

Everything
you need to
know to
succeed as a
veterinary
locum



Locum Bundle Guide

A white line-art graphic of a paw print is positioned in the bottom right corner of the page, overlapping the 'Guide' text and the woman's scrubs.



**Join the locum
community, book
direct with
practices and
receive
discounts!**

Management For
Locums
Facebook Group



***This guide contains all the information you require
about FOUR financial routes you can take as a locum!
Umbrella Company, Self Employed (SE/ST), Limited
Company (LTD) and Zero Hour Contract Via PAYE...
this guide covers them all!***

***I am so sure that if you have a question or query that
is not covered in this guide. you can ask me
for FREE at info@managementforlocums.com***

***This guide should be read in conjunction with the disclaimer at the bottom of
the guide.***

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LIMITED COMPANY



Why choose;

LIMITED COMPANY

- Some locums operate as what is known as Sole Traders (find information on sole traders page 28-38) where you, the Locum are the business, owner and manager.
- However a proportion of Locums are operating via Limited Companies (LTDs). In this case, the business is a separate legal entity and the Locum is the director who holds all or a proportion of the company's capital.
- LTD Locums were quite popular up until 2020 when IR35 regulations changed and the client was responsible for assessing the locum's IR35 status. (IR35 Information later on in this guide)
- Operating via an Ltd is generally seen as more efficient in reducing bills for tax and national insurance contributions (NICs) for the self-employed. Operating an Ltd requires more in terms of admin, set-up and accountancy fees.
- The decision is highly individual as to whether operating via an Ltd is worth it for you. The best thing is to get an accountant to do the figures for you.
- Operating via an Ltd allows you to claim for a wider range of expenses.
- Directors of Ltds can choose how much to draw from the company in a tax year. This can be more tax efficient if you expect your income to fluctuate eg if taking maternity leave.
- A Ltd also protects your personal assets from any debts or liability incurred by your business.
- Ultimately anyone considering working via an Ltd should ask an accountant to go look at their figures and ask if it is more tax efficient and worthwhile for you.

Naming your business

LIMITED COMPANY

Before you begin the process you need to come up with a name for your company. This can be anything you would like but it can't be a name already in use. Check on the Company House register to see if your name is already registered before completing the form.

Your business name can simply be your name or another one of your choosing.

There is also a few rules which need to be abide by when choosing your business name;

- You must put your business name and your own name on all important documents such as invoices, letters etc
- You are not allowed to include 'limited', 'Ltd', 'limited liability partnership', 'LLP', 'public limited company' or 'plc'.
- It cannot be offensive.
- It can't be the same as an existing trade mark.
- Your name also cannot contain a 'sensitive' word or expression, or suggest a connection with government or local authorities, unless you get permission. For example: using VET in your company name requires permission from RCVS.
- To use 'Accredited' in your company's name, you need permission from the Department for Business, Energy and Industrial Strategy (BEIS).

Setting Up Your Financial Route:

LIMITED COMPANY

A limited company is a company 'limited by shares' or 'limited by guarantee'.

Limited by shares

Limited by shares companies are usually businesses that make a profit. This means the company:

- is legally separate from the people who run it
- has separate finances from your personal ones
- has shares and shareholders
- can keep any profits it makes after paying tax

Limited by guarantee

Limited by guarantee companies are usually 'not for profit'. This means the company:

- is legally separate from the people who run it
- has separate finances from your personal ones
- has guarantors and a 'guaranteed amount'
- invests profits it makes back into the company

To register your company you need to register for corporation tax.

<https://www.gov.uk/limited-company-formation/set-up-your-company-for-corporation-tax?step-by-step-nav=37e4c035-b25c-4289-b85c-c6d36d11a763>

It's a fairly simple online process, below find some examples of the questions you will need to answer on the HMRC online form and what they mean.

If you decide you would prefer an accountant to help you check out the recommendations section within the MFL Facebook group!

Check and confirm details of the persons in control of [.....]

Details about persons in control of a company will appear on the public record except for the full date of birth and home address.

Where the director, shareholder and Person with Significant Control are the same, we've reused information you entered previously.

Name

Date of birth

Country the person lives in

Nationality

1

What is the correspondence address for [.....]

What is the home address for [.....]

As an individual, what percentage of voting rights does [.....] own?

As an individual, what percentage of shares does [.....] own?

As an individual, does [.....] have the right to appoint or remove directors?

Confirm where persons in control live

I confirm that [.....]

Confirm control of the company

I confirm that the persons named here are in control of [.....]
They understand that their information will be listed in the public record.

If you are the sole director then it will state here that you own 75% or more of both voting rights and shares.

Do you agree to form the company?

