

Please note this procedure is currently under review – March 2019

## **STAFF EXPENSES PROCEDURE**

### **1. INTRODUCTION**

This procedure provides guidance and sets out responsibilities on reimbursement of travel, subsistence or other expenses incurred in connection with University business. Staff and students are required to comply with the University of the West of Scotland Financial Policies and Regulations.

The procedure includes details of types of expense that may be claimed and the procedure for making a claim. The procedure must be adhered to when incurring travel and associated expenditure on behalf of the University.

The University has a dispensation from HM Revenue & Customs that a range of expenses, i.e. those wholly, necessarily and exclusively incurred on behalf of the University can be reimbursed without deduction of tax, conditional upon compliance with these guidance notes.

### **2. SCOPE OF PROCEDURE**

This procedure applies to all University staff and students for all expenditure incurred on University business irrespective of the source of funding.

For the purposes of this procedure, 'business' is the generic term used for activities associated with, and agreed through the University, such as lecturing, research, work placements, visits, fieldworks, business promotion and conference attendance.

### **3. STATEMENT**

The University recognises its responsibility towards the reimbursement of expense and the objective is to reimburse claimants promptly for expenses properly incurred on University business.

### **4. PROCEDURE**

#### **4.1 Claiming of expense**

All items of expenditure being claimed should be detailed as follows:

- Inclusion of a brief description of the business activity, the date the expenditure was incurred and a valid finance code.
- Original (not photocopied) receipts should be sent.
- Where expenditure has been incurred through internet bookings, e-mail receipts should be printed off.

- Credit card receipts are not normally acceptable evidence of expenditure being incurred, and an original receipt from the supplier of the service is required.
- Where a receipt can't be obtained (e.g. a bridge toll) the Missing Receipt Form (Appendix 2) should be used in its place and a credit card statement provided where applicable.
- For ease of verifying the claim, receipts should be cross-referenced to the expense line item that they relate to.

By submitting an expense claim you are confirming that all expenses have been incurred wholly, necessarily and exclusively in the course of University business.

All incomplete or incorrect staff expense claims will be returned with a request for any necessary additional information, before reimbursement can be made. Staff expense claims will be subject to review by the Director of Finance, Internal Audit and External Audit and any false submissions may be treated as a disciplinary offence.

Expenses for Executive Group will be made available on the Internet as part of the University requirements under Freedom of Information.

Please refer to the [Agresso Training Manual](#) for Online Expenses for detailed instruction on how to submit a claim. The paper based system should only be used by students and external staff.

#### 4.2 **Travel Costs**

This can include air travel, ferries, underground tickets, car park tickets, road and bridge tolls, rail travel, taxis, and bus fares. It is accepted that receipts may not always be available for car parking, road and bridge tolls. When purchasing a rail ticket it is recommended staff ask for a receipt.

##### Car Mileage:

The following expenditure can be reimbursed without deduction of tax:

- A mileage rate of 45p per mile for the first 180 miles per return journey and 25p per mile for all subsequent miles is payable to an employee using their own vehicle. Once 10,000 miles has been exceeded in the tax year (6th April to 5th April) all mileage claimed over and above this will be payable at 25p per mile. Standard inter campus mileage is as follows:

Paisley – Hamilton	return	44
Paisley – Ayr	return	72
Paisley – Dumfries	return	180
Hamilton – Ayr	return	84
Hamilton – Dumfries	return	134
Ayr – Dumfries	return	122

- The costs of hiring a car (including the cost of petrol).
- The reimbursement of petrol costs where the employee has used a University vehicle. Where a University vehicle is made available to employees for the purpose of carrying out their duties, this vehicle should not be used for private purposes. Any private use of the vehicle will render the employee liable to income tax on the assessed benefit.
- The University Motor Insurance Policy covers University owned vehicles only. If using their own vehicle it is the employee's responsibility to ensure their vehicle is covered for business use.
- Any claim for a journey from home to normal place of work (i.e. your base campus), or vice versa, regardless of the means of transport, cannot be claimed. This includes not just the normal journey to work, but any additional journeys undertaken outside normal working hours.
- In all instances when travelling by car, employees may only claim the excess of their normal home to work mileage. Staff should record the total mileage for a journey, or series of journeys, deduct their normal home to work mileage and claim the difference.
- When claiming mileage employees who normally travel to work by public transport and have some form of pre-paid ticket e.g. a season ticket for the train, can claim the full distance if travelling to somewhere other than their normal place of work.
- Where ever practical employees should be encouraged to use public transport as opposed to taking their own car and claiming mileage. This will assist the University in achieving the goals of its Sustainability Strategy.

### Overseas

The nature of the business trip and date of travel should be stated. Overseas travel must be approved in advance by the relevant line manager and authorised by the Dean of School or Head of Department.

