



## **Expenses Policy:**

### **1. Principles:**

- a. This policy outlines the principles of expense claims for staff employed by Beds SU and the process and payment of such claims.
- b. This expenses policy relates solely to Beds SU employees and not to volunteers or other individuals acting on behalf of the Union.
- c. Beds SU will only reimburse employees for the actual cost of expenses incurred wholly, exclusively and necessarily in the performance of their duties of employment. This will ensure compliance with the Union's Financial procedures and HMRC rules so as to minimise the tax liabilities of employees and the Union.
- d. In the event that an expense claim or benefit is in respect of any item not included in this policy, or an employee has a query relating to the payment of expenses, the matter must be referred in the first instance to their line manager who may thereafter refer the matter to the Head of Finance and Resources for a decision.
- e. It is the responsibility of each claimant and each authorising manager to ensure the claim adheres to this policy.
- f. Where an expenses claim is materially incorrect or lacks sufficient authorisation or evidence of expense, it will be returned to the claimant for corrections/amendments. Any unexplained deviation from this policy, without sufficient and satisfactory explanation, will result in the claim being revised or rejected accordingly by the Finance Department.
- g. The submission of fraudulent claims may be treated as gross misconduct and may result in dismissal from employment with the Union.

## **2. Types of Expenses:**

- a. Staff expenses might include one or more of the following:
  - i. Travel
  - ii. Subsistence (allowance payable when working away)
  - iii. Overnight accommodation
  - iv. Business and meeting expenses

## **3. Travel By Personal Vehicles:**

- a. The Union will reimburse an employee where the travel is for business purposes only.
- b. Business travel for both tax and National Insurance Contributions (NIC) is defined as journeys that have to be made in the course of an employee doing their job, for example:
  - i. If an employee travels from the office to visit a third party and uses their own vehicle.  
If an employee travels directly from home to visit a third party this would be considered business travel. However the employee is only permitted to reclaim mileage they have incurred which is in addition to the miles they would have travelled from their home to their usual base of work. An employee's home campus will be determined by the needs of the business and will be stated in the employee's Statement of Main Terms contract.
- c. The Union encourages the use of public transport in line with its environmental policies. Therefore, the Union shall not reimburse inter-campus travel at the rate of Business Mileage unless the use of a private vehicle is deemed unavoidable by the relevant Senior Manager for one of the following reasons:
  - i. Public transport was not available at the time required;
  - ii. The staff member is required to transport items of a high value;
  - iii. The staff member is required to transport bulky or heavy items
  - iv. Personal safety issues;
  - v. Reasonable alternative transport is not available.
- d. Journeys that do not count as business travel include:
  - i. Ordinary commuting i.e. travel between home, or any other place an employee attends for personal reasons (such as the home of a friend or relative) and their usual workplace;
  - ii. Private travel i.e. any other travel where the purpose is not for business.

- e. If an employee is contracted to work across campuses they will be unable to reclaim travel expenses for travel from their home to a campus they are contracted to work at. However if during the course of the working day they are required to travel from one campus to another they will be able to claim travel expenses at the rates outlined below.
- f. Business mileage (excluding inter-campus travel, covered below) will be reimbursed at the following rates:
  - i. Cars and vans 45p for the first 10,000 business miles in the tax year, then 25p for each mile over 10,000.
  - ii. Motorcycles: 24p per mile
  - iii. Bicycles: 20p per mile.
- g. Car parking fees paid during the course of official business will be reimbursed subject to the production of proof of expenditure. Staff should endeavour to use free parking where possible.
- h. The Union will not reimburse parking fines. Clamping release fees will similarly not be paid, and any vehicle recovery fees will not be paid.
- i. The Union will not under any circumstances reimburse fines incurred for motoring offences.
- j. The use of taxis by staff on Union business should be avoided unless deemed essential by the relevant Senior Manager along the following guidelines:
  - i. travelling alone and late at night (short distances only e.g. to/from stations);
  - ii. no other public transport is available;
  - iii. carrying heavy equipment required in the course of the business trip;
  - iv. saving essential business time.
- k. Inter-campus travel during working hours will be considered as business travel and will be subject to reimbursement based upon a return ticket on the cheapest possible mode of transport, in line with the Union's environmental values.
- l. The Union will not pay inter-campus expenses between Luton, Butterfield and Putteridge Bury, unless outside of operating hours of the University's shuttle service.
- m. As with travel in an employee's own car, it is Union policy not to pay for travelling expenses between an employee's home and their place of work. The payment of such costs is interpreted by HMRC as liable to tax and National Insurance. However, there may be limited circumstances in which the Union may require staff to meet contractual requirements or involving

personal security, in which case the Union will be prepared to settle such costs.

