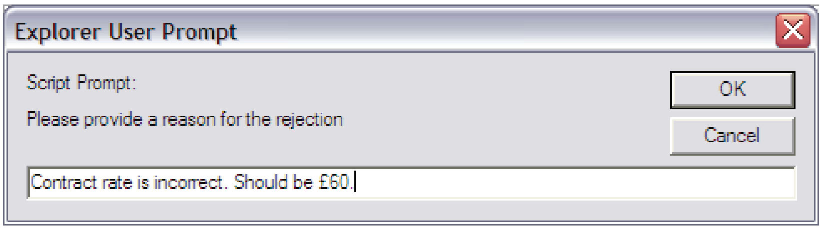
3. Could any failure in the work or testing you conduct cause any operational failures to the clients business?

4. If so how significant could these be in your opinion?

☐ In order to proceed you must select this box - by checking this you are confirming that the details you have supplied are accurate and correct. If the information you have provided on this form is not 100% accurate this may result in Parasol's Insurers not being able to accept future claims and you may be found personally liable.

Confirm Contract | Reset

You may also reject the contract by selecting Reject and completing the rejected reason as below.



The rejected reason will be sent to Parasol. After we have investigated the rejection reason contract may become updated. When this takes place you will receive a new email informing you to log on to the Members Area and confirm the revised contract as detailed above.

3.3.7 Amending your password

You can amend your password by selecting the **"Change Password"** option from the main menu. To successfully amend it you need to enter your current password and then enter your new password twice. When the password is changed successfully all subsequent logons will require this new password.

Passwords need to be between 5 and 8 characters long. You will be prompted if the new password you enter fails the validation checking process.

3.3.8 Amending your user details

You can amend your user details (e.g. your email address, contact telephone number, address, etc…) by selecting the **"User Details"** option on the main menu followed by the **"Modify"** option when the user details are displayed.

This will take you straight into the amend function and you can amend your details accordingly. When you have completed your changes you need to select the **"Modify Record"** button to commit the changes.

When modifying your bank details please ensure you modify both the BACS and the CHAPS details as the CHAPS details are not automatically updated when you update your BACS details

Any changes to your email address, address and bank details are automatically filtered down into all the systems we use to facilitate our service to you. Consequently you must take the utmost caution when amending these details (e.g. entering an invalid email address will result in us sending all your invoices and payslips to the wrong email address, an invalid address will mean any posted correspondence like your P60 form will not reach you and, most importantly, an invalid bank account will mean someone else may get your money!).

3.4 Timesheet and invoicing

This section details the entering of timesheet data via our website members' area to initiate invoices to the agency or direct client.

If you work for an agency in the S3 Group (Computer Futures, Progressive, Pathway) and enter timesheets using their online portal you will not need to enter the timesheet details on our website.

Please check with Consultant Support if you are unsure whether your agency is part of the S3 Group.

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3.4.1 When do I enter my timesheet details?

Your timesheet details should be entered at the end of your invoicing period. Your invoicing period is determined by the agency but is normally weekly, fortnightly or monthly. You must have also ensured that the payment option you have selected with us matches your invoicing period (i.e. if you are paid weekly or fortnightly then you must use our weekly service and if you are paid monthly then you must use our monthly service). This frequency is often determined by the Agency so your initial selection when registering may change to fit with an Agency payment cycle.

3.4.2 Where do I enter my timesheet details?

Your timesheet details should be entered via the Timesheet Add facility on the website members' area.

When you enter the Timesheet Add option a list of your contracts, both current and historical, will be displayed for selection. Select the appropriate contract that you want to enter your time against. Please take care in selecting the right contract. For those consultants with just one contract the contract selection screen will not be displayed.

3.4.3 How do I enter my timesheet details?

After selecting the appropriate contract (Refer to the Where do I enter my timesheet details section) the Add a New Timesheet page is displayed. Before continuing check that the contract displayed at the top is the one that you want to enter time against.

You can select a start and end date for your timesheet entry by clicking on the calendar icon.

So to create a timesheet you select the contract you wish to log time against and additionally enter (via the calendar function) the dates that the time sheet relates to.

Click on the 

button to go to the next page to enter your time:

Your Timesheets - Add

Complete the timesheet for the contract and dates shown below. To select a different contract or change the dates click the Cancel button.

Parts of hours or days should be entered as decimals. For example 37 1/2 should be entered as 37.5 and 7 3/4 should be entered as 7.75.

Contract	Parasol International (00) - (01-Mar-2006 to 29-Jun-2006) - Consultant
Timesheet start date	13-Mar-2006
Timesheet end date	17-Mar-2006

	Week(s) 1
Tax period start	13 Mar 2006
Tax period end	17 Mar 2006
STANDARD RATE (This is £10.00/Hours)	0.00
STANDARD OVERTIME (This is £20.00/Hours)	0.00

Optional information	
Client/Agency reference	
Comments	
	☐ Display Comments on Invoice?

Add Timesheet | Reset | Cancel

In this example (above) we have two fields to enter time against, the screen will change to accommodate however many rates are related to an individual contract.

At the point when you specify your start and end dates the system will split this into worked periods and so in a two week example the screen will be presented like this:

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

Your Timesheets - Add

Complete the timesheet for the contract and dates shown below. To select a different contract or change the dates click the Cancel button.

Parts of hours or days should be entered as decimals. For example 37$^1/_2$ should be entered as 37.5 and 7$^3/_4$ should be entered as 7.75.

