

Expenses and Benefits Procedures

TYPE: Expenses and Benefits Procedure

PURPOSE: This document outlines the policy and procedures for expenses and benefits

SCOPE: This policy applies to College staff. These procedural instructions will not apply to agency staff or self employed personnel.

RESPONSIBILITY: The Vice Principal Finance is responsible for this Policy.

Legal Context: HRMC Rules and regulations

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1. INTRODUCTION

The information and procedures contained in this manual are for the guidance of College staff. These procedural instructions will not apply to agency staff or self employed personnel.

1.1. Expense Reimbursement Procedure

Expenses incurred on behalf of the College are to be recorded in detail on an expenses claim form (shown at Appendix 2). Claims must be submitted on a timely basis. Expense forms must be supported by receipts wherever the supplier can reasonably be expected to provide a receipt. The declaration on the expenses claim form must be signed by the claimant and the form must be authorised in accordance with the authorisation procedures detailed below. The completed forms should be submitted to the Payroll Office, together with all supporting documentation (receipts etc.) preferably no later than the end of the month following that in which payment is made. The College reserves the right to not pay for expenses received after this deadline.

All supporting documentation will be retained centrally for three years.

1.2. Foreign Currency

Where expenses are incurred in foreign currencies, the amounts should be shown in the currency in question. Reimbursement will be made in sterling, and the amount shown in the 'Totals' boxes should be the sterling equivalent. The rate of exchange must be indicated on the form, which can be obtained from the internet by googling "Rate of Exchange" and the claim is to be processed as detailed in 1.1.

1.3. Authorisation of Expense Claims

Expense claims are to be submitted to the Payroll Office after they have been authorised in accordance with the following table.

All staff except members of EMT	EMT Line Manager
Executive Management Team (EMT) except Principal	Principal
Principal	Chair of Corporation
Governors (excluding Chair of Corporation)	Chair of Corporation
Chair of Corporation	Vice Chair of Corporation

Claims should not be returned to the claimant after authorisation; they should be forwarded to the Payroll Office. Any amendments made to expenses claim forms should be initialled by the claimant and by the individual authorising the claim.

All employees should note that any attempt to submit a false claim will be treated as a serious disciplinary offence.

1.4. Advances

Advances against expenses are not normally paid. However in exceptional circumstances, claims are to be submitted to the Finance Team and then to be authorised by the Vice Principal Finance. Advances against expenses may be claimed subject to the following conditions:

- (i) Amounts advanced will be limited to the amount of anticipated cash expenditure and must be authorised in accordance with the authorising procedures described above.
- (ii) An advance must be cleared by submission of an expenses claim form as soon as possible. Any unused balance of the advance must be repaid within seven days of the date it was provided. No further advances can be made while an advance is outstanding.

2. TRAVEL

In respect of all journeys, an employee and his/her manager should determine the most effective and efficient mode of transport, i.e. car, train etc., as only business travel will be reimbursed. Where there is any doubt, the employee should consult the Vice Principal Finance to confirm the most cost effective method.

2.1. Car Travel and Related Matters

2.1.1. General

Only genuine business mileage will be reimbursed. Details of mileage should show the journey, start place, destination, and reason for the journey and total miles claimed. All business mileage claims should be recorded on the expense claim form (Appendix 2) and processed as detailed in 1.1 above. Claims will be monitored, as any provision of private fuel will result in a PAYE liability on the employee, and VAT and NIC liabilities on the College.

