

# Travel and Subsistence Arrangement

## Frequently Asked Questions

### What is TSA?

Manpower has sought the agreement of HMRC for the Tax and National Insurance Contributions (NIC) treatment of the Travel and Subsistence Arrangement (TSA) for [mobile employees](#) on Contracts of Employment.

Manpower's TSA provides further benefits to [mobile employees](#) engaged under a Contract of Employment with the opportunity to receive Travel and Subsistence Allowance without paying Income Tax or NIC on these Allowances.

If you participate in TSA, you will be able to claim an approved Tax/NI free payment to contribute towards your travel costs to and from a client's premises and food and drink costs incurred whilst at work.

### What does mobile employee mean?

Employees are classified as mobile if they are expected to work on assignments at a number of different client sites/postcodes and are not at one workplace for longer than a 24 month period.

In taking part in TSA, you agree to give up some of your gross Taxable pay – this is sometimes referred to as “salary sacrifice” as your pay (subject to Tax and NIC) will be reduced, you will pay less Tax and NIC, therefore your take home pay will increase.

You will always be able to keep track of your pay and TSA Allowance. Your original pay and the amount you sacrifice will be clearly shown on your payslip. For the purpose of this salary sacrifice arrangement, these are referred to as [TSA Allowance](#) and [TSA Adjustment](#). Your additional Tax/NIC free payment will be shown on your payslip.

### How will I benefit from TSA?

At the moment you pay for your own food and drink costs whilst at work and the cost of travelling to and from work.

You do not receive any Allowances to cover daily expenditure. However, once you join the Arrangement, you will be entitled to receive a Tax-free payment which will help towards paying for these costs.

In respect of shifts for which you would otherwise pay Tax and/or NIC, the TSA Tax-free payment should mean that you may take home more money.

### Does this apply to me?

In order to benefit from TSA you must be [eligible](#). That is;

- You work, or are available to work, at a number of different client sites (within different postcodes) and are therefore considered a mobile employee, and
- It must be reasonable to assume that you will not work at the client site for longer than 24 months.

If you are eligible for TSA Allowance, you will [qualify](#) to be paid TSA in respect of subsistence per shift at a client site if;

- Your shift is a minimum of 5 hours long (including one hour deemed travel to/from the workplace),
- You incur a cost towards a meal\*; and
- You do not claim expenses elsewhere.

\* This is the cost of food and drink purchased on the way to work or at work (food and drink brought from home or as part of a weekly shop does not count)

If you do not meet the eligibility requirements, you cannot qualify for TSA Allowance, regardless of the length of your shift. If you do not currently pay Tax and/or NIC, you may not benefit from TSA (assuming you qualify).

However, if you are not able to benefit from TSA now, for whatever reason, this does not mean that you cannot benefit in the future if your working patterns change. For example, you may become **eligible** if you move to a new site for less than 24 months, or, if you are already **eligible** but you do not currently **qualify**, you may **qualify** at a later date if you begin to work longer shifts.

If you are **eligible** for TSA Allowance, you will **qualify** to be paid TSA in respect of travel to and from work if:

- You have used a qualifying\* mode of transport; and
- You incur a cost for travel.

You can also qualify for travel only, as unlike with subsistence, the Allowance is not dependent on hours worked during the day and is based on mileage rates for car, motorbike/motorcycle and bicycle travel or a set rate per day for travel by public transport.

\*A qualifying mode of transport would be your own car (not a company car), motorbike/motorcycle, bicycle or public transport, (this does not include Taxis/Minicabs).

### How do I estimate what my extra take-home pay will be?

If you are **eligible** and **qualify** for TSA, your payslip will show a **TSA Allowance** and a **TSA Adjustment**.

Your TSA payment and deduction each week will vary according to your pay rates and hours worked to ensure there is no breach of the National Minimum Wage rules. Your Tax and NIC savings will more than compensate for any decrease in your gross pay.

