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# Staff Expenses Policy

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Responsible Office	Finance
Responsible Officer	Financial Operations Manager
Approving Authority	VCAG
Date of Approval	
Effective Date	
Related Procedures	
Related University Policies	Financial Regulations 2018
Amended (if applicable)	
Supersedes	
Next review due	March 2021

## 1 Purpose

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The purpose of this policy is to assist staff in helping them to comply with the University's requirements, to understand what can and cannot be claimed for and what is considered reasonable.

Compliance with the policy provides staff protection from unwarranted accusations as well as helping the University achieve its sustainable travel and value for money objectives.

The policy includes details of types of expense that may be claimed, and the procedure for making a claim.

## **2 Definitions**

“Staff” mean all employees employed by Bath Spa University.

“University” means Bath Spa University.

## **3 Policy Statement**

This policy sets out the rules for claiming travel, accommodation, subsistence and other expenses.

This policy applies to all staff of the University, its subsidiary undertakings and any persons on University business.

### **Value for Money and Sustainability**

In planning and procuring their travel arrangements staff must ensure they achieve best value. Value for money may be achieved from the choice of service, time of travel, type of ticket and travel agent, and is generally maximised if travel arrangements are booked well ahead.

The University has established relationships with several approved suppliers and using these contracts for flights, train and hotel bookings should help to achieve ‘good value’. For more information on these please visit <https://thehub.bathspa.ac.uk/reference/travel>.

However, staff may use other arrangements to book their travel where they can demonstrate that this provides better value for money. Time spent searching and booking travel including the potential cost of cancellation should also be factored in when using non-approved arrangements.

Further details of how the University supports sustainable and active travel choices to and from work visit the [Transport](#) section on the Sustainability and Environment pages.

### **External monies**

If an external grant or research funder stipulates higher financial limits this University policy, will take precedence. If external funders stipulate lower financial limits then the external funder requirements will take precedence as this will represent the maximum they are willing to reimburse.

The University receives public funds and is subject to Freedom of Information requests. It is also subject to considerable external scrutiny from funders and their auditors.

### **Reimbursement**

The University will reimburse staff for expenses which they actually, necessarily and exclusively incur in the course of official University business:

- all claims for expenses should be made promptly, receipted and approved by line managers/budget holders;
- purchases of any IT hardware, software or mobile phones must be made via ["My IT"](#);
- staff may purchase goods on behalf of the University. At the point of reimbursement the University then owns the goods for which the individual is being reimbursed. Some examples are books, small items of equipment and teaching consumables. Departments should ensure that individuals do not keep such items personally.

Staff are not expected to be out of pocket or fund University activity but they should expect to be held accountable for their expense claims, to justify and substantiate their claims and to adhere to the mandatory rules and advisory guidelines set out in this policy document.

Staff have a duty to ensure that University funds are applied appropriately and represent value for money.

Compliance with this policy will ensure that the member of staff, or the University, does not incur a tax or national insurance liability and that staff need not report expenses on their tax returns.

Line managers/budget holders are responsible for ensuring that all expense claims submitted to the Finance Office for payment adhere to the rules. Equally, it is the responsibility of the claimant to adhere to the rules. Where the Finance Office receives a claim that does not adhere to the rules, it will conduct enquiries in order to rectify the situation.

The University reserves the right to refuse reimbursement for any claim which does not conform to this policy. Finance will review all claims that exceed mandatory or guideline amounts and refer those who persistently exceed guidelines to the Head of Finance. The Head of Finance may ask claimants for their justification and has the right to impose restrictions on current and future claims.

## **4 Incurring and Claiming Expenses**

### **How to Claim**

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There are a number of ways in which business expenses can be incurred or claimed. This policy applies to all business expenses regardless of the method by which they are claimed or the source from which they are funded.

## **Purchasing Cards**

Purchasing cards are a convenient and cost effective way to procure goods and services, including travel and hotels. Purchasing cards are typically held by individual members of staff who are frequent travellers and/or who undertake procurement activities on behalf of a budget centre.

When purchasing cards are used to procure travel, accommodation or subsistence related costs the mandatory and guideline rules and financial limits set out in this policy document apply. University contracts for travel and accommodation must be used unless they cannot reasonably satisfy your needs.

Holders of purchasing cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Cards must not be loaned to another person, nor shall they be used for personal or private purchases. Misuse of purchasing cards may result in their removal from cardholders.

## **Expense Claims**

All Staff and Governors incurring additional expenses in the course of their work in respect of travel, meals or overnight accommodation will be reimbursed for expenses, subject to appropriate evidence of expenditure being produced, approval by the budget holder and Finance.