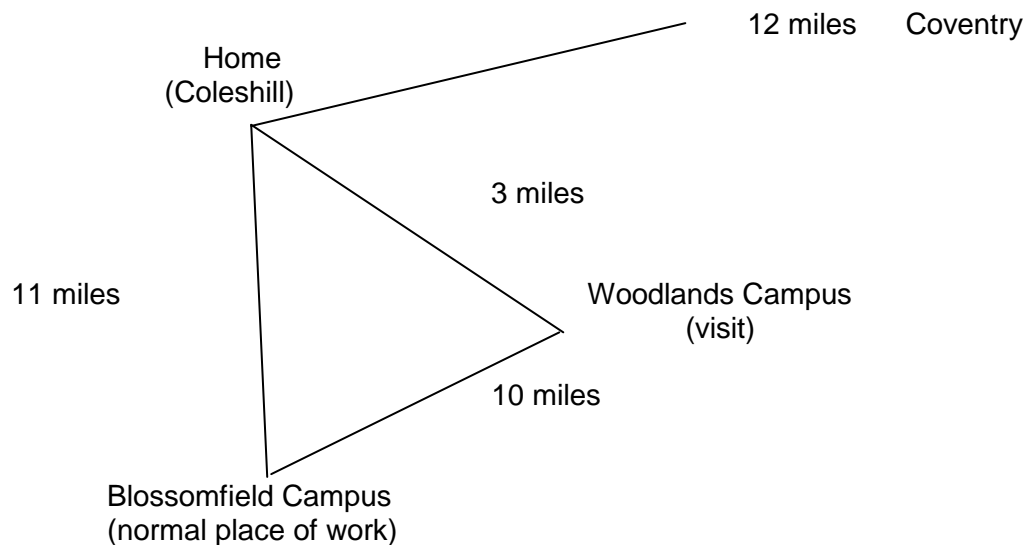
2.1.2. Definitions of Business Mileage

For the purposes of determining the extent to which journeys may be regarded as business journeys the following rules apply for employees who normally work at one College site but occasionally travel to other College sites, clients etc. Normal place of work is usually the place that is most frequently attended to perform work duties. Typically, this will be where the member of staff is contracted, has an office or desk and support services which are regularly used. This is not necessarily the place where the member of staff was first recruited and can change as duties change over time.

All journeys between home and the normal College site are to be regarded as private and the costs of these journeys are not to be claimed. All journeys away from the normal College site on business may be regarded as business journeys, except where a journey commences or ends at the home of the employee. In such circumstances the employee may only claim distance travelled less the normal home to work mileage.

Examples are given below:

Example



Example 1 – An employee who is based at Blossomfield travels from home to Woodlands and then returns home. This will be 6 miles in total. As this is less than home to normal place of work then no mileage can be claimed.

Example 2 – An employee who is based at Woodlands travels from home to Woodlands, then to Blossomfield and then back home. The employee cannot claim from home to Woodlands as this is their normal home to work journey. They can claim for 10 miles between Woodlands and Blossomfield. Their journey home from Blossomfield is 11 miles and they can claim 8 miles as they need to deduce their normal home to work mileage of 3 miles. In all, the employee can claim 18 miles.

Example 3 – If the employee who is based at Blossomfield travels from home to Coventry for a meeting and then home again the total mileage is 24 miles. The employee can claim 24 miles less the normal home to Blossomfield mileage of 22 miles and therefore can claim 2 miles.

Employees must provide sufficient detail on the expense claim form. No tax or NIC liability will arise in respect of travel expenses claimed.

2.1.3. Own Cars

In respect of employees using their own car on College business, a mileage rate, based on HMRC's authorised mileage rate as set out in Appendix 1, will be paid upon completion of the Expense Claim Form set out in Appendix 2 and processed as detailed in 1.1 above. Any change in the rate will be notified to the employees periodically. Staff are required to confirm that the vehicle used is insured for business use when they sign the expense claim form. The cost of any additional insurance premium incurred by the individual is covered by the mileage rate paid by the College as indicated in Appendix 1.

2.1.4. Bicycle

In respect of an employee using their own bicycle on College business, a bicycle rate based on HMRC's bicycle rate will be paid as set out in Appendix 1. Any changes in mileage rates will be notified to the employee periodically.

2.1.5. Pool Cars / Vans

Where an employee uses a pool car or van for business purposes, any fuel expenditure may be reclaimed on production of a receipt and completion of a Petty Cash Claim Form as set out in Appendix 3 duly authorised. The pool vehicle must not be taken home at night, except in exceptional circumstances, which must be previously authorised by a member of EMT. No pool vehicle must be used privately or to the exclusion of other employees.

No tax or NIC liability will arise under these circumstances.

2.1.6. Car Parking

Car parking away from the normal place of work will be reimbursed providing a copy of a receipt is attached to the expense claim as set out in Appendix 2 and processed as detailed in 1.1 above. Parking fines will not be reimbursed.

2.1.7. Public Transport including Train Travel

Where employees need to travel by public transport on College business, standard class travel is to be used and all expenditure fully receipted. Tickets should be pre-booked through the rail warrant process. To do this, an order is raised and when authorised, Purchase Ledger will issue a voucher. This is taken to the railway ticket office who will then issue the ticket for travel. Reimbursement may not be guaranteed where employees have not followed this process.