The maximum Allowance per day, as published by HMRC Benchmark rates is:

- £5.00 per day for Subsistence if your shift is a minimum of 5 hours long (including one hour deemed travel to/from the workplace)
- £10.00 per day for Subsistence if your shift is a minimum of 10 hours long (including one hour deemed travel to/from the workplace and half hour for a lunch break)
- £4.70 for Travel by Public Transport to/from the workplace.
- Car, Motorbike/Motorcycle and Bicycle users will receive Tax relief based on actual mileage from your home post code to/from the workplace. Based on HMRC guidance, the rates are as follows:

Car	45p for the first 10,000 business miles in a tax year, and 25p for each subsequent mile
Motorbike	24p for all business miles
Bicycle	20p for all business miles

To calculate the total TSA Allowance for the week, multiply the TSA daily rate by the number of qualifying days per week. For example, £9.70 x 5 days (based on a minimum of 5 hours for Subsistence and use of Public Transport) - this is the pay that is free from Tax and NI contributions.

**NB: This amount may reduce to ensure you do not fall below the National Minimum Wage.**

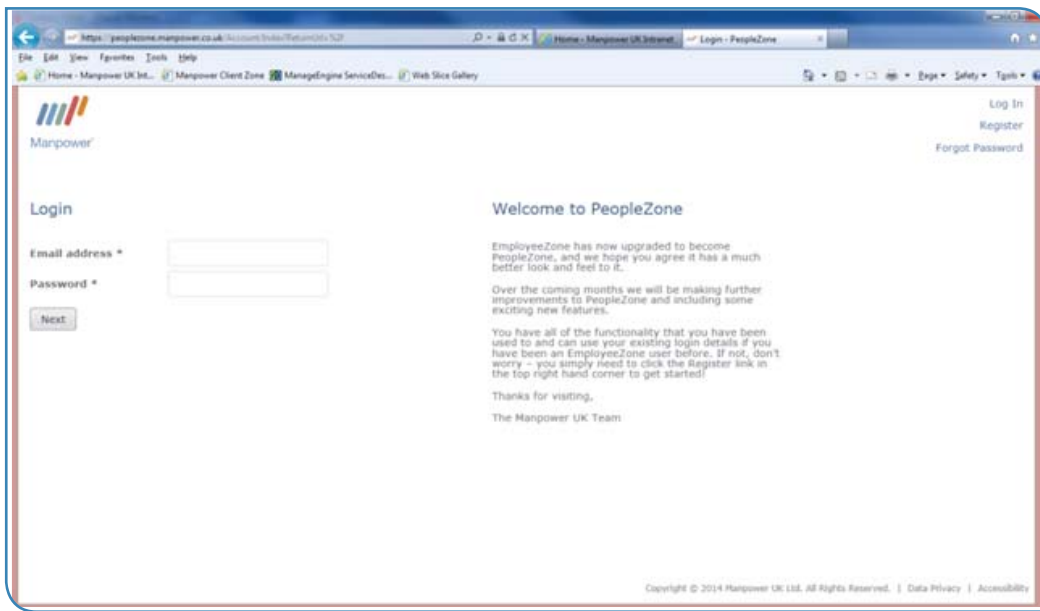
- To calculate the total TSA Adjustment, refer to the Manpower Adjustment Reference Table
- This TSA Adjustment is calculated to offset the incurred cost of running the TSA
- The TSA Adjustment will always be greater than or equal to the TSA Allowance, but this does not mean that you receive less take-home pay as you benefit from the reduced Tax/NI allowance. Under no circumstances will your pay be disadvantaged from a Tax or NI perspective if you receive an allowance
- This additional amount is calculated as a percentage of your TSA Allowance
- The percentage used will depend on your Tax and NI position
- You can see the percentage that applies to you by using the letter code on your payslip and referring to the Manpower Adjustment Reference Table, which your local Manpower consultant can provide you.



## What do I need to do to benefit from the Travel Allowance?

In order to benefit from the Travel Allowance, you will need to log in to your PeopleZone Account - <https://peoplezone.manpower.co.uk>

If you do not have access or have misplaced your user details, please contact your local Manpower Consultant.

