



POLICY FOR THE PAYMENT OF EXPENSES FOR STAFF AND GOVERNORS

POLICY/ DOCUMENT PURPOSE STATEMENT

This document sets out the policy of Heart of Worcestershire College and its subsidiary companies regarding the payment of expenses to staff and governors. The policy details the conditions for the payment of expenses and provides clear guidance on the type and level of expenses, which may be claimed, and details of expenses, which cannot be claimed under Inland Revenue rules.

APPLICATION OF POLICY

All staff who wish to claim the reimbursement of expenses to undertake their duties must abide by this policy. The overriding principle for the payment of such expenses is that staff and governors have a responsibility to ensure that public funds are spent appropriately, efficiently, and in the interests of the College and that they take into account the College commitment to environmental sustainability.

Further guidance on the use or interpretation of this policy may be obtained from the Director of Finance.

LEGAL REQUIREMENTS/ISSUES

The Health and Safety at Work etc Act 1974 (HSW Act).

Staff must hold an appropriate vehicle insurance policy allowing business use, an appropriate driving license for the vehicle being used, and hold a valid MOT certificate where a vehicle is more than 3 years old.

Governors using their vehicle for their role at HoW College must ensure the vehicle is roadworthy and fit for purpose, with a current MOT certificate where required. Governors claiming travel expenses must also hold a driving license valid for the type of vehicle driven. Governors are also required to ensure that their vehicle insurance covers them for the use of their vehicle in relation to their role at HoW College.

All vehicles used by staff and governors must be appropriately taxed.

LINKS WITH OTHER POLICIES/DOCUMENTS

Financial Regulations & Financial Procedures

EQUALITY, DIVERSITY AND DISABILITY (DISABILITY, EQUALITY, DUTY IMPACT ASSESSMENT

Has a Preliminary Equality Analysis been completed? Yes Date Completed: 28 January 2015

Is a full Impact Assessment required? No

If 'yes', has a copy been sent to the Equality Manager? n/a

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RATIFIED/AUTHORISED BY	Corporation

POLICY FOR THE PAYMENT OF EXPENSES FOR STAFF AND GOVERNORS

1. Introduction

- 1.1 The College will pay reasonable expenses incurred by staff and Governors to allow them to undertake their duties on behalf of the Corporation. The overriding principle for the payment of such expenses is that staff and governors have a responsibility to ensure that public funds are spent appropriately, efficiently, and in the interests of the College and that they take into account the College commitment to environmental sustainability.
- 1.2 This policy details the conditions for the payment of expenses and provides clear guidance on the type and level of expenses, which may be claimed, and details of expenses, which cannot be claimed under Inland Revenue rules. If in any doubt about the validity or level of expenses, staff and governors must consult the Director of Finance for further guidance.

2. General Conditions and Inland Revenue Rules

- 2.1 In relation to travel, **public transport must normally be used**. If a member of staff decides, without prior authorisation, to use a car they will only be reimbursed the equivalent standard rail or second-class fare.

The exceptions to this will be:

- Staff who are travelling together to the same event may claim mileage if the combined cost of rail or bus fares would exceed the cost of travel by car.
- The driver or a passenger is disabled and would be disadvantaged by the use of public transport.
- Bulky equipment is required and is being transported to an event/venue.
- The destination is not accessible or requires an excessive or difficult journey by public transport.

Where it is identified that travel would be more economical using a hire vehicle, the Director of Finance will authorise this under a College hire arrangement. Information on this will be provided by the Director of Finance on request.

- 2.2 Authorised mileage claims **should not include any element of home to work mileage**. Where off site journeys start or finish at home staff should record the full mileage travelled but only claim reimbursement of the excess mileage incurred on that journey over and above their normal home to work mileage.

For example;

Normal home to work mileage	20 miles (2 journeys of 10 miles)
Total mileage incurred on college business	45 miles
Excess mileage which can be claimed	25 miles (45 miles – 20 miles)

- 2.3 A journey between an employees' home and normal place of work is not a business journey and mileage allowance will not be paid by the college.

Staff who have their base identified as "Heart of Worcestershire College" in their contract of employment are expected to work from all HoW College premises. For those staff travel to work mileage is considered to be from home to any of the HoW College premises and will not count as a business journey and no mileage will be paid by the College.