Contract Parasol International (00) - (01-Mar-2006 to 29-Jun-2006) - Consultant
Timesheet start date 06-Mar-2006
Timesheet end date 17-Mar-2006

	Week(s) 1	Week(s) 2
Tax period start	06 Mar 2006	13 Mar 2006
Tax period end	12 Mar 2006	17 Mar 2006
STANDARD RATE (This is £10.00/Hours)	0.00	0.00
STANDARD OVERTIME (This is £20.00/Hours)	0.00	0.00

A monthly timesheet would therefore have a start and end date range for the month being logged and the screen presents this:

Your Timesheets - Add

Complete the timesheet for the contract and dates shown below. To select a different contract or change the dates click the Cancel button.

Parts of hours or days should be entered as decimals. For example 37$^1/_2$ should be entered as 37.5 and 7$^3/_4$ should be entered as 7.75.

Contract Ford Motor Company (00) - (02-Nov-2005 to 01-Sep-2006) - Consultant
Timesheet start date 01-Feb-2006
Timesheet end date 28-Feb-2006

	Month(s) 1
Tax period start	01 Feb 2006
Tax period end	28 Feb 2006
STANDARD RATE (This is £300.00/Days)	0.00
STANDARD OVERTIME (This is £350.00/Days)	0.00
WEEKEND RATE (This is £500.00/Days)	0.00

Optional information
Client/Agency reference
Comments
☐ Display Comments on Invoice?

Add Timesheet | Reset | Cancel

You can optionally enter a Client/Agency reference number that we subsequently print on the invoice; this could be a Purchase Order reference for example.

Entering comments allows us to interpret your wishes but you can also ask for these to be put on the invoice, ticking the “Display Comments on Invoice?” option will

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automatically make this happen (**so be careful that you really do want the comments printed!**)

To complete the addition of the timesheet select the **"Add Timesheet"** button. A confirmation screen will be displayed showing the details you have entered. You will also receive an email confirming the details.

Please note that a number of validation checks are performed to ensure the details you are entering are correct. For example if you have already entered a timesheet for the dates you are currently entering then you will be prompted with a warning message and be given the opportunity to amend the details. If you are unsure about any of the messages you receive please contact Consultant Support.

3.4.4 The calendar option does not work?

This problem can occur when you using an old browser or your browser settings restrict the use of JavaScript. Review the technical support section on the Knowledge Base or contact Consultant Support.

3.4.5 I have entered the wrong time details - what do I do?

If you have made an error when entering a timesheet the first thing to remember is that you do not have the authority to amend or delete timesheets yourself.

If you have entered the wrong time details AND you realise immediately then you need to enter a new timesheet with the correct details and put a comment on that timesheet concerning the previous one entered in error. You MUST then contact Consultant Support to pre-warn us about the error.

If you have entered the wrong time details AND you DON'T realise immediately (i.e. it is the next day) then you need to contact Consultant Support so we can sort the error out.

3.4.6 What do I do with my paper timesheet?

Your signed paper timesheet needs to be sent to the agency. They will have a preferred method, such as by post or fax that they will want you to use. We will send the invoice created from your timesheet details separately to the agency and they will match it up with your timesheet.

Some agencies require the signed timesheet and our invoice to be sent together. In these cases we do not send the invoice to the agency and you need to print your invoice copy, attach it to your timesheet and send it into the agency. We will indicate to you if your agency requires processing in this manner.

3.4.7 When is my invoice created?

The timesheet details you enter are used by us to create an invoice to the agency.

Our invoice creation routine runs approximately four times a day on weekdays. The runs are normally performed at 9am, noon, 2pm and 4pm. If your timesheet is not entered in time for any run it will be used in the next run. The invoice creation routine is not run on weekends and Bank Holidays.

The entering of details such as a Comment, should only be used when necessary. **If there is something you need to tell us that does not relate directly to the timesheet**

then please send us a separate email with that information and leave the Comment field blank.

3.4.8 How do I know when the invoice has been created?

When we create the invoice we automatically send a copy to you via email and a summary invoice is placed online. You should check that the invoice created is correct. If there are any problems contact Consultant Support immediately.

3.5 Expenses

There are two kinds of expenses associated with our service:

Client Re-Chargeable – these are expenses that you incur on behalf of the client for which you will be reimbursed. An example of this is if the client requires you to attend a meeting on their behalf and you have to pay travel and hotel costs.

These are entered online via the module "Rechargeable Expense Claims".

When we receive rechargeable expenses we will pay the full amount to you without deducting any tax or NI. You must obtain prior agreement from the client and agency before submitting expense claims via this method.

Schedule E – these are expenses that are incurred whilst performing your business duties that can be claimed and used to reduce you tax and NI liabilities. These expenses are claimed on a monthly basis using the online Parasol expense claim process.

3.5.1 How to claim for rechargeable expenses

These are entered online via the module "**Rechargeable Expense Claims**".

3.5.2 How are Rechargeable expenses paid?

When the agency pays us for an invoice that contains rechargeable expenses we pay you the expenses without deducting any tax or NI. This will be paid straight into your bank account along with any other salary you are due from that invoice.

3.5.3 Parasol disclaimer

Please note that Parasol will **NOT** be liable for any direct or indirect payments that arise as a result of expenses claimed by you. We will endeavour to ensure that all claims are valid but we will not accept responsibility should any tax or National Insurance charges be levied to you now, or in the future, for expenses disallowed by the relevant tax authorities. Any underpayment of tax and national insurance as a result of erroneous claims will therefore result in you being personally responsible for the liability. Any underpayments are due immediately and will be collected at the first opportunity.

Please be aware that you may be asked to provide receipts at some point in the future to substantiate claims you have made. In particular where you have claimed expenses where we do not require the receipts as proof we still highly recommend that you obtain and keep receipts in case the HM Revenue & Customs ask for documentary proof.

Although Parasol will endeavour to validate and use your expense claims within 5 working days of your claim submission we will not guarantee this. Your claim will be validated and used at the earliest opportunity available.

