

CITY ACADEMY NORWICH

Expenses Policy

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**CITY ACADEMY NORWICH
EXPENSES POLICY**

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1. Introduction

City Academy Norwich (CAN) spends significant sums on travel and associated expenses. The purpose of this document is to provide clear guidance to employees on the procurement of business travel and accommodation and the reimbursement of various expenses incurred. In applying the policy, all individuals must have due regard to the best interests of the Trust.

The CAN Executive is responsible for reviewing the policy and level of allowances each year. Heads of Department are responsible for ensuring that all staff within their department are aware of the Policy and Procedures and are informed of any changes without delay.

Any attempt to submit a false claim for expenses and benefits will be treated as a serious disciplinary offence which may lead to disciplinary action.

The procedures have been prepared to meet Inland Revenue requirements and comply with taxation legislation. Provided claims are completed strictly in accordance with the terms of these procedures, unless otherwise stated, no additional tax or National Insurance Contribution liability will arise to the employee or CAN and employees need not report details in their tax returns. Any claim that does not comply with this scheme will be reported to HMRC via P11D.

Expense claim forms

Expense claim forms must be authorised by the claimant's Line Manager; Chief Executive Officer (CEO) or Head of School. Under no circumstances will self-authorized claims be paid. The CEO's expenses will be authorised by the Chair of the Trust and the Head of Schools' by the Chair of the Local Governing Body or CEO.

Retention of documents

Staff expense claim forms, together with the original receipts shall be retained by the Finance Department for a period of six complete financial years, following the year in which the claim is made. Documents may be retained in hard copy or scanned.

2. Objectives

The objectives of the CAN Policy are:

- To obtain maximum value for money from expenditure on travel, subsistence and hospitality;
- To ensure such expenditure represents the necessary and reasonable costs incurred by or on behalf of employees who are properly engaged on CAN business;
- To reimburse employees promptly for expenses incurred on CAN business;

- To minimise the cost of administering the expenditure, particularly the indirect cost represented by the time spent by employees making travel arrangements and submitting claims for reimbursement of expenses;
- To provide information to control expenditure and monitor adherence to CAN's Financial Policies and Procedures.

3. Scope

The Policies and Procedures apply to all employees of CAN.

4. Actual Costs

It is the policy of the CAN that individuals are reimbursed the actual cost of expenses incurred, subject to maxima laid down in the procedures, wholly, exclusively and necessarily in the performance of the duties of their employment. Individuals are expected both to minimise costs without impairing the efficiency of the Organisation and to avoid any unnecessary cost to CAN. Reimbursement will be made only on the production of receipts or invoices.

5. Authorisation

Overseas Travel

Approval from the claimant's line manager AND Head of School must be obtained *before* entering into any commitments to travel overseas.

6. Insurance

Employees' Own Cars

When using their own private car on CAN business, employees should ensure that their insurance cover extends to business use. CAN will not reimburse the employee for any additional cost incurred on their insurance premium arising from Business cover. CAN will not reimburse the cost of any damage caused to an employee's private car or associated insurance excess. The cost of motoring offences cannot be reclaimed under any circumstances.

7. Definition of Business Travel

Expenses may be claimed in accordance with regulations only where they are incurred on essential business journeys. Due regard should be taken of the risk of key staff travelling together. In order to identify those journeys which may be regarded as business journeys for these purposes employees' travel patterns will be categorised as follows:

1. The employee normally works at one location but occasionally travels to other CAN premises

Employees are entitled to reclaim the costs they incur travelling in the performance of their duties provided the journey is not ordinary commuting or private travel. This will normally

mean that costs can be reclaimed for all travel to a temporary place of work; this should be the shorter of home to temporary place of work or office to temporary place of work.

2. The employee normally works between two locations within the Trust

Employees are entitled to reclaim the costs of these journeys between Trust locations, but not from home to one of the locations or vice versa.

3. The employee's travel pattern does not correspond with any of the above.

Any employee whose travel arrangements do not correspond with the categories above (for example, any based at home or based at a succession of places and spending more than a few days at each, etc.) may be subject to different rules. Such cases should be discussed with the Finance Department and the tax treatment agreed before any payments for travel or subsistence are made.

8. Making Travel Arrangements

Authorisation

Employees must make sure they have appropriate authorisation before making travel arrangements. Second class travel should be used unless it is clearly demonstrated that other classes of travel are cheaper. It is recommended that travel is booked well in advance of the date of travel in order to take advantage of lower rates.

9. Road Travel

Mileage Rates

Where employees use their own private car on CAN business, the following mileage rates will apply:

	Up to 10,000 miles claimed	Over 10,000 miles claimed
Cars & Vans	45p	25p
Motor Cycles	24p	24p
Pedal Cycles	20p	20p

Passenger payments - cars and vans

Any additional allowance of 5p per passenger per business mile for carrying fellow employees in a car or van on journeys which are also work journeys for them can be claimed. The expense claim should clearly state the journey and passenger details.

Hire of Taxis

The use of taxis is not encouraged and should be restricted to essential localised journeys only.

