

EXPENSES POLICY

INTRODUCTION

The Durham SU Expenses Policy describes the principles and processes for reclaiming costs incurred personally by individuals in the course of organisational activities. Specifically, the expenses defined here relate to those for travel, subsistence, entertaining and hospitality.

Principles of the policy

This policy applies to Durham SU employees, volunteers, and trustees. Expenses reimbursement is a function of the requirements of working with Durham SU and does not form part of the terms and conditions of employment.

The term “expenses” also describes purchases using a company bank, credit or debit card on relevant items. Such expenses will be reimbursed in full provided they are expended and claimed in line with this policy.

Durham SU reserves the right to withhold payment of any expense claims which are incorrectly completed, not properly authorised or outside of the terms of the policy.

Rates will be periodically reviewed and may vary in the future.

EXPENSE PAYMENT PROCEDURE

Durham SU will accept claims for the full actual cost of expenses incurred wholly, exclusively and necessarily in the performance of duties with Durham SU but expects that such costs will always be kept to a reasonable minimum.

Business expenditure is normally met by direct reimbursement via BACS payment to a bank account. The Finance Manager will be able to discuss requests for reasonable alterations.

Durham SU requires claims to be made on a standard simple expense form, available on the Durham SU website and on the shared staff S: drive. Claims will only be accepted with:

- A description of the activity which the claim relates to.
- Evidence of the cost incurred, usually through a VAT receipt.
- An identified budget to draw the claim against (including budget code and where applicable job codes).
- Signature of the claimant.
- Signature of the budget holder or other authorised manager.

It is accepted that some forms of expenditure, such as parking meter charges, do not provide a paper receipt. Durham SU will accept supplementary evidence such as a meeting agenda, calendar invite etc for small amounts in these cases.

Authorising signatures not provided in person are acceptable such as a stated instruction in an email from a budget holder, at the discretion of the Finance team.

As a reminder, the limits of authority to sign off an expense (including VAT) are:

- Budget holder/authorised Manager, £5,000 for any single transaction.
- Authorised Director, up to £10,000 for any single transaction.
- Chief Executive, £10000 (but with authority to exceed this limit in case of emergency).
- Payments between £10k and £20k are authorised by the Chief Executive and a Director.

Although day to day expenses may be claimed in line with this policy without prior budget holder approval, one-off expenses in excess of £100 must always be approved by the

controlling manager in advance. In the absence of a staff member's line manager, day to day expenses in line with this policy may be signed for by an alternative manager.

TRAVEL

Travel Costs

The cost of travelling to and from home to the normal place of work within normal working hours will not be reimbursed unless there are extenuating circumstances and the expenditure is agreed by the Chief Executive/Finance Manager. Any proposed expenditure in excess of £100 should be cleared in advance with an authorised manager.

Public Transport

In general, public transport should be used.

In general, standard class train fares should be purchased through a competitive train travel website. Train journeys are usually significantly more expensive when bought close to the date of travel, and so tickets should be bought as far as possible in advance. This will also enable purchase with the company credit cards, which is the preferred method. First class travel may be cheaper or better value for money, and it is permissible to book advance first class tickets with prior approval from an authorised Director.

Durham SU encourages the use of railcards and discounts and will assist in the purchase of a railcard where this brings immediate financial advantage to the organisation.

Travel by plane within the UK be both quicker and more cost effective, and if this can be evidenced, Durham SU will authorise flights booked using the company credit card.

Vehicular Transport

Durham SU does not have any company vehicles aside from the minibus. A fuel payment card is available to buy fuel if this is being used for company transport purposes.

Durham SU does not insure an individual's own privately-owned car for business use. It is a personal responsibility to ensure adequate and compliance vehicle insurance. It may, however, be permitted by the terms of personal motor vehicle insurance policy, particularly if leaving directly from home. For longer journeys (greater than 50 miles each way) staff must provide a copy of the relevant insurance policy to demonstrate personal insurance cover. For longer journeys, it may be more appropriate to hire a vehicle, along with relevant insurance.

Where a personal vehicle is used, Durham SU will pay expenses in line with HMRC's current guidelines, currently at 45p per mile. In the extremely unlikely event that mileage in a year exceeds 10000, the reimbursable rate will drop to 25p.

Insurance requirements above also apply for travel by motorbike or bicycle. HMRC's guideline rates of 24p per mile for motorbikes, and 20p for bicycles also apply.

Durham SU does not provide expenses for parking fines/clamp release fees, overnight garaging or car cleaning.

Taxis

Travel by taxi should generally be avoided, but public transport is not always a practical solution, particularly in an unfamiliar city, at certain times, and for safety reasons. Multiple people travelling in one taxi will also sometimes be more cost effective than public transport. The best use of taxis should therefore be judged wisely, and the use of such vehicles will be monitored to avoid abuse. The driver should always provide a signed receipt.

Foreign Travel

The Chief Executive and Directors will always consider travel outside the UK as a distinct request and will require a strategic rationale and a budget before authorisation. If the request is granted, then insurance will be negotiated through Durham SU's insurers with the support of the Finance Manager.

SUBSISTENCE

Durham SU will accept claims for subsistence where employees, volunteers, and trustees are away from home or their normal place of employment or any other location at which normal work is performed for more than five hours. The claim parameters are upper limits, not targets, and Durham SU expects reasonable efforts to ensure value for money. A sandwich and drink if only in Durham SU company should be sufficient for lunch rather than a visit to a restaurant.

For overnight stays away from Durham, a float can be provided based on the subsistence rates above. A float can also be provided where circumstances of likely spend make this necessary. Full receipts and the balance of funds not covered by receipts must be submitted within one week of return.

Any proposed expenditure in excess of £100 should be cleared in advance with an authorised manager.

Breakfast

£6 where the employee leaves before 07:00am or has stayed overnight.

Lunch

A maximum of £10

Evening meal

A maximum of £20 where an overnight stay is required or return to home/work is after 20:00pm

Sundry drinks

A maximum of £5 in a 24-hour period. Durham SU policy does not permit expense claims for alcohol unless authorised in advance by the Chief Executive.

Durham SU does not pay subsistence costs for events where refreshments are provided by the hosts, or for partners of employees, volunteers, and trustees. Subsistence rates are not cumulative within a 24-hour period.

HOSPITALITY

Durham SU is a campaigning, lobbying and relationship-based organisation, and often provides hospitality to guests in order to facilitate dialogue in pursuit of strategic objectives. Resources used to provide hospitality, however, should be used judiciously, with purpose, and should be scrutinised regularly. An authorised Director should identify a budget for hospitality in advance of an offer to host and should seek to maximise value for money.

Durham SU catering should be used where possible if food or drinks are provided for hospitality within Durham. If hospitality is offered at a local Durham venue, then a reasonable allowance may be up to £15 for lunch and £25 for an evening meal, inclusive of drinks and gratuities.

Durham SU is unable to cover hospitality costs for events solely for Durham SU employees, as to do so would not be a good use of funds and could create a tax charge as a benefit to those employees (there are exceptions for things such as Christmas meal contributions).

ACCOMMODATION

The cost of hotel accommodation will be reimbursed if an overnight stay is necessary. Hotels should be booked as far as possible in advance to ensure the best possible rates.

The cost of a hotel in the UK should not normally exceed £120 plus VAT per night (room only) in London, and £80 plus VAT per night (room only) outside London.

There is a degree of variability and market position in these guidelines, and if it is considered necessary to exceed the guidelines an authorised manager should identify a budget in advance of making a reservation.