## Expenses Policy

## Purpose

This policy sets out RCOTs’ rules on how staff and volunteers can claim for expenses incurred when on RCOT business. The policy covers travel, meals, accommodation, mobile phone calls and business entertainment / gifts.

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

**General procedure**

RCOT will reimburse you for actual expenditure that is incurred wholly, necessarily and exclusively in connection with authorised activities that you undertake on behalf of RCOT (including any of its branches­ - Regions and Specialist Sections).

To claim for expenses, you must use RCOT’s expenses claim form which is available either from the sharepoint (for use by staff and volunteers) or from the RCOT website (for use by RCOT branches). You should set out the details of the expense incurred on the claim form.

Expenses will not be paid unless approved by your manager and supporting evidence is provided, along with a completed expenses claim form. This should include original receipts or invoices with the date and time of the transaction wherever possible. RCOT recognises that there may be occasions where a receipt is not available (e.g. Oyster cards or where you are claiming mileage). Where you are submitting a VAT receipt, you should set out:

* the goods and services provided
* the amount of VAT payable.
* Once completed and signed, you should submit your expenses claim form for approval - this will be your Line Manager (for staff), your RCOT contact (for volunteers) or the appropriate authorised signatory within a branch. Once approved, the claim form should be sent to the Finance Department for processing and payment in the next weekly payment run.
* Expense claims should be submitted within 30 days, but certainly within 90 days, of the expense being incurred. RCOT may return an expenses claim form to you without payment if it is completed incorrectly or lacks supporting evidence or it is outside of the 90-day time limit.
* RCOT will pay claims for authorised expenses using its preferred method of BACS transfer into your bank account. For staff, therefore, this transfer will be made into the account into which their salary is paid.
* In general, you should not incur expenses other than in the categories listed below. If your personal circumstances result in you having claims for expenditure other than for those categories listed below, you should seek written approval **before** incurring these expenses. RCOT reserves the right to withhold any payment where written approval of expenses has

not been sought and agreed. An email is acceptable as written approval where it is required in this policy.

No expenses will be reimbursed for attendance at social events held by RCOT unless previously agreed by the CEO or Director of Finance.

Any queries in relation to this policy should be directed to the Director of Finance.

**Travel**

Individuals and their appropriate RCOT contact should consider whether or not travel is necessary to meet business objectives or if there are more appropriate means of conducting the intended business.

Where travel is necessary, the arrangements should be booked as far in advance as possible to benefit from any discounts for early booking. You should endeavor to find the most cost-effective travel options for RCOT.

1. **By Air**

You will usually only be permitted to travel in economy class. Where you are required to undertake your journey on an international flight travelling over night or lasting longer than 6 hours, you may be entitled to upgrade. Each situation will be judged on its merits and you must obtain prior, written agreement to any upgrade from your Line Manager. A business class ticket may not be converted into two lower-class tickets to permit another person to accompany the traveler on a business trip.

RCOT will pay for one bag to be checked on to those airlines that charge for checked luggage in the hold. RCOT will pay for additional bags to be checked into the hold only if those bags are specifically being used to transport business items. RCOT will also pay for one piece of carry-on luggage on those airlines charging for cabin luggage.

Personal incentives or rewards associated with specific air travel, such as air miles, should not be a factor in determining which flight is purchased for company business. The key consideration is whether or not the flight is the most cost-effective for RCOT, unless there is a valid business reason for taking an alternative flight.

1. **By Rail**

You are expected to claim for standard class rail fares only. However, you can claim for higher class travel if those fares are available for the same journey at the same or lower cost than the standard fare.

1. **By Taxi**

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 individuals travelling together

* where the amount of luggage means that this is the most practical method of transport; or
* where personal circumstances, including security and safety of the individual, is an issue.

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

In exceptional circumstances, RCOT will reimburse you for late night or early morning transport using a taxi if you are required to travel to or from the office, airport, railway station or other destination for specific business reasons. This will apply only where you are required to be at work before 7am or after 8.30pm, or at the airport or railway station before 7am or after 8.30pm

You should seek prior written authorisation for late or early departures to or from work where possible. If this is not possible, you should set out the reasons for the early or late departure in your expenses claim.

1. **By car**

It may be appropriate and cost-effective to use a car when travelling on RCOT business, for example:

* if you are travelling with several individuals
* where there is limited or no public transport to your destination
* if you have a large amount of baggage
* where the journey time is significantly (example at least two hours) shorter than using public transport;
* When using your car is cheaper, including parking costs, than using public transport.

Prior authorisation, where practical, must be sought before using either a rental car or your own car on company business. Where regular car journeys are undertaken by staff members, such as in the case of Country Policy Officers, these can be authorised retrospectively by their Line Manager when their expense claim forms are submitted.

Any use of your own car on RCOT 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.

RCOT accepts no liability for any accident, loss, damage or claim arising out of any journey that you make on RCOT business. RCOT will not pay for the cost of any insurance policy on your own car nor any fines incurred whilst on RCOT business.

To claim for mileage expenditure when using your own car, you should set out the start and finish points of the journey, the distance of the journey undertaken and the details of the visit on your expenses claim form. RCOT will pay you at the current mileage allowance rate shown in Appendix 1. RCOT will pay for all necessary toll charges.

**Meals**

If you are required to be away from home on RCOT business, you may claim for meals in accordance with the rates shown in Appendix 1.