Shareholders (subscribers) must agree to form the company. This is done in the form of a legal statement called a memorandum of association. You'll be sent the official version by email once registered.

Company name

2

Shareholder (subscriber) name

I confirm that the persons named here agree to form the company stated in the memorandum of association, in accordance with the law.

"I confirm the requirements of the Companies Act 2006 as to registration have been complied with."

A shareholder owns a company through the purchase or acquisition of shares; a director is appointed by those shareholders to manage the operational activities of a company. However, a shareholder can also be a director. This is very common in small companies and start-ups. In many cases, just one person will assume the role of sole shareholder and sole director.

Model articles of association

All limited companies must have articles of association. These are rules for directors and shareholders about how to run the company.

Model articles are a standard set of rules that have been written to suit most companies.

If you don't use model articles you'll have to write and upload bespoke articles. You'll need to ensure they comply with the law otherwise your application may be rejected.

Do you want to use model articles?

Yes

No

3

All limited companies must have articles of association. These set the rules company officers must follow when running their companies. "Model" articles of association are the standard default articles a company can use. They are prescribed by the Companies Act 2006.

A copy of the model articles of association will be presented to you so you can read on this page. You will need to make a choice of using them or creating your own.

You're about to make a secure payment of £12

Before you pay, make a note of this Companies House submission number:

• [.....]

You'll need to quote this if there's a problem with your application. We'll also email it to you.

If we reject your application, we'll refund you.

4

If for any reason your company name is rejected then the £12 will be refunded to you and another opportunity to submit a different name will appear.

At this stage you will need to make a payment to Company House to register your company's name you will register for corporation tax at the same time. Your company is usually registered within 24 hours. If you do not want to use 'limited' in your company name you must register by post.

Shareholder and shares

What is the shareholder's name?

What is the shareholder's address?

How many shares does [.....] own?

Company share

5

What is the value of each share?

The company has a total of 1 Ordinary share(s) with a total value of £1.00 in British pounds.

We'll assume that each shareholder has paid the value of their shares to the company. If they haven't, they'll need to do so.

The nominal value, which is usually £1, is the sum that a member has paid, or agreed to pay, for their portion of the company. This is the sum the member is legally required to pay toward company debts or contribute when the business is wound up. Therefore, the nominal value represents the 'limited liability' of a company's owners.

Application submitted

You've just applied to set up a limited company and register it for Corporation Tax. Your application reference numbers are:

- [.....] (for the application to set up the company)
- [.....] (for the application to register for Corporation Tax)

6

We will email these to you.

What happens next

If your application is successful, we'll send you:

- an email within 2 working days with the company number and Certificate of Incorporation
- a letter with instructions on how to access the company's Corporation Tax online
- another letter within 15 working days with the company's Unique Taxpayer Reference (UTR)

*Once the form is completed you will receive a certificate of incorporation stating you are now a director of your company!! **Congratulations!!***

SETTING UP YOUR BUSINESS BANK ACCOUNT

LIMITED COMPANY

Once you have your certificate of incorporation and 2 forms of ID you can register online or in store for a business bank account. This process can take up to 2 weeks for everything to be filed through so be careful when you book in work to ensure you have a bank account ready for your invoice to be paid into. The bank should be made aware if after 2 weeks you still haven't received correspondence.

IMPORTANT DATES / DOCUMENTS

- Date of Incorporation
- 9 months and 1 day after year end to pay corporation tax.
- 12 months after incorporation to submit a confirmation statement (check company details and pay for company house register renewal)

RECORD KEEPING

LIMITED COMPANY

You can hire a professional (for example, an accountant) to help with your tax. Check out the recommendation section in the file section of MFL Facebook group!

HM Revenue and Customs (HMRC) may check your records with a compliance check to make sure you're paying the right amount of tax.

Records about the company

You must keep details of:

- directors, shareholders and company secretaries. (as a sole locum this will just be your details)
- the results of any shareholder votes and resolutions (as a sole locum this will be an changes you make to the company)
- loans or mortgages secured against the company's assets

You must tell Companies House if you keep the records somewhere other than the company's registered office address

Accounting records

You must keep accounting records that include:

- All money received by the company, for example Invoices or anything deemed as INCOME.
- All money spent by the company, for example receipts or anything deemed as an EXPENSE.
- Any other relevant documents, for example bank statements and correspondence, work placement contracts.

How long to keep records

You must keep records for 6 years from the end of the last company financial year they relate to.

TAKE A LOOK ON THE FILE SECTION OF THE MFL GROUP FOR FREE ACCOUNTING TEMPLATES AND ACCOUNTING SOFTWARE RECOMMENDATIONS!