All Staff and Governors should submit a claim for reimbursement of expenses as soon as possible after the expense was incurred. The University will not normally accept claims for processing that are over six months after the date that the expense was incurred except where exceptional circumstances can be justified.

Claims should be submitted by all staff on-line through [Liquid Office](#). The claim must clearly state:

- the purpose of the expenditure;
- the starting point and destination when travel is involved;
- the date of expenditure or the dates of travel;
- names of other University personnel involved.

All receipts should be scanned, uploaded and attached to online expense claims. Missing receipts will delay payment of expenses and persistent claiming of expenses without receipts (where required and identified in this policy) may result in disciplinary action.

Staff should retain original receipts until the claim has been approved in case further verification is required.

Claims are checked for appropriateness of the expense, reasonableness, supporting documentation, and authorisation. Where there is a discrepancy on the claim, the claimant will be contacted. Where it is not possible to obtain a receipt, alternative proof of the expense incurred may be accepted.

Original receipts will need to be retained if it is a funder requirement, such as expenditure relating to EU funded projects.

## **Advances**

Where it is known prior to an expense being incurred that there will be large expenditure over an extended period, an advance allowance may be made to an individual and is typically for staff travelling overseas. The expense claim against an advance should be made via [Liquid Office](#) as an “Identification of expenses incurred against a previous staff advance” within 3 months of receiving the original advance. Advances will not normally be given for amounts less than £100.

Expenses funded from an advance are subject to the same terms of this policy as any other method of funding expenses.

## **Travel**

The University will pay for travelling expenses for staff journeys made in the performance of their duties as employees of the University. Normally this should be booked in advance through the University’s approved travel management company.

Where this is not possible the most economical method of transport should be used taking into account efficient working practices. Staff are encouraged to use public transport where ever available/appropriate. This will be standard class rail travel, and economy class air travel or hire/private car but this will depend on the destination and the number of people travelling.

## **Business Travel**

The University will only reimburse the costs of necessary business travel. This is defined as travel from one workplace to another on University business, enabling staff to perform their work duties.

Payment for the cost of travel between home and the workplace (including week-ends and evenings) is only payable in exceptional circumstances when approved by the claimant’s line manager/budget holder on advice of the Finance/HR Business Partner. Approved home to work journeys are a taxable benefit so should be claimed via [Liquid Office](#) as a “claim for repayment through payroll of taxable expenses”.

The University will not fund the costs of partners accompanying staff unless the partner is assuming an official University role, such as hosting official receptions, and the line manager’s approval has been obtained prior to travel. If a member of staff wishes to extend an overseas visit into a holiday, and/or take family members with them, all non-University business costs must be borne in full by the member of staff.

Air miles and similar reward scheme benefits earned through official travel may be used to “purchase” enhanced facilities on University business travel such as seat or facility upgrades or to obtain access to facilities such as priority booking or departure lounges. They must not be used for personal benefit.

## **Public Transport – Rail, Coach and Bus Travel**

Wherever possible rail travel should be booked in advance through the University’s approved [Travel Management Company](#).

Travellers should book well in advance and wherever possible take advantage of saver or super-saver tickets.

Timed returns should always be booked unless it is not possible to estimate with certainty your time of return, in which case open-returns may be booked.

Travellers are expected to travel **standard class**, however, first class rail travel may be booked where this is cheaper than published standard class fares for timed arrivals and

departures (i.e. not open ended standard class returns) which can be the case depending on the date.

The circumstances that can apply to staff travelling other than standard class are:

- where there is a demanding work schedule e.g. a short time between rail travel and the commencement of University duties or where there are multiple trains over an extended period being taken;
- where a funding sponsor permits higher classes and will reimburse the full cost
- medical and/or disability grounds;
- where it is cheaper or the same price to travel by train at a higher grade, including first class.

If circumstances warrant rail travel other than standard class the following apply:

- Any rail travel, other than standard class, requires the prior approval of the member of staff's line manager/budget holder;
- First class is only permitted if the cost is fully reimbursed by an external funder or sponsor.

Wi-Fi costs will be reimbursed if this is used for University business.

### Sea travel

For crossings over 6 hours, standard cabin accommodation is permitted.

### Air Travel

All staff air travel should be booked in advance through the University's approved [Travel Management Company](#).

Staff are expected to fly **economy class**.