2.1.8. Taxi Travel

The use of a taxi is only to be considered for exceptional circumstances. After business train travel, taxis can be used for journeys to hotel accommodation if essential. All claims must be fully receipted as set out in Appendix 2 and processed as detailed in 1.1 above.

2.1.9. Overseas Travel

Occasionally the College will require certain employees to undertake overseas business travel. In all cases such travel needs to be approved in advance in line with the Overseas Travel Procedures. In such instances the College will reimburse the costs of all business expenditure which must be fully receipted with an itemised VAT receipt. Claims should be made on the expense claim form. Personal incidental expenses will be paid in accordance with the rates in Appendix 1.

Air travel must be booked through normal College purchasing procedures. The College will not meet any if the costs incurred by spouses/partners when accompanying employees on overseas business travel.

No tax or NIC liability will arise in respect of these expenses.

2.1.10. Out of Pocket Expenses

The College may reimburse other out of pocket business expenses on production of an itemised receipt and following approval by a member of EMT as set out in Appendix 2 and processed as detailed in 1.1 above.

3. SUBSISTENCE

3.1. Meals Reimbursement

All individuals operating a normal working day at their normal College place of work will be expected to provide their own meals.

Employees who are required to travel in the course of their work are entitled to claim the additional cost of meals taken en route where they are outside West Midlands area. All expenditure must be fully receipted with an itemised receipt and reimbursement may be refused. If it is considered that the expenses being claimed are excessive or unreasonable in nature. Meal expenses will be determined annually by the Principal.

3.1.1. Breakfast

Receipted breakfast expenditure may be reimbursed as shown in Appendix 1 provided the employee is on College business away from their normal office and the following conditions are fulfilled

- the employee is staying in overnight accommodation, i.e. breakfast is not included in the hotel; or
- the employee is required to leave home before 7:00am to undertake a business journey.

3.1.2. Lunch

Receipted lunch expenditure may be reimbursed in with Appendix 1 where the employee is outside West Midlands area away from their normal office on College business and also absent for more than 5 hours, straddling lunch time.

3.1.3. Evening Meal

Employees staying away overnight on College business will be entitled to include the cost of a reasonable evening meal on the hotel bill, including one drink.

Where an evening meal is not included on the hotel bill employees may claim reimbursement of reasonable receipted costs in accordance with Appendix 1 as long as they are staying away from their normal office.

Where there is a requirement to work late away from their normal College site or home i.e. after 7.30pm. For this to be claimed, employees would normally be expected to be staying away overnight or outside the West Midlands area from their normal workplace. Employees may claim reimbursement of the receipted cost of an evening meal. This must be approved in advance wherever possible.

3.2. Hotel Accommodation

When required to stay away overnight on College business, employees may claim for the cost of the room and board.

Where the total cost of overnight expenses (including meals) exceeds £100 per night, advance approval and authorisation of the Principal must be obtained.

Employees must obtain itemised receipts for all reimbursed expenses wherever possible as set out in Appendix 2 and processed as detailed in 1.1 above. Any costs over this limit must be settled separately by the individual when checking out.

3.3. Staff Meals

Where employees incur meal costs for valid business purposes, but without any customer present, the costs involved should be authorised by the most senior person present. Authorisation in advance should be obtained from a member of the EMT. Full reason for the expense should be noted on the expenses claim form along with details of all attendees where the one person has paid for other attendees.

Examples of valid business purposes include management and training etc, meetings continuing over a meal time or sensitive confidential business meeting held outside the office, but not meal expenses incurred for purely social reasons. As refreshments are usually served at Corporation and Committee meetings, meal costs arising from these would not normally be reimbursed.

3.4. Entertainment

Necessary business entertaining costs will be reimbursed on production of itemised receipts. The following information must be shown on the expenses claim form:

- (i) the names(s) or attendees;
- (ii) the organisation which they represent: and
- (iii) the purpose of the entertainment

Entertainment must be authorised in advance in line with the table below:

All staff except members of EMT	Member of EMT
Executive Management Team (EMT) except Principal	Principal
Principal	Chair of Corporation
Governors (excluding Chair of Corporation)	Chair of Corporation
Chair of Corporation	Vice Chair of Corporation

Where the only individual in attendance are employees of the College, the rules described under "Subsistence" should be followed.

No tax or NIC liability will arise in respect of entertainment expenses incurred in accordance with these rules.

