

1. Purpose

- 1.1 This Policy provides the governing principles governing expenses incurred by employees of <<insert the name of the Company>> (the "Company").
- 1.2 Employees will be reimbursed for legitimate business expenses incurred in the performance of their duties for the Company.
- 1.3 The Company shall only reimburse expenses which are detailed in, and approved in accordance with, this Policy.
- 1.4 The aims of this Policy are:
 - 1.4.1 to ensure that employees are reimbursed in a fair and timely manner;
 - 1.4.2 to ensure that the Company complies with its legal and tax obligations;
 - 1.4.3 to prevent conflicts of interest internally and externally including, but not limited to, the Company's suppliers;
 - 1.4.4 to control costs for the Company.

2. Expenses

- 2.1 Employees may claim reimbursement for the following approved activities only:
 - 2.1.1 Travel;
 - 2.1.2 Accommodation;
 - 2.1.3 Subsistence;
 - 2.1.4 Entertainment;
 - 2.1.5 Training;
 - 2.1.6 Membership fees;
 - 2.1.7 Business-related telephone calls;
 - 2.1.8 [<<insert other activities>>];
- 2.2 If you anticipate an expense is not explicitly covered by this Policy or you are uncertain as to whether you are eligible for reimbursement you should consult with your manager and/or claiming the reimbursement before making the payment.
- 2.3 Entertainment and expenses in relation to third parties should be treated with care at all times. All employees and associates should ensure that they are familiar with, and comply with, the Company's Gifts and Hospitality & Gifts Policies.

3. Rail Travel Expenses

- 3.1 Employees may only claim reimbursement for rail travel fares.
- 3.2 Wherever possible, employees should book rail travel well in advance.

4. Taxis

- 4.1 Employees may only claim taxi fare when:
- 4.1.1 taking a taxi when it is a significantly shorter travel time than using public transport;
 - 4.1.2 where several employees are travelling together; and/or
 - 4.1.3 where there is a threat to personal security and safety of employees <e.g. after 10 pm>>.

5. Air Travel Expenses

- 5.1 Air travel within the UK (including only where the destination is not part of the UK mainland, Orkney Islands etc.), where air travel is cheaper than the permitted rail fare, or with the prior approval of <<insert name>>.
- 5.2 Where possible, flights should be booked well in advance to benefit from any applicable discounts.
- 5.3 Employees will usually be required to travel in economy class. If employees are required to travel on a long haul flight, employees may be permitted to travel in business class in certain circumstances and with the prior approval of <<insert name>>.

6. Car Travel Expenses

- 6.1 It may be appropriate for employees to use their own car when travelling on business, particularly where there is limited public transport available with several employees or if there is a need for a specific vehicle.
- 6.2 The following mileage rates (as published by HM Revenue and Customs) shall apply:
- 6.2.1 Company car <e.g. petrol>> / mile;
 - 6.2.2 Car allowance <e.g. petrol>> / mile; and
 - 6.2.3 Private car <e.g. petrol>> / mile for business mileage up to 10,000 miles per annum <e.g. 25p>> / mile for mileage exceeding 10,000 miles per annum.
- 6.3 Employees may not claim mileage for journeys to or from their home and place of work. However, if employees use fuel cards, any such mileage will be reimbursed.
- 6.4 Under no circumstances shall employees be liable to pay any fines arising out of any breach of the Road Traffic Act or any other legislation.
- 6.5 [The Company shall be responsible for the servicing of all company cars.]
OR [Company cars will be serviced by the relevant manufacturer. Employees are responsible for arranging the servicing of their company cars. The Company will reimburse employees for the costs of servicing company cars which are commensurate with average servicing costs within the relevant manufacturer's network of the relevant vehicle type.]
- 6.6 Car allowance drivers are responsible for arranging the servicing of their cars. The Company will reimburse employees for the costs of servicing their cars.

