



**CITY OF LONDON
ACADEMIES TRUST**

Expenses, Travel and Subsistence Policy

Responsibility:	Chief Financial Officer
Approved by Board:	
Next Review Date:	

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1 Introduction

- 1.1 This document provides detailed guidance on COLAT’s policy for the reimbursement of expenses necessarily incurred by employees in the performance of their duties. It is designed to assist staff in identifying what COLAT will reimburse and to guide staff through the policy for reclaiming expenses.
- 1.2 Implicit throughout this document is the obligation that staff will obtain value for money when incurring expenditure on behalf of COLAT.
- 1.3 This policy applies to all employees of COLAT, included those seconded through a Service Level Agreement and all funds held by COLAT from whatever source.
- 1.4 Claims for reimbursement should be made as soon as possible and, in any case, not later than two months after the expenditure has been incurred. Claims older than two months will **not** be paid unless exceptional circumstances apply. The claim, together with an explanation for the delay should be submitted to the Academy’s Head of Finance who will consider each case on its merits.
- 1.5 Employees should neither gain nor lose financially in relation to expenditure and reimbursement on business travel and other expenses arrangements.

2 Travel expenses

- 2.1 All employees must adhere to this policy when incurring travel and associated expenditure on behalf of COLAT. A business journey is one necessarily undertaken by an employee to carry out her or his duties for COLAT, or to attend training courses or conferences necessary for the performance of those duties.
- 2.2 Employees will be reimbursed for actual travel and associated expenses incurred wholly, exclusively, solely and necessarily in the performance of their duties. Expenditure should be kept to the minimum consistent with the effective performance of work on behalf of COLAT.
- 2.3 Wherever possible, and subject to business needs, reservations should be made in time to take advantage of cheaper fares, accommodation or “early bird discounts” etc.
- 2.6 Employees should travel and be accommodated in safety and reasonable comfort. However, the mode of travel should be the most cost-effective consistent with the business needs of COLAT. For instance, the use of public transport rather than a taxi.
- 2.8 Any expenses incurred traveling from your home to your normal place of work cannot be claimed.

Travel from your home to a different place of work or to attend a meeting, training course of conference can only be claimed if the cost exceeds the cost of your routine journey from home to your normal place of work, and only the difference can be claimed.

2.9 All public transport must be standard class.

2.10 Promotional Incentives

The purchasing decision shall not be influenced by any promotional incentives such as airline mileage credits or personal cash credit card discounts or rebates. Employees should not benefit personally from these incentives but should use them to offset the cost of the current or future business journeys.

2.11 Partner's Expenses

Partners shall not travel at COLAT's expense except when their presence is required and authorised for a bona fide business purpose. In all cases the Chief Executive Officer must give authorisation in advance.

A partner may accompany a member of staff for personal reasons. In such instances COLAT must not be charged for more than if the member of staff had travelled alone. Wherever possible the partner's travel costs should be invoiced separately and paid privately. If the invoice includes both private and official travel costs the member of staff should settle the total invoice and reclaim the official element from COLAT. Private insurance must be taken out to cover the partner's travel

2.12 Holidays Linked to Business Trips

An employee shall not claim any additional travel costs, subsistence or other expenses for days taken as holiday linked to a business trip. Private insurance must be taken out to cover the private part of the journey.

2.13 Claims to be for Actual Expenditure

With the exception of mileage, reimbursement will normally only be made where claims are supported by original fully itemised valid receipts. Credit card transaction slips are not accepted as receipts. COLAT accepts, however, that it may not always be possible to obtain receipts for certain expenses – e.g. underground travel or using parking meters. Providing full details of the journey are given and the reason for the journey is specified, reimbursement will be made. When travelling in countries where receipts are not issued, staff should make every attempt to get some form of documentation. Where it is not possible, so long as full details of the expenditure are given, reimbursement will be made.

2.14 Where an advance payment had been made, the claim must be submitted within two weeks of completion of the journey.

2.15 Advance Travel Authorisation

Written authorisation by the budget holder and notification to the Academy's Head of Finance for insurance purposes is required in advance for all international travel.

2.16 Travel Bookings

All travel bookings in excess of £10 must be supported by a Purchase Order

All travel bookings in excess of £50 must be made in consultation with the Academy's finance team to enable COLAT to obtain the most favourable service and terms available (and therefore demonstrate overall value for money), to ensure a complete audit trail, and to enable COLAT to pay directly (thus avoiding a staff expense claim). If, however, staff are able to demonstrate that better value for money can be achieved by purchasing rail tickets directly via an internet booking site, reimbursement will be made to the member of staff. Individuals will be required to keep a record of this justification and may be contacted by a member of the Finance team to provide this information.