DAY TO DAY RUNNING

LIMITED COMPANY

Daily

- Keeping receipts from any expenses you may purchase that day.

Weekly

- Sending the time sheet to practice for shifts worked confirmation.
- Sending invoices after timesheet has been accepted.

Monthly

- Check previous months invoices have been paid and expense tracking is up to date.

Annually

- Submit corporation tax and say confirmation statement
- Submit self assessment tax

Sporadic

- Keep contracts signed through the year safe.

**TAKE A LOOK ON THE FILE SECTION OF THE
MFL GROUP FOR A FREE INVOICE TEMPLATE,
MILEAGE TRACKER AND INCOME/EXPENSE
SHEET**

THERE ARE TWO WAYS OF PAYING YOURSELF;

LIMITED COMPANY

- Paying yourself a salary as an employee. This is subject to tax under PAYE and also NICs. Typically the salary is relatively small so as not to incur large amounts of tax.
- Any further income is then withdrawn as dividends. Previously these have not incurred any tax on dividends up to £31,785. However from April 2016, tax rates on dividends will be 7.5 % on all dividends greater than £5000 and 32.5% on dividends greater than £32,000.

Accountant fees range significantly depending on your accounts complexity and the accountants experience. A rough estimate of £600 - £1400 a year is what to expect for limited company accounts including payroll for yourself as a director.

IMPORTANT:

You will pay your tax return at the end of the year. This means throughout the year you will need to put money aside for your tax bill. A good rule of thumb is to put 20% of each invoice paid aside for the end of the year. You most likely won't need it all, but its better to have more saved than less!

TAXES;

LIMITED COMPANYY

Corporation Tax, VAT and Employer National Insurance Contributions are the three biggest taxes owed by limited companies. Directors of limited companies will also need to settle their personal tax obligations on top of this via a self assessment tax return submitted to HMRC each year.

Corporation tax

Limited company owners must submit an online CT600 form to HMRC annually.

This form provides a breakdown of the company's income minus any tax allowances and expenses in order for HMRC to calculate how much corporation tax is owed.

The total corporation tax that you owe must be paid no later than nine months and one day after the end of your company's accounting period ends.

The corporate tax owed can be paid online via your HMRC account using a company credit card, business bank account or direct debit.

VAT

Covered in the guide on pages 39

ENIC

If you take on staff you will need to worry about this.

Personal tax obligations

SELF EMPLOYED



Setting Up Your Financial Route:

SELF EMPLOYED

One of the biggest advantages of running your business as a sole trader is how simple it is to start and run. A limited company, and its directors, have more legal responsibilities and duties than someone who is operating their business as a sole trader.

You have less admin as a sole trader and it's easier to change business structure if you need too.

However, you will pay more tax than a LTD company.

How to become;

SELF EMPLOYED

You can register as a sole trader if any of the following information relates to you;

- You earned more than £1,000 from self-employment in a tax year; 6th April – 5th April the following year.
- You need to prove you're self-employed, for example to claim Tax-Free Childcare.
- You want to make voluntary Class 2 National Insurance payments to help you qualify for benefits and/or government pension.

If you qualify for self employment then you can register on the GOV website.

You will be registering for a self assessment. By registering for a self assessment you are telling HMRC that you are self employed. There is no congratulatory letter or email once you register. Just a confirmation email to say you now need to submit a self assessment each year.

When you register, HM Revenue and Customs (HMRC) will:

- Send you a letter with your 10-digit Unique Taxpayer Reference (UTR)
- Set up your account for the Self Assessment online service

Then in 10-21 days you will be sent an activation code for your online account.

KEEP YOUR UTR AND ACTIVATION CODE SAFE! You will need them when you register to complete your first tax return.

DO NOT give this information out to any company or peer, they are unique to you and public knowledge of this can lead to scam or fraud situations.

HMRC suggests that you should register with them as soon as you become self-employed. This means you will be responsible for your own business and are able to keep all business profits after tax. You are personally responsible for any losses your business makes.

When to register;

SELF EMPLOYED

The self assessment tax year is the 6th April -5th April every year.

You need to register for a self assessment (otherwise known as registering as a self employed/ sole trader) by the October after your first tax year ends.

So, if you starting earning more than £1000 of non-tax cash between Jan-April then you need to register for a self assessment by October of that year and pay your tax by January of the year after.

If you start earning more than £1000 of non-tax cash between April and December then you need to register for for self assessment by the October of the year after and pay your tax bill by the January of the year after that.

EXAMPLES:

You start earning more than £1000 in Jan 2022

Your first tax year will end 5th April 2022

You will need to register for a self assessment by 5th October 2022

You will need to pay your tax bill by the 31st Jan 2023.

