



### Safe travel and subsistence module

Our travel and subsistence module, is a tax efficiency solution which increases a workers net pay. It also lowers employment costs such as national insurance contributions.

Travel and subsistence is a scheme which takes advantage of HMRC dispensations surrounding travel and other work expenses. The worker can claim for travel expenses incurred in the course of their working day. Dispensations are granted to individual agencies by HMRC, covering the expenses and degree to which their scheme applies.

Under such dispensations, a deduction is made in respect of the agreed amounts of travel and subsistence in a similar way to established salary sacrifice schemes. This has the effect of reducing their tax and national insurance contributions (NICs) liability. If it chooses the agency may make an administration charge to cover the costs of scheme membership. The agency then returns some or all of the sacrifice to the worker as a tax and NICs free payment. The outcome is that the worker is therefore better off and so too is the agency.

Using the travel and subsistence module, an optional extra to the Safe Tempest product suite, an agency can fully automate the above process. The following key functionality is supported:

- having the advantage of being a core aspect of the Safe Tempest suite this solution is truly integrated with the strengths of a unified pay and bill solution
- values in respect of travel, subsistence and if applicable administration fees, can be calculated in another system and imported into Safe Tempest, or our system can calculate these independently based upon the daily activity of the worker
- where payment of travel or subsistence for a specific journey are disallowed because transport or food are provided on-site, Safe Tempest will suppress the payment for that particular visit
- both the level of the sacrifice and the amount of tax or NICs can be defined by the user. The sacrifice can be calculated either as a percentage of the pay sacrifice or of the saving in pay as you earn (PAYE) and NICs of the worker

- this module will routinely compare the payroll effects of scheme membership for the worker in establishing both savings to be made and also worker eligibility
- mileage can be calculated either based on HMRC scale rates, or any other agreed rates
- subsistence can be calculated on a daily basis, using the number of hours worked in a day
- where applicable, administration fee can be charged either as a daily rate for each day worked, or as a weekly rate
- payslip will show to the worker the cash benefits of being in the scheme
- on screen payslips and scheme benefits reports in Tempest, will show the agency the cash benefits achieved from using the scheme
- identifies workers who are not benefitting from the scheme in a particular pay period which may be due to:
  - earnings are insufficient for NICs purposes
  - earnings are insufficient for national minimum wage purposes
  - they are a student
  - they pay national insurance at a reduced rate
  - they have an exempt tax code
- where the module calculates the mileage due to the worker, it will monitor the length of time the worker has spent at an individual site
- control reports exist detailing scheme membership in the areas of new members to the scheme, non members and leavers with their reason for leaving

To find out more about the benefits of this module, the Safe Tempest suite, or our other products and services, visit [www.safecomputing.co.uk](http://www.safecomputing.co.uk) and [www.safe-tempestsuite.co.uk](http://www.safe-tempestsuite.co.uk).