

# Financial Regulations

## Travel and Subsistence Expenses Policy

### 1. GENERAL PRINCIPLES

- 1.1 Only expenses which have been wholly, necessarily and exclusively incurred in the course of the performance of duties on behalf of the University can be claimed. If expenditure is incurred for private reasons, it is not claimable from the University.
- 1.2 All expenses relating to staff will be paid through the payroll.
- 1.3 It is a legal requirement that all expense claims are backed up with proper documentation or receipts. Receipts should be a genuine receipt with a VAT registration number and not written on pieces of paper. It is up to the claimant to ensure that a receipt is obtained; if the claimant is unable to obtain a receipt then a signed note with the official company stamp will be required in order for the claim to be paid in full. The only exceptions to this are for car parking and the London Underground where it is sometimes necessary to redeem tickets. All other unreceipted items will not be reimbursed. Authorising signatories should make the necessary checks at the time of approving the claim prior to sending to the Payroll Department for payment.
- 1.4 In order to avoid subsequent difficulties, the claimant must obtain prior approval for such expenditure from the relevant budget holder or, where the claimant is the budget holder, the appropriate authorising signatory. Members of staff must not authorise their own expense claims or those of their line manager, with the exception that the Clerk to the Governors has delegated authority to authorise the expenses of the University Governors and the Chief Operations Officer has delegated authority to authorise the expenses of the Vice-Chancellor.
- 1.5 All staff making claims and all budget holders authorising such claims, should ensure economy and cost effectiveness with regard to the expenses incurred, the level of those expenses and the effective use of staff time. Budget holders should consider alternatives to travel to determine the most appropriate means of achieving the required outcome, e.g. communication by telephone, or fax or video-conferencing may be as suitable in some circumstances.
- 1.6 All claims may be subject to audit by internal, external and HEFCE auditors.
- 1.7 Enquiries relating to the interpretation of and definitive guidance to travel and subsistence expenses in the first instance should be addressed to the budget holder. Further guidance can be sought from either Finance or the Payroll Department.

### 2. TRAVEL

The most economic form of transport should be used where appropriate. The alternatives of public transport or private car should always be evaluated. The University deems the following to be the order of economic use:

- Inter-site bus (for travel between campuses)
- Public transport
- Individual's car /cycle

#### 2.1 Rail travel

All staff will be required to travel standard class. Where possible, tickets should be bought in advance to ensure a less expensive fare. Receipts must be obtained and attached to the claim form.

## 2.2 **Individual's car / cycle**

When it is agreed that public transport is not appropriate (car sharing may give better value for money) and the use of the member of staff's private car/cycle has been approved, this will be paid at the current University rates, which correspond with Her Majesty's Revenue and Customs (HMRC) approved rates. However, for journeys over a 90 mile round trip, the University will reimburse the lesser of the mileage cost or the cost of 2<sup>nd</sup> class rail/public transport rates. Exception to this policy may be authorised by a member of the Chief Executive's Team (ChET), as a counter signature to the claim form.

2.3 Employees authorised to use their own cars on University business must ensure that their insurance cover is extended to include business usage.

2.4 For the purposes of determining the extent to which journeys may be regarded as business journeys the following rules need to be applied to employees who normally work at a University site but occasionally travel elsewhere:

- i All journeys between home and the normal base are to be regarded as private and the costs of these journeys are not to be claimed.
- ii All journeys away from the normal base on business may be regarded as business journeys.

2.5 The following information must be provided on the expenses claim form:

- i. Detail the journey in full, including date, time, reason for journey, starting point and the destination.
- ii. Business miles being claimed must be entered in the appropriate columns on the expense claim form.

2.6 All inter-site travel (14 miles between the Chichester and Bognor Campuses) will be reimbursed at a rate of 17p per mile.

## 3 **SUBSISTENCE**

Staff who are away from their home or their normal place of work on University business are entitled to claim subsistence expenses and allowances to meet any additional costs incurred. An estimate of the overall anticipated costs should be approved in advance by the budget holder or authorising signatory where the claimant is the budget holder.