You start earning more than £1000 in May 2022

Your first tax year will end 5th April 2023

You will need to register for a self assessment by 5th October 2023

You will need to pay your tax bill by the 31st Jan 2024.

Naming your business;

SELF EMPLOYED

Your business name can simply be your name or another one of your choosing.

You don't need to register your business name however, if you want to stop someone using your name you can trademark it with HMRC.

There is also a few rules which need to be abides by when choosing your business name;

- You must put your business name and your own name on all important documents such as invoices, letters etc.
- You are not allowed to include 'limited', 'Ltd', 'limited liability partnership', 'LLP', 'public limited company' or 'plc'.
- It cannot be offensive.
- It can't be the same as an existing trade mark.
- Your name also cannot contain a 'sensitive' word or expression, or suggest a connection with government or local authorities, unless you get permission.
- To use 'Vet' in your name you need to get permission for the RCVS.
- To use 'Accredited' in your company's name, you need permission from the Department for Business, Energy and Industrial Strategy (BEIS).

Setting up your bank account

SELF EMPLOYED

It's not a requirement to have a separate bank account as a self employed locum but it's an highly recommended option.

You may want to keep your business income and outgoings separate to personal so accounts are much easier to follow. You can get another personal account or business account.

You will need your HMRC document which is emailed to you to say you have registered for self assessment and 2 forms of ID.

You can register online or in store for a business bank account. This process can take up to 2 weeks for everything to be completed so be careful when you book in work to ensure you have a bank account ready for your invoice to be paid into.

RECORD KEEPING

SELF EMPLOYED

YOU'LL NEED TO KEEP RECORDS OF:

- All sales and income
- All business expenses
- VAT records if you're registered for VAT
- PAYE records if you employ people
- Records about your personal income
- Your grants, if you claimed through the Self-Employment Income Support Scheme

WHY YOU KEEP RECORDS

You do not need to send your records in when you submit your tax return but you need to keep them so you can:

- Work out your profit or loss for your tax return
- Show them to HM Revenue and Customs (HMRC) if asked you must make sure your records are accurate.

KEEP PROOF

TYPES OF PROOF INCLUDE:

- All receipts for goods and stock
- Bank statements, chequebook stubs
- Sales invoices, till rolls and bank slips

- What you're owed but have not received yet

- What you've committed to spend but have not paid out yet, for example you've received an invoice but have not paid it yet

- The value of stock and work in progress at the end of your accounting period

- Your year end bank balances
- How much you've invested in the business in the year
- How much money you've taken out for your own use

DAY TO DAY RUNNING

SELF EMPLOYED

Daily

- Keeping receipts from any expenses you may purchase that day.

Weekly

- Sending the time sheet to practice for shifts worked confirmation.
- Sending invoices after timesheet has been accepted.

Monthly

- Check previous months invoices have been paid and expense tracking is up to date.
- Save a % of each invoice for annually tax bill.

Annually

- Submit self assessment tax

Sporadic

- Keep contracts signed through the year safe.

TAKE A LOOK ON THE FILE SECTION OF THE MFL GROUP FOR A FREE INVOICE TEMPLATE, MILEAGE TRACKER AND INCOME/EXPENSE SHEET

SUBMITTING A SELF ASSESSMENT

SELF EMPLOYED

You need to submit a self assessment annually and from what we now know in this guide, submit a self assessment means working out how much tax you owe that year...we are getting the hang of this!

Yet the first, second even third time submitting a self assessment can be nerve racking. So, having a registered HMRC approved accountant is super handy!

Not essential but handy!

MFL has several accountants within the group including Harris and Co and Strive X. Feel free to contact Nichola, Rachel or James via the link below!

[www.managementforlocums.com](http://www.managementforlocums.com/recommendations)
[/recommendations](http://www.managementforlocums.com/recommendations)

If you would like to submit your self assessment you 100% can, HMRC offer some really helpful step by step YouTube videos.

Content is no longer available

SUBMITTING A SELF ASSESSMENT

SELF EMPLOYED

You can also
subscribe to the HMRC help and support
email service to get information on a wide
range of topics for individuals, businesses,
employers and agents.

You can also:make changes to your topic
subscriptions and unsubscribe from the
service whenever you want



[HTTPS://SUBSCRIPTIONS.HMRC.GOV.UK/](https://subscriptions.hmrc.gov.uk/)

HOW TO BUDGET FOR YOUR SELF ASSESSMENT

SELF EMPLOYED

If you're self-employed, you can use the HMRC self-employed ready to budget for your Self Assessment tax bill for the 2021 to 2022 tax year.

Enter your estimated weekly or monthly profit to get an idea of how much Income Tax, Class 2 and Class 4 National Insurance you'll pay.