Likewise journeys to attend the normal place of work outside normal working hours (i.e. weekends, evenings) are classed by the Inland Revenue as an ordinary commuting journey and cannot be claimed. An exception to this rule is where a member of staff is unexpectedly called out for emergency work, or is on-call as part of their working conditions. In these circumstances mileage can be claimed from home to their normal place of work or other College premises.

- 2.4 Staff should arrange their working patterns to minimise intercampus travel and should instead utilise video conferencing and other communication technologies wherever possible. No staff travel expenses will be paid for inter site travel where the intercampus bus service or other College transport could be used. Staff whose contracts stipulate they are required to be based at any HoW College premises and are therefore not entitled to claim intercampus mileage cannot claim for travel between HoW College locations.
- 2.5 The cost of parking a vehicle at or near your normal place of work will not be reimbursed. (The Revenue accepts that the "normal place of employment" is where an employee spends more than 50% of their working time.)
- 2.6 Most incidental expenses (excluding food and beverages) are classed by the Inland Revenue as a benefit in kind and would not be reimbursed. However, under a special Inland Revenue exemption the College is able to reimburse reasonable incidental personal expenses if the stay away from home is a continuous period and includes at least one overnight stay away from home.

In these circumstances, the College may pay expenses up to a limit of £5 per overnight stay in the UK (£10 for overnight stays outside the UK). Items that may be claimed are: Newspapers, telephone calls and reasonable personal sundries.

- 2.7 **It should be clearly noted that if incidental expense claims exceed £5 the total amount becomes taxable not just the excess over £5 (the figure is £10 for trips outside the UK). In these circumstances, the College will not refund any of the claims. It is therefore important to ensure that incidental expenses, if claimed, are contained within these limits.**

- 2.8 Subsistence/meal expenses for staff working at or near to their normal place of work will not be reimbursed.
- 2.9 **The limits shown in the table are not allowances and only actual costs incurred validated by appropriate receipts will be reimbursed.** The Inland Revenue requires that receipts must support all reimbursement of expenses except car mileage. **Expenses not supported by a valid receipt will not be reimbursed under any circumstances.**

3. Corporation Members' Expenses

- 3.1 The Corporation may pay to its members such travelling, subsistence or other allowances as it decides but shall not without the written approval of the Charity Commission, pay allowances which remunerate the members of the Corporation for their services.
- 3.2 The College shall reimburse Corporation members for any reasonable expenses incurred whilst undertaking their duties e.g. travelling and subsistence, in accordance with the conditions laid down in this policy for staff where applicable. This includes travel expenses to and from official meetings, governor training events, other events or conferences. Claims for expenses must not be made if those expenses are being reimbursed by another party, e.g. an employer. Corporation members have no official base or place of work and are entitled to claim mileage from home to attend the College.
- 3.3 Parking costs for governors will be reimbursed (but not fines or penalties).
- 3.4 Governors using their vehicle for their role at HOW College must ensure the vehicle is roadworthy and fit for purpose, with a current MOT certificate where required. The vehicle must be appropriately taxed. Governors claiming travel expenses must also hold a driving license valid for the type of vehicle driven. Governors are also required to ensure that their vehicle insurance covers them for the use of their vehicle in relation to their role at HOW College.
- 3.5 Expenses for childcare and/or dependant relatives may be paid to governors at a reasonable commercial rate where a governor does not have a spouse, partner or other reasonable adult available to care for dependant relatives during a period when the governor is absent on College business. The nature and terms of the engagement must be agreed with the Clerk in advance, and claims will be limited to reimbursing the actual cost incurred, which must be evidenced.
- 3.6 Other expenses may be reimbursed where a governor is unable to use the facilities of the College (telephone calls, photocopying, stationery and postage). Governors must keep a written record, including receipts where applicable, and claims will be limited to reimbursing the actual cost incurred.