However, in certain circumstances it is permitted to fly in other classes based on the following guidelines:

Flight Duration	Any flight duration	Over 5 hours and up to 9 hours	Over 9 hours (subject to prior approval)	Not permitted
Class	Economy	Premium Economy	Business	First Class

The circumstances that can apply to staff travelling other than economy class are:

- where there is a demanding work schedule e.g. a short time between a flight landing and the commencement of University duties or where there are multiple flights over an extended period being taken;
- where a funding sponsor permits higher classes and will reimburse the full cost
- medical and/or disability grounds;
- where it is cheaper or the same price to fly at a higher grade, including first class.

If circumstances warrant flying other than economy class the following apply:

- Any flight, other than economy class, requires the prior approval of the member of staff's line manager/budget holder;
- First class is only permitted if the cost is fully reimbursed by an external funder or sponsor.

There is usually a premium for air travel extras if not booked in advance. Acceptable costs for air travel extras are seat reservation fees and baggage charges if booked in advance. Unacceptable costs are excess baggage charges made at check in if these charges could have been avoided at the time of making the booking.

## **Motor Vehicles**

The following order of priority should be adhered to when travelling on official business by private vehicle:

1. Private vehicle
2. Hire car and fuel (in excess of 200 miles)

Staff will only be reimbursed expenses which they actually and necessarily incur in the course of official travel using their own vehicle. Mileage allowances are paid for the actual distance necessarily travelled, excluding the cost of home to work journeys.

To claim mileage a staff must have completed a *Safe Use of Private Vehicle for Business Use* <insert link once on the web> form and provided a copy of their current motor insurance to the budget holder/line manager. Motor insurance must be valid for business use. Budget holders/line managers should not authorise any mileage claims unless they have verified that the claimant holds valid motor insurance that permits business use.

### Car Parking

Car parking charges, road and bridge tolls and congestion charges associated with business travel will be reimbursed.

Car parking charges for a member of staff normal work place, speeding fines, parking fines, congestion charge non-payment fines or any other penalties will not be reimbursed.

### Private vehicle rates

If a member of staff travels on University business to a place other than his/her permanent place of work (including a journey to a temporary place of work), and the journey begins and/or ends at home, travelling expenses will be paid on the basis of the shorter of:

- the actual mileage travelled;
- the mileage that would have been travelled if the journey had commenced or finished at the permanent place of work.

Examples:

1. Professor X, whose place of permanent work is Bath, lives in Saltford and drives from home to Bristol, returning to Bath the same day. The total mileage can be claimed.
2. Professor Y, whose place of permanent work is also Bath, lives in Bradford-on-Avon and drives directly from home to Bristol, returning to Bath the same day. Mileage from Bath to Bristol and back can be claimed.

Mileage claimed must be the actual mileage recorded to the nearest mile. Claims may be checked for accuracy by Finance and reject any where a discrepancy is found.

Claimants using their private vehicle are paid a standard business mileage. Current rates applicable are:

Transport	Miles	Amount
* Private Motor Car (per daily journey)	1 to 100 miles	45p
* Private Motor Car (per daily journey)	Over 100 miles	25p
+ Passenger	Per passenger per business mile	5p
+ Motor Cycles	First 10,000 miles	24p
+ Bicycle	First 10,000 miles	20p

\* Please note that the University does not use the HMRC mileage rates for private motor cars as these are based on business miles in the tax year. However, you may be able to claim the additional relief via a self-assessment tax return.

+ Rates per HMRC guidance – if claimed over this threshold, the claim is classed as a taxable benefit. This should be claimed via [Liquid Office](#) as a “claim for repayment through payroll of taxable expenses”.

#### Temporary workplace

If a period of continuous work lasts more than 24 months at a temporary workplace, then that location ceases to be a temporary workplace and expenses, subsistence and tax relief can no longer be claimed.

A permanent workplace is a place that an employee attends on a regular basis in the performance of their duties.

If the employee attends, or intends to attend, a workplace for more than 24 months of continuous employment, it is not deemed a temporary workplace. A continuous period of employment is deemed by HMRC as being 40% or more of the working time.

Therefore, if an employee attends one location for two days a week for 24 months, it is not a temporary place of work as it is not for a limited duration.

#### Hire cars

Hire car bookings must be made using the University’s contracted suppliers. Personal mileage is not permitted. Class M or MPVs should only be hired to accommodate four or more people plus equipment.

Actual fuel costs incurred will be reimbursed only if receipts are provided. Drivers should comply with the car rental refuelling policy to ensure that the University does not incur a refuelling fee.

#### Inter-Site Travel

There are a number of different options to take when travelling to university and staff can benefit from the following perks to make their journey into work easier and more sustainable. For more information visit the [“Transport Information”](#) webpages.

#### University Vehicles



The policy for staff driving university vehicles sets out the requirements for staff who wish to drive a University vehicle. However, staff that use other vehicles, e.g. hired or their own car are advised to follow this [policy](#).