Content is no longer available

HOW TO BUDGET FOR YOUR SELF ASSESSMENT

SELF EMPLOYED

Use the self-employed ready reckoner to budget for your Self Assessment tax bill.

You can enter your estimated weekly or monthly profit to get an idea of how much Income Tax, Class 2 and Class 4 National Insurance you'll pay.

This tool assumes you have no other taxable income and receive the standard Personal Allowance.

And remember its just a rough guidance! Be sure to keep 10-20% of each paid invoice to one side..you will for sure have enough for your tax bill and you can sleep easy knowing that!



Estimate your Self Assessment tax bill if you're self-employed

Find out how much you need to put aside for your Self Assessment tax bill if you're self-employed by using HM Revenue and Customs' (HMRC's) self-employed tax calculator.

 [gov.uk](#)

A group of five healthcare workers, including nurses and doctors, are posed on a staircase. They are all wearing blue surgical masks and various colored scrubs and caps. They are giving thumbs up and holding stuffed animals, including a teddy bear and a brown dog. The background is a bright, modern hospital hallway with white walls and a staircase.

UMBRELLA AGENCY

WHAT IS AN

UMBRELLA COMPANY

Umbrella company has two main 'functions'

- Payroll
- Employment

Payroll - deducts the necessary tax and NIC's, pensions, student loans, net pay paid into personal bank account

Employment - contractor classed as employed and receives all statutory benefits (sick pay, holiday pay, insurances, pension, HR etc)

There is no legal definition of 'umbrella company' - as a result has led to uncertainty and confusion.

Complaint umbrella companies should work in the same way and offer the same net pay %

WHY USE A;

UMBRELLA COMPANY

- No 'tax work' – umbrella company acts as your employer/payroll department so does the hard work for you.
- Employed status, no worrying about IR35/MSC/Loan-Scheme/False self-employment legislation, therefore no 'looking over your shoulder' and 'peace of mind'
- Make sure you partner with credible supplier, HMRC have begun 'naming and shaming' non-compliant umbrella operators on their website.
- Perfect for contractors aiming to complete multiple assignments with different practices, hence the term 'umbrella' – you can put all of your assignments 'under one roof'.

USING A;

UMBRELLA COMPANY

Firstly, you need to find an Umbrella Company. There are many in the Management For Locums community such as I4 group.

I always recommend contacting them first as by doing so, you can gauge who you trust to fulfil your individual requirements.

They are in charge of your payroll, so you need to trust them. Once you have found an Umbrella Company, you will need to register with them online. This normally takes 5-15 minutes.

There are no registration fees with MOST Umbrella Companies and a rolling contract so you can leave whenever you like.

Following registration, you are often not required to pay anything or to be paid until after submitting your timesheet. Although, some companies may have variations on this process.

Ensure you understand the terms and conditions of the company you have chosen to work with. This allows you to prepare your financial route well in advance.

Umbrella companies are a great way of being organised and not overwhelmed by having to do everything at once, such as finding work and sorting invoices, tax returns etc. You only need to find work.

When you are registered with the Umbrella Company, you will be given an online account where you will submit and keep track of your records.

You will now be an employee of that Umbrella Company but still be very much in control of what work you do.

It is important to remember that you can swap Umbrella Companies at any time, if you wanted too.

UMBRELLA COMPANY

PLUS USING A RECRUITMENT AGENCY.

Normally, using an Umbrella Company and recruitment agency means the following steps take place for each place of work,

- 1) Either online or over the phone you will fill out a form which your chosen Umbrella Company will use to create a business to business contract with your chosen recruitment agency. This contract will include details such as start date/end date or ongoing, rate per hour and contact details.
- 2) Once you have completed the work for the client (vet practice) you will need to fill out a time sheet. This is sent to both your Umbrella and recruitment agency. Completing the time sheet accurately and in a timely manner, it is your responsibility.
- 3) The umbrella company will invoice the recruitment agency for the hours that you have worked, plus any reimbursable expenses that you may have incurred.
- 4) The recruitment agency will then invoice the client you have worked for.
- 5) The client pays the recruitment agency.
- 6) The recruitment agency will then in turn pay the Umbrella Company.
- 7) The Umbrella Company will pay you through the PAYE system and you will receive a payslip.
- 8) The payslip will include the Umbrella Company's fee charge, tax and National Insurance deductions. In addition to this, any further deductions you have opted in to, such as a pension scheme.

DAY TO DAY RUNNING;

UMBRELLA COMPANY

FINDING WORK DIRECTLY.

If you find work privately the process is the same as the previous page minus the recruitment agency steps.