Extended stays beyond the time necessary for the performance of University duties are not allowable under the terms of the dispensation with HMRC e.g. adding a holiday onto attendance at a conference, as this would result in travel costs, accommodation and related costs not being reimbursed as HMRC view the trip not being wholly, necessarily and exclusively incurred for a business purpose.

All staff should use the University's travel agent, for all international travel, including flights, hotels and any currency to cover the relevant per diem rate. Where the best deal for European travel may be available on the internet, this should be booked through use of Procurement card.

Air travel must be premium economy class for all flights, with the exception being flights with an air time of 5 hours or more, business class travel will be permitted, but prior approval should be sought from the Dean of School or Head of Department.

### Air Miles

The University will work with the travel agent to look at how to best secure Air Miles benefit, which can be used to upgrade journeys/obtain free flights where applicable.

The purchase of luggage should not be claimed.

### UK Travel

All staff are encouraged to obtain best value for money when arranging travel.

For UK rail and UK air travel the best deals are usually available through the internet, and should pay for this using the University procurement cards in the first instance.

Rail travel should normally be standard/economy class. However the University accepts that advanced 1<sup>st</sup> class travel can be cheaper than standard class booked on the day and might at times be the appropriate way to travel, but approval must be sought from the Dean of School or Head of Department prior to travel.

The inclusion of individuals; not working for the University; on travel invoices is not permitted even where the claimant has made a payment to the University to cover the cost of the other party's travel costs.

## 4.3 **Accommodation and Subsistence**

Best value should be obtained when incurring accommodation on University business. The following items can be reimbursed without deduction of tax:

- Actual costs of hotel accommodation, including breakfast, both in the UK and overseas, where a receipt or booking confirmation is provided. The following limits are intended to provide a reasonable guideline to the level of costs of accommodation:
  - UK outside London the reimbursement per night will be up to £100.
  - London the reimbursement per night will be up to £150.
- Actual costs of overseas hotel accommodation is acceptable up to [HMRC benchmark rates](#), which reflect the varying cost of accommodation country to country and even city to city, the details can be found. International Office will monitor international rates.

- It is understood that in some circumstances eg in certain cities, when major events are taking place etc that accommodation can not be found within these rates. In which case advance approval by the Dean of School or Head of Department is required.
- Items from the mini bar or drinks bought at the bar as opposed to along with a meal should not be claimed.
- The actual cost of an evening meal in the UK taken up to a maximum of £30 when absent from the normal work place for more than 10 hours.
- The actual cost of a lunch in the UK taken up to a maximum of £15 where the employee is absent from the normal work place for more than 5 hours covering lunchtime, when lunch is not provided. This does not apply to another UWS campus.
- Breakfast can only be claimed if staying away from home the night before and should be included in the cost of the accommodation where possible. Where this is not included, a rate of £5 is acceptable. If the employee leaves home before 6am to commence a qualifying business journey, i.e. to somewhere other than the normal place of work, and does not usually do so then a limit of £5 can be claimed.
- The actual cost of accommodation in a hostel or in rented accommodation when travelling on University business.
- Claims for coffee/tea and newspapers will not be reimbursed.

In instances where individuals stay with friends/family and recompense them for their hospitality a contribution of up to £20 per day is permissible. Details of the recipient of this contribution must be provided.

The costs of any gratuity or tip will be taxable against the claimant unless the service charge is included in the bill.

Spouses/partners should only be taken on business trips if specifically invited to attend. No part of the cost of an evening meal taken with a spouse/partner can be claimed per the terms of the dispensation. It must be clearly evidenced that only the costs of the University employee are being claimed.

#### 4.4 **Per Diem**

Staff travelling on International business can claim a [day rate](#), based on the HMRC levels. These amounts should be obtained prior to travelling and used to cover the travellers out of pocket and personal incidental expenses. As these are day rates agreed by HMRC there is no need to receipt these expenses.

#### 4.5 **Personal Incidental Expenses**

Incidental overnight expenses' are personal (non-business) expenses incurred by an employee while travelling overnight on business. These may include items such as phone calls home, laundry or sundry items and do not require receipt.

If working in the UK up to a maximum of £5 can be claimed per day of travel but details will need to be provided.

#### 4.6 **Hospitality/Entertaining**

Where hospitality is provided, for example to external examiners, brief details should be provided confirming the staff and visitors present, nature and reasons for the entertaining. This detail is required to satisfy the terms of the dispensation. The proportion of staff to visitors should be reasonable and not exceed a ratio of 3:1. Claims for hospitality can not be authorised by any member of staff in attendance at the meal/event. For claims like this the receipt from the event should be authorised by the line manager of the most senior member of staff present.

#### 4.7 **Telephone Costs**

Mobile phones can be obtained from Information Technology, where a specific operational need arises and approved by the member of Senior Management Team. All telephone calls on University provided mobile phones will be paid directly by the University but where a significant level of private use occurs, the employee may be required, at the request of the Dean of School or Head of Department to repay the University for the cost of the calls made.

Staff using their own mobiles or landlines for business calls will be reimbursed the cost on the production of an itemised bill. Line rental costs or any proportion thereof will not be reimbursed.

The cost of purchasing a mobile or top up cards phone will not be reimbursed.

#### 4.8 **Other Expenditure**

The following items, when accompanied with a relevant receipt, can be reimbursed without deduction of tax:

- Conference fees and academic papers purchased via, or from, such conferences. Courses/conferences attended should be relevant to the employee's duties in the University as agreed by their line manager.
- Books, periodicals and journals purchased by the University and kept on University premises.
- Miscellaneous expenditure such as stationery, photocopying, postage, audio-visual materials and minor computer peripherals. Items of equipment valued over £50 must not be purchased through the expense procedure. Such items should be paid for via the supplier providing an invoice addressed to the University or using a procurement card.

Personal membership of professional bodies will not be reimbursed by the University.

If it is deemed necessary to purchase a gift for a guest of the University then the name of the guest and their organisation should be noted on the expense claim. Prior approval should be sought from your line manager.

Claims for expenditure in foreign currencies should detail amounts in local currency and the exchange rate used for conversion into sterling.

#### 4.9 **Settlement of Claims**

Staff expenses will be reimbursed through the Finance Department and paid directly into the claimant's bank account. Remittance advices for payments will be notified through email. Expenses are reimbursed on a weekly basis.

Staff claiming expenses should ensure that the expenditure is claimed within a two month period of the expenditure being incurred. Claims for expenditure incurred over four months prior to the date of authorisation will only be accepted in exceptional circumstances e.g. long term illness.

All expense claims should be submitted prior to the year-end process to ensure spend is reflected in the annual financial accounts.

#### 4.10 **Relocation Expenses**

Details of allowances available can be obtained from People and Organisational Development. All claims must be processed through People and Organisational Development.

#### 4.11 **Travel and Business Use Insurance**

The University insurance policy covers all University employees travelling within the UK and abroad. Details of the cover have been circulated and [further information](#) is available from the Finance Department. When travelling abroad employees should carry details of the insurance cover provided by the University as well as details of the travel insurance helpline. All enquiries regarding insurance, including provision of the necessary documentation, should be directed to the Finance Department on extension 3181. The University Motor Insurance Policy covers University owned vehicles only. If using their own vehicle it is the employee's responsibility to ensure their vehicle is covered for business use.

#### 4.12 **Cash Advances**

For events where the subsistence rate or per diem rate cannot be applied, employees are able, at the discretion of the Dean of School or Head of Department, to obtain a cash advance (minimum £100) to cover expenses while away on University business. The nature of the business trip and the date of travel should be included on all requests and justification given for the full amount advanced. An Expenses Reclaim Form should be raised to request the advance.

The money will be paid directly into the employee's bank account. It is the employees responsibility to purchase their own foreign currency/travellers' cheques. At least five working days notice should be given to process the advance before receiving payment the employee must sign documentation giving authority for any outstanding amounts to be deducted from their salary should they fail to settle their advance in accordance with laid down guidance as provided within this policy.

Receipts must be kept for every item of expenditure for which the advance has been used. On the employees return an expenses claim should be completed on line. The amount of the advance will be deducted automatically from the total claimed, to give the net amount payable to or repayable from the University. If the advance was not fully spent the balance will be deducted from the employees' next claim.

All advances must be accounted for by 12<sup>th</sup> of the second month following the month of receipt of the advance e.g. an advance received in October must be accounted for via an expense claim by 12<sup>th</sup> December. Finance will notify at this time any employee who has not yet accounted for the advance, and if no expense claim is received by the 12<sup>th</sup> of the relevant month, the total amount of the advance will be deducted from the employee's salary. It is therefore vital that advances are accounted for as soon as the employee returns from travel. No advances will be issued for expenses already incurred. Only one cash advance will be issued to each member of staff, previous advances have to be settled before collection of a new one. All enquiries regarding cash advances should be directed to the Finance Office on extension 3195.



#### 4.13 **Petty Cash**

In some circumstances, staff may purchase certain low value items and claim reimbursement at the discretion of the Finance Department. Where single item spend is less than £100 this may be paid from either petty cash process (supported by receipts or vouchers) or via the University Procurement card wherever possible.

Petty cash will not be used for personal purposes, for the cashing of personal cheques or for payment of salaries. Petty cash should not be used for reimbursing staff travel. The person who is granted petty cash will be personally responsible for its safe-keeping.

#### 4.14 **Summary**

All expense claims should be authorised by the appropriate budget holder and supported by adequate information and documentation as detailed in section 4.1. All incomplete or incorrect claims will be returned with a request for any necessary additional information, before reimbursement can be made.

If you require any further clarification on these guidance notes, please contact Finance on extension 3547. Specific guidance on insurance can be provided by contacting extension 3181. Specific guidance on staff advances can be obtained by calling extension 3195.

**5. KNOWLEDGE AND SKILLS**

Employees are required to undertake on-line [Agresso training](#) prior to submitting or approving expenses claims.

Once access has been granted, additional support is available on the [Finance Expenses](#) intranet page.

No prerequisite knowledge is required to implement this policy and procedure.

**6. EQUALITY IMPACT ASSESSMENT**

An Equality Impact Assessment of this policy and procedure is attached as an appendix.

**7. HEALTH AND SAFETY IMPLICATIONS**

There are no health and safety implications in the implementation of this policy and procedure.

**8. SUSTAINABILITY**

While travel by employees is an essential element in meeting the University's overall objectives, it is also recognised and encouraged that staff should [travel responsibly](#) and only for essential business needs.

**9. APPENDICES**

Appendix 1 – Equality Impact Assessment  
Appendix 2 – Missing Receipt Form

<b>Equality Impact Assessment</b>	
<b>Faculty Dept.</b>	<b>Finance</b>
<b>Policy</b>	<b>Staff Expenses Policy</b>
<b>Author</b> The person responsible for the Impact assessment	Andrew Heron
<b>Effective date of implementation</b> The EIA will need to inform decision-making so the implementation date should take this into account. This may be the date on which the policy is put to committee or when a decision is required.	October 2014
<b>Involvement and consultation</b> What involvement and consultation has been done in relation to this decision, policy or procedure and what were the results? What additional involvement and consultation will be needed?	Chief Finance & Information Officer P&OD
<b>Aim of Policy/decision</b> It will help to ask: <ul style="list-style-type: none"> <li>• Why is the policy or decision needed?</li> <li>• What do we hope to achieve by it?</li> <li>• How will we ensure that it works as intended?</li> </ul>	<p>The aim of the policy is to provide guidance to all individuals claiming reimbursement of travel, subsistence or other expenses incurred in connection with University business.</p> <p>The University recognises its responsibility towards the reimbursement of expense and the objective is to reimburse claimants promptly for expenses properly incurred on University business.</p>
<b>Available evidence</b> Identify what evidence is available and set it out here. This includes data and evidence from involvement and consultation	The policy has been in place for some time in an earlier format and there is no evidence of discrimination.

<p><b>What is the actual/likely impact?</b> Consider the relevance to and impact upon each equality group with protected characteristics (age, disability, gender re-assignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex, sexual orientation). The assessment can be supported with a set of key questions to identify the effect, tailored to the area being considered. Broadly the following should be identified:</p> <ul style="list-style-type: none"> <li>• Who is affected positively?</li> <li>• Who is affected negatively?</li> <li>• Will the policy or decision have the anticipated effect?</li> </ul> <p>Give a full explanation of your reasoning and document the actual or likely impact, along with the evidence used to explain how that conclusion was reached.</p>	<p>This policy is relevant to legislation and guidance as issued by HMRC.</p> <p>Overall, the Policy if properly implemented should have a positive impact for reimbursement to staff.</p>
<p><b>Address the impact</b> Identify the range of options to address the impact. Remember to consider each of the general duties. There are three possible options:</p> <ol style="list-style-type: none"> <li>1. Adjust the decision/policy.</li> <li>2. Continue with the decision/policy.</li> <li>3. Withdraw the decision/policy.</li> </ol> <p>Identify the option(s) chosen and document the reasons for this.</p>	<p>The policy will be subject to amendment in light of any change to legislation or guidance surrounding the reimbursement of staff expenditure incurred.</p>
<p><b>Monitoring and Review</b> Set out the arrangements for reviewing the actual impact of a decision or policy once it has been implemented.</p>	<p>Subject to regular review to reflect current HMRC guidance and legislation. Regular review at least every 3 years.</p>
<p><b>Decision making and quality control</b> Includes sign-off by a responsible officer. (e.g. Head of School, Head of Department, committee chair)</p>	<p>Trevor Gabriele Director of Finance</p>

## Expenses – Missing Receipt Form

<b>Type of expenditure</b>
<b>Value of expenditure</b>
<b>Reason for lack of receipt</b>

**I confirm this expenditure was incurred for UWS approved business.**

**Signature**

**Print Name**

**Payroll No.**

**Approved By**

**Date**