IMPORTANT INFORMATION - PLEASE READ

WHILST WE DO NOT REQUIRE RECEIPTS TO BE SUBMITTED FOR CLAIMS FOR SUBSISTENCE OR HOTEL ACCOMMODATION WHICH IS LESS THAN £45, IT IS AN HM REVENUE & CUSTOMS STIPULATION THAT WE AUDIT A SELECTION OF CLAIMS ON A MONTHLY BASIS. IF YOUR CLAIM IS SELECTED FOR AUDIT THEN YOU WILL NEED TO PROVIDE RECEIPTS TO SUBSTANTIATE YOUR CLAIM - IF YOU CANNOT PROVIDE THESE RECEIPTS THEN WE ARE OBLIGED TO FORWARD THE DETAILS ON TO THE HM REVENUE & CUSTOMS FOR FURTHER INVESTIGATION.

3.5.4 When will my expenses be used

When we receive your claim we check the details and providing everything is in order we will use it in subsequent payroll runs to reduce your tax and NI liabilities. Generally your claim will be checked within two working days of your claim submission although this can be upwards of five working days when we are inundated with claims at the end of each month.

If there are any problems with your claim, we will contact you as soon as possible via email.

We will not use the claim until we have received at our offices a signed copy of the Cover sheet along with all necessary receipts and documentation. We recommend you use "proof of delivery" when sending via the postal system. If you are claiming expenses that do not need receipts then you can fax the Cover sheet.

You claim will not be used until the day after the last claim date within your claim. For example if the latest date used within your claim is the 20th May then the earliest it can be used is the 21st May.

3.5.5 Why have you not used all of my expenses

Please note that if you have a large claim and/or the claim is greater than your next payroll amount we will apportion the claim across multiple payroll runs.

It is possible, in some instances, that the amount of Tax and National Insurance paid by you (after the appropriate expenses amount has been taken into consideration) could be reduced to zero. Whilst this may seem attractive it does have an implication with regards to State Benefits (e.g. pension provision). Unless the minimum amount of National Insurance is paid an individual is at risk at losing these potential benefits. Parasol will therefore ensure that each consultant is always paid a minimum amount that will ensure the required minimum National Insurance Contribution is paid (£90 per week). This means that we will possibly not use all of your expenses on specific payroll runs and that any unused amounts will be carried forward to your next payment.

3.5.6 Some basic rules on expenses

The following is a list of rules that must be adhered too when you are claiming expenses:

- All expense claims must be for expense that you have incurred wholly and exclusively in performing your business duties.

- You can only make one claim for a particular calendar month (e.g. April 2004).
- You cannot claim for any expenses incurred before you started to use our service.
- Travel to work expenses and Subsistence cannot be claimed when you have worked, or when you know you will work, more than 2 years at any one location.
- We will not verify and use your claim until we have received all the necessary documentation that is associated with that claim (i.e. receipts for expense items that require receipts).
- Where receipts are required we must have the **original** receipts and not a photocopy. The expense will not be allowed if you cannot produce an original receipt.
- Once we issue P60s (towards the end of May) we then don't allow any expense reclaims from a previous financial year.

3.5.7 What expenses can I claim?

The Parasol Expenses Policy is split into expenses that need receipts to support the claim and expenses that do not. Please remember the following important note:

WHILST WE DO NOT REQUIRE RECEIPTS TO BE SUBMITTED FOR CLAIMS FOR SUBSISTENCE OR HOTEL ACCOMMODATION WHICH IS LESS THAN £45, IT IS AN HM REVENUE & CUSTOMS STIPULATION THAT WE AUDIT A SELECTION OF CLAIMS ON A MONTHLY BASIS. IF YOUR CLAIM IS SELECTED FOR AUDIT THEN YOU WILL NEED TO PROVIDE RECEIPTS TO SUBSTANTIATE YOUR CLAIM - IF YOU CANNOT PROVIDE THESE RECEIPTS THEN WE ARE OBLIGED TO FORWARD THE DETAILS ON TO THE HM REVENUE & CUSTOMS FOR FURTHER INVESTIGATION.

3.5.7.1 Subsistence

Subsistence basically comprises meal costs whilst working at a temporary workplace.

Subsistence can be claimed on the following basis:

a) Up to £5 per day if you work more than five hours a day not including travelling time and excluding breaks (i.e. lunch).

b) Up to £15 per day if you work more than 10 hours a day, including travelling time and excluding breaks (i.e. lunch).

Receipts for subsistence expenses do **NOT** need to be submitted to Parasol.

Subsistence cannot be claimed when you have worked, or when you know you will work, more than two years at any one location.

3.5.7.2 Mileage

Mileage can generally be claimed for all business related travel including to and from your home to your temporary workplace. The exception to this is when you have worked, or when you know you will work, more than 2 years at any one location. When this situation occurs mileage to and from your home to your temporary workplace cannot be claimed. If you are unsure whether you can claim please contact Consultant Support.

The following mileage rates can be claimed:

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

Vehicle Type	First 10,000 miles per annum	10,001+ miles per annum
Cycle	20p	20p
Motorbike	24p	24p
Car	40p	25p

Receipts are not required for mileage expenses.

3.5.7.3 Rail, bus and air travel

Rail, bus and air travel costs to and from your home to your temporary workplace. Receipts are required.

3.5.7.4 Parking charges

Parking charges including parking meters. Receipts are required.

3.5.7.5 Accommodation

Accommodation and breakfast costs up to the following limits:

- London £95 per night
- Elsewhere £75 per night

Receipts are required to claim the above items

You may also claim up to £45 per night for accommodation without submitting receipts to Parasol but please remember you may be asked to provide these receipts to substantiate your claim.