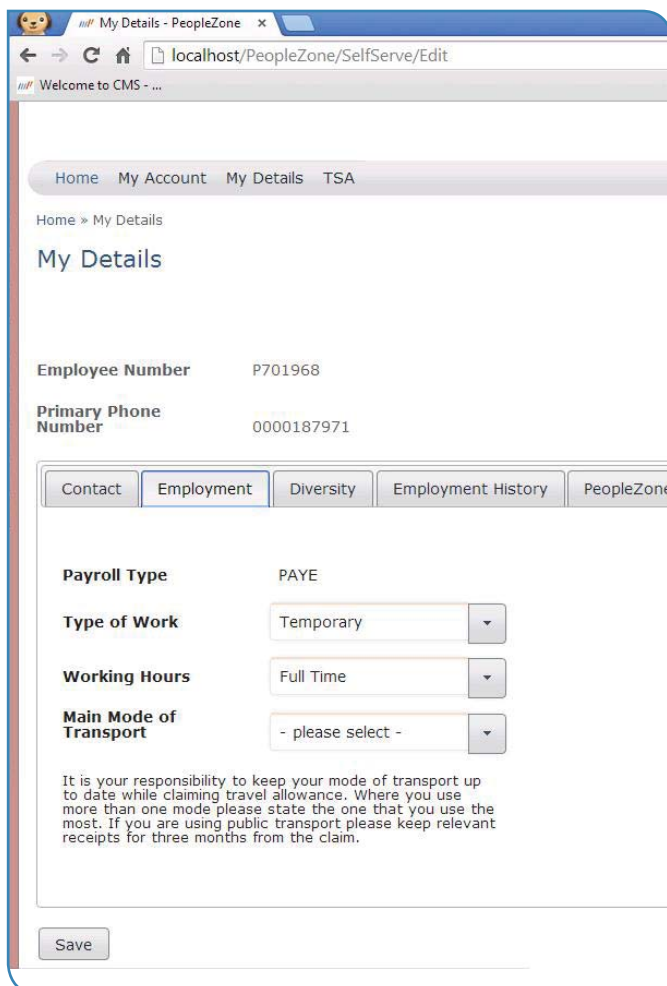


Once you have access to your PeopleZone Account, you will need to visit the 'My Details' page and select your mode of transport from the drop down list.

Manpower will then calculate your Travel Allowance and process the allowance to you.

**NB: You are required to indicate your mode of transport via your PeopleZone Account**

<https://peoplezone.manpower.co.uk> throughout your assignments should this change at any time.



## Am I able to claim Travel Allowance if I car share?

If two or more, **qualifying mobile employees** share a car, to the same (or near) client site, under HMRC guidelines, **only** the owner/driver of the car will be able to claim the full available mileage allowance under normal rules.

If a **qualifying mobile employee** is travelling in a car owned/driven by a friend/family member who is **not** a qualifying mobile employee then, despite there being a voluntary Arrangement to share costs, HMRC guidelines **do not** consider a qualifying cost to have been incurred. Therefore you will **not** be able to claim Travel Allowance.

## \*Do I have to retain the receipts for my travel and food costs in order to receive TSA?

Yes. From 05 January 2015, this is a HMRC requirement under the Arrangement and is therefore not optional.

You will be required to retain all receipts for the previous quarter, which will be subject to a random audit. Upon Manpower's request you will be required to submit a TSA expenditure log, receipts for your food and drink costs and any tickets/receipts for public travel. Failure to submit receipts on request may result in your removal from the Arrangement.

Employees will receive more details about this process, and how to submit your receipts, if you are selected for audit.

If you are selected for audit, upon Manpower's request you will be required to submit receipts for your food and drink costs and any tickets/receipts for public travel over a four week period.

**NB: Failure to submit receipts on request may result in their removal from the Travel and Subsistence Arrangement.**

## Positively confirming each week when claiming Travel and Subsistence

In order to benefit from TSA, you must positively confirm when claiming for either Travel or Subsistence (for food and drink), for each week you have worked in one of three ways:

### (a) Employees who use Manual Work Records or Manpower Online Timesheets

You will need to positively confirm this on your Manpower Manual Work Record or Online Timesheet for each week you have worked.

**NB: Manpower is unable to make Travel or Subsistence Allowance payments where the box is left blank.**

Work Records generated via CMS will reflect the below changes from 05 January 2015.

Travel & Subsistence Allowance (TSA)	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
<input checked="" type="checkbox"/> box if claiming for travel through TSA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> box if not claiming for travel through TSA	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> box if claiming for food and drink through TSA.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<input checked="" type="checkbox"/> box if not claiming for food and drink through TSA.	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>

## (b) Employees who do not use Manual Work Records or Manpower Online Timesheets

For employees who do not complete either a Manpower Manual Work Record or Online Timesheet, you will need to log onto your PeopleZone Account (<https://peoplezone.manpower.co.uk>) each week to record your TSA claim.  
NB: The deadline for completing this will be 13:00 hours each Tuesday for the previous week.

