

EXPENSES POLICY

POLICY MONITORING	
Person responsible for Policy	Director of Finance
Committee responsible for Review	Senior Management Team
Policy approved	August 2016; May 2019; May 2021; April 2023
Frequency of Review	Three years
Date of next Review	May 2026 (or earlier if HMRC rates change)

Introduction

Lymphoma Action will reimburse employees, Trustees and volunteers for reasonable costs incurred wholly, exclusively and necessarily in performance of duties undertaken for Lymphoma Action. All expenses should be at the most economical cost, e.g. train travel should normally be at a standard class fare.

In order to meet HM Revenue & Customs (HMRC) requirements, the business purpose should be clear, all employees/non-employees claimed for should be shown on the claim form, receipts should be provided and the form should be authorised by a line manager or a member of SMT.

1. Travel and subsistence

All travel and subsistence costs are to be receipted, except for mileage. Complete details of the journey and the business purpose for the journey are to be provided on the expenses claim form, including the names of any other person(s) whose expenses are being claimed for. Staff are encouraged to consider alternatives to travel such as teleconferences or online conferences in order to keep Charity costs to a minimum where this is appropriate.

Mileage vs other transport

Where a claimant chooses to travel by car or other vehicle to a work appointment, the Charity reserves the right to reimburse the employee the price the journey would have cost if standard class rail travel had been used, where this is lower than the mileage rate being claimed and it would have been reasonable to travel by train.

Factors in deciding whether or not it would have been reasonable to travel by rail include:

- Available rail service and duration of journey.
- The traveler's proximity to a train station and the proximity of the ultimate destination to a train station.
- The time of travel.
- Whether or not equipment or materials are being carried, etc.
- Any other relevant factors.

If unsure, claimants are advised to check with the line manager in advance.

Mileage

The HMRC 'Approved Mileage Allowance Payment' (AMAP) is set at a level to take into account a proportion of the expenses incurred by claimants using their own vehicle for business mileage, e.g. fuel, servicing, tyres, insurance and depreciation.

Mileage can be claimed for the business miles (excluding the mileage that would usually have been involved on that journey in commuting from home to the normal place of work or vice versa) from the claimant's home to their destination(s) and return. For employees based at the office, whose journey does not start and/or end at the office, normal home to work mileage should be deducted from mileage claims. Homeworkers, Trustees and volunteers attending the office may claim mileage from home to the office and back as the office is not their normal place of work.

Claimants who use their own vehicle for business purposes, other than normal commuting to and from their place of work, must ensure that they hold a valid UK full driving licence, vehicle tax, insurance for business use and MOT for vehicles over three years old. The Finance department reserves the right to request evidence of this documentation prior to reimbursing expenses.

For insurance, the 'Description of Use' clause should include journeys undertaken on behalf of their employer (i.e. not just social, domestic and pleasure and commuting), often referred to as 'business use'. Where applicable, the carrying of goods or samples in connection with their work, IT equipment, documents, etc. should also be included. These endorsements are usually added by Insurance Companies without extra payment. If an additional payment is due, this will normally be the responsibility of the employee.

In accordance with the Health & Safety Policy claimants should ensure that they take an appropriate break after every two hours of driving, they allow plenty of time for the trip, and, if they feel sleepy, they should stop in a safe place.

The current mileage rate is 45p per mile for the first 10,000 miles of business travel (25p per mile thereafter). In addition to this, 5p per mile can be claimed per passenger for additional employee, Trustee and volunteer passengers.

Other travel costs

- Train and air travel – should be at the most economical fare.

- London Underground – most people use their contactless card or device, in which case claims should be supported with ‘snips’ of bank statements.
- Taxis – should be limited to where there is no alternative means of travel, if travelling late at night or with luggage, or if time between meetings is limited.
- Parking – when booked online or via a mobile phone, a receipt should be downloaded from the appropriate website.
- Overseas travel – is to be agreed in advance with an employee’s line manager. The employee should ensure they have appropriate travel insurance, the costs of which will be paid for or reimbursed by the Charity.

The Charity will never reimburse parking fines or speeding tickets, which are the responsibility of employees, Trustees and volunteers. The Charity accepts no liability for any accident, loss, damage or claim arising out of any journey that the employee makes on business, unless this is caused by the organisation’s negligence.

Subsistence

Subsistence (breakfast, lunch, or evening meal) should normally only be claimed when away from home or the office and where it has not been provided by another party (i.e. at a training course, conference or similar activity).

Subsistence rates are based on HMRC’s benchmark scale rates and may be claimed where the following conditions apply:

- expense arises from the proper performance of staff duties
- expense is incurred whilst away from your regular place(s) of work or while staying away from home
- expense incurred is reasonable
- claim is fully supported by itemised receipts submitted with the claim so the nature of the expenditure can be verified
- claim is within the limit for each category, as set out below.