Should you stay with friends or family as opposed to renting accommodation or staying in a hotel you can claim £25 per night Friends and Family Allowance. To substantiate this type of claim, you will need to provide the date, name, address and telephone number of whom you stayed with.

In addition to the accommodation and breakfast costs, you are also granted a further £5 per night to cover personal incidental expenses. No receipts are required for personal incidental expenses.

When claiming accommodation rental costs your rental agreement MUST meet the HMRC Dual Purpose rules. These state that the property concerned must just be let for the working week and NOT for non-working days (i.e. weekends). If the rental receipt clearly states it is just for the days you have worked then it will be allowable.

3.5.7.6 Telephone

Identified and itemised business calls up to £35 per month. No private calls or line rental costs are claimable. A copy of your telephone bill with the business calls clearly identified is required. You will not be able to claim this if you use a Pay-as-you-Go mobile

3.5.7.7 Office consumables and stationery

Reimbursement of reasonable amounts (normally a maximum of £35 per month) for office stationery, postage and consumables used wholly, necessarily and exclusively in the performance of your duties. Receipts are required.

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

3.5.7.8 Professional subscriptions

The following subscriptions can be claimed:

- Institute of Analysts and Programmers
- Institute for the Management of Information Systems
- Society of Information Technology Managers
- British Computer Society
- Australian Computer Society
- Assoc. of Professional Computer Consultants
- European Assoc. of Computer Graphics
- Institute of Computer Sciences
- Society of Technical Analysts

Receipts are required.

3.5.7.9 Eyesight tests

It is possible to claim up to £15 in expenses towards the cost of an eyesight test where this is necessary for the initial or continued use of visual display equipment in your assignment(s). The eyesight test must be carried out by a qualified optician and a **receipt for the provision of the test must be supplied**.

3.5.7.10 London City Congestion Charging

You are able to claim the cost of congestion charging if it relates specifically and exclusively to your assignment. We will audit that the charges match working days and personal travel must not be claimed for. **Receipts are required**.

3.5.7.11 Training and tuition

Training and tuition costs can be claimed where it is "work related" (see below for a definition of "work related").

To ensure any claim is allowable we require:

- a receipt for the full amount for the training & tuition
- your current job description
- the name of the training course/tuition
- a description of the course/tuition.

In addition to claiming the cost of the training and tuition, any "**related costs**" (see below for a definition of "**related costs**") can also be claimed.

The definition of "**work-related training**" is training for your current employment or a "related employment" where the training course or other activity is designed to impart, instil, improve or reinforce any knowledge, skills, or personal qualities which:

- are, or are likely to prove, useful to you as an employee when performing your duties, **or**

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

- will qualify or better qualify you to undertake the employment, or to participate in charitable or voluntary activities arising through your employment.

The term includes a wide-range of practical and theoretical skills, so long as those skills are relevant to your employment. Where leadership team skills are appropriate to you, participation in activities such as Outward Bound, Raleigh International, or Prince's Trust will qualify.

Examples for clarification are:

1) Taking a Microsoft Word course to improve word processing skills would be allowed if your work required you to produce any kind of documentation or correspondence. The majority of IT-related employment would obviously qualify for this kind of training whilst perhaps a long distance lorry driver would struggle to prove the course was "work related".

2) Taking a Microsoft Project Manager course would be allowed for project managers, team leader, supervisors and anyone in a proven leadership or management capacity whilst perhaps a call centre first line support engineer would again struggle to prove that it was "work related".

The definition of '**related employment**' is training which is undertaken with an employment or prospective employment in view where:

- any office or employment held with your employer or which is to be held with your employer or a connected person
- any such office or employment to which you have or can realistically expect to have a serious opportunity of being appointed.

The intention here is to include all genuine training, in a range of competencies, which you need to advance your career, or to achieve a career move. Training in leisure type activities, unless exceptionally an activity which has a genuine connection with your work duties, is not allowable.

The definition of "**related costs**" is any expenditure related to the training you are claiming for. Examples would be travel, accommodation and subsistence costs when staying away from home to undertake the course. "**Related costs**" should be claimed under the appropriate sections within the expense claim and **NOT** within the training category (e.g. Subsistence should be claimed within the Subsistence section).

3.5.7.12 Computer hardware and software

Computer hardware (e.g. laptop, PC, printer, scanner) and software costs can be claimed where it can be proved that it is essential to your role. A maximum value of £500 per annum can be claimed for computer hardware and software expenses.

To ensure any claim is allowable we require:

- The full value amount of the hardware and/or software to be entered in your expense claim (i.e. if the value is £600 you must enter £600 in your claim even though we can only use £500)
- a receipt for the full amount.

3.5.8 How do I claim

Expenses are claimed on a monthly basis using the Parasol expenses procedures on our secure consultants' website area via www.parasolit.co.uk/pcgqualityumbrella

The expense process contains the following distinct areas:

- Logging on
- Claiming of mileage
- Claiming of subsistence
- Claiming of general rxpenses
- Submit claim for verification by consultant support
- Printing the expense cover sheet when receipts are included
- Sending the expense cover sheet and receipts to consultant support
- Claim verification by consultant support
- Amending and re-submitting a rejected claim

3.5.8.1 Logging on

Log on to the website members' area using your normal userid and password. When you have logged on, select the **Expense Claims** option on the Main Menu. This will then display a list of months that you are able to enter claims for, their status and a button for selection of that claim. Select the claim you are interested in by clicking on the **Action** button of the relevant claim. The **Expense Claim Overview** page will be displayed which shows the totals of the various elements of the claim.

The three main elements of your claim are:

- Mileage
- Subsistence
- General Expenses

Click on the relevant Action button to enter either of these claim elements.

3.5.8.2 Claiming of mileage

3.5.8.2.1 Entering vehicle details

If mileage is to be claimed then you must first of all enter your vehicle details. Your vehicles can be a car, motorbike or bicycle.