To complete the selections each week, employees will need to select 'Submit TSA' from the main menu.



You will need to select the relevant days to claim TSA allowances before clicking 'Save' to confirm your choices.  
NB: These are separate for both Travel and Subsistence.



NB: Manpower is unable to make Travel or Subsistence Allowance payments without employees positively confirming they are claiming the Allowance.

## (c) Employees who do not have access to the Internet

Employees who are unable to positively confirm their claim each week via a Manpower Manual Work Record, Online Timesheet or online via their PeopleZone Account are required to complete a Positively Confirming TSA Allowance form each week to record your TSA claim.

NB: This form can be obtained from your local Manpower Consultant.

Manpower is unable to make Travel or Subsistence allowance payments where the box is left blank.

I have already worked at the same client site/postcode for 24 months. Will I be able to benefit from TSA?

You will **not** be classified as a **mobile employee** and are therefore not eligible.

What happens if I am expected to work at the same client site/postcode for over 24 months?

If you are expected to work at the same site for more than 24 months, you will **not be** eligible for TSA from the moment it is expected that you will exceed the 24 month limit, as you will **not** be classified as a **mobile employee** for this purpose from that time. You will therefore be removed from TSA.

## I am a Student. Will I be able to benefit from TSA?

You may benefit from TSA whilst working on assignment(s) when you are paying standard Tax and NIC.

## I am nearing/at retirement age. Will I be able to benefit from TSA?

If you are nearing or at retirement age this may have an effect on your pension. Consequently, you may wish to consider whether you want to participate in TSA by taking Independent Financial Advice. For further information please refer to the HMRC website at [www.hmrc.gov.uk](http://www.hmrc.gov.uk) or seek financial advice from an independent source.

## Will joining TSA affect my state benefits?

Because you pay less NIC, if you receive TSA Allowance state benefits that are related to NIC may reduce slightly (e.g. State Second Pension). The main basic State Pension is unaffected.

Allowance related to your gross Taxable pay may be affected in one of two ways:

- They may be slightly more (e.g. tax credits); or
- They may be slightly less (e.g. statutory maternity pay, and statutory sick pay).

Finally certain 'means' tested state benefits may relate to your net earnings including your TSA Allowance. This may have a negative impact because benefits that increase if your net earnings reduce may therefore be lower if you receive TSA Allowance (e.g. council tax benefit).

For further information on how this may affect your pension please refer to the Pension services website at [www.thepensionservice.gov.uk](http://www.thepensionservice.gov.uk)

## Attachment of Earnings Order, Student Loan or Child Support Agency (CSA) deductions, how will I be affected?

Attachments of Earnings Orders and/or CSA deductions are based on net pay. Inclusion to the TSA increases your net pay therefore your payment may increase.

Student Loan Repayments, are only activated once employees earn above a certain gross amount per week currently £325.19, (£16,910 per annum). Inclusion to TSA will lower the gross earnings, consequently leading to no repayment/a lower amount being paid. There is the option to make additional payments to reduce the student loan by the staff, which would be dealt with separately between the staff and the Student Loans Company.

## Do I have to join?

The Arrangement is an optional benefit for you; therefore you do not have to join. However if you do not participate you will not benefit from the increased take home money that TSA provides.

## If I am eligible to join but wish to Opt Out, can I Opt In at a later date?

If you choose to Opt Out of TSA, you will be excluded from receiving both Travel and Subsistence Allowance (assuming you are eligible to receive these)

You will be able to Opt In **any time** throughout the year, once your Manpower Representative has completed a formal assessment with you; and, if eligible, you complete an Opt In form.

## If I Opt In and change my mind, can I then Opt Out at a later date?

You can leave TSA **any time** throughout the year, by completing an Opt Out form.

Your records will be updated accordingly and you will stop receiving your TSA payment and your take home pay will reduce to the level it would be without TSA.

## Anniversary Date

New and existing employees will be re-assessed on an annual basis from 01 – 31 January each year to ensure their eligibility criteria still applies.