

Section 3l – Employee Expenses

1 Introduction

- 1.1 The rates quoted in this policy document will change from time to time but changes will be sanctioned by the Finance and Resources Committee and notified to employees.
- 1.2 Employees are required to submit their authorised expenses to the Finance Department within one week of the end of each calendar month. Late submission may result in late settlement.
- 1.3 Where employees rarely make claims and it is not likely that a further claim made be made in a month, claims may be submitted as soon as the expense is incurred.
- 1.4 All payments will be made into employees' bank accounts. No payments will be made by cheque. The HPC will endeavour to make such payments on the Friday following the receipt of an authorised claim by its Finance Department.
- 1.5 Receipts are required to substantiate claims, which should be made on the form provided. Vouchers for items below £5 are not required.

2 General Conditions

- 2.1 Payments of expenses are only made where expenses notified in the claim were actually and necessarily incurred for business purposes.
- 2.2 Full details must be made on the claim form provided for the purpose.
- 2.3 Wherever possible travel and hotels must be booked through the HPC travel agent (see separate instructions). This allows HPC to get the best bulk deals on such costs in the long run.

3 Travelling and Subsistence

- 3.1 Reasonable rates are payable for travelling and subsistence costs to reimburse the out-of-pocket expenses of employees. Expenses will only be reimbursed if actual expenses are incurred. The following expenses will normally be paid:

Rail Fares: Standard Class rail fares at the cheapest available rates. For members of the Executive Management Team, First Class rail may be claimed where train journeys exceed one hour and work is done on the train.

Air Fares: Economy Class airfares will be reimbursed where appropriate and authorised. Business class fares may be claimed by the

Executive Management Team following prior authorisation by the Chief Executive and Registrar.

Tube, Coach and Bus Fares:

Will be reimbursed as incurred.

Mileage Allowances:

Mileage allowance is payable for the use of own cars. Use of cars by employees will only be permitted if rules for such use as published by the HPC from time to time are followed. Mileage rates are in accordance with Inland Revenue rates, which are subject to annual change.

The rates to be used until any notification of change is made are as follows:

	1 st 10,000 miles	Additional Miles
Any rating	40p	25p

Rates for lease cars, motor cycles and pedal cycles are available upon request.

Taxi Fares: Will be reimbursed where a taxi journey can be justified as quicker or more economical than using public transport.

Other Travelling Expenses:

Expenses incurred in respect of tolls, parking and ferries may be claimed.

Hotel Accommodation and Meals:

Bed and breakfast arrangements up to a daily maximum of £120 will be reimbursed. A daily allowance up to a maximum of £30 will be reimbursed.

Members staying with friends or relatives may claim £30 towards subsistence.

Meals taken during travel will be similarly reimbursed if within the spirit of the clause above.

4 Petty Cash

- 4.1 Petty Cash is provided to reimburse employees for small out-of-pocket and emergency expenses which are difficult to anticipate in advance. Petty cash should be used only where absolutely necessary.
- 4.2 A business expense of £30.00 or less may be reimbursed through Petty Cash. Any amounts greater than this, or business expenses subject to other policies (for example, the Travel and Subsistence Expense Claims outlined earlier), are not to be processed as Petty Cash.
- 4.3 A Petty Cash expense invoice or receipt should be submitted within ten (10) working days of incurring the business expense. Supporting documentation in the form of original receipts should be attached to the Petty Cash Claim Form.
- 4.4 Before approaching any member of the Finance Team for Petty Cash, an Expense Claims Form needs to be filled in and signed by all relevant parties. An employee cannot approve his/her own Petty Cash Transactions. They must be authorised by the employee's Manager or Director. Upon receipt of this form, the Finance Department will provide petty cash within five (5) working days.
- 4.5 Petty cash should not be used for the following:
- Travel expense reimbursements
 - Travel advances
 - Payments for invoices for which a purchase order should be issued
 - Payments to independent contractors, consultants and similar
 - Personal borrowing
 - Payments to employees for services, awards, bonuses and similar.
- 4.6 The Petty Cash fund should be secured at all times. The Finance Department is to appoint a custodian of the fund to monitor its use and replenishment. Appointment and approval should be made by the Department's Manager or Director – a custodian cannot appoint or approve himself/herself. If there is a change of custodian, the Finance Department will make a note of the change and audit and document the fund at the time of change.
- 4.7 The custodian is responsible for ensuring that the Petty Cash fund is used only to cover those expense reimbursements for which is it not possible, or is unfeasible, to use normal purchasing methods such as purchase order. The custodian should perform a full reconciliation of the fund at least monthly, and is responsible for reporting all instances of lost funds.
- 4.8 The custodian is responsible for properly documenting each transaction by maintaining a detailed journal of all transactions identifying who, purpose, transaction details and date of expense, as well as cost centre/account to be charged, appropriate signature approvals, and retention of the original receipt(s).
- 4.9 An increase to the Petty Cash fund must be approved by the Finance Manager.