To add a vehicle, enter the Mileage section from the **Expense Claim Overview** page and page down to the **Vehicle Add** section.

Select the Vehicle Type from the dropdown list in the **Type** field, enter the vehicle registration (Car and Motorbike only) in the **Registration Number** field and click on the Add Vehicle button.

When the vehicle has been added it can now be used when entering mileage.

You can enter multiple vehicles if you use different forms of transport or have access to more than one car. Obviously when you do enter your mileage you must select the appropriate vehicle to which that journey pertains too. If there is only 1 vehicle then this is automatically defaulted.

Note: If you are not claiming mileage then you do **NOT** need to enter vehicle details.

3.5.8.2.2 Removing vehicle details

Vehicles can be removed if they have been entered in error or are no longer in use.

To remove a vehicle, enter the Mileage section from the **Expense Claim Overview** page and page down to the **Vehicle Remove** section.

Select the relevant Vehicle and click on the **Remove Vehicle** button.

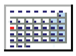
3.5.8.2.3 Entering mileage details

To enter mileage details select the Mileage section from the **Expense Claim Overview** page to display the **Expense Claim Vehicle Mileage** page.

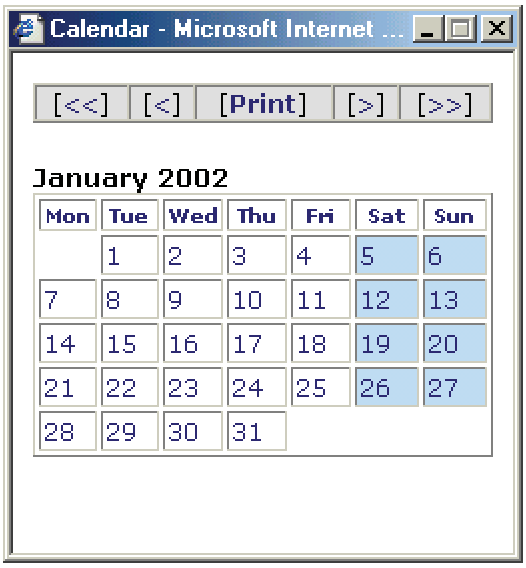
Please note that if this is the first time you have entered mileage for the financial year pertaining to the claim you will be prompted to enter any car mileage that you have claimed with a previous employer. If you have claimed then please enter the amount of miles you have claimed. If you haven’t claimed then enter 0.

3.5.8.2.3.1 Adding a journey

To add a journey you must enter a **Date**, **Journey Description**, **Vehicle** and **Miles**.

The **Date** is entered by clicking on the calendar icon  in the date column.

This will display a calendar facility (example below) that defaults to the month of the claim you are entering.



To select the date for your journey just click on the appropriate displayed date. You will be returned to the **Expense Claim Vehicle Mileage** page and the **Date** field will be pre-filled with your calendar selection. If the displayed date is wrong then click on the calendar icon and repeat the process.

The **Journey Description** is a brief description of the journey that you made. For example you could enter “From Home (Leeds) to IBM (London) and back for Project Review Meeting”.

The **Vehicle** is selected from the list of vehicles that you have defined. If you have no vehicles or your vehicle is not listed then you must add the vehicle first. Refer to the Entering Vehicle Details section. If you only have one vehicle then this will be pre-filled in the Vehicle field. If you have more than one vehicle you can click on the **Vehicle** dropdown button and select the appropriate vehicle for your journey.

Miles is the number of miles covered for this journey. You must enter a numeric figure.

When all the fields have been entered click on the **Add to Claim** button to add the journey to your expense claim.

The added journey will then be displayed in the Claimed Journeys section that can be found by paging down from the **New Journey** section where you have just entered the new journey details.

The **Claimed Journeys** section shows all the journeys you have entered for this claim along with a **Total for this Claim**, **Mileage Already Claimed** (in this financial year), **Mileage Claimed from a Previous Employer** (in this financial year) and **Total Mileage now claimed in this Tax Year**.

3.5.8.2.3.2 Deleting a journey

You can delete a previously entered journey displayed in the **Claimed Journeys** section.

To delete a journey click in the Del box of the appropriate journey (the box should become “ticked”) and click on the **Delete from Claim** button.

The journey will be deleted and the claim and mileage totals will be amended accordingly.

3.5.8.2.3.3 Repeating a journey

You can repeat a previously entered journey displayed in the **Claimed Journeys** section.

To repeat a journey, in the **New Journeys** section click on the dropdown button of the **Use these previous journey details** field and select one of the displayed journey descriptions. The **Journey Description**, **Vehicle** and **Miles** fields will be pre-filled with the details from the journey you selected. You do however still need to enter a **Date** using the Calendar facility. When you have entered the **Date** click on the **Add to Claim** button to add the journey.

3.5.8.3 Claiming of subsistence

For expense claims up to 30 April 2004, please refer to the General Expenses section for the claiming of subsistence where you will need to select the Subsistence category.

For expense claims from 1 May 2004 onwards, to enter subsistence details select the Subsistence section from the **Expense Claim Overview** page to display the **Expense Claim Subsistence** page.

This page will display a list of all the days in the month (e.g. for May the days listed will be from 1 May to 31 May). An amount of subsistence can be entered against each day in the month up to a value of £15. You must enter the subsistence amount that you have actually incurred.

Please note that if you have worked 10 hours or less in the day you can only claim up to £5. The £15 limit applies to when you have worked more than 10 hours (including travelling time and excluding breaks). Up to £21 per day (overnight stay) may be claimed if you work more than 10 hours a day, **including** travelling time, **excluding breaks** (i.e. lunch) **AND** are staying in a hotel. The claim for £21 **MUST** be accompanied by a hotel claim (see section 3.5) but **CANNOT** be used in conjunction with a friends & family stay. A claim for £21 per day without a matching hotel claim will be rejected.

