



*Thinking Schools Academy Trust*

**“Transforming Life Chances”**

**Expenses policy**

This policy was adopted	
The policy is to be reviewed	Every 2 years

## **1 Purpose and scope**

The principles of this policy are:

- To ensure staff are reimbursed on a timely basis for all reasonable expenses incurred wholly, necessarily and exclusively in the course of the Trust's business;
- That staff should not incur any personal financial benefit through their employment with the Trust other than their agreed salary. Any breach of this principle may lead to disciplinary action;
- To ensure staff are aware that only by complying with the policy can the academy make reimbursements of expenses without deduction of tax;
- To recognise there are situations where an employee may be entitled to benefits in addition to their salary; this policy sets out the relevant provisions in this regard
- To ensure the Trust complies with its legal and tax obligations;
- To ensure staff are aware that public relations and perceptions require the Trust not only has a rigorous, effective and transparent staff expenses policy in place but also that no misleading or unfortunate impression can be created in the application of this policy.
- To instruct Internal auditors will be requested to carry out periodic reviews of the application of this policy
- To establish that the CEO is the Accounting Officer of the Trust and is accountable to Parliament for Regularity compliance of the Trust i.e. ensuring public funds are used for their intended purpose. The CEO is therefore ultimately responsible for the application of this policy and responsible for delegation of authoritative responsibility in respect of this policy
- To outline the claims procedures and ensure that the Trust manages this part of its financial transactions with due diligence. The policy and procedure are mandatory to all staff. They provide guidance to all individuals claiming reimbursement of travel, subsistence or other expenses incurred in connection with Trust business.
- To make this applicable to governors, directors, trustees, members of committees, full and part time members of staff, agency staff working for the Trust, other temporary staff, and volunteers.

## **2 Authorisation procedures**

- Payments to members of staff for personal expenditure (i.e. mileage, subsistence etc.) must be made using a travel and expenses claim form (Appendix 1).
- The procedures for the reimbursement of expenses incurred by staff while engaged on school business are set out below. All staff wishing to claim reimbursement of expenses should pay particular attention to these procedures, which also include mileage, and subsistence rates.
- Supporting documentation (e.g. receipts, proof of stay, and other supporting information) must be attached to the travel and expenses claim form.
- Before any expenses are paid they will require approval and authorisation. The relevant Line Manager must approve all travel claims. Claims which are not authorised in compliance with these procedures will not be processed and will be returned unpaid.
- Payment will be made via BACS transfer direct to the bank details provided or held on file.
- Personal clubcards/ reward cards should not be used when buying on behalf of the school, as this can be viewed as a benefit.

- Any claims suspected of being fraudulent will be investigated and referred to TSAT's directors.
- All claims must be submitted within 3 months of expense incurred

### **3 Car Mileage**

- Members of staff who have to use their own private car on Trust business must seek prior authority to do so from their Line Manager.
- Before travelling, staff members are required to compare standard class public transport costs, and, if cheaper and practical, should opt for rail travel when a direct rail service is available.
- A personal car should only be used for travel if it is calculated to be cheaper than hiring a vehicle.
- Journeys in excess of 100 miles in personal car must be approved in advance by the Executive Business Manager or Financial Controller before commencing
- Availability of the Trust pool car should always be checked prior to using a personal car.
- Staff authorised to use their own car on Trust business must claim on the expenses form obtainable from the Central Finance Team.
- The Trust policy is to reimburse all mileage at HMRC approved rate.
- The mileage rates payable by the Trust include an element to defray the cost of insurance as well as vehicle depreciation, fuel etc.
- Normally mileage claims will be paid only for journeys which start and end at school or from home to the destination, whichever is the shorter distance. If travelling directly from or to home the normal mileage which would have been travelled from home to school should be deducted from the total mileage claim for the journey.
- Full details of all journeys including the date, reason for the journey, starting point and destination should be shown on the travel and expenses claim form (see Appendix 1).
- The school will not, under any circumstances, reimburse parking or speeding fines.

### **4 Insurance**

- Occasional Business use insurance is provided by TSAT for staff, governors and volunteers using their own private car or a hire care on Trust business.
- Driving licence and MOT certificates must be presented to the relevant member of HR for validation checks prior to a vehicle being used on Trust business.