3.1 The cost of meals will be reimbursed where reasonable and it is supported by a receipt. The cost of any alcohol or incidental beverages will not be reimbursed.

3.2 The cost of an evening meal may be claimed where the claimant returns home after 8pm.

## 4. **ACCOMMODATION**

Staff requiring overnight accommodation away from home whilst on University business may claim reimbursement, as agreed with the budget holder or their authorising signatory if the claimant is the budget holder.

4.1 Where possible, bookings should be made from the University prior to departure by raising a purchase order. In this way, the accommodation can be paid for directly by the University and the claimant will subsequently not need to be reimbursed.

4.2 The cost of business phone calls will be reimbursed on the evidence of itemised receipted invoice annotated with details of who was called and the reason. All non-business extras, e.g. papers, non-business phone calls, bar charges must be paid for by the individual and will not be reimbursed.

- 4.3 Tips and charity donations must also be paid for by the individual and will not be reimbursed.

## **5. ENTERTAINMENT AND HOSPITALITY**

All entertainment/hospitality expenses must be approved by the relevant budget holder or the appropriate authorising signatory.

- 5.1 Where a member of University Staff wishes to entertain a visitor, it is expected that under normal circumstances, food and drink will be provided through the University's catering facilities. Therefore, the use of the University's catering facilities must be approved by the relevant budget holder or the appropriate authorising signatory.
- 5.2 Where it is deemed necessary for staff to claim the cost of meals with external guests outside the University, the costs should be charged to "business entertaining". Full details of the persons entertained, the organisations they represent and the reason for the claim must be detailed on the form. Tips and charity donations will not be reimbursed and must be paid by the individual.
- 5.3 The cost of the hospitality must not exceed £25 per person and must not include the provision of alcohol.
- 5.4 Partners of University staff should not have the cost of their hospitality paid for by the University unless the partners of the University guests are also attending. The ratio of University Staff (and partners if permitted) to guests should not exceed 2:1.
- 5.5 Where a member of staff believes it appropriate to offer hospitality in the excess of these rules, or to purchase alcohol for guests, the approval of the Chief Operations Officer or in his absence any member of the ChET must be obtained in writing prior to the hospitality event taking place.
- 5.6 All staff celebrations (Christmas parties, meals out, staff outings etc) must not be claimed as expenses and must be paid for by the individuals. If a faculty or service wishes to hold a celebration to reward a particular success, approval should be sought in advance from the Chief Operations Officer or a member of ChET. If permission is granted, the event must be open to all members of the team, department, faculty or service who participated in the successful venture. Attendees should not include partners of staff or students unless they make a proportionate contribution towards the cost of the event. No individual may receive entertainment valued in excess of £50 in any tax year. The overall amount spent on staff entertainment in any financial year should not exceed £20 per head in any faculty or service.

## **6 OVERSEAS TRAVEL AND ACCOMMODATION**

Because different tax and benefits rules apply to expenses incurred overseas, employees must complete separate claims for the reimbursement of expenses incurred outside the UK, even if this means two or more claim forms for one trip.

To minimise errors in both the completion of forms, and in checking them against receipts for accuracy and consistency, staff are also required to use a separate claim form for each currency (including sterling) in which the expense has been incurred and all receipts for that currency should be attached. In the absence of a receipt for the original exchange transaction rate and commission charges, claimants are asked to apply a single conversion rate to sterling at the end of the claim. The exchange rate as applicable on the last day of the month in which the expense was incurred should be applied. A fair and reasonable exchange rate can be found on the Internet at [www.fx.com](http://www.fx.com) in order to aid the conversion into sterling and can also be printed out as evidence. In the absence of supporting evidence of the exchange rate used, Finance may employ a published exchange rate for the relevant date.

Prior authorisation of all overseas visits must be obtained from the Vice-Chancellor, using the form "Authorisation of Overseas Visits". For the Vice-Chancellor, the travel should be authorised by the Chief Operations Officer.