When you have entered the subsistence amounts for the whole month click on the **Add to Claim** button to add them to your expense claim. If there are any discrepancies in the amounts you have entered an error message will be displayed.

After your data has been added the **Add to Claim** button will be renamed to **Modify Claim.**

If you need to modify any of the amounts just overtype the amount in the relevant field with the correct amount.

If you need to remove any amounts from the claim you can blank the field or modify it to 0.

To save any amendments click on the **Modify Claim** button.

If you would like to cancel any amendments then click on the **Reset** button. This will cancel all the changes you have made since you last saved your data.

When all of your data has been entered and you have saved it via the **Add to Claim** or **Modify Claim** button you can return to the **Expense Claim Overview** page by clicking on the **Return To Overview** button.

Please note that your subsistence claim will be matched against your timesheet data to ensure that you have worked the necessary hours and days for the specific subsistence allowances.

3.5.8.4 Claiming of general expenses

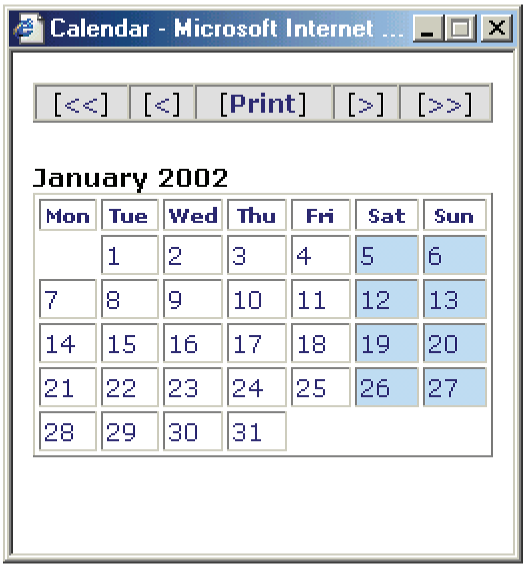
To enter general expense details select the General Expense section from the **Expense Claim Overview** page to display the **Expense Claim General Expenses** page.

3.5.8.4.1 Adding a general expense

To add a general expense you must enter a **Date, Category, Description** and **Amount.**

The **Date** is entered by clicking on the calendar icon in the date column.

This will display a calendar facility (example below) that defaults to the month of the claim you are entering.



To select the date for your general expense just click on the appropriate displayed date. You will be returned to the **Expense Claim General Expense** page and the **Date** field will be pre-filled with your calendar selection. If the displayed date is wrong then click on the calendar icon and repeat the process.

The **Category** is selected from the list of general expense categories that you are allowed to claim. Click on the **Category** dropdown button and select the appropriate category for your expense. Please note that all categories pre-fixed with **R** require a receipt. If you have no receipt you cannot claim and we will not verify your expense claim until the **original** receipts have been received in our office.

The **Description** is a brief description of the expense that you are claiming. For example you could enter “Rail ticket from Leeds to London for Project Review Meeting”.

Amount is the amount of expense you are claiming including VAT. You must enter a numeric figure.

When all the fields have been entered click on the **Add to Claim** button to add the general expense to your expense claim.

The added general expense will then be displayed in the **Claimed Items** section that can be found by paging down from the **New Item** section where you have just entered the new general expense details.

The **Claimed Items** section shows all the general expenses you have entered for this claim along with a **Total for this Claim.**

3.5.8.4.2 Deleting a General Expense

You can delete a previously entered general expense displayed in the **Claimed Items** section.

To delete a general expense click in the **Del** box of the appropriate general expense (the box should become "ticked") and click on the **Delete From Claim** button.

The general expense will be deleted and the claim totals will be amended accordingly.

3.5.8.5 Submitting your claim to Consultant Support for verification

When all your monthly expenses have been entered you can submit your claim to Consultant Support for verification.

Please be careful when selecting this option because if you do submit it and your claim is verified you will NOT be able to amend that claim again.

Please be sure that you have input all of your details before you submit it for verification.

To submit your claim for verification click on the **Submit Claim** button on the **Expense Claim Overview** page. Please note that if this button is **NOT** displayed then you have either not entered any claim details or you have already submitted the claim.

When you submit your claim you will be prompted to answer a series of questions concerning the claim. You must answer ALL the questions by clicking the appropriate tick box before you can proceed further.

The questions are:

1. All expenses claimed have been incurred in the performance of my duties and in accordance with the company expense policy

2. All home telephone call costs claimed represent only the cost of business calls (including VAT)

3. Where a scale subsistence payment is claimed, the expense incurred is at least equal to the amount claimed

4. I purchased tickets of the class and type shown

5. Parasol will not process expanse claim(s) until the signed confirmation sheet and any applicable receipts are received

6. Mileage costs claimed exclude private use

7. I can confirm that I worked the hours claimed to support my daily subsistence claims

8. I have worked at my current location for less than two years

9. I confirm that the expense claim made is true and I indemnify Parasol Ltd for any malicious claims that may result in HM Revenue & Customs investigation as a result

When all the tick boxes have been ticked you need to click on the **Submit Claim** button to submit the claim.

Your claim will then be submitted to Consultant Support for verification and you will no longer be able to modify the claims details. **Updates in relation to your claim and its process are communicated via the online expense system and email.**

Claims that have no receipt requirements do not require us to receive any cover sheet forms. Do not fax or email any further information. Please refer to online expense system or email for progress.

3.6 Printing the cover sheet when receipts are included

The **Expense Claim Submitted** page will be displayed when you submit a claim for verification.