- n. Employees should read the Unions Occupational Driving policy to ensure they are compliant with this policy before using their vehicle for business travel.

#### **4. Travel by Rail:**

- a. Employees should use standard class rail travel unless first class is a cheaper alternative.
- b. Tickets should be purchased as far in advance as possible to benefit from saver fares and/or tickets should be based on pre-determined services/routes to reduce costs wherever possible.
- c. The rules governing the definition of business travel by rail shall be read as the rules outlined in section three.

#### **5. Travel by Air:**

- a. Any travel by air needs the approval by the CEO to ensure compliance with the Union's environmental policy.

#### **6. Subsistence:**

- a. Subsistence expenses will be payable to employees who are prevented by their official duties from taking a meal at their home, administrative centre or establishment where they normally take their meals, and thereby incur additional expenditure; an employee will be required to provide receipts. Expenses shall not be paid where a suitable meal is provided as part of an event (e.g. at a course or conference).
- b. Expenditure on meals will only be reimbursed on production of original receipts, up to the approved limits below:
  - i. Breakfast: £5
  - ii. Lunch: £5
  - iii. Evening meal: £10
- c. The cost of breakfast will be reimbursed when staying overnight or when an employee is required to travel to an event before 7am subject to the maximum reimbursement as specified above.
- d. The cost of lunch will be reimbursed when an employee is required to attend an external event during the whole of the period 10am to 2pm, subject to the maximum reimbursement as specified above.

- e. The cost of an evening meal will be reimbursed when an employee is required to attend an external event resulting in them returning home after 7.00pm subject to the maximum reimbursement as specified above.
- f. A member of staff may aggregate the maximum limits paid in respect of any one day for breakfast, lunch and evening meal, provided that they qualify for the payment of all meals on that day.
- g. The reimbursement of alcohol is strictly prohibited unless prior authorisation has been granted by the CEO.

**7. Accommodation:**

- a. Members of staff will be reimbursed for the cost of reasonable overnight accommodation when necessarily away on Union business to a maximum of £80 outside London and £150 inside London.
- b. Hotel accommodation must be pre-booked wherever possible in order to gain discounted rates, with quotes to support choice of most economic booking.

**8. Business and Meeting Expenses:**

- a. HMRC regards the provision of refreshments, lunches, dinners, etc. to staff as a taxable benefit with the exception of the following occasions:
  - i. The entertainment of, and hospitality provided to, business acquaintances from outside the Union during meetings which are exclusively arranged to conduct Union business.
  - ii. Inexpensive working lunches provided on official premises for example at official meetings during normal lunch breaks.
  - iii. Light refreshments at official meetings also on official premises.
- b. The Union will pay reasonable business meeting expenses in the following circumstances:
  - i. Meeting with external guests
  - ii. Undertaking personal development reviews with staff
  - iii. Undertaking 1-2-1s with staff
- c. Any other form of business meeting expense requires the approval of a senior manager before a cost is incurred.
- d. Staff should avoid generating business expenses for equipment and resources, as the Union provides other forms of central payment methods for

such items. Any form of such expense requires the approval of a senior manager before a cost is incurred.

**9. Submitting of Expenses:**

- a. Expenses should be submitted on a monthly basis online at [www.bedssu.co.uk/expenses](http://www.bedssu.co.uk/expenses) by the deadline advertised by the human resources department.
- b. Failure to meet the deadline may result in the expense not being processed until the following month.
- c. Expenses that are more than three months old will not be accepted.
- d. Expenses submitted without an itemised VAT receipt (except for mileage claims) will require the approval of the CEO.
- e. Expenses will be paid on a monthly basis via BACS payment.

**10. Authorisation of Expenses:**

- a. Authorisation of expenses will be done by a staff member’s direct line manager, or in their absence, a suitable alternative determined by the Head of Finance and Resources.
- b. Staff responsible for authorising expenses shall be responsible for verifying that:
  - i. The expense is justified.
  - ii. Valid receipts (not being a credit/debit card slips) reflecting each amount claimed is attached.
  - iii. The items claimed are in accordance with these guidelines in terms of the type of expenditure and amount.
  - iv. Any mileage claimed is accurate and was incurred on institutional business.
  - v. The expense claim is arithmetically correct.
  - vi. There is evidence of pre-authorisation where this is required.

<b>Policy Number:</b>	<b>Approving Body:</b>	<b>Date Ratified by Board:</b>	<b>Renewal Date:</b>
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