



# TBAP

Tri-borough Alternative Provision

## EXPENSES, TRAVEL AND SUBSISTENCE POLICY 2014-5



## **Expenses Policy Summary**

All claims for travel and subsistence and for other expenses (including business entertaining) shall be completed in a form approved by the TBAP Directors. Claims by members of staff must be authorised by their Head of Department or an authorised signatory. The certification by the Head of Department or authorised signatory (who should not be junior to the claimant) shall be taken to mean that:

the journeys were authorised;

the expenses were properly and necessarily incurred;

the allowances are properly payable by TBAP Trust;

consideration has been given to value for money in choosing the mode of transport.

This policy provides detailed guidance for the reimbursement of expenses. The guidance is divided into the following sub-headings:-

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## **Introduction**

1.1 This document provides detailed guidance on TBAP's policy for the reimbursement of expenses necessarily incurred in the performance of their duties. It is designed to assist staff in identifying what TBAP will reimburse and to guide staff through the policy for reclaiming expenses.

1.2 Implicit throughout this document is the obligation that staff will obtain value for money when incurring expenditure on behalf of TBAP.

1.3 The TBAP's Expenses Policy applies to all employees of the TBAP and all funds held by the TBAP from whatever source.

## **2 Policy**

2.1 All employees must adhere to the Expenses Policy when incurring travel and associated expenditure on behalf of TBAP.

2.2 Employees will be reimbursed for actual travel and associated expenses incurred wholly, exclusively, solely and necessarily in the performance of their duties. Expenditure should be kept to the minimum consistent with the effective performance of work on behalf of TBAP.

2.3 Wherever possible, and subject to business needs, reservations should be made in time to take advantage of cheaper fares, accommodation or "early bird discounts" etc.

2.4 The mode of travel should be the most cost-effective consistent with the business needs of TBAP.

2.5 Administrative and accounting arrangements should be the minimum compatible with adequate accountability, including the need for high cost items or variation from standard procedures to be properly authorised.

2.6 Employees should travel and be accommodated in safety and reasonable comfort.

2.7 Claims for reimbursement should be made as soon as possible and in any case not later than three months after the expenditure has been incurred. Claims older than three months will not be paid unless exceptional circumstances apply. The claim, together with an explanation for the delay should be submitted to the Head of Business Development and Operations, who will consider each case on its merits.

2.8 Travel from your home to your normal place of work is not allowable under tax regulations.

## **Travel and Subsistence**

### **3 Definition of Business Travel**

A business journey is one necessarily undertaken by an employee to carry out her or his duties for TBAP, or to attend training courses or conferences necessary for the performance of those duties.

#### **3.1 No Personal Gain**

Employees should neither gain nor lose financially in relation to expenditure and reimbursement on business travel and other expenses arrangements.

#### **3.2 Promotional Incentives**

The purchasing decision shall not be influenced by any promotional incentives such as airline mileage credits or personal cash credit card discounts or rebates. Employees should not benefit personally from these incentives but should use them to offset the cost of the current or future business journeys.

#### **3.3 Partner's Expenses**

3.3.1 Partners shall not travel at the TBAP's expense except when their presence is required and authorised for a bona fide business purpose. In all cases the Executive Head teacher must give authorisation in advance.

3.3.2 A partner may accompany a member of staff for personal reasons. In such instances the TBAP must not be charged for more than if the member of staff had travelled alone. Wherever possible the partner's travel costs should be invoiced separately and paid privately. If the invoice includes both private and official travel costs the member of staff should settle the total invoice and reclaim the official element from the TBAP. Private insurance must be taken out to cover the partner's travel

#### **3.4 Holidays Linked to Business Trips**

An employee shall not claim any additional travel costs, subsistence or other expenses for days taken as holiday linked to a business trip. Private insurance must be taken out to cover the private part of the journey.

#### **3.5 Claims to be for Actual Expenditure**

3.5.1 With the exception of mileage, reimbursement will normally only be made where claims are supported by original fully itemised valid receipts. Credit card transaction slips are not accepted as receipts. TBAP accepts, however, that it may not always be possible to obtain receipts for certain expenses – e.g. underground travel or using parking meters. Providing full details of the journey are given and the

reason for the journey is specified, reimbursement will be made. When travelling in countries where receipts are not issued, staff should make every attempt to get some form of documentation. Where it is not possible, so long as full details of the expenditure are given, reimbursement will be made.