From this page you can either print the cover sheet by selecting the **Print Cover sheet for this Claim** button or choose to print it later by selecting the **Return to Claim Selection** button.

If you select the **Return To Claim Selection** button OR if you have trouble printing the cover sheet then you can use the **Print Cover sheet** button on the **Expense Claim Overview** page to print the cover sheet at a later stage.

Please remember your claim will NOT be accepted when receipts are included until we receive the cover sheet and any receipts together. Claims that include receipts without a matching cover sheet will be rejected.

When you select the **Print Cover sheet for this Claim** button a pop-up window containing the cover sheet will be displayed along with a print menu asking you to select the printer where you want it to be printed. Select the appropriate printer and then click on the **OK** button. The cover sheet will be printed on the printer you selected. You can now close the cover sheet pop-up by clicking on the X button at the top right hand side of that window. The **Expense Claims** page will be displayed and the claim you have just submitted will have its status set to Submitted for Verification.

Please note that you can now only view the claim you have submitted for verification.

3.6.1.1 Sending the cover sheet and receipts to consultant support

Once you have completed a monthly claim and if receipts are included, printed the cover sheet, you need to send it along with any appropriate receipts and documentation. Post the completed forms to:

Expense Claims
Parasol Ltd
Parasol House
840 Ibis Court
Centre Park
WARRINGTON
WA1 1RL

We STRONGLY recommend you use "recorded delivery" when sending via the postal system. Do not fax or email cover sheets as we cannot accept these without the receipts.

3.6.1.2 Claim verification by Consultant Support

When you have submitted your claim for verification and we have received all the necessary documentation (receipts etc..) we will check the details and providing everything is in order we will use it in subsequent payroll runs on your behalf.

If there are any problems with the claim then we will add a comment to your claim explaining what the problem is and send you an email with the details on what the problem is.

It is then up to you to amend the claim accordingly and re-submit for verification. If you don't perform this task the claim will **NOT** be used.

3.6.1.3 Amending and Re-submitting a rejected claim

Rejected claims can be amended using the same facilities you used to enter the claim in the first place. Any comments added by Consultant Support when they rejected your claim will be displayed against the claim and relevant individual items.

When you have amended the claim you can re-submit the claim for verification (refer to the Submitting your claim for Verification by Consultant Support section).

3.6.1.4 Re-Printing the Cover sheet

You can re-print the Cover sheet of a submitted claim by selecting the **Print Cover sheet** button on the **Expense Claim Overview** page.

A pop-up window containing the Cover sheet will be displayed along with a confirmation dialogue box. If you want to print the Cover sheet select the **OK** button where a menu will be displayed asking you to select the printer where you want it to be printed. Select the appropriate printer and then click on the **OK** button. The Cover sheet will be printed on the printer you selected. The Cover sheet pop-up will automatically close after approximately 15 seconds.

3.6.1.5 Emailing the Cover sheet

You can email the printed Cover sheet of a submitted claim by selecting the **Print Cover sheet** button on the **Expense Claim Overview** page.

A pop-up window containing the Cover sheet will be displayed along with a confirmation dialogue box. If you would like to email the Cover sheet then select the **Cancel** button and enter your email address when prompted. This will enable you to print the Cover sheet at a later date. The Cover sheet pop-up will automatically close after approximately 15 seconds.

3.6.2 Reasons why your expenses have not been used

- We have not received any receipts and you have claimed expenses that require receipts
- You did not submit the claim for Verification
- Your claim has been rejected and you have not re-submitted it

3.6.3 Reasons why your expenses have been rejected

- You have over estimated your mileage claim. We use the AutoRoute package to check the mileage for claimed journeys. If the claim is significantly higher than AutoRoute, then the claim will be rejected.

- You have incorrectly attempted to claim rechargeable expenses.
- You have attempted to claim in advance
- You have claimed for multiple months within a single month's claim. A claim per calendar month must be submitted.
- You have attempted to claim mileage whilst being a passenger in a car. Only the driver can claim the mileage.
- You have attempted to claim accommodation rental costs but your rental does not meet the HM Revenue & Customs Dual Purpose rules. The property concerned must just be let for the working week and NOT for non working days (i.e. weekends). If the rental receipt clearly states it is just for the days you have worked then it will be allowable.
- Once we issue P60s (towards the end of May) we then don't allow any expense re-claims from a previous financial year.
- You have worked at your current location for more than two years.

3.7 Payroll

3.7.1 When do you pay me?

We promise to process your payment within 2 working days, excluding weekends and Bank Holidays, of receiving fees and remittance advice from the agency.

3.7.2 How do you pay me?

We pay you by electronic transfer (CHAPS) straight into your bank account. The transfer takes 1 working day to clear in your account. Please note we have found certain building societies do not accept CHAPS transfers and as such are not suitable for use with this product the 2 main building societies we have found problems sending CHAPS payments to are The Bradford and Bingley and The Woolwich.

3.7.3 What do you deduct from my gross earnings?

From your gross fees we deduct the following:

3.7.3.1 Employers NI

This is the national insurance (NI) that all employers must pay on earnings. When contracting this is deducted from the contractors gross fees amount. Currently it is set at 12.8%. No Employers NI is due on taxable earnings of less than £91 per week. There is no maximum limit.

3.7.3.2 Employees NI

This is the national insurance (NI) that all employees must pay on earnings. No Employees NI is due on earnings of less than £91 per week; Employers NI is then charged at 11% on earning s between £91.01 and £610 per week 1% on earning s above £610 per week Note: Employees NI is only calculated AFTER Employers NI has been deducted from gross earnings.

3.7.3.3 PAYE

This is the method used by the Government to collect income tax on a weekly/monthly basis. The applicable rate of income tax is deducted from the gross salary after

Employers NI has been deducted. Current income tax rates range from 0% to 40% dependent on your earnings.