You will still need to fill out a form for each client you work for. The Umbrella agency will use the time sheet you give them to invoice the practice directly and then pay you in the same way.

The Umbrella Company will always invoice the "end client", this can be either the recruitment agency or the practice if you found the work directly.

UMBRELLA COMPANY

Keep hold of all P45s and P60s. You do not need to file a tax return. If you work under an umbrella part time along side another job. You will have 2 tax codes.

Be sure to contact HMRC to ensure they understand you overall take home pay. If they don't receive this information from you, they will tax your emergency tax which is 40%.





GENERAL INFORMATION

VAT REGISTRATION

It's up to you.

You have to be VAT registered if your company's taxable turnover exceeds £85,000 within a 12 month period or that you know it will. However, you can also register voluntarily.

If you register then you will need to put VAT on all your invoices and complete quarterly VAT returns. You can also claim VAT back on any expenses too. Recently, the VAT rules have changed and you will need to use an approved software to submit your returns. This rule only applies to businesses who earn over 85K.

Extra paperwork and administration is an unavoidable consequence of VAT registration and often you will find, if you don't qualify for VAT registration then the common option is don't do it, but like I have previously said - It's up to you.



Register for VAT
How to register for VAT, change your details, cancel your registration, register for VAT in EU countries.

 GOV.UK

SICK PAY, HOLIDAY PAY, MATERNITY PAY

Holiday Pay

Umbrella

You are entitled to holiday pay and you have 2 ways of having it paid to you as an employee of an umbrella company. Holiday pay can be paid to you in a lump sum when you wish to take holiday or it can be spread out over every invoice you receive that year, it is your choice.

Self Employed

You do not receive Holiday pay.

Limited Company

You do not receive Holiday pay.

SICK PAY, HOLIDAY PAY, MATERNITY PAY

SICK PAY

Umbrella

If you are employed through the umbrella company then you may be entitled to statutory sick pay (SSP).

Self Employed

You do not receive statutory sick pay as you don't have an employer.

Limited Company

If you are employed through your Limited Company then you may be entitled to statutory sick pay (SSP) from your company. You will need to meet all guidelines and if met you can deduct SSP from the employee's payroll liabilities, or reclaimed from HMRC directly if there are insufficient Pay As You Earn (PAYE) funds to cover payment.

SICK PAY, HOLIDAY PAY, MATERNITY PAY

Maternity Pay

All women in the UK have a right to maternity pay no matter what your financial route is.

There are 2 types of maternity cover you can claim.

Type 1: SMP – Statutory Maternity Pay

Type 2: Maternity allowance

Umbrella

As an employee of an Umbrella Company you can claim either but not both as long as you have met criteria set.

More information can be found on the GOV website under; “Statutory Maternity Pay: how different employment types affect what you pay”.

Self Employed

More information can be found on the GOV website under; “Statutory Maternity Pay: how different employment types affect what you pay”.

Limited Company

If you are a director of a limited Company you can claim either but not both at the same time as long as you have met criteria set. More information can be found on the GOV website under; “Statutory Maternity Pay: how different employment types affect what you pay”.

INSURANCES

Believe it or not, Insurance is not mandatory for veterinary locums. BUT is highly recommended!

Below is a list of insurances I recommend you have however this is unique to you. If you are a full time locum you may want to take on more insurance as locumming is your sole income.

Veterinary Defence Society (VDS) Insurance

The Veterinary Defence Society is a mutual insurance company, run by experienced veterinary surgeons on behalf of the veterinary profession. VDS offers professional indemnity insurance tailored to veterinary professionals within their insurance package.

They also offer:

- A team with unparalleled experience of RCVS/VCI disciplinary proceedings
- Highly experienced claims consultants, each of whom is a qualified veterinary surgeon, to handle your claim
- Cover for support staff working under the supervision of a veterinary surgeon member
- A choice of indemnity limits for professional negligence
- Indemnity limits that are applied to each separate incident during a period of insurance (up to the stated aggregate claim limit for that year)
- No premium increase as a result of a successful claim.

VDS cover is between £50-£400 per year depending if you are a vet or nurse. Be aware that VDS renew their insurance policy every December, and what is offered to you differs if you are a vet or a nurse.

For example, if you bought VDS cover in November you would have to pay a second fee and renew in December to then cover the following year.

INSURANCES

Car Insurance

If you are going to use your car for business purposes you will need business car insurance. This covers you for using your car for work such as, home visits and travelling to different work locations. Travelling to and from work is normally covered via “social, domestic and personal use” insurance but it would be a good idea to check with your insurance company first.