3.5.2 Where an advance payment had been made, the claim must be submitted within 2 weeks of completion of the journey.

### **3.6 Advance Travel Authorisation**

Written authorisation by the budget holder and notification to Finance for insurance purposes is required in advance for all international travel.

### **3.7 Travel Bookings**

3.7.1 All travel bookings must be made through the TBAP's appointed travel suppliers. The suppliers have been selected through a competitive process to enable TBAP to obtain the most favourable service and terms available and therefore demonstrates overall value for money. If however, staff are able to demonstrate that better value for money can be achieved by purchasing rail tickets via an internet booking site, reimbursement will be made to the member of staff. Individuals will be required to keep a record of this justification and may be contacted by a member of the Finance team to provide this information.

3.7.2 Where staff undertake journeys in the South East area by public transport, staff can book directly, when the cost of the journey is less than £50. Staff should book in advance where possible to ensure the cheapest deal.

3.7.3 Exceptionally, where a member of staff can demonstrate to the Head of Business Development and Operations that travel expenditure to a specific destination through an online internet purchase, for example, Easyjet or Ryanair, is cheaper, reimbursement will be made to the member of staff on receipt of a certified claim for payment.

### **3.8 Travel Costs – Direct Payment by TBAP**

3.8.1 All bookings must be supported by a Purchase Order or the use of a Purchasing Card. The appointed supplier will present invoices for all business travel bookings made through them and TBAP will pay these directly to the supplier. There is no need for these items to be recorded on an Expenses Claim Form.

3.8.2 Some employees with regular commitments hold a TBAP Purchasing Card. These must be used only in accordance with the Purchasing Card rules and procedures. Under no circumstances can they be used for private travel or other private expenses. Legitimate business travel costs charged to a Purchasing Card will be settled directly by TBAP and charged to the appropriate cost centre.

3.8.3 If there are exceptional circumstances for making a travel booking other than through the TBAP's appointed agent, and settlement is to be made by a direct invoice to the TBAP, then the TBAP's established purchasing procedures must be followed. This entails the use, in advance, of an official Purchase Order Form.

### **3.9 Travel Costs – Advance Payments**

3.9.1 In exceptional circumstances advance payments against expenses can be requested using an Expenses Advance Form. Whenever possible, arrangements should be made for the payment of fares, car hire, hotel expenses, etc. in advance, thus leaving the minimum amount to be met during the business trip.

3.9.2 The amount of the advance must be agreed with the Head of Business Development and Operations.

3.9.3 In all cases where an advance has been given an Expenses Claim Form, showing the amount of the advance in the appropriate place, must be submitted within 2 weeks of completing the business trip.

3.9.4 Any unspent cash advanced is to be returned to TBAP, either in cash or by a personal cheque made payable to TBAP, securely attached to the authorised Expenses Claim Form within 2 weeks of the completion of the trip. Cash must not be sent through the internal post but must be delivered by hand to finance officer who will issue a receipt.

3.9.5 The advance must be authorised by the relevant Budget Holder, or in the case of a Budget Holder their line manager.

### **3.10 Company Motor Vehicles**

3.10.1 Mileage can only be claimed when it is incurred wholly, exclusively and necessarily for work purposes e.g. driving between offices, to meetings, to training. Mileage undertaken from home to work **must not** be claimed unless the claimant's home is their normal place of work. Claims for purchases of fuel must not be made.

3.10.2 The mileage allowance rates are detailed below.

3.10.3 All claims for reimbursement of mileage must specify the following

Details of and reasons for the journey undertaken,

The start and finish points of each journey and the places visited on the way, if any.

The dates of travel

Where unusual circumstances occur that result in a higher than expected mileage being incurred, an explanation must be provided.

