

TRAVEL AND PERSONAL EXPENSES POLICY

1. Introduction

- 1.1 The Two Counties Trust takes its financial responsibilities seriously and has formulated this policy to support and maintain the highest standards of financial management and governance across the Trust.

2. Policy overview

- 2.1 The purpose of this policy is to set out which personal expenses can be claimed by employees and how to do this. It considers HMRC rules on such expenses. The policy also covers the steps employees must take to ensure they are adequately insured when using their own transport. This policy applies to all employees and Governors of The Two Counties Trust.
- 2.2 Claims for reimbursement of travelling expenses, subsistence by persons travelling on Trust business and other expenses, should be made on the Trust's 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 lower. The Trust will reimburse employees for expenses that they actually and necessarily incur in the course of any business travel.
- 2.3 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 for payment. Valid claims will be reimbursed based on actual cost incurred and not maximum allowance limits.
- 2.4 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 in any circumstances.

3. Insurance

- 3.1 Any employee who uses their own vehicle for any journey on Trust business must ensure that their insurance covers them for business use.
- 3.2 Employees using their own vehicle for Trust business must hold
- a current valid driving licence,
 - valid vehicle insurance including business use,
 - vehicle tax which is up to date
 - a current MOT certificate (if applicable).
- 3.3 Any cost associated with business use cover is to be borne by the employee. Documentation as set out above must be supplied before travel is undertaken and before any claim is submitted. Documentation must be updated periodically on request.

4. Use of a car for work purposes

- 4.1 The Trust will reimburse the costs incurred by employees of journeys undertaken for business purposes but excluding ordinary commuting to and from home and work.
- 4.2 Expenditure on items such as parking and tolls which are associated with travel for work purposes will be reimbursed when supported by receipts.

5. Mileage claims

- 5.1 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 must 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.

- 5.2 Employees should use the standard mileage distances wherever possible which are noted in Appendix 1.

6. Exclusion of Ordinary Commuting

- 6.1 Travel between an employee's home, or any other place that is not a workplace, and their normal place of work is ordinary commuting and is not a claimable expense.
- 6.2 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, 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, 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.

7. Rail Travel

- 7.1 All rail travel must be made in standard class.
- 7.2 Tickets for 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 finance 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 soon as possible.
- 7.3 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.

8. Taxis

- 8.1 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 items have 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.

9. Subsistence

- 9.1 The reasonable and necessary cost of accommodation, meals/snacks and beverages incurred by an employee whilst undertaking business away from their 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.
- 9.2 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.

10. Hotel Accommodation

- 10.1 All hotel bookings should normally be made centrally in advance and full advantage should be taken of advance discounts where available. Five-star hotels must not be used where there are alternatives available.
- 10.2 Hotels should be selected based on lowest price and value for money and membership of loyalty schemes must not be considered. Limits for hotel bedroom rates can be found in Table 2.
- 10.3 Employees should not 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.
- 10.5 Employee's should ensure that a purchase order is completed and authorised for all hotel accommodation in advance.
- 10.6 If a suitable hotel cannot be found within the price limits set in Table 2, authorisation should be requested in advance from a member of the Senior Leadership Team.
- 10.7 Hotel invoices should be settled by the employee and claimed as an expense if they have not been pre-paid by the Trust.

11. Entertaining

- 11.1 The cost of entertaining suppliers or other business connections for legitimate business reasons may 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 a member of the Senior Leadership Team.

12. Sundry Business Expenses

- 12.1 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, may be made. Relevant receipts must support the claims and any tools, equipment or materials remain the property of the Trust.

13. Implications for Taxation and National Insurance

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

14. Submission of Claim Forms and Payment

- 14.1 The Expense Claim form, duly completed and signed by line manager, should be submitted to finance, and will be paid by either bank transfer. No more than one claim form should be submitted in a month. Please note that claims submitted which are more than six months after the expenses were incurred will only be paid with the approval of the Director of Finance.

Table 1

Mileage allowance rates
Car - £0.45 per mile

Table 2

Subsistence (inc VAT)
Breakfast (hotel) £12.50
Breakfast (not hotel) £8.00
Lunch £10.00
Dinner £25.00
Hotels (inc VAT)
Hotel accommodation outside London - £100
London - £175

15. Governors

Governors can claim for extra ordinary expenses incurred because of their role in the Governing Body of schools. This does not include any travel or costs associated with attending standard Governors meetings. If Governors do make a claim, it should be in line with the principles set out in this policy and submitted via the Head Teacher.

Document management

Review cycle:	Annually
Next review due:	July 2021
Policy owner	Director of Finance
Approving body:	Finance Committee