## **Taxi Travel**

Taxi fares may be claimed where no suitable public transport is available or when travelling in an unknown locality or where public transport is infrequent or where the saving in time is important.

Taxi fares may be reimbursed to or from home or from the office to home where the journey commences either before 6.30am or after 9.00pm or where alternative methods of public transport are not readily available.

In exceptional cases taxis may be used to travel home for welfare reasons and/or where there are issues of personal safety. Such cases require the prior approval of line managers/budget holders.

Approved home to work journeys are a taxable benefit so should be claimed via Payroll through [Liquid Office](#) as a "Claim for repayment through payroll of taxable expense"

Purchase orders are not required to book a taxi but may be appropriate when booking several taxis for an event and for VIPs via the University's purchase ordering system.

## **ACCOMMODATION & SUBSISTENCE**

### **Accommodation**

All claims for subsistence must be supported by original receipts or vouchers. The general principles of reasonableness and economy combined with efficient working practices must be applied. Wherever possible hotels should be booked sufficiently in advance through the University's approved [Travel Management Company](#), however, if you can obtain value for money elsewhere you should do so.

Allowable hotel expenses include: telephone calls home (provided these are not excessive), car parking, Wi-Fi (if used for business purposes), laundry (if staying for 5 or more consecutive nights).

Non-allowable hotel expenses that cannot be claimed for include: pay-as-you-go TV/videos/games, leisure facilities, mini-bar drinks and snacks, newspapers.

Miscellaneous and incidental charges on hotel bills will only be reimbursed when incurred necessarily on University business. The following will not normally be reimbursed:

- personal phone calls
- certain charges made by hotels for the use of facilities such as pay per view videos, fitness suites, etc
- laundry, newspapers or any personal items such as toiletries, etc.

### **UK accommodation rates**

Guideline accommodation rates are provided below. In exceptional circumstances these may be exceeded provided the prior approval line manager/budget holder is obtained and both the member of staff and the approving line manager/budget holder consider that circumstances warrant the incurrence of higher costs (such as reasons of personal safety, convenience of location to event/meeting, inability to procure cheaper accommodation):

Overnight Rate (including breakfast)	UK	London
Staying with friends and family	£25	£25
Standard rate (including VAT)	£120	£180

**Staying with friends/family** - you may claim overnight accommodation allowance of £25, without the need to submit receipts can be claimed if staying with family or friends. This allowance includes a contribution to the cost of an evening meal, breakfast and incidental overnight expenses.

### Overseas accommodation rates

HMRC provides benchmark scale rate expenses payments for accommodation. This publication should be referred to as a guide of what room costs are expected prior to booking - [HMRC Worldwide Subsistence Rates](#). However, wherever possible hotels should be booked sufficiently in advance through the University's approved [Travel Management Company](#), nevertheless, if you can obtain value for money elsewhere you should do so.

### UK subsistence

Subsistence costs covering breakfast, lunch and dinner, incurred whilst away from the University should be claimed based on the following limits:

Subsistence: period of absence	Limit (with receipt)	Limit (without receipt)
Breakfast (if leaving home before 7:00am)	£5	£2.50
Lunch	£7	£3.50
Late evening meal (finishing after 7:00pm)	£20	£10.00

The qualifying conditions are:

- the travel must be in the performance of staff member's duties or to a temporary place of work, on a journey that is not substantially ordinary commuting;
- the staff member should be absent from their normal place of work or home;
- the staff member should have incurred a cost on a meal and retained appropriate evidence of their expenditure.

Subsistence cannot be claimed when attending meetings or events at University campuses unless you are required to stay overnight.

Only actual subsistence costs incurred will be reimbursed. Receipts must be provided for all expenses.

Claims outside of these limits will need to be justified before they will be approved for reimbursement. In the event that a receipt could not be obtained, or has been lost, then this should be noted on the claim form. Claims may be rejected when a receipt is not provided where there is a reasonable expectation that a receipt would have been issued or may consider limiting the claim to the benchmark rates above.

### Overseas subsistence

For overseas breakfast and dinner rates see the HMRC guideline amounts see: [HMRC Worldwide Subsistence Rates](#).

When making a claim for costs incurred in foreign currency, the exchange rate to use should be either the rate charged for conversion into the foreign currency, or the standard rate, current at the time of the expenditure. If the former is to be used, then evidence to support this will need to be attached to the expense claim.

In the case of purchases by a personal credit card, the preferred method is to use the rate charged on the credit card statement and attach a copy of the statement to your claim to evidence this. (Please note that it is advisable to obscure the credit card number and other personal details from statements).