3.7.3.4 Administration Deductions

These are the charges for using the Quality Umbrella £39.45 per week or £79.95 per month.

3.7.4 How can I reduce my deductions?

There are two methods available to reduce your deductions:

- **Expenses** - claiming of Schedule E expenses can significantly reduce your deductions. Refer to the Expenses section for further details.
- **Pensions** – making payments into a pension plan is a very effective method of reducing your deductions whilst also investing for your future benefit. The Parasol Group Pension Plan allows you to contribute from your gross earnings saving both tax and NI. For further details please contact Tony Harris at financials@parasolit.co.uk.

3.7.5 Payslip

When we pay you we send you a payslip confirmation by email. This details your gross earnings, all of your deductions and your net pay. If you have entered your mobile number in the correct area on the registration form you will also receive an SMS 'text message' confirming the basic details of your payment.

3.7.6 P60

At the end of each tax year, we issue you with a certificate of tax deducted (P60) which details your earnings and deductions for that tax year. You will only get a P60 from us if you are still working through us at the financial year end (normally on or around 5 April each year)

3.7.7 Fees and Payment options

The cost of this facility is based on whether you are weekly or monthly paid.

The deductions we make are:

- **Weekly Paid - Weekly admin deduction of £39.45 for each week, or part week, that you use the facility. <u>(£27.73 after tax relief)</u>**
- **Monthly Paid - Monthly admin deduction of £79.95 for each month, or part month, that you use the facility.<u>(£58.46 after tax relief)</u>**

Please note the following important points:

- You will only be charged for the time that you use us. If you are on holiday, or out of work you will NOT be charged.
- If you have an additional payment in the same payment period that requires us to recalculate and send a balancing payment again, we will charge you a supplementary fee to cover bank costs of £5.50 if weekly paid or £9.95 if monthly paid.
- Your service fee will be selected based on the invoice frequency as stated in your contract.

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

- We will pay you within two working days of receipt of funds regardless of your payment option and charge you accordingly (i.e. if your agency / client has agreed to pay you once a month and pay you twice a month you will be charged the monthly fee twice).
- Please inform us before payment is made if you feel you are on the incorrect service option.

3.8 Other general details

3.8.1 We ensure you pay some NI

It is possible, in some instances, that the amount of Tax and National Insurance paid by you (after the appropriate Schedule E expenses amount has been allowed for) could be reduced to zero. Whilst this may seem attractive it does have an implication with regards to State Pension provision. Unless the minimum amount of National Insurance is paid an individual is at risk at losing this potential benefit. Parasol will therefore ensure that each consultant is always paid a minimum amount that will ensure the required minimum National Insurance Contribution is paid.

3.8.2 Colleague referrals

If you refer one of your colleagues to us and they subsequently use our service we will pay you an introduction fee of £25. This payment is made by a rebate in one of your payrolls approximately two months after your colleague starts to use us.

3.8.3 Financial advice

ParasolFinancials offer financial products and advice of the highest quality, tailored specifically to the needs of Parasol consultants. In addition to this, due to our large membership levels, we are able to negotiate with the service providers to reduce charges and commission levels for the benefit of all our consultants.

3.8.4 What is an NI number?

This is your individual registration number to which all employees' national insurance is allocated. The number of weekly or monthly contributions made will eventually determine the level of state retirement pension you receive.

3.8.5 What insurance cover does your service include?

Employers and Public Liability insurance is included with our basic service. Professional Indemnity insurance is included[2] - further details of this cover and copies of the certificates can be obtained by contacting Consultant Support

3.8.6 Self assessment tax form

This is an annual summary of all your income that needs to be completed if it is issued to you by HM Revenue & Customs. Failure to complete on time will result in a penalty. If you have overpaid tax in any year, then to recover that tax you will have to complete a Self Assessment Tax Return.

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[2] Restrictions apply

email: members@parasolit.co.uk
telephone: 0870 744 3908
web: www.parasolit.co.uk

The completion of your self assessment tax form is NOT included in our basic service price. If you do need help on this matter contact Consultant Support and they will put you in touch with our tax advisors.

3.8.7 Tax code

A coding, issued by the tax authorities for each individual that indicates the amount of tax-free earnings a person is entitled to in any tax year. For PAYE purposes, it is divided into either 52 weekly or 12 monthly segments. A code number is specific to an individual.

3.8.8 Tax office

This is the HM Revenue & Customs office in which your tax affairs are dealt. The tax office for Parasol Ltd is: -

St Helens HM Revenue & Customs Office
60 Leigh Road
Leigh
WN7 1NH

Telephone: 0845 302 1462

Our reference is **709 BZ01745**

3.8.9 Tax year

The 12-month period that constitutes the financial year in the UK runs from 6 April to 5 April of the following year.

3.8.10 Value Added Tax (VAT)

VAT is charged at the rate of 17.5 per cent. It is added to all our invoices and remitted to the Government when we receive it. We do not keep the VAT and it has no effect on your contract rate.

3.8.11 IR35

The HM Revenue & Customs strategy for personal service companies (IR35) has no impact on the Parasol services in that we pay you in a tax-efficient manner that does not include dividend payments.

3.8.12 How do I leave?

Most agencies or clients impose relatively strict clauses in relation to leaving a contract mid-way through or without adhering to a notice period. It also common for some contracts to not provide a notice period and state that a contractor may not provide notice. You should contact Consultant Support if you are considering leaving a contract before it is complete.

Once a contract is complete you can “leave” Parasol via our online facility and we will process a P45 once all payments have been received for you. We will also “leave” you after a period of 3 months inactivity; this is to ensure we are reporting correct information for tax and insurance purposes.