Engine size	Petrol	LPG
1400cc or less	14p	9p
1401cc to 2000cc	16p	11p
Over 2000cc	24p	16p

  

Engine size	Diesel
1600cc or less	12p
1601cc to 2000cc	14p
Over 2000cc	17p

### 3.10.4 Private Motor Vehicles

TBAP is committed to the green agenda and as such strongly supports use of public transport over private motor vehicles.

3.10.5 Private Motor Vehicles should only be used under the following conditions:

- Where two or more TBAP people travel together, so that the combined cost of their journey by public transport would exceed that calculated using the mileage rates.
- Where the traveller is disabled or is assisting a disabled person.
- Where bulky equipment is being carried.
- Where the destination is not accessible, or requires an excessively long or arduous journey by public transport.
- Where other than for the reasons above it can be shown to be cost effective.

In such other special circumstances as may be approved in advance of travel by the Head of School personally.

If a member of staff judges it more convenient because of shorter journey time etc. by car, reimbursement will be restricted to the amount that it would have cost on public transport. Claimants must include evidence of the cost of public transport with any such claim.

3.10.6 The mileage allowance rates are detailed in Appendix B.

3.10.7 All claims for reimbursement of mileage must specify the following

Details of and reasons for the journey undertaken,

The start and finish points of each journey and the places visited on the way, if any.

The dates of travel

Where unusual circumstances occur that result in a higher than expected mileage being incurred, an explanation must be provided.

### **3.11 Private Vehicle Insurance**

TBAP's motor policy does not provide cover for employees driving their own vehicles on TBAP business. Where an employee uses his or her own car or motorcycle he/she must ensure that the vehicle insurance policy includes cover for business use. Your insurer should provide this additional cover without difficulty.

### **3.12 Roadworthiness**

Where employees use their own vehicles on TBAP business, it is a requirement that the vehicle is serviced to the manufacturer's specification by an approved garage and that where necessary a relevant MOT certificate is in force.

### **3.13 Car Hire**

For road journeys in excess of 125 business miles per day, staff should consider the use of a hired vehicle rather than a private vehicle. Hire and fuel costs can be claimed. TBAP's motor policy provides comprehensive cover for employees driving TBAP or hired/leased vehicles on TBAP business.

### **3.14 Car Parking**

3.14.1 TBAP will reimburse all expenses for car parking costs incurred whilst travelling on TBAP business away from the employee's normal place of work. Claims should be made on an Expenses Claim Form, and should be supported by receipts. Where a parking meter was used and no receipt is available a note to that effect should be included with the claim.

3.14.2 Claims for parking excess charges, fines, wheel clamp unlocking, etc. will not be met by TBAP under any circumstances.

### **3.15 Taxis**

Where no other form of transport is available, short journeys by taxi will be reimbursed subject to the provision of receipts. When a taxi journey is considered necessary for safety reasons e.g. late at night, such circumstances should be approved by the Head of Department in advance. Guidance will be provided by the Head of Business Development and Operations when travel by taxi may be appropriate. It is not considered appropriate for taxis to be used for long journeys when alternative methods of travel should be used.

### **3.16 Air, Rail Travel and Local Public Transport Expenses**

3.16.1 Prior authorisation will be required for all journeys to foreign countries using the appropriate form (included in appendix C). This form must be returned to the Head of Business Development and Operations for insurance purposes.

3.16.2 Staff should ensure that the most cost effective travel arrangements are made.

3.16.3 For travel within and outside Europe, economy class tickets should be obtained.

3.16.4 Rail travel should be in standard class.

3.16.5 Local bus, tram and underground train fares for business journeys (**not home-to-office**) can be claimed. Claims should be supported by receipts (e.g. used tickets) where possible.

### **3.17 Hotel Accommodation**

3.17.1 When employees are necessarily away from home overnight on TBAP business they are entitled to claim for hotel or other suitable accommodation. Basic standards include cleanliness, privacy, personal security and the availability of breakfast.

3.17.2 Maximum rates for accommodation and subsistence are detailed in Appendix A. Claims for subsistence in excess of these limits must be justified in writing. The authoriser of the claim has the right to reject all or part of the amount in excess of the subsistence rate if he or she is not satisfied with the justification. Written justification for claims in excess of TBAP's subsistence rates must be forwarded with the claim to the Head of Business Development and Operations.

3.17.3 Where the cost of the hotel room has been paid in advance by TBAP, the employee is responsible for settling the cost of any additional items (newspapers, phone calls, bar, mini-bar, restaurant, etc.) before leaving the hotel. Allowable expenses can be reclaimed.

### **3.18 Staying with Friends/Relatives**

An allowance of up to £25 per night can be claimed to meet the cost of hospitality provided by a friend or relative as an alternative to staying in commercial accommodation. On each occasion a claim is made, it must

be supported by a statement from the employee confirming that payment of the sum claimed was made to the third party.

### **3.19 Subsistence**

When employees are away from their normal place of work on TBAP business they can claim subsistence to cover the cost of food e.g. lunch where away from the TBAP for more than 4 hours; if away overnight – accommodation, breakfast and dinner, within the rules and limits in Appendix A, where agreed by the Head of School. Claims must be made on an Expenses Claim form, and must be supported by receipts.

### **3.20 Travel Insurance**

For insurance cover to be valid when travelling overseas a *Request for Authorisation to Travel Overseas* form must be completed, confirmed by the Head of School and submitted to the Finance Department in advance of travel.

3.20.1 A copy of TBAP's travel insurance policy and schedule of cover is available from the Head of Business Development and Operations.

### **3.21 Passports**

Employees are responsible for ensuring that they have valid passports for overseas business travel. Expiry dates of passports should be checked before travelling as some countries require that the passport is valid for at least 6 months after the date of returning to the United Kingdom. If a valid passport, with more than three months to run, is lost or stolen within the duration of a legitimate trip on College business, then the College will reimburse the reasonable cost of replacement.

### **3.22 Telephone/Internet Usage Costs**

The following items can be reimbursed without deduction of tax if carried out in the course of TBAP business:

3.22.1 Business telephone calls/internet usage where the individuals have made a note of the date of the calls/service usage, the time of the call/service usage and the length of the call/service usage. For telephone use a note of to whom the call was made.

3.22.2 Itemised bills to support claims for reimbursement of business telephone calls or use of internet service.

3.22.3 Rental costs will not normally be met and where they are, they will be taxable.

### **3.24 Authorisation of Expense Claims**

Claims should be signed by your line manager or within the line manager structure. Claims must not be authorised by someone more junior than the claimant.

The authoriser confirms that:

The expenses were necessarily incurred in the performance of duties

The expenses claimed are not payable from another source

There is sufficient money in the budget to meet the costs involved

Due consideration has been given to achieving value for money

Any amendments made to Expenses Claim Forms should be initialled by the authoriser. Under no circumstances will self-authorized claims, or those signed by a close relative or partner be paid. In these circumstances alternative authorisation must be obtained.

Any attempt to submit false claims will be treated as a serious disciplinary offence.

### **3.25 External courses and conferences**

3.25.1 Employees may need to attend relevant external courses and conferences in order to perform their duties effectively. Any such courses must be approved in advance by the appropriate Line Manager through BWS for reimbursement of expenses to be considered.

3.25.2 HMRC has defined the circumstances in which expenses incurred to attend conferences etc. can be reimbursed tax-free. These include the following conditions:-

The employee must be able to demonstrate that attendance is necessary in order to carry out the duties of the employment. A token business element is insufficient.

There must be a business requirement to attend – in addition to any personal educational benefit gained.

### **3.26 Freedom of Information/Data Protection**

In the event of a request under the Freedom of Information Act relating to expenses claimed by an individual member of staff or officeholder, TBAP will normally disclose outline information about the type of expenditure and the amount claimed, either per claim or for a specified period. It will not normally disclose very detailed information about particular claims (e.g. itemised restaurant bills) without seeking the permission of the person who submitted the claim.

## Appendix A - Subsistence Rates & Personal Incidental Expenses

### Maximum Subsistence Rates

When employees are away from their normal place of work and incur expenses on food and (if away overnight) accommodation, the appropriate rate of subsistence can be claimed.

“Overnight” subsistence is for a period (or successive periods) of 24 hours and is intended to cover accommodation and breakfast for that period.

No subsistence is payable for any periods when meals and/or accommodation are included in the fare (e.g. for air travel or rail sleeper).

All claims for subsistence must be for actual expenditure incurred and must be supported with receipts. The maximum subsistence rates include taxes (e.g. VAT) and gratuities. Gratuities must not be excessive: the claimant must write the amount on the receipt if it does not already appear there.

The subsistence rates given below are the normal maximum amounts that will be paid.

Written authority from the Head of Business Development and Operations is required before subsistence in excess of these rates can be paid.

Claims for subsistence must be made on an Expense Claim Form.

Maximum Subsistence Rates Period	Place (away from normal workplace or home)	Maximum Rate per Day
Lunch	All places	£10.00
Dinner	All places	£25.00
Overnight (B&B up to 24 hours)	Accommodated by friends/relatives	£25.00
Overnight (B&B up to 24 hours)	Within London	£128.00
Overnight (B&B up to 24 hours)	Outside London	£92.00
Overnight (B&B up to 24 hours)	Overseas	See next paragraph

### Overseas Accommodation

Hotel accommodation and meals overseas should be in hotels and restaurants similar in quality to those that would be used in the UK to keep expenditure within the UK subsistence rates. As a guide, hotels should be 3-star, or 4-star in more remote, or less secure areas. As the cost of such accommodation and the price of food in restaurants vary so much worldwide, no maximum rates of subsistence are laid down. Guidance on hotels should be sought from the College’s appointed travel agents.

Members of staff are expected to exercise reasonable restraint in incurring expenses when on overseas business on behalf of TBAP , and to provide full documentary evidence of the expenditure in the form of receipts as is possible. Provided these expectations are met, full reimbursement of expenditure necessarily incurred on TBAP’s behalf will usually be made.

## Appendix B - Mileage Rates

Employees using their own vehicles on College business can claim mileage allowance not exceeding the following rates:

Maximum Mileage Rates Private Vehicle	Cumulative Distance in Tax Year	Rate per Mile
Car	Up to 10,000 business miles	45p.
Car or van	Over 10,000 business miles	25p.
Motor cycle	Any distance	24p.
Bicycle	Any distance	20p.

### Additional Passengers

For each employee who travels on business as a passenger an additional 5p per mile can be claimed.

### Lower Rate in Certain Circumstances

1 A lower rate than shown above may be paid in certain circumstances, for example:

Where the employee decides to use his or her private vehicle even though the budget holder would have expected an alternative mode of transport to be used (e.g. inter-city train, local public transport).

Where the employee decides to use his or her car instead of a hired car for a round trip journey of over 125 miles.

2 In the first example a lower rate of 25p per mile for the total journey by private car can be claimed, even though the threshold of 10,000 miles has not been reached.

3 In the second example the normal rate of 45p can be claimed for the first 100 miles (provided the threshold of 10,000 has not been reached), and the lower rate of 25p for miles in excess of 100 for the round trip.

**Appendix C – Request for Authorisation to Travel Overseas Form TBAP– OVERSEAS TRAVEL**

<b>Traveller</b>	
<b>Trip To</b>	
<b>Travel Departure Date</b>	<b>Travel Return Date</b>
<b>Purpose of Trip &amp; Details e.g. research grant, recruitment etc.</b>	
<b>Cost</b>	£
<i>The information on this form will be used only in connection with arrangements for the journey which it immediately concerns, including reimbursement of any expenses claims. Detailed personal information is only used within the TBAP, or disclosed to any third party, in the course of making these arrangements, in compliance with legislation, or in the course of any fraud investigation. Forms are destroyed between 7 and 10 years after submission.</i>	
<i>Information on this form, since it relates to the professional activities of the individual concerned, will normally be disclosable under the Freedom of Information Act. If the member of staff submitting the form believes that there are exceptional circumstances which would make this inappropriate, he/she should explain the rationale in writing, and the College will then take this into account in any future decision about disclosure.</i>	
<b>Signed (Applicant):</b>	
<b>Approved Signature (Head of Department):</b>	
<b>Email to:</b>	<b>head@tbap.org.uk</b>
<b>For Finance use only</b>	
<b>Noted for insurance purposes</b>	

**AUTHORISATION FORM**