Income Insurance

Income insurance is especially important if you are working as a full time locum and this is your sole income. If you have financial outgoings and or dependents then income insurance offers you financial security if any illness or injury happens which prevents you working. There are several to choose from all covering very different things evidently having a large range in annual cost.

The MFL Community has a brilliant financial advisory called through VetYou who can direct you on the right path. You can speak with them for free via the link below.

[www.managementforlocums.com](http://www.managementforlocums.com/recommendations)
[/recommendations](http://www.managementforlocums.com/recommendations)

INSURANCES

Public Liability

Public liability insurance covers the cost of claims made by members of the public for incidents that occur in connection with your business activities.

Public liability insurance covers the cost of compensation for: personal injuries. loss of or damage to property. Cost can range between £40 - £150 per year.

Indemnity Insurance

Professional indemnity

Professional indemnity insurance is a type of business insurance that covers you for costs you might face if your work, service, or advice causes a client to suffer a loss – either financial or personal. Costs can range depending on the size of your business and the nature of work you do.

Some Umbrella companies offer insurance within your contract. For example I4 group offer FREE professional indemnity cover for veterinary professionals, up to £2m.

EXPENSES YOU CAN CLAIM

Working as a sole trader or LTD you can claim the following;

- Uniform
- Work supplies
- CPD
- Veterinary memberships
- Insurance
- Tax
- Pension scheme (business only)
- Fuel
- Accommodation needed for work
- Food need for work
- Business phone calls
- Gas and electricity for your work area
- You cannot claim for things that you use for both private and business use, such as rent or broadband access.
- Home office :

You can either claim tax relief on:

£6 a week from 6 April 2020 (for previous tax years the rate is £4 a week) - you will not need to keep evidence of your extra costs

The exact amount of extra costs you've incurred above the weekly amount - you'll need evidence such as receipts, bills or contracts

You'll get tax relief based on the rate at which you pay tax.

This is not an extensive list.

EXPENSES YOU CAN CLAIM

Working under an umbrella

HMRC have limited what expenses you can claim, so be wary of umbrellas claiming all sorts of additional expenses, although you are still eligible for some, so have a read about their expenses policies.

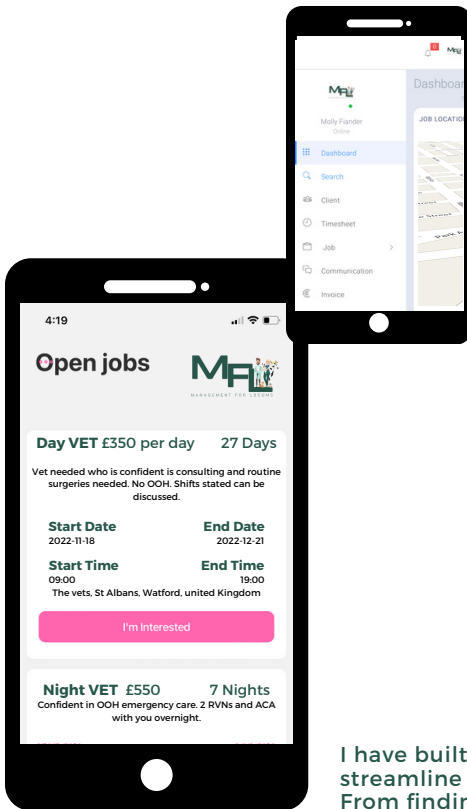
Insurance may be supplied by the Umbrella Company.

Some umbrellas have auto-enrolment for their pension schemes, which comes in handy later in life, and you might see some significant tax advantages along with it.

FINDING WORK

Management For Locums

<https://portal.managementforlocums.com>



Step
01

Find a list of vital roles that suit you instantly.

Step
02

Remain in control and book with directly with practices.

Step
03

Streamline your invoices and timesheets

Step
04

Receive support and guidance from fellow locums within the community

I have built a platform where you can streamline your whole locum process. From finding work directly without the admin, to sending timesheets and invoices automatically and tracking your work. Lots more and the whole roadmap of the platform be found in the community. So please do join and ask away!



Click to join the Locum Community



FINDING WORK

Other ways,

Recruitment Agency

There are two types of recruitment agencies: Employment agency and Introductory agency.

An introductory agency will simply introduce you to a practice and then you are responsible to ensure the timesheet is completed correctly. They find you work that will suit you and offer security to practices by checking you are a qualified veterinary professional.

An employment agency will introduce you but also take responsibility for invoicing and chasing payments on your behalf.

Whichever agency you use they need to be updated on your availability and they will use their database to find work for your specifications. This opens you up to practices you may not have known about. In addition to this, a registration form and skills matrix will be completed by you to allow the recruitment agent to find you work that best suits you.