Subsistence rates:	Upper Limits
• One meal (5 hour) ceiling	£5
• Two meal (10 hour) ceiling	£10
• Three meal (12 hour) ceiling	£15
• 24-hour ceiling	£20

The period of absence is defined as the elapsed time from leaving home or normal operating base to return.

These expenses cannot be claimed if:

- a meal or beverage is not purchased

- the meal does not constitute additional expenditure
- the “staying with friends or relatives allowance” is claimed (in which case the 24-hour claim is not allowed)*
- meals have been taken at home
- meals are provided during a training course, conference or similar activity
- meals are provided on the train or plane and included in the ticket cost.

No alcoholic drinks may be claimed apart from in circumstances where the Chair of Trustees or the CEO has given approval.

*When staff choose to stay with friends or family while on official business, they are entitled to claim a flat rate allowance. The current allowance is £42 per night.

Overnight Accommodation

Where business travel involves overnight accommodation the Charity will pay reasonable receipted accommodation costs, meals, business phone/communication usage and any necessary miscellaneous items purchased on behalf of the Charity.

Claimants are expected to minimise costs, e.g. by booking accommodation as far in advance as possible. The normal limits for UK bed and breakfast are:

- Inner/outer London – up to £130
- Elsewhere – up to £100

Costs for accommodation overseas or above the normal limits in the UK are to be agreed with the employee’s line manager before booking.

2. Gifts, Hospitality and Subsistence provided at the Office

Gifts

The standard policy is that the Charity does not make gifts. Employees should not make gifts of money or purchased items, which will be charged to the Charity’s funds, to other employees or third parties, without consulting first with the relevant member of SMT, who will refer where required to the CEO. Gifts should never be made to Trustees, even for work performed for the Charity.

Hospitality for third parties

Employees and Trustees should only provide hospitality that will be charged to the Charity’s funds where there is a clear business requirement and only where third parties are involved. Claimants are to provide the name of each employee, Trustee, volunteer, and external contact, plus the contact’s employer, on their claim form.

Subsistence provided at the Office

Subsistence should not be provided at the office for office employees, unless pre-agreed with a member of SMT, and is to be made available to all employees at the office.

3. Telephones

The Charity may provide a mobile phone to an employee where there is a business need. Due to HMRC regulations, the phone has to be in the name of the Charity, i.e. the employee cannot be reimbursed for rental or call plans of personal phones.

Itemised call charges for business use, receipted via a copy of the claimant's telephone bill with the business calls highlighted, can be claimed.

4. Other expenses

Home-based staff are able to claim for materials that office-based staff would have supplied for them such as stationery and printing.

Claimants may recover other receipted costs expended on behalf of the Charity with the prior approval of their line manager or, if different, the relevant budget-holder.

The Charity will reimburse employees for a professional subscription required to maintain their professional status and to carry out the business of the Charity. This requires the prior approval of a member of SMT.

5. Expenses claims and receipts

Expenses are to be claimed on the expenses claims form, which is available on the shared server at:

- for staff and Trustees:

<..\FORMS\Expenses\Staff & trustees expenses claim form - April 2023.xlsx>

- and for volunteers:

<S:\INFORMATION FOR STAFF\FORMS\Expenses\Volunteer expenses claim form.xlsx>

The form provides guidance for its completion and calculates mileage claims and totals automatically.

Expense forms can be submitted in hard copy format or electronically so long as they are duly coded, authorized (by their line manager or, if the line manager is absent, by a member of SMT) and completed with supporting evidence and receipts. For hard copy forms all receipts should be stapled, in the order they appear on the form, to the back of the claim form. HMRC does not accept debit/credit card counterfoils unless they itemise expenditure. For forms submitted electronically evidence can include scans of receipts. 'Snips' of bank statements can be submitted where no receipt was issued.

Forms should be submitted to Finance for reimbursement by the monthly deadline, usually within four working days of month-end.

Expense claims submitted to Finance that have been correctly completed will normally be paid within six working days of receipt.

Expenses charged directly to the Charity, for example by invoice, are to be countersigned by the line manager and, if different, the budget-holder(s).

The Finance Department may request further evidence of any expenses claim and will not reimburse if it is unavailable.

Claims for disallowed expenses, for personal gain, hospitality/gifts, etc. are a misuse of this policy and misuse of expenses may lead to disciplinary action up to gross misconduct.

6. Lymphoma Action Purchasing Cards

Members of SMT, OMG and other staff on request may be issued with purchasing cards, which can be used for personal expenses and purchase of goods and services for the Charity, within an agreed monthly limit.

At month-end the Finance Officer prepares a purchasing card statement for the cardholder to complete and get countersigned by their line manager and, if different, approved by the relevant budget-holder(s).

Before the card is issued, cardholders have to sign a Purchasing Card Usage Agreement.

All the requirements of this expenses policy apply to expenditure incurred using a purchasing card.

Policy approved by SMT August 2016

Policy updated and approved by SMT July 2019

Policy reviewed and updated by SMT March 2023