Car Parking

Parking costs incurred in the course of travelling away from the normal place of work may be claimed via the expenses system. Parking fines and fines incurred for road traffic offences will not be reimbursed by CAN.

10. Overnight Accommodation

The cost of overnight accommodation cannot be reclaimed where the location is within a two-hour journey distance by public transport of the claimant’s normal place of work other than in exceptional circumstances. The reason for the exceptional circumstances must be given on the expenses claim form.

Hotel Room	<p>Maximum allowable expense: £80.</p> <p>In exceptional circumstances, at locations where it would be unrealistic to expect accommodation to be available for £80 or less per night, a greater allowance for an overnight stay may be claimed (subject to prior agreement with the Head of School or CEO).</p>
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Payment to cover bed and breakfast should be made wherever practicable using the CAN credit card or via credit facility/invoice. Where payment cannot be made via CAN, payment should be made by the individual. Reimbursement will be made only for the cost of the room, evening meal and breakfast, subject to the limits on subsistence rates.

Employees should note that items of a personal nature, such as alcohol, mini-bar drinks, newspapers, green fees, entertainment, will not be reimbursed by the CAN. Where these items are included in a bill, the costs should be deducted by the claimant prior to the submission of the claim for reimbursement.

11. Subsistence

Travelling during the day (no overnight stay)

You can claim up to £4.00 for the cost of breakfast if:

- You leave home at least 60 minutes earlier than normal on CAN business and,

- will be away from your normal place of work for more than 5 hours and,
- did not have breakfast at home

You can claim up to £5.00 for the cost of lunch or an additional meal if:

- You will be away from your normal place of work for 5 hours or more and,
- You were not provided with a lunch or meal

Overnight Stays

For each 24 period away from the office you can claim up to:

- £5.00 for the cost of lunch if this is not provided
- £20.00 for the cost of dinner if this is not provided

The above rates will be revised periodically.

Where claims are received which exceed the maxima specified, and the Authorising Signatory has not included comment/specific authorisation for this, the Finance Department reserve the right to adjust the claim to the above rates. The claimant and Authorised Signatory will be advised when this occurs.

12. Entertainment and Hospitality

Meetings/training events

Food and beverages provided for departmental meetings and training events must be purchased from approved suppliers using the purchase ordering system. The costs must be reasonable. A record must be retained of the reason for the meeting and the names of the attendees.

Entertaining external individuals

This can only be done by the CEO, Senior Executives of CAN, or Head of Schools. The cost should be appropriate and not typically exceed £25 per head. A record of all attendees and their organisation names must be kept and included with the claim.

Other Benefits

Mobile Telephones

The cost of making business calls on a personal mobile telephone (i.e. not registered in the name of CAN) may be claimed by attaching an itemised telephone statement to an expense claim form. The cost of rental, top up cards or other charges in respect of personal mobile telephones will not be reimbursed.

Publication Subscriptions

The cost of publication subscriptions may be met by CAN, provided that the expenditure is incurred wholly, exclusively and necessarily in the performance of the duties of the post. The publication must be made available for departmental use.

Wherever possible arrangements should be put in place for payment to be made directly by CAN to the publisher or supplier. Where this is not feasible, members of staff are able to claim the cost of the subscription on an expenses claim form by attaching satisfactory evidence of payment.

Membership of Professional Bodies

CAN may, subject to certain conditions, pay the subscription for membership of a Professional body where membership is necessary for the performance of duties in the post. Examples include ASCL, CIMA and CIPD. Approval must be obtained in advance from the Head of School/CEO.

Incidental expenses

Wherever possible, goods and services should be ordered through CAN's procurement systems. In this way the correct contractual ownership of the goods and services is established, together with the appropriate warranties. In addition, the payment of VAT is recorded correctly which contributes to the level of VAT recovery.

However, there may be occasions where members of staff can demonstrate sound value for money by paying for goods and services personally and then reclaiming the cost via the expenses system. The reason for paying for the goods personally and the value for money justification must be clearly notated on the expense claim form. Such expenditure must be authorised in advance.

However, members of staff are expressly prohibited from purchasing goods on behalf of the CAN when travelling overseas or duty free at an airport and then reclaiming the expenditure through the expenses system. To do so would be a breach of customs and excise regulations.

13. Claiming reimbursement of expenses

Expenses incurred on behalf of CAN are to be recorded in detail on the expenses form. Claims must be made within three months of the expense being incurred. Claims submitted after three months will not be reimbursed. All expense claims from employees are paid by BACs directly to a UK bank account. All expense claims must be accompanied by a fully itemised receipt/ticket for all items claimed.

Where expenses are incurred in foreign currencies, the amounts so incurred should be converted into sterling and included in the relevant columns of the expenses form. Documentary evidence

must be provided to substantiate the exchange rate used on the claim. If such evidence is not available, the claim will be converted into sterling at the rate in force on the date the claim is processed by the Finance Department.

Incomplete or incorrect claims will not be processed but returned to the Claimant with an explanation as to why it cannot be processed. The claim should be completed fully and then returned to the Finance Department for processing.