7. **Accommodation Expenses**

- 7.1 The Company shall reimburse employees for the reasonable costs of overnight accommodation.
- 7.2 [The Company has entered into agreements with <<insert hotel name(s)>>. Whenever it is reasonable and practical to do so, employees must use those hotels.]
- 7.3 Reasonable subsistence costs shall apply to claims for meals and/or overnight stays. [No set limits shall apply; employees are expected to adopt a common-sense approach and the Company will not reimburse employees for any such costs which are deemed to be extravagant or unnecessary.] **OR** [The following limits shall apply to claims for meals:
- 7.3.1 Evening meal = <<insert limit>>;
- 7.3.2 Breakfast = <<insert limit>> and
- 7.3.3 Lunch = up to <<insert limit>>]
- 7.4 Reasonable subsistence costs shall also apply on occasions where an employee is working away from their normal place of work but not on an overnight stay. The following criteria must be met for such claims to be made:
- 7.4.1 The employee must travel <<insert distance>> away from both their normal place of work and home (and may not travel further than <<insert distance>> from the local place of work in order to qualify to make a claim);
- 7.4.2 The employee must be away from their normal place of work for at least <<insert period>>;
- 7.4.3 For breakfast claims, the employee must have started their journey before <<insert time>> 00>>;
- 7.4.4 For evening meal claims, the employee must still be at the location at <<insert time>> for work purposes after <<insert period, e.g. 10 hours>> must have elapsed.
- 7.5 For subsistence claims, employees are expected to adopt a common-sense approach to such costs and the Company will not reimburse employees for any such costs which are deemed to be extravagant or unnecessary. [The following limits shall apply to claims for meals, however:
- 7.5.1 Evening meal = <<insert limit>>;
- 7.5.2 Breakfast = <<insert limit>> and
- 7.5.3 Lunch = up to <<insert limit>>]
- 7.6 All claims for the costs of accommodation must be supported with full receipts.
- 7.7 The Company shall also reimburse employees for reasonable overnight incidental expenses which may include, but are not limited to, drinks, newspapers, laundry, and personal items. The following limits shall apply to claims for such expenses:
- 7.7.1 For overnight stays, <<insert limit>> / night; and
- 7.7.2 For overnight stays, £<<insert limit>> / night.

8. Entertainment and Hospitality

- 8.1 The Company shall reimburse entertainment and hospitality expenses provided such claims:
- 8.1.1 are for reasonable and/or hospitality which is not excessive, in line with the practices of other businesses and in compliance with the Company's Gifts & Hospitality Policy;
 - 8.1.2 clearly state the purpose for the entertainment and/or hospitality;
 - 8.1.3 detail the time and location of the event and/or hospitality; and
 - 8.1.4 provide the name of the employee (whether the Company or another business) who incurred the expense.
- 8.2 Where the entertainment and/or hospitality is for the benefit of Company employees alone, the expense shall be classified as "Employee Entertainment". Where the entertainment and/or hospitality is for the benefit of third parties including, but not limited to clients, suppliers, the expense shall be classified as "Hospitality Entertainment" and shall also include the costs of meals where such hospitality is provided to third parties and suppliers of the Company. In cases where Hospitality Entertainment is provided but the number of Company employees present is less than the number of third party persons present, the costs shall be classified as "Employee Entertainment".
- 8.3 Where more than one employee is present, it shall be the responsibility of the most senior employee to ensure that all bills are paid.
- 8.4 The Company shall bear the tax liability for all Staff Entertainment including the staff Christmas party which shall incur no tax liability (subject to the relevant tax rules at that level).

9. Training Expenses

- 9.1 The Company shall reimburse (in advance, as appropriate) the costs of any authorisation or training relevant to a given employee's job role.
- 9.2 The costs of travel and accommodation related to any such training shall be governed by the relevant policy for business travel and accommodation.

10. Membership of Professional Bodies

- 10.1 The Company shall reimburse membership of professional bodies where such membership is required by law and/or is in the interests of the Company.
- 10.2 In the event that such membership of professional bodies is taxable, the Company shall bear the tax liability for the same.

11. **Personal Expenditure for**

11.1 Reasonable telephone expenses for business purposes using an employee's personal telephone shall be reimbursed by the Company on submission by the employee of the relevant receipts.

11.2 Reasonable personal expenditure for business purposes shall be reimbursed by the Company on submission by the employee of the relevant receipts and such expenditure receives the prior approval of <<insert name and job role>>.

11.3 [<<insert further reimbursement details>>]

12. **Claiming Expenses**

12.1 Each employee is required to submit correctly completed expense claims to <<insert name and job role>>. For a claim to be valid, the employee must submit original receipts for all claimed expenses together with the appropriate completed expense claim form.

12.2 Employees must keep all receipts and all completed expense claim forms for a period of <<insert period e.g 3 months>> and may be required to produce them at any time during his/her employment with the Company.

12.3 Expenses claims must be submitted <<insert time e.g. by the last day of the month>>. If this is not possible, the employee must seek the prior approval for any extension will be required from <<insert name and job role>>.

12.4 If an employee is unable to produce receipts for reimbursement, the Company may accept a claim for reimbursement of the expense if the employee can provide evidence that the expense was incurred.

12.5 The Company may refuse to reimburse any claim which is not supported by receipts or lacks sufficient detail.

12.6 The Company will pay approved expenses by BACS transfer into the employee's salary account on the same bank account as the employee's salary is paid.

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This policy has been reviewed and approved by:

Name: <<Insert Name>>

Position: <<Insert Position, e.g. Human Resources Manager>>

Date: <<Date>>

Signature:

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