* Breakfast - Office based staff can claim for breakfast if you leave home 45mins before your normal time of departure. Home based workers or volunteers may claim for breakfast if they are leaving home one hour before their contracted start time.
* Lunch - Whilst out of the office on RCOT business for the duration of the working day, a lunch allowance can be claimed.
* Dinner - If engaged on RCOT business the cost of an evening meal will be reimbursed when the claimant is staying away from home in overnight accommodation. Where a staff member is travelling on business and returns to their home after 9.00pm a dinner allowance may be claimed if agreed in advance with your Line Manager.

The maximum amounts allowed are shown in Appendix 1 and are inclusive of drinks and tips and invoices or receipts must be provided in all cases. In the event that you are inviting clients or other business contacts for breakfast, lunch, or dinner to discuss business matters, you should obtain prior **written** approval before making any arrangements and to agree what limits will apply.

In exceptional circumstances where you are at a location where lunch cannot be purchased within the limit in Appendix 1 (for example at event venues with restricted retail options), the lunch allowance will be extended up to a maximum of £12 per head.

**Accommodation**

Any accommodation must be pre-authorised by your Line Manager or the appropriate RCOT contact before being booked.

You should secure accommodation that is convenient, safe and affordable. Personal or extra cost services provided by the accommodation will not be reimbursed.

It is your responsibility to ensure that any hotel reservations are cancelled within the required cancellation period if they are no longer required.

While staying away, you may claim for telephone calls home of up to 15 minutes duration for each night that you are away.

Where you accept hospitality from friends / family instead of arranging hotel accommodation, you may claim reimbursement for your hosts up to a maximum of £25. There is no receipt required for this expenditure but you must state the location of the accommodation.

**Mobile Phone Calls**

RCOT will make reimbursement for any business calls made from a personal mobile phone provided that the individual has incurred an additional cost over and above their usual personal contract limit. The cost of any claim must be supported by an itemised bill. For staff, RCOT will need to take the appropriate actions to account correctly for tax and national insurance deductions under HMRC rules.

**Overseas expenses**

The meal and hotel allowances set out above also apply when travelling overseas on RCOT business.

You should provide the applicable currency exchange rate for the date on which the expense was incurred. RCOT will verify the exchange rate submitted as part of any claim for overseas expenses.

RCOT will reimburse you for any travel visas required for business travel. It is your responsibility to ensure that you have a valid passport with a minimum of six months remaining prior to the expiry date.

RCOT will provide business travel insurance for any trips authorised by RCOT.

**Business entertainment/gifts**

RCOT recognises that corporate entertainment can provide opportunities to strengthen business relationships enhance RCOT’s reputation and deepen prospective clients' or suppliers' understanding of the business. Any entertainment booked for clients, suppliers or other must be approved in advance. You should submit:

* details of the individuals whom you wish to invite
* the name of the company that they represent
* the nature of the entertainment, including date and location; and
* the business reasons for the entertainment.

RCOT will only approve business entertainment proposals that demonstrate a clear business objective and that are appropriate for the nature of the business relationship. RCOT will not approve business entertainment where it considers that a conflict of interest may arise or where it could be perceived that undue influence or a particular business benefit is being sought (for example, prior to a tendering exercise).

You should read and familiarise yourself with RCOT’s Anti-Bribery Policy.

If you wish to provide gifts to suppliers, clients or other business contacts, you must seek prior written approval, with details of the intended recipients, reasons for the gift and the business objective. These will only be authorised in limited circumstances.

Any gifts, rewards or entertainment received or offered from members, clients, public officials, suppliers or other business contacts should be reported immediately to your Line Manager. In certain circumstances, it may not be appropriate to retain such gifts or be provided with the entertainment and employees and associated persons may be asked to return the gifts to the sender or refuse the entertainment, for example, where there could be a real or perceived conflict of interest. As a general rule, small tokens of appreciation, such as flowers or a bottle of wine, may be retained by employees. (Also refer to the Anti-Bribery Policy)

**Expenses that will not be reimbursed**

RCOT will not reimburse you for:

* the cost of any travel between your home and usual place of work (except in exceptional circumstances for early morning/late night transport as set out above)
* the cost of any travel undertaken for personal reasons
* the cost of any travel for your partner or spouse
* any fines or penalties incurred while on RCOT business for whatever reason, including penalties for not paying for a rail ticket in advance of boarding the train and penalties or fines associated with motoring offences, including speeding or parking fines, clamping or vehicle recovery charges
* any expenses incurred for personal benefit or to improperly influence or reward a business contact; or
* cash advances or withdrawals from an ATM machine.

You are required to pay for any travel costs incurred by your partner or spouse in the event that he or she accompanies you on RCOT business. Your spouse or partner must have adequate travel insurance for that journey.

**False claims**

If RCOT considers that any expenditure claimed was not legitimately incurred on behalf RCOT, it may request further details from you. RCOT 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 will seek repayment of any overpaid amounts. This will include setting-off any repayment due against future claims and, for staff, by deduction from salary.

Any abuse of RCOT’s 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 client or other business contact to take improper action
* receipt of any gifts, rewards or entertainment received or offered from members, clients, public officials, suppliers or other business contacts that are not reported in accordance with this policy.

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

Appendix 1

Schedule of expense rates

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  | **Breakfast rate** | **Lunch/daily rate** | **Dinner rate** | **Mileage rates per mile** |
| From 1 October 2017 | 9.00 | 7.00 | 22.50 | To 10,000 miles 45p  over 10,000 miles 25p |

\* In exceptional circumstances, if you are at a location where lunch cannot be purchased within the lunch limit above (for example at event venues with restricted retail options), the lunch allowance will be extended up to a maximum of £12 per head.