

## TRAVEL AND PERSONAL EXPENSES POLICY

### 1. Introduction

- 1.1 The Board of Trustees of The Two Counties Trust, a Multi Academy Trust, takes its financial responsibilities seriously and has formulated this policy in order to develop and maintain the very highest standards of financial management and governance across the Trust.

#### **Policy overview**

The purpose of this policy is to set out which personal expenses can be claimed by employees and how to do this. It takes into account HMRC rules on such expenses. The policy also covers the steps staff must take to ensure they are adequately insured when using their own transport. This policy applies to all staff working for The Two Counties Trust, Multi Academy Trust and any individual school within the Trust.

- 1.2 Claims for reimbursement of travelling expenses, subsistence by persons travelling on Trust business and other expenses, should be made on the Trust Expense Claim Form. Employees are required to use the most cost-effective form of transport and reimbursement of expenditure is restricted to the allowance or the amount spent, whichever is less. The Trust will normally reimburse employees only for expenses that they actually and necessarily incur in the course of any business travel.
- 1.4 It is the responsibility of Line Managers to authorise and ensure that expense claims for staff are accurate. All claims must be countersigned by the line manager before being submitted to the appropriate finance office. Valid claims will be reimbursed based on actual cost incurred and not allowance limits.
- 1.5 Any fines or penalty notices incurred by an employee whilst travelling on Trust business are entirely the responsibility of the employee concerned. Fines will not be reimbursed by the Trust under any circumstances.

### 2. Insurance

- 2.1 Any employee who uses their own vehicle for any journey on Trust business must ensure that their insurance covers them for business use. Employees using their own vehicle for Trust business are responsible for ensuring they hold a current driving licence, insurance certificate and MOT certificate (if applicable). Any cost of business use cover is to be borne by the employee and is covered by the mileage allowance.

### 3. Car Travel

- 3.1 The Trust will reimburse the costs actually incurred by employees of journeys undertaken for business purposes by road but excluding ordinary commuting.
- 3.2 Expenditure on items such as parking, road and bridge tolls will also be reimbursed when supported by receipts.

### 4. Mileage claims

- 4.1 Mileage allowances can only be paid for business journeys. Claims for travel between an employee's home (permanent or temporary) and the employee's normal place of work cannot be reimbursed. Mileage claims should show the following details:

- The date
- The starting point
- Each address or place visited
- Purpose of the Journey
- The names of any passengers

Mileage allowances are paid in accordance with the HM Revenue & Customs guidelines, which are reviewed annually. Current rates can be found in table 1 below.

## 5. Exclusion of Ordinary Commuting

- 5.1 Travel between an employee's home, or any other place that is not a workplace, and his/her normal place of work is ordinary commuting and is not a claimable expense.
- 5.2 The Trust recognises that employees are sometimes required to travel to a secondary, (temporary) place of work in the course of their duties. For example, this could be another school, or the location of a meeting or conference. Therefore claims will be accepted for the following types of journey:
- When travelling from home directly to a temporary place of work, whereupon reimbursable mileage will be based on the distance from the employee's normal place of work to the temporary place of work.
  - When travelling from a temporary place of work directly to home, whereupon reimbursable mileage will be based on the distance from the temporary place of work to the employee's normal place of work.
  - From the employee's normal place of work to a temporary place of work and vice versa.
- 5.3 HMRC stipulates that a place of work where an employee spends more than 40% of the time, is not a temporary place of work. Employees who may be affected by this rule should discuss the matter with the School Business Manager or equivalent.

## 6. Rail Travel

- 6.1 All rail travel must be made in standard class.
- 6.2 Purchase of Rail Tickets: Rail travel should be booked as far in advance as possible to take advantage of any low cost options that may be available. Rail travel should be booked and paid for by the appropriate finance office or by the school's nominated person, to ensure compliance with booking policies. Employees should forward their booking request (to include reason for travel), to the finance office or nominated person as early as possible.

In exceptional circumstances, for example a late notice booking, an employee may book and pay for their own rail journey, if the travel has been duly authorised in advance. In such cases the cost of travel will be reimbursed through the expense claims process.

## 7. Taxis

- 7.1 Costs of taxis will be reimbursed only if one or more of the following apply and if supported by a receipt:
- where the saving of time is important.
  - when heavy luggage has to be transported to or from the place of departure on arrival.
  - where there is no other suitable method of public transport.
  - if a journey is made after dark or the use of public transport would involve a long wait in circumstances in which the person travelling would feel at risk; or where unfamiliar with location and associated Public Transport links.

## 8. Subsistence

- 8.1 The reasonable and necessary cost of accommodation, meals/snacks and beverages incurred by an employee whilst undertaking business away from the employee's ordinary place of work, will be reimbursed. Claims must be supported by relevant receipts and are subject to the limits shown in table 2 below.
- 8.2 The costs of other hotel 'extras' such as videos, newspapers, beverages not complementing an evening meal and private telephone calls, will not be reimbursed. No alcoholic drinks will be reimbursed.

## 9. Hotel Accommodation

- 9.1 All hotel bookings should normally be made centrally in advance and full advantage should be taken of advanced purchase discounts where available. Five star hotels must not be used.
- 9.2 Hotels should be selected based on lowest price and value for money and membership of loyalty schemes must not be taken into account. Limits for hotel bedroom rates can be found in table 2.
- 9.3 Staff should not normally stay overnight at the Trust's expense before a meeting when it is reasonable to travel on the day of the meeting. An exception to this may be made if in order to arrive in time for an event, the employee would be required to start their journey unreasonably early or if it can be demonstrated to be financially advantageous.
- 9.4 The employee should ensure that a purchase order is completed and authorised for all hotel accommodation in advance.
- 9.5 If a suitable hotel cannot be found within the price limits set by the Trust, authorisation should be requested in advance from Senior Leadership.
- 9.6 Hotel invoices should be settled by the employee and claimed as an expense, if they have not been pre-paid by the Trust.

## 10. Entertaining

- 10.1 The cost of entertaining suppliers or other business connections for genuine business reasons can be reimbursed. Claims for entertaining should be supported with records of the amounts spent, the nature of the entertainment, the persons entertained and the reasons for the entertainment. Such expenditure must always be authorised in advance by the employee's line manager.

## 11. Sundry Business Expenses

- 11.1 Reimbursement of the cost of tools, equipment, materials and services necessarily purchased by employees for the performance of their duties or the business needs of the Trust, can be made in **exceptional circumstances**. Relevant receipts must support the claims and any tools, equipment or materials remain the property of the Trust.

## 12. Implications for Taxation and National Insurance

- 12.1 By following the HM Revenue & Customs rulings regarding employee liability for Tax and National Insurance contributions, reimbursement of actual travel and subsistence costs should not attract any liability.

## 13. Submission of Claim Form and Payment

- 13.1 The Expense Claim form, duly completed and signed by Line Manager, should be submitted to the appropriate finance office and will be paid by either bank transfer or via salary. Only one claim form should be submitted each month. Please note that staff claims submitted more than six months after the expenses were incurred will only be paid with the express approval of the Chief Financial Officer.

## 14. Further Information

- 14.1 Please contact the Trust Finance Manager or Chief Finance Officer for further information on this policy.

Table 1 – Mileage allowance rates  
Car - £0.45 per mile

Table 2 - Subsistence and maximum hotel rates (Inc. VAT)

Breakfast (hotel) £12.50

Breakfast (not hotel) £8.00

Lunch £10.00

Dinner £25.00

Hotel accommodation outside London - £100

London - £175

**Document management**

Review cycle:	Annually
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Policy owner	Kevin Hearn
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