### **5 Public Transport**

- Wherever possible and if practical, employees should travel by train or bus or car share when making the same journey.
- Where staff use public transport, reimbursement will be on a receipts basis, provided the expenses are reasonable.

### **6 Rail Travel**

- Wherever possible employees should travel by train at 2nd class passenger rate. Staff may choose to travel at 1st class public transport but they will only be reimbursed the cost of 2nd class travel.
- The school is only liable for the costs relating to a member of staff's travel. Any accompanying persons will be responsible for their own costs. The exception to this is

where their attendance is required as a representative of the school and in such circumstances, prior approval must be obtained from the Principal.

## **7 Subsistence Allowance: Daily and Overnight**

- The subsistence rates listed below represent the maximum permissible rates available.
- Where staff travel on school business and an overnight stay is necessary, an overnight subsistence allowance may be claimed. The school will reimburse the reasonable costs of accommodation, food and drink when supported by receipts.
- The school will only bear the cost of accommodation required for business purposes and will not meet the costs of any extensions to a stay for personal reasons or for accommodation provided to a spouse or other family members.
- While staying away from home, other than the food allowances listed below, TSAT will not cover newspapers, bar drinks, hotel videos or fitness facility charges.
- Hotel costs must be at a reasonable price for the area. If a room is to cost over £150 a night, this must be approved by the Executive Business Manager or Financial Controller prior to booking.
- Hotel bookings should always be made in advance with prior approval from the budget manager, unless in exceptional circumstances. This will enable the Trust to benefit from lower prices when using providers with preferential rates.
- Where a member of staff has a meeting that requires them to leave home before 7am, they may stay at a hotel the night before the meeting. This is only applicable if it is shown that the meeting cannot be arranged at a different time to avoid early departure on the day.
- Subsistence
  - Lunch - TSAT will pay for a working lunch only, which should be approved by your line manager prior to purchase.
  - Evening meal - When working away from home, you will be reimbursed for a meal up to a total value of £20. This will include a reasonable meal, and a drink (this can be a glass of wine or pint of beer).

## **8 Entertaining**

- The general principle regarding the reimbursement of entertainment expenditure is that staff members will be reimbursed reasonable entertaining costs for themselves and guests where guests are present for a professional purpose, their presence is considered to be beneficial to the school and where prior approval from has been granted.
- Expenses for entertaining will only be reimbursed for staff who have a valid reason for being present. An appropriate cost for entertaining is considered to be £15 per head for lunch and £25 for dinner to include wines and gratuities.
- It is stressed that no reimbursement of entertaining expenses will be made unless the above guidelines are followed. In addition it should be noted that under no circumstances will the school contribute to the cost of entertaining when only members of staff are involved.
- The following information should be included on/with expense claim forms regarding entertaining expenditure:
  - names of attendees
  - the organisation they represent
  - the purpose of the entertainment (e.g. negotiation of contract)

- appropriate receipts.

## **9 Foreign visits (this could include ski trips, cultural trips, return exchange visits)**

- While abroad a maximum of £10 per day per person may be claimed for additional expenses such as coffee, tea etc.
- If staying with a foreign family then up to £20 may be spent on gifts for the foreign family. Receipts are required for this.

## **11 Miscellaneous expenses**

### *Telephone Calls and IT Related Expenses*

- Home and telephone calls – if staff are required to make excessive business calls on their home or mobile telephones and incur additional costs as a result this can be reclaimed using the expenses claim form. This must be pre-authorised by the Principal/Executive Business Manager or Financial Controller prior to usage. The claim must have attached the appropriate bill to the staff expenses claim form with the relevant business calls highlighted and only these will be reimbursed.
- In all cases provision of top up cards for Pay as you Go services are not permitted as HM Revenue & Customs rules cannot be met.
- Broadband and Internet Connections – The Trust will not reimburse staff for personal broadband or internet connections as the Trust cannot demonstrate sole and exclusive business use to satisfy HM Revenue and Customs guidelines.
- The Trust recognises there will be exceptional cases where it is an absolute necessity for staff to work from home, using a dedicated 3G or 4G internet dongle. In these circumstances the Trust will arrange for direct provision of the service, following approval by the Principal.

## **12 Interview Expenses**

- Expenses will be paid to candidates who incur unreasonable expenses will be reimbursed in the first month's salