

APPENDIX 11

EXPENSES POLICY FOR SCHOOL-BASED STAFF

Adopted by the Local Governing Body (see Site Specific sheet)

Note: Where a member of staff transferred to the Trust under TUPE arrangements and their previous terms and conditions provided more generous reimbursement of expenses than in this policy, then the previous arrangements will continue for as long as the TUPE protections apply.

1. General principles

- 1.1 The purpose of the Expenses Policy is to ensure that Trust employees are reimbursed for all necessary expenditure reasonably incurred and approved in the performance of their school duties. Employees should adopt the principles of best value in deciding when and how expenditure is incurred. The Trust relies on employees to act reasonably and apply common sense when incurring expenses, having in mind the potential for reputational damage if claims are seen to be excessive or extraordinary.
- 1.2 The basis of expenses claims is actual expenditure up to the limits specified in this policy. Limits will be reviewed annually. The limits are maximum amounts; they are not allowances. Some of the limits set within this policy follow HMRC guidance. It is important that these are adhered to as the Trust will not be put in the position of providing a taxable benefit for individuals. Nor will the Trust accept liability for any additional tax on behalf of employees.
- 1.3 Expenses can only be claimed for additional costs that staff have incurred over and above those they would have incurred during a normal working day. This policy sets out those expenses which are allowable and those which are not.
- 1.4 The policy relates to expenses incurred by staff at their personal expense and then claimed back. The principles and claim limits also apply to travel and accommodation paid for using the school's normal purchasing arrangements.
- 1.5 All expense claims must be approved by the Principal or another senior member of staff nominated by the Principal with the appropriate level of authority who must also be someone other than the claimant. Some types of expense such as air travel and first class rail tickets require approval in advance.
- 1.6 The school wishes to reimburse employees without undue delay and with the minimum administrative burden commensurate with proper accounting and audit requirements. Employees are therefore asked to use the claim form and adhere to the timescales set out in the policy.
- 1.7 Claims for items not allowed under the policy will be rejected. Staff should note that authorising managers have no authority to vary this policy. Failure to comply with the policy may be treated as a disciplinary matter. The school reserves the right to recover any additional costs that it incurs as the result of an employee's non-compliance with the policy from the employee's salary or otherwise.

2. Guidelines for claiming expenses

- 2.1 Original receipts must accompany all claims. Credit card slips or statements will not be accepted as evidence of business expenditure. A VAT invoice/receipt is required for all expenditure where VAT has been charged. The school cannot reclaim the VAT without a VAT invoice/receipt which meets HMRC requirements.¹
- 2.2 Claims are submitted using the school's expenses claim form which includes space for the authorising manager's signature, usually the Business Manager / Headteacher / Principal. The Headteacher's / Principal's own claims must be authorised by the Chair of Governors. If the usual authorising manager accompanied the claimant on a journey or attended the same event then the claim must be authorised by an alternative senior manager who is familiar with the employee's work.
- 2.3 Each claim must have a cost centre/account code so that expenditure is charged to the correct budget. Expenses must not be charged to an account without the budget holder's permission.
- 2.4 For security and to ensure compliance with HMRC rules all expenses are normally reimbursed through the monthly payroll. For this purpose claim forms with the appropriate authorisation must be submitted to the finance team no later than three working days before the payroll variances cut-off date for the month. In preparing claims, employees will need to take account of the availability of their manager so that the claim can be authorised within this timescale. Claims arriving after the deadline will be held and processed with the payroll at the end of the following month.
- 2.5 For large or unexpected amounts and in exceptional circumstances (of which a note should be kept for audit purposes), or where delay would cause financial hardship, the Principal may authorise immediate payment by cheque or direct bank transfer. Reimbursement will not normally be made from petty cash, given all schools have access to the use of an authorised credit card which can be used by the appropriate person for local purchases.
- 2.6 Copies of the claim form are provided to all schools as part of the Trust's documentation to support this manual.
- 2.7 The school will maintain sufficient records to be able to demonstrate that claimants were entitled to each payment. The school will also undertake routine checks to ensure that the travel expense rules are being followed.

3. Travel - general

- 3.1 Staff should always consider whether travel is essential, particularly for face-to-face meetings.
- 3.2 Unless several people are travelling together, public transport is usually the most economic mode of travel and is the default option for school employees. Taxis should be used only when there is no reasonable alternative and the reason for this summarised on the claim.

¹ A VAT invoice/receipt must include the name and address of the retailer, the retailer's VAT registration number, the date of the purchase, details of what goods or services have been purchased and the VAT inclusive value of those goods or services in sterling. A VAT registration number consists of nine digits and is set out in the following format: 123 4567 89.

- 3.3 Any travel beyond the UK that is paid in part or in full with school funds, needs to be approved in advance by the Trust's Director of Finance & Operations.
- 3.4 The following travel-related expenses are *not* allowable:
- Travel to/from home to normal place of work (commuting);
 - Car parking at normal place of work, unless making a business journey to/from another location;
 - Car wash/valet;
 - Lunch at normal place of work.
 - Taxi fares without receipts;

4. Rail travel

- 4.1 The Trust's policy is for staff to travel standard class.
- 4.2 First class travel is not permitted. The only exception is where it can be demonstrated that it is the cheapest ticketing option of all available tickets.
- 4.3 Travel should be arranged as economically as possible. Advance and off-peak tickets should be used whenever possible. The availability and validity of cheaper tickets should be taken into account when arranging business meetings.
- 4.4 Eligible staff may claim the cost of a railcard where this is cost-effective over the period of validity of the card.

5. Travel in London

- 5.1 Oyster fares are generally cheaper for travel in London. If the card is registered with Transport for London then a print-out of the statement from the TfL web site with the relevant journey(s) highlighted is acceptable as a receipt for travel.

6. Taxis

- 6.1 Taxi fares may be claimed where:
- there is no suitable public transport, or
 - the journey time by public transport would be excessive, or
 - the employee is required to transport items unsuitable for public transport.
- 6.2 Claims must be supported by a receipt showing the final destination.

7. Air travel

- 7.1 Air travel should be regarded as exceptional and should normally be booked in advance rather than claimed as a personal expense. Economy class air fares may be claimed subject to managerial approval in advance but only where there is a clear practical or economic advantage over other means of transport.
- 7.2 See paragraph 3.3 (above) where any travel beyond the UK is planned.

8. Driving

- 8.1 The Trust does not provide cars for school-based employees. If an employee is required to travel on business the school may contribute to the cost of driving subject to the conditions set out in this section. Mileage rates, where applicable, are subject to change and are published separately.
- 8.2 For journeys where suitable public transport is available no contribution will be made unless it can be demonstrated that the reimbursement of car mileage is a lesser cost to the school than the cost of public transport would have been. In such a case car mileage will be reimbursed (using HMRC rates) to a maximum of what would have been the public transport cost.
- 8.3 For journeys where no suitable public transport is available or where there is a valid business reason for taking a car, mileage at the current HMRC rate may be claimed. A valid business reason could include a significant saving in time, equipment to be carried, or a number of people are travelling together. In all cases the distance claimed should be along the shortest reasonable route.
- 8.4 Travel from home to/from the employee's normal place of work cannot be claimed unless the business destination is further than the normal journey. In this situation only the excess mileage can be claimed.
- 8.5 It is the employee's responsibility to ensure that the car is roadworthy and insured for business use.
- 8.6 Reasonable parking fees, tolls and, where unavoidable, congestion charges will be reimbursed provided a receipt or other evidence of payment is submitted.
- 8.7 The following costs relating to car use are not allowable expenses:
- Car parking at normal place of work;
 - Car wash/valet;
 - Parking penalty charges;
 - Fines

9. Day subsistence expenses

- 9.1 No meals will be reimbursed while working at school, irrespective of whether or not it is the employee's normal place of work or whether or not it has catering facilities.
- 9.2 Lunches away from school cannot be claimed unless it is a working lunch involving people from outside the school. In such cases claims should be limited to light buffet-style refreshments and non-alcoholic beverages. In relation to residential training courses/conferences it is normal practice for meals and light refreshments to be provided for delegates and for the cost to be included in the delegate fee for the event.
- 9.3 Claims will be met for the following items when working away from the school site. These are maximum amounts and not allowances. All claims must be supported by valid VAT invoices/receipts. Different amounts may be claimed when staying overnight – see below.

Item	Conditions	Maximum claim
Breakfast	After start of journey and when required to leave home before 6.00am	Current rates are published separately
Lunch	Working lunch with non-school staff. Away from normal place of work for at least five hours.	
Either: Tea	Away from normal place of work for at least five hours and unable to return home until after 6.00pm.	
<i>Or:</i> Evening meal	When required to work after 8.00pm.	

10. Overnight accommodation

10.1 Necessary overnight accommodation should normally be booked in advance through the school's purchasing arrangements rather than through a personal expense claim. However, the same limits apply whether the booking is made centrally or claimed retrospectively. The limits are intended to reflect the cost of a stay in a modest 2 or 3 star business type hotel.

Item	Conditions	Maximum claim
Room rate	Single room with en suite facilities.	Current rates are published separately
Breakfast	When not included in the room rate.	
Lunch	Working lunch with non-school staff.	
Evening meal	No alcohol.	
Incidental expenses	e.g. telephone call home.	

10.2 The following hotel costs are not allowable expenses:

- Alcoholic drinks
- Bar or minibar bills
- Laundry
- In-room entertainment
- Tips/gratuities
- Gym or spa usage

10.3 Where practicable, employees should take advantage of late/early deals or special offers to reduce the cost of overnight stays.

10.4 Where demand for accommodation in an area is high for any reason and a room cannot be secured within the maximum limit the employee should seek the agreement of the Headteacher / Principal or Business Manager before incurring any additional costs. Where a higher rate is agreed the decision and the reasons will be logged.

10.5 Where an employee chooses to incur costs over the maximum limit but rooms would have been available within the limit they may elect to pay the difference between the cost of a reasonable available room and the room of their choice themselves.

106 If an employee chooses to stay in private accommodation with a friend or relative, only the actual costs incurred (if any) will be reimbursed up to the limits for other overnight accommodation. HMRC no longer accepts a flat rate allowance for tax purposes when staying in private accommodation.

10.7 All claims must be supported by a valid VAT invoice/receipt.

11. Other expenses

11.1 The cost of subscriptions to professional bodies and journals are personal expenses met by the individual employee unless the employee is required by the school or Trust to hold such membership.

11.2 Where an employee needs a telephone when working away from the school sites, the school will provide the necessary equipment and meet the cost of all business use. School phones are not intended for personal use.

11.3 Protective clothing and uniforms, where required, will be provided by the school.