Exceptionally, where a member of staff can demonstrate to the Head of Finance that travel expenditure to a specific destination through an online internet purchase, for example, EasyJet or Ryanair, is cheaper, reimbursement will be made to the member of staff on receipt of a certified claim for payment.

Where staff undertake domestic journeys by public transport, staff can book directly, when the cost of the journey is less than £50. Staff should book in advance where possible to ensure the cheapest deal.

2.17 Travel Costs – Advance Payments

In exceptional circumstances advance payments against expenses can be requested. Whenever possible, arrangements should be made for the payment of fares, car hire, hotel expenses, etc. in advance, thus leaving the minimum amount to be met during the business trip. The amount of the advance must be agreed with the CFO. In all cases where an advance has been given an Expenses Claim Form, showing the amount of the advance in the appropriate place, must be submitted within two weeks of completing the business trip.

Any unspent cash advanced is to be returned to COLAT, either in cash or by a personal cheque made payable to COLAT, securely attached to the authorised Expenses Claim Form within two weeks of the completion of the trip. Cash must not be sent through the internal post but must be delivered by hand to a finance officer who will issue a receipt.

2.18 Motor vehicles

COLAT strongly supports use of public transport over private motor vehicles and taxis. Motor Vehicles or taxis should only be used under the following conditions:

- Where two or more COLAT people travel together, so that the combined cost of their journey by public transport would exceed that calculated using the mileage rates.
- Where the traveller is disabled or is assisting a disabled person.
- Where bulky equipment is being carried.
- Where the destination is not accessible or requires an excessively long or arduous journey by public transport.
- Where other than for the reasons above it can be shown to be cost effective.

If a member of staff judges it more convenient because of shorter journey time etc. by car or taxi reimbursement will be restricted to the amount that it would have cost on public transport. Claimants must include evidence of the cost of public transport with any such claim.

2.19 Private Vehicle Insurance

COLAT's motor policy does not provide cover for employees driving their own vehicles on COLAT business. Where an employee uses his or her own car or motorcycle, he/she must ensure that the vehicle insurance policy includes cover for business use. Your insurer should provide this additional cover without difficulty.

2.20 Roadworthiness

Where employees use their own vehicles on COLAT business, it is a requirement that the vehicle is serviced to the manufacturer's specification by an approved garage and that where necessary a relevant MOT certificate is in force.

2.21 Mileage

Mileage can only be claimed when it is incurred wholly, exclusively and necessarily for work purposes e.g. driving between academies, to meetings, to training. Mileage undertaken from home to work **must not** be claimed unless the claimant's home is their normal place of work. Claims for purchases of fuel must not be made.

All claims for reimbursement of mileage must specify the following:

- Details of and reasons for the journey undertaken.
- The start and finish points of each journey and the places visited on the way, if any.
- The dates of travel.

Where unusual circumstances occur that result in a higher than expected mileage being incurred, an explanation must be provided.

2.22 Car Parking

COLAT will reimburse all expenses for car parking costs incurred whilst travelling on COLAT business away from the employee's normal place of work. Claims should be made on an Expenses Claim Form and should be supported by receipts. Where a parking meter was used, and no receipt is available a note to that effect should be included with the claim.

Claims for parking excess charges, fines, wheel clamp unlocking, etc. will not be met by COLAT under any circumstances. It is the employee's responsibility to ensure they have legally parked the vehicle.

2.23 Taxis

Where no other form of transport is available, short journeys by taxi will be reimbursed subject to the provision of receipts. When a taxi journey is considered necessary for safety reasons e.g. late at night, such circumstances should be approved by the relevant line manager, Principal/Headteacher in advance. It is not considered appropriate for taxis to be used for long journeys when alternative methods of travel should be used.

2.24 Air, Rail Travel and Local Public Transport Expenses

Prior authorisation from the Academy's Head of Finance will be required for all journeys to foreign countries.

Staff should ensure that the most cost-effective travel arrangements are made.

For air travel within and outside Europe, economy class tickets should be obtained.

Rail travel should be in standard class.

3 Accommodation

3.1 When employees are necessarily away from home overnight on COLAT business they are entitled to claim for hotel or other suitable accommodation.

3.2 Maximum rates for accommodation and subsistence are detailed in Appendix A. Claims for subsistence in excess of these limits must be justified in writing. The authoriser of the claim has the right to reject all or part of the amount in excess of the subsistence rate if he or she is not satisfied with the justification. Written justification for claims in excess of COLAT's subsistence rates must be forwarded with the claim to the CFO for relevant authorisation.

3.3 Where the cost of the hotel room has been paid in advance by COLAT, the employee is responsible for settling the cost of any additional items (newspapers, phone calls, bar, mini-bar, restaurant, etc.) before leaving the hotel.

3.4 Staying with friends or relatives

An allowance of up to £25 per night can be claimed to meet the cost of hospitality provided by a friend or relative as an alternative to staying in commercial accommodation. On each occasion a claim is made, it must be supported by a statement from the employee confirming that payment of the sum claimed was made to the third party.

4 Other expense

Subsistence

When employees are away from their normal place of work on COLAT business they can claim subsistence to cover the cost of food e.g. if away overnight -breakfast and dinner, within the rules and limits in Appendix A, where agreed by the Academy's Head of Finance. Claims must be made on an Expenses Claim form and must be supported by receipts. COLAT will not reimburse any claims for alcohol.

External courses and conferences

Employees may need to attend relevant external courses and conferences in order to perform their duties effectively. Any such courses must be approved in advance by the appropriate Line Manager for reimbursement of expenses to be considered.

HMRC has defined the circumstances in which expenses incurred to attend conferences etc. can be reimbursed tax-free. These include the following conditions:

- The employee must be able to demonstrate that attendance is necessary in order to carry out the duties of the employment. A token business element is insufficient.
- There must be a business requirement to attend – in addition to any personal educational benefit gained.

5 Authorisation of Expense Claims

Claims should be signed by your line manager. Claims must not be authorised by someone more junior than the claimant.

The authoriser confirms that:

- The expenses were necessarily incurred in the performance of duties
- The expenses claimed are not payable from another source
- There is sufficient money in the budget to meet the costs involved
- Due consideration has been given to achieving value for money

Any amendments made to Expenses Claim Forms should be initialled by the authoriser. Under no circumstances will self-authorized claims be paid. In these circumstances alternative authorisation must be obtained. Any attempt to submit false claims will be treated as a serious disciplinary offence.

6 Freedom of Information/Data Protection

In the event of a legitimate request under the Freedom of Information Act relating to expenses claimed by an individual member of staff or officeholder, COLAT will normally disclose outline information about the type of expenditure and the amount claimed, either per claim or for a specified period. It will not normally disclose very detailed information about claims (e.g. itemised restaurant bills) without seeking the permission of the person who submitted the claim.

Appendix A - Subsistence rates & personal incidental expenses

Maximum Subsistence Rates

When employees are away from their normal place of work and incur expenses on food and (if away overnight) accommodation, the appropriate rate of subsistence can be claimed.

“Overnight” subsistence is for a period (or successive periods) of 24 hours and is intended to cover accommodation and breakfast for that period.

No subsistence is payable for any periods when meals and/or accommodation are included in the fare (e.g. for air travel or rail sleeper).

All claims for subsistence must be for actual expenditure incurred and must be supported with receipts. The maximum subsistence rates include taxes (e.g. VAT). Gratuities will not be reimbursed.

The subsistence rates given below are the normal maximum amounts that will be paid.

Written authority from the CFO is required before subsistence in excess of these rates can be paid.

Claims for subsistence must be made on an Expense Claim Form.

Maximum Subsistence Rates Period	Place (away from normal workplace or home)	Maximum Rate per Day
Lunch (if stayed away from home the night before)	All places	£5.50
Dinner (if staying away from home that same night)	All places	£15.00
Overnight (B&B up to 24 hours)	Accommodated by friends/relatives	£25.00
Overnight (B&B up to 24 hours)	Within London	£128.00
Overnight (B&B up to 24 hours)	Outside London	£92.00
Overnight (B&B up to 24 hours)	Overseas	See next paragraph

Overseas Accommodation

Hotel accommodation and meals overseas should be in hotels and restaurants similar in quality to those that would be used in the UK to keep expenditure within the UK subsistence rates. As a guide, hotels should be 3-star, or 4-star in more remote/less secure areas. As the cost of such accommodation and the price of food in restaurants vary so much worldwide, no maximum rates of subsistence are laid down. However, it is expected that staff will seek best value.

Appendix B - Mileage rates

Employees using their own vehicles on COLAT business can claim mileage allowance not exceeding the following rates:

Maximum Mileage Rates Private Vehicle	Cumulative Distance in Tax Year	Rate per Mile
Car	Up to 10,000 business miles	45p.
Car or van	Over 10,000 business miles	25p.
Motorcycle	Any distance	24p.
Bicycle	Any distance	20p.

Additional Passengers

For each employee who travels on business as a passenger an additional 5p per mile can be claimed.

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