## **6.1 Air Travel**

- 6.1.1 All University staff should travel economy class. In exceptional circumstances, first class air travel may be authorised in advance by the Chief Operations Officer or, in the case of a claim from the Chief Operations Officer, by the Vice-Chancellor. In the case of the Vice-Chancellor, the prior permission of the Chair of Governors is required. Expenses in excess of economy class for air travel will only be allowed in the case of long distance flights across time zones where there is no sufficient opportunity for recovery at either end of the flight to enable the employee to effectively carry out University business.
- 6.1.2 Flights should be booked through the University's preferred supplier. The booking should be made, ordered and paid for whilst at the University as per the University's normal purchasing procedures.
- 6.1.3 If a member of staff is travelling overseas with someone who is not an employee, they should ensure that the bookings are made and paid for separately. The University must only incur the travel costs of the member of staff. If this is not possible, then it is the budget holder's responsibility to ensure that the University is reimbursed for the cost of the additional person.

## **6.2 Local travel overseas**

- 6.2.1 Public transport should be used if possible and valid receipts obtained whenever possible. Use of taxis is likely to be efficient in unfamiliar locations, particularly where there are time or baggage constraints.
- 6.2.2 Staff who wish to use their own vehicle overseas on University business, and are authorised to do so by their budget holder after evaluating the alternatives, may do so at the University's residual rate as set out in the Expenses Guidelines. In addition to this rate the University will reimburse the cost of the ferry, "green card" insurance, vehicle breakdown cover, and other costs of a reasonable nature on a receipts basis. These should be booked through the Finance Department, before departure but it is recognised that this is not always possible.
- 6.2.3 When travelling overseas, staff should check that they are covered under the University's insurance policy by contacting the Finance Department.

## **6.3 Overseas Accommodation expenses**

Accommodation should be booked in advance and paid for through the University's normal purchasing procedure.

If paid direct, costs claims must be supported with an itemised invoice. Reimbursement will only be made for room hire, breakfast and business phone calls. All other items, e.g. bar charges, tips etc. are the responsibility of the employee.

## **6.4 Overseas Subsistence expenses and entertainment**

These must be claimed on a receipts basis and follow the same policy for UK subsistence and entertainment.

## **6.5 Travel Advances for overseas journeys**

- 6.5.1 Staff likely to incur significant costs while travelling on University business overseas may request a cash advance, which must be authorised by their line manager. Advances may be requested as cash, foreign currency or traveller's cheques or a combination thereof. They are usually prepared for personal collection from the Cash Office. At least 7 working days prior notice should be given for such an advance to be prepared. Advances should not

normally be more than 100% of the estimated costs agreed by the budget holder or authorising officer.

- 6.5.2 Advances, once made, become the personal responsibility of the individual. Staff are, therefore, advised not to transfer the whole or part of an advance to other members of staff. If not accounted for within ten days of return to the University, the advance request signed by the employee includes an authority to deduct any outstanding balance in full from the employee's next payroll payment or from any future travel and subsistence expense claim. Further advances will not be made to any employee who has not accounted for previous advances in full.
- 6.5.3 Advances are accounted for by submitting completed travel advance forms for the actual expenses, claimed under this policy and showing the value of the advance received. If this is greater than the value of the claim(s), then the unspent cash/travellers cheques should be returned with the claim. If this is less than the claim, the balance of the claim will be processed under the normal travel expense reimbursement system.
- 6.5.4 As with the travel and subsistence claims, all advances (irrespective of currency) must be accounted for in sterling, using the actual exchange rate applicable on the last day of the month in which the expense is incurred, and will take into account any commission charges. Any resulting exchange rate difference will be charged to the relevant department budget.

## 6.6 **Air Miles**

Where air fares are paid for directly by the University, air miles or benefits from similar schemes belong to the University and will be utilised appropriately.

Where air fares are paid for by a member of staff and reclaimed as University expenditure, any air miles or benefits from similar schemes are deemed to belong to the University. They should be declared to the Head of Finance who will consider the most appropriate way of utilising them. This is likely to be as an offset against future travelling arrangements.

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IJC