It is accepted that the cost of meals may vary from the guidelines above, dependent on the countries being visited, so it is important that receipts are provided to evidence claims being submitted.

As claims for foreign travel will be more complex, please ensure that you cross reference the receipt on the expense claim which will aid the processing of your claim.

### **Entertaining Expenses**

Staff are encouraged to use University facilities wherever possible.

Entertaining attended by University staff only (i.e. not involving third parties) cannot be charged to University administered funds, and is not reimbursable. Nor is it acceptable to charge for part of the cost of entertaining University staff only. This means that the University will not pay for wine at a function where staff pay for the food, nor will it pay for food/drinks purchased from a grocery store or similar, so that the function can be held in an office.

This applies whether on or off-campus, and includes:

- celebratory functions, (e.g. Christmas meals, engagement parties)
- functions for members of staff who are leaving the University

In general, refreshments, other than water, should **NOT** be ordered for internal meetings of two and a half hours or less.

Where meetings are expected to last for more than two and a half hours, basic refreshments can be ordered e.g. tea/coffee/biscuits (subject to approval by the relevant line manager).

Where external guests are present at a scheduled meeting or event, i.e. with non BSU staff, basic refreshments or other modest catering appropriate to the time of day may be ordered (subject to approval by the relevant line manager).

In general, internal meetings should **NOT** be scheduled over a normal meal time i.e. lunch. If however it is absolutely necessary to schedule a meeting at such a time, modest catering can be provided e.g. sandwich lunch (subject to approval by the relevant line manager).

Catering or refreshments for special events e.g. staff development events, team away days, off-site meetings etc, will generally be accommodated but all attempts should be made to keep the cost of such catering to a minimum. All such catering should be approved by the relevant Executive Group member before placing any orders or signing any contract/agreements.

All catering requests should be submitted using the online booking system.

Members of staff (individually or on behalf of their School/Department) **MUST NOT** undertake any catering of their own for formal meetings or events. By doing so they will be putting themselves and the University at risk. Contraventions of food safety legislation can risk serious personal harm and can result in significant sanctions. This includes the purchase of food from supermarkets (chilled food or food for reheating) and takeaways.

Any events serving alcohol require approval by the relevant Executive Group member. Regardless of the catering option, the BSU Catering Team is the exclusive provider of alcohol on campus.

## **F. OTHER BUSINESS EXPENSES**

### **Professional membership subscriptions**

Personal membership subscriptions to professional bodies will not be paid except where membership of a professional body is a normal expectation of the role.

Individuals are normally entitled to obtain tax relief on professional subscriptions they fund themselves, provided the professional body is on HMRCs qualifying list: HMRC qualifying professional bodies.

### **Home and mobile phone call charges**

Where home and personal mobile phones are used for University business the actual cost incurred will be reimbursed. A copy of the phone bill/statement will need to be attached to the claim with the relevant calls highlighted showing the cost.

No other costs associated with private home phones, mobile phones, PDAs or broadband costs should be claimed through the expenses system.

### **General expenses**

The basic rule for expenses to be reimbursable is that the costs must have been necessarily incurred in the performance of University business. In addition to the items specifically referred to in the sections about travelling and subsistence expenses, the following do not constitute business expenditure:

- purchase of flowers for staff/students in specific circumstances (e.g. bereavement) and approval by the Budget holder;
- purchase of greeting cards including Christmas cards unless they are being sent to business contacts;
- purchase of decorations for offices, including flowers and vases, other ornaments, Christmas decorations, and so on;
- purchase of tea coffee and other refreshments for use by staff. Note that this type of expense is acceptable where the goods are to be used for business entertaining or during genuine business meetings or where staff are contributing to the cost of these refreshments.

The following University central services units should always be consulted prior to entering into commitments with outside suppliers:

- purchasing: catalogues available for stationery, diaries & calendars, also for various other consumables.

## Receipts

All claims for reimbursements of expenses must be supported by original receipts, vouchers or equivalent evidence of the expense incurred, including scanned originals. Photocopies will not be accepted.

Credit card and debit card vouchers or statements are not acceptable forms of support for expense claims. Therefore claimants are advised that they should always request a proper receipt or voucher. This is partly to avoid paying expenses where the credit card company or bank has refunded the original expense, but also because a proper receipt gives details of the goods/services purchased.

Purchases on behalf of the University must always be made in accordance with the [University's Financial Regulations](#).

### Quick links

- [Interview Expenses](#)
- [Relocation Costs](#)
- [Learning & Development](#)
- [Disclosure & Barring Scheme](#)
- [Eye Tests](#)
- [Home Working](#)
- [Additional Working and Overtime](#)