



## being a flexible employee leaflet

### **What is changing at the Acorn Group?**

We are offering selected temporary workers the opportunity to become flexible employees on a guaranteed hours contract of employment.

### **What does being a flexible employee mean for me?**

As a flexible employee, you will be issued with a guaranteed hours contract of employment, which means that the Acorn Group will provide you with 336 hours of paid work per year, subject to you being continuously employed for a minimum of 12 months (there is no entitlement to any guaranteed number of hours of work for any period of employment which is less than 12 continuous months).

Being a flexible employee will not affect the assignments which you are offered by the Acorn Group. You will still be able to enjoy the flexibility and variety associated with working on temporary assignments at different client sites. We will continue to place you on suitable assignments which match your skills, qualifications and personal requirements (subject to client demands and assignment availability).

### **What if I don't want to become a flexible employee?**

It will not be mandatory for temporary workers to sign a guaranteed hours contract of employment in order to continue to be engaged by the Acorn Group.

### **Can I work for another recruitment agency if I am a flexible employee?**

Our guaranteed hours contract of employment is not exclusive. Therefore, you can work for another recruitment agency at the same time. However, we hope that we can provide you with suitable assignment and attractive benefits, which will make the Acorn Group your preferred choice.

### **What do I need to do to become a flexible employee?**

Please contact your consultant to arrange an appointment to discuss this in further detail.

### **What are the benefits of becoming a flexible employee?**

As a flexible employee employed on a guaranteed hours contract of employment, you may be eligible to participate in our FLEXITEMP scheme. Participation in the FLEXITEMP scheme is not available to temporary workers engaged on a contract for services.

### **What is the FLEXITEMP scheme?**

FLEXITEMP is an HMRC approved, tax-free payment scheme, which allows flexible employees to receive a tax-free payment. The tax-free payment replaces some taxable pay to reimburse food costs incurred whilst at work (lunch, snacks and refreshments) and / or travel costs (to and from work), subject to eligibility criteria. This means that although your gross pay may be less, your net pay (i.e. take home pay) is more.

### **Will I be eligible to participate in the FLEXITEMP scheme?**

In order to be eligible for participation in the FLEXITEMP scheme:

- you must be classified as a mobile worker (i.e. you work or are available to work at a number of different client sites and you have not been or will not be expected to be at one workplace for longer than a 24 month period)
- you must not be a student working on a P38(S) Form

### **Will I benefit from participating in the FLEXITEMP scheme?**

In order to benefit from participation in the FLEXITEMP scheme:

- you must be earning an hourly rate in excess of National Minimum Wage
- you must be currently paying tax and National Insurance contributions

If you are eligible for FLEXITEMP payments, you will benefit from:

- a FLEXITEMP allowance of £5 / £10 per day in respect of a shift at a client site, providing your shift is a minimum of 5 / 10 hours respectively; and / or
- a FLEXITEMP travel allowance per day, the amount of which is dependent on the number of miles travelled in line with current HMRC rates. This allowance will only apply if you personally drive to work

Your FLEXITEMP allowance will be capped to ensure that your hourly rate does not reduce below National Minimum Wage.

Please see the example payslip (on the back page of this leaflet) which illustrates the financial benefits to participating in the FLEXITEMP scheme.

### **Do I have to submit receipts for my travel and food costs?**

No. FLEXITEMP is an amount which is paid automatically to you.

### **What happens if due to unforeseen circumstances, I am expected to work at the same client site for over 2 years?**

If you are a flexible employee and this situation arises, you will not be eligible to participate in FLEXITEMP from the moment that it is expected that you will exceed the 24 month time limit (as you will not be classified as a mobile worker from that time).

### **If I am an employee nearing or at retirement age, can I benefit from the FLEXITEMP scheme?**

Employees nearing or at retirement age may not pay sufficient tax or National Insurance contributions in order to benefit from the scheme.

### **Will participating in the FLEXITEMP scheme affect my state benefits?**

Because you will pay less National Insurance contributions if you receive FLEXITEMP payments, benefits that are related to National Insurance contributions may reduce slightly.

Payments which are related to your gross taxable pay may be affected in one of two ways:

- they may be slightly more (e.g. working tax credits)
- they may slightly less (e.g. statutory sick pay, statutory maternity pay, statutory paternity pay and statutory adoption pay)

Certain means tested benefits may relate to your net pay, including your FLEXITEMP payments. This may have a negative impact because benefits that increase if your net earnings reduce may therefore be lower if you receive FLEXITEMP payments (e.g. council tax benefits).

## Do I have to join the FLEXITEMP scheme?

If you are a flexible employee and are eligible to participate in the FLEXITEMP scheme, you will be automatically included. If you wish to opt out of the scheme, you will need to complete the 'FLEXITEMP Opt Out Form' which is available from your consultant. However, if you opt out of the scheme, you will not benefit from increased take home pay which the FLEXITEMP scheme provides. You will only be able to opt in to the FLEXITEMP scheme at formal assessment dates (generally once every 12 months).

## If I join the FLEXITEMP scheme and then wish to opt out, can I leave the scheme?

You are able to leave the FLEXITEMP scheme on the assessment dates (10 months after joining the scheme and then every subsequent 12 months thereafter) or following certain changes in your personal circumstances (lifestyle event). You will need to complete the 'FLEXITEMP Opt Out Form' available from your consultant. You will stop receiving your FLEXITEMP payments and your take home pay will reduce to the level it would be without FLEXITEMP.

## What constitutes a 'lifestyle event'?

If you are having a child and are eligible to receive statutory maternity, paternity or adoption pay and you are participating in the FLEXITEMP scheme during the period used to calculate any such payments, this could affect the amount of statutory maternity, paternity or adoption pay which you receive (i.e. it could be reduced). If this is the case, maternity, paternity or adoption will be regarded as a lifestyle event for the purposes of opting out of the FLEXITEMP scheme.

## What happens if I leave the Acorn Group?

Your FLEXITEMP payment is an optional benefit available when you work on assignments through the Acorn Group. It is not available once you leave the Acorn Group.

## example of a FLEXITEMP payslip

WORKER VARIABLES		DISPENSATION RATES/RULES		TRAVEL & SUBSISTENCE	
Average pay rate	£6.50	Travel Allowance per day	£4.00	Travel allowance	£20
Total hours worked	40.00	Subsistence Allowance per day (5 - 10 hours)	£5.00	Subsistence allowance	£25
Number of hours per day (5 day week)	8.00	Subsistence Allowance per day (>10 hours)	£10.00	<b>Total</b>	<b>£45</b>
		% of Salary Sacrifice	10%		
		Minimum Wage	<b>£5.80</b>		

  

	OUT OF SCHEME PAYSリップ			IN THE SCHEME PAYSリップ		
Gross Pay	260.00	6.50	NMW Check	260.00	6.50	NMW Check
Less Salary Sacrifice				-28.00		
<b>Taxable/Nilable pay before personal allowance (gross)</b>	<b>260.00</b>			<b>232.00</b>	5.80	NMW Check
<b>Tax Calculations</b>						
Personal allowance	124.96					
Tax 20%						
Total Tax		27.00			21.40	
<b>NI Calculations</b>						
Employees NIC @ 0%	110.00	0.00			0.00	
Employees NIC @ 11%		16.50			13.42	
<b>Net pay</b>	<b>216.50</b>			<b>197.18</b>		
<b>NTA</b>	<b>0.00</b>			<b>22.12</b>		
<b>Total NET PAY</b>	<b>£216.50</b>			<b>£219.30</b>		