4. Health and Safety

- 4.1 The Health and Safety at Work Act 1974 requires employers to ensure, so far as is reasonably practical, the health and safety of all employees whilst at work. There is also a responsibility to ensure that others are not put at risk by work-related activities, including driving.
- 4.2 Vehicles used on official college business must be roadworthy and fit for purpose, with a current MOT certificate where required. The vehicle must be appropriately taxed. Staff are also responsible for ensuring they hold appropriate business use insurance, and a current driving licence, valid for the type of vehicle to be driven. The College will check the validity of driving licences on appointment and will make ongoing periodic requests for evidence of valid driving licences, insurance allowing business use and current MOT certificates, where required.
- 4.3 The College should be notified immediately of any endorsements or prosecutions which may compromise a member of staffs' ability to drive on official college business. This information should be reported to both your line manager and the HR department. The College reserve the right, dependent upon the seriousness of motoring offences, to remove or amend the approval to use a private vehicle for college use.
- 4.4 Staff must satisfy the eyesight requirements set out in the Highway Code, and are responsible for informing the college if they have any health or other issues or if they are undertaking a course of medication which may impair their judgement or their ability to drive in anyway.
- 4.5 Official journeys should be carefully planned allowing adequate time to reach the destination taking into consideration the type of vehicle being used, weather conditions, speed limits, traffic density and allowing for breaks as necessary.
(Note; the Highway Code recommends that drivers should take a 15 minute break every 2 hours. www.highwaycode.gov.uk)
- 4.6 Staff should also make sure that appropriate routine safety checks are undertaken on any vehicle prior to use on College business and that the vehicle is roadworthy and safe to use. Although not exhaustive, this should include checks on washer fluid levels, windscreen wipers, lights, tyres, and wheel fixings. Drivers should also ensure they are able to correctly adjust any safety equipment including seat belts and head restraints, and ensure that the maximum load weight or vehicle capacity is never exceeded.
- 4.7 The use of satellite navigation devices whilst driving should be carefully considered. It is particularly important that drivers ensure any device used is carefully positioned and does not create a blind spot or obscure the drivers view. In addition staff should not under any circumstances attempt to programme or alter the device whilst driving.

5. Driving and the Use of Mobile Phones

- 5.1 Answering phone calls or sending text messages diverts a person's concentration from driving and the actions of other road users which results in inattention leading to dangerous driving or a delay in responding to hazardous situations, which ultimately can lead to accidents. Inadequate concentration results in dangerous driving which is also a breach of Road Traffic Laws.
- 5.2 Heart of Worcestershire Colleges current policy on the use of mobile phones states that; **'under no circumstances should any member of staff use a mobile phone whilst driving, unless the vehicle is equipped via appropriate "Hands Free" equipment'**. Where the vehicle is not equipped with "Hands Free" equipment, mobile phones should be switched off during a car journey and no member of staff will be expected to be contacted during such periods. Should a call or text message be necessary the user must stop in an appropriate location before accepting or making a call or sending, receiving or reading a text. The college will not accept liability for incidents in contravention of this policy.

Subsistence rates effective from 1 April 2019

<i>Costs incurred</i>	<i>Receipt Required</i>	<i>Comments</i>
<i>Breakfast up to £6.50p</i>	✓	Payable where an early start requires a member of staff to leave home before 7.00am. If the member of staff is staying in a hotel the standard breakfast charge of that hotel will be reimbursed. Maximum allowance - receipts must be provided for actual spend.
<i>Lunch up to £10.60p</i>	✓	Maximum allowance - receipts must be provided for actual spend.
<i>Evening meal up to £15.80p</i>	✓	Maximum allowance - receipts must be provided for actual spend.
<i>Accommodation up to £98.70 per night</i>	✓	This limit applies in all cases including accommodation booked by the College and paid for by invoice to the Finance Department. Approval for overnight accommodation must be agreed with the appropriate budget holder in advance. This is a maximum allowance and best value should be sought on all occasions.
<i>Subsistence at courses & conferences</i>	✓	Usually accommodation and/or meals are included within course/conference fees. Any departure from what is provided by the organisers should be cleared with Staff Development prior to the event and must not exceed the above rates. Where accommodation is necessary, and is not provided by the organiser, expenses based on the limits shown above can be claimed. Where an early start to get to a course/conference requires a member of staff to leave home before 7.00am expenses can be claimed for the cost of breakfast. The subsistence allowance is not available for events held on HOW College premises.

6. Authorisation of Expense Claims and Fraudulent Expense Claims

- 6.1 It is incumbent on staff to ensure that claims submitted for expenses are accurate, authorised and in accordance with the rates and rules detailed above valid claims will be honoured and reimbursed by the College.
- 6.2 Claims should not be submitted any later than **three months** after the expenses were incurred. The College may not reimburse claims submitted outside this time period.
- 6.3 Expense claims, which are thought to be fraudulent, will be dealt with in line with the College Fraud Policy and may lead to disciplinary action.
- 6.4 Where a member of staff is thought to have made a fraudulent claim the matter will normally be reported to the police for investigation.