3.5. Whole College Events

The College will contribute towards the cost of whole College events available to all employees up to a rate of £150 per person per annum. A taxable benefit in kind will arise, if not all employees receive the same level of benefit. Any taxable benefits will be declared on the P11D forms of the attendees. Alternatively, the College may, at its discretion, pay the liability to HMRC on behalf of the employees.

3.6. Cards, Flowers and Gifts for Governors and Staff

The College may, at the Principal's discretion, send cards or flowers to governors, employees or spouses in special circumstances, for example during illness or bereavement.

After 20 years service, staff are given flowers or a gift to the value of £50.00, as a long service award.

The Corporation may, at the Chair's/Vice Chair's discretion, give gifts to thank governors for service to the College, as appropriate.

4. EXPENSES AND BENEFITS

4.1. Home/Mobile Telephone

By prior approval with the Principal or Vice Principal Finance the College will reimburse the cost of business calls occurred on home telephones or mobile phones on the production of an itemised bill. Approval must be received before any calls are made on this basis. Line rental will not be reimbursed.

No tax or IC liability will arise.

4.2. Internet

By prior approval with the Principal or Vice Principal Finance, the College will reimburse the cost of internet connection, only where it is strictly necessary for business purposes, e.g. to enable employees to access the College network. All claims must be fully receipted. Any private use by employees will not be paid for by the College. Approval must be received before any costs are incurred on this basis.

4.3. Training Courses

The College will bear the cost of external training courses where the College is satisfied that the Staff Development approval process has been followed and the training leads to the acquisition of knowledge or skills which are necessary for the duties of the employment, or directly related to increasing effectiveness in the performance of the employee's present or prospective duties in the employment. Where either of these conditions are met, the Vice Principal Human Resources and Student Services may agree to bear the cost of the course fees and essential books.

Appendix 1 Expense Rates and Allowances

Mileage rates where the employee uses their own car for business	First 10,000 miles – 45p per mile. Over 10,000 miles – 25p per mile
Staff Development	25p per mile
Mileage rate where the employee uses their own bicycle	20p per mile
Mileage rate where the employee uses their own motor cycle	24p per mile
Personal incidental expenses (PIEs) where the employee is abroad on business journeys.	£10.00 per night
Breakfast taken on business journeys before 06.30am	£6.00 per business journey or £7.50 in London
Lunch on business journey	£5.00 per business journey or £7.50 in London
Evening meal on business journeys, not included in hotel bill	£15.00 per night or £20.00 in London
Personal incidental expenses (PIEs) where the employee is in The UK on a business journey	£5.00 per night
Daily allowance for overseas travel	British Council daily subsistence rate



Travelling and Subsistence Allowance Claim Form

Period of claim From To.....

Name Home Address

Cost Centre

Employee No: (see payslip)

VEHICLE DETAILS

Reg No:

If you use a different vehicle during the period of the claim please use separate claims for each vehicle.

CLAIM SUMMARY Total all claim sheets

Total number of claim pages

Total miles at **45p**

(Receipts are required with items listed below)

Car park Charges

Public Transport Fares

Telephone Calls

Subsistence

Total claim for period.....

£	p

CERTIFICATION

I certify that:

- (a) This is a correct record of official journeys and that I have actually and necessarily expended the amounts claimed for fares and other expenses.
- (b) The vehicle shown above is insured for business use.

Signature of Claimant..... Date.....

I confirm that the above is correct to the best of my knowledge.

AUTHORISED SIGNATORY - PLEASE COMPLETE BELOW

Cost Centre	Value of mileage	Car Park Charges	Public transport fares	Telephone calls	Subsistence
	8600	8600	8600	8600	8600
.....	£.....	£.....	£.....	£.....	£.....

I certify that all payments and receipts have been checked and authorised.

Signed Date.....
Cost centre/Divisional Manager

Name in Block capitals Date.....

Appendix 3
Petty Cash Voucher

SOLIHULL COLLEGE PETTY CASH VOUCHER

Received from Payment Help Desk the sum of _____ as detailed below

DETAILS OF EXPENSES	COST CENTRE	NOMINAL	AMOUNT	
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
-----	-----	-----	-----	-----
TOTAL			-----	-----

Certified by signature:

(Head Of Department)

Print Name:

Received by

Name

Department

Section

Tel. No

Certified by:

(Finance Director - if over £100)