**Employees Expenses Policy**

**(please amend to suit your organisation’s arrangements but bear in mind any implications relating to HMRC** [**https://www.gov.uk/expenses-and-benefits-a-to-z**](https://www.gov.uk/expenses-and-benefits-a-to-z)

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**Introduction**

This policy sets out guidelines on how employees of xxx can claim for expenses incurred in the performance of their duties for xxx

The purpose of this policy is to ensure that employees are properly reimbursed for legitimate business expenses and to ensure that these expenses are treated appropriately for tax purposes.

**Procedure**

xxx will reimburse you for actual expenditure that is incurred wholly, necessarily and exclusively in connection with the authorised duties that you undertake in the course of your employment.

To claim for expenses, you must use the claim form found xxxxx

Expenses will not be paid unless supporting evidence is provided with the completed expenses claim form. This should include original receipts or invoices with the date and time of the transaction. When claiming for travel expenses on public transport, you should enclose the tickets showing the departure point and destination of your journey.

Once completed and signed, you should submit your expenses claim form to xxx (put any deadline dates here). Give explanation here of the method of payment i.e. BACS

**Travel**

Employees should consider whether or not travel is necessary to meet the xxx objectives or if there are more appropriate means such as by arranging a conference call or Skype. It is expected that you will travel by the most cost-effective mode of transport taking into account the journey time and nature of the journey. Travel arrangements should be confirmed with your line manager before costs are incurred.

*Budgeting Tip: Did you know that it’s often cheaper to use websites such as* [*https://new.trainsplit.com/*](https://new.trainsplit.com/) *to book your train tickets.*

***Air***

Air travel is not the norm for the xxx employees. If there are exceptional circumstances, please contact the xxxx making a booking.

***Rail***

Where possible, rail journeys should be booked in advance to benefit from any discounts for early booking. Employees should, where possible, use any rail cards or season tickets that have already been paid for as part of their normal commute to the office, towards any journey taken on diocesan business, where this is more economical. All train travel should be booked in standard class.

***Taxis***

You may claim for a taxi fare only in limited circumstances. These are:

* where taking a taxi would result in a significantly shorter travel time than using public transport;
* where there are several employees travelling together;
* where personal security and safety of employees is an issue; or
* any other circumstances agreed in advance.

You must obtain a receipt with the details of the date, place of departure and destination of the journey.

***Use of your own car***

It may be appropriate and cost-effective to use your own car when travelling on business, for example if you are travelling with several employees or, where there is limited public transport to your destination, or the journey time is significantly shorter than using public transport. Any use of your own car on business is subject to you:

* holding a full UK driving licence;
* ensuring that your car is roadworthy and fully registered; and
* holding comprehensive motor insurance that provides for business use.

xxxx accepts no liability for any accident, loss, damage or claim arising out of any journey that you make on business. xx will not pay for the cost of any insurance policy on your own car.

To claim for fuel expenditure, you should set out the distance of the journey undertaken on your expenses claim form. Xxx will pay you a mileage allowance of 45p per mile for mileage under 10,000 miles and 25p per mile for mileage over 10,000 miles, or such other rate as set out from time to time by HM Revenue and Customs.

Where convenient, those travelling to the same meeting should share transport. If the passengers are employees/clergy/volunteers of xxx and are travelling for the same purpose, then 5p per mile per passenger can be claimed in addition to the normal mileage rate.

***Office-based Staff***

xxx will pay for additional mileage costs incurred for business purposes. If travelling direct from home to a meeting and not passing the office1, then the full cost of travel can be claimed. If travelling from the office or your journey requires you to pass the office[[1]](#footnote-1), only the mileage from the office can be claimed. If a meeting is on route to or from your home to the office, you cannot claim mileage as this is part of your normal commuting cost (assuming you normally drive to the office).

**Accommodation**

Any overnight accommodation costs will only be reimbursed where the expenses has been agreed by the Team Leader in advance of any overnight stay and must be directly linked to the business activity of

**Meals**

For employees to be reimbursed for expenditure incurred on a meal, they must have:

* Been prevented from following their normal meal arrangements.
* Incurred expenditure additional to their normal outlay.
* Necessarily incurred that expenditure.

Please see below for specific information regarding expense claims:

* Breakfast – £5 (*if away from home before 7:00am*)
* Lunch – £6 (*only if away overnight)*
* Dinner – £20 (*if staying away overnight, includes one alcoholic drink)*
* Subsistence *(e.g. refreshments such as tea, coffee or water if away from home or office for at least 3.5 hours)* - £5 per day

All expense claims must be accompanied by receipts.

**Hospitality**

Working lunches are meetings necessarily held over the lunchtime period where it is not reasonably practicable to allow participants to make their own lunch arrangements. There should generally be at least one non-employee present. Claims should clearly state names of all the attendees and the purpose of the meeting.

While it is wholly appropriate to claim the cost of your guest’s meal, you are encouraged to consider deducting the cost of the meal you would otherwise be having. This is a difficult area and you are encouraged to seek guidance from your manager before this sort of meeting or entertainment.

The cost of alcoholic drinks and excessive gratuities will not be refunded.

**Gifts**

Any gifts, rewards or entertainment that you receive from suppliers or xxx business contacts should be reported immediately to the Team Leader. In certain circumstances, it may not be appropriate to retain such gifts and you may be asked to return gifts to the sender, for example, where there could be a real or perceived conflict of interest. As a general rule, small tokens of personal appreciation, for example flowers, may be retained by employees.

Gifts received from suppliers (e.g. at Christmas) should be pooled and then made available for a free raffle.

**Telephones**

Mobile phone bills that are being reimbursed by should cost no more than £20 per month. If the total cost is above £20, will contribute £20 towards the cost.

*Budgeting Tip – Have you checked that you are on the best plan recently?*

If an employee’s ‘normal place of work’ (as per their employment contract) is at home, then xx will reimburse office holders landline, broadband and other incidental costs upon provision of actual receipts up to the costs of £18 a month[[2]](#footnote-2). If the total cost is above £18, the xxx will contribute £18 towards the cost.

**Stationary / Office Expenditure**

For office based employees all stationary / office supplies are provided. For non-office based employees, stationary / office expenditure should be purchased through xxx preferred suppliers, unless it demonstrably cheaper to do otherwise and prior approval has been received.

**False Claims**

If xxx considers that any expenditure claimed was not legitimately incurred on behalf of the xxx, it may request further details from you. Xxx will thoroughly investigate and check any expenses claim as it sees fit. It may withhold payment where insufficient supporting documents have been provided. Where payment has been made to you prior to the discovery that the claim was not legitimate or correct, it may deduct the value of that claim from your salary.

Any abuse of the xxx expenses policy will not be tolerated. This includes, but is not limited to:

* false expenses claims;
* claims for expenses that were not legitimately incurred;
* claims for personal gain;
* claims for hospitality and/or gifts to induce a person to take improper action; and
* receipt by you of hospitality and/or gifts from business or xxx contacts that they may be perceived to influence your judgement.

Xxx will take disciplinary action where appropriate and, in certain circumstances, may treat a breach of this policy as gross misconduct, which may result in your summary dismissal. In addition, the xxx may report the matter to the police for investigation and criminal prosecution.

1. [↑](#footnote-ref-1)
2. HMRC require amounts above £18 to be reported and may deem these to be taxable benefits:

https://www.gov.uk/expenses-and-benefits-homeworking/whats-exempt [↑](#footnote-ref-2)