They are trained in negotiations so will be more than happy to assist you in reaching your desired rate. Often a recruitment agency will have a confirmation booking form which is completed on behalf of you for security of that booking with the end client. However, this is not always the case so be sure to ask.

Due to the recruitment agency charging a fee to the practice on top of your rate, some practices are more keen for private locums. However, they are also very much used to recruitment agencies and some even prefer them.

A recruitment agency may have a clause which stops you working privately for a practice they found for you. If they do, it simply means you need to work elsewhere for a certain amount of time and then return back to that practice privately.

If you feel that the work given to you is more favourable for the recruitment agency than yourself, it is important to remember that you can leave and use another agency at any time.

FINDING WORK

Other ways,

A rough figure has shown 30% of work comes with accommodation so if you want to, the ability to travel with your job is a possibility!

Booking Direct

Finding work privately means that you use your own contacts and research of practices to book work. You can contact a practice regularly with dates of availability and build up your own personal clientele.

You are in charge of your own rates and negotiation with the practice.

The advantages seen with finding work yourself are no added recruitment fees and also the ability to grow in confidence as you negotiate your rate and shift hours.

You are essentially cutting out the middle man by not using a recruitment agency.

In addition to this, you are able to develop a business bond with the practice which can be seen to put you in a better place for repeat business.

A contract of agreement is also known to be recommended for private bookings. This contract includes a breakdown of information about the booking and policies you have in place such as lunch, overtime, accommodation, parking and cancellations.

SALARY EXPECTATIONS

It is known a locum charges a higher rate per hour for their services than a permanent veterinary professional because of the business responsibilities we take on.

The exact rate ranges significantly due to the following reasons:

- Location. Cost of living is much higher in cities than rural locations, this in turn will affect the salary you can make.
- Experience. Much like taking a permanent job you need to take your skills and qualifications into account before charging a certain rate.
- Time of booking. Last minute bookings come with a higher rate due to the inconvenience. This also applies for out of hours, weekend and bank holiday work. Any unsociable hours.

In 2021

Vet nurse rates range between £19-35 per hour with £24 per hour as the average for a normal day shift.

Vet rates range between £400-£750 per day with £450 as the average for a normal day shift.

An Umbrella Company charges a fee and depending on who you are employed with, it can seem quite significant. Speaking to locums within the veterinary industry, a rough estimate of 30-40% of their annual income was taken due to tax including employers National insurance, fees and other deductions when using an umbrella company. This figure is not an accurate figure HOWEVER, by using the umbrella company, practices do not have to pay employers NI so your rate should increase to cover this expense, normally by 20%.

BOOKKEEPING TIPS!

Whether you have an accountant or not, It's important to be organised with your bookkeeping.

There are several ways of being organised and it is whatever way suits you to be able to keep up to date without causing too much of a hassle.

There are apps which allow you to record all invoices you send and all mileage you participate in, you can then sort into work mileage and personal mileage later. In addition to this, some apps offer the ability to take pictures of receipts to help keep a record of business expenses.

If the technology organisation route is not really for you then paper is just as good however tax is going digital in the near future and does require all accounts and evidence for account e.g to be digital.

Creating a spreadsheet will suit just as well and can be seen easier to edit

Working through an Umbrella

As an employer of the Umbrella Company it may be beneficial to you to keep a record of your payslips and P60s. Including P45s if you have any.

In regards to recording and claiming back mileage under an Umbrella Company, More information can be found on the GOV.uk website: "Travel and subsistence expenses for workers engaged through 'employment intermediaries' from 6 April 2016.

Suggested records to keep as a self employed and LTD are:

- Work Mileage tracker. You can tax deduct 0.45p per mile up to 10,000 miles then 0.25p per mile. This resets each tax year.
- All money spent by the company, for example receipts, petty cash books, orders and delivery notes.
- All money received by the company, for example invoices, contracts, sales books etc.
- Any other relevant documents, for example bank statements and correspondence

TOP TIP!

MAGNETIC BUSINESS CARDS!

SO OFTEN BUSINESS CARDS ARE PUT IN A DRAWER AND NEVER SEEN AGAIN, BUT YOU KNOW WHAT EVERY SINGLE PRACTICE MEMBER LOOKS AT EVERY DAY.....THE FRIDGE DOOR!

CREATE A MAGNETIC BUSINESS CARD WITH A PICTURE OF YOU, YOUR NAME AND LOCUM STATUS. THAT WAY EVERYONE CAN PUT A NAME TO A FACE AND SEE YOUR CARD EVERY DAY! KEEPING YOU CONSISTENTLY IN THE FOREFRONT IF THEY EVER NEEDED LOCUM HELP!





Join the locum
community, book
direct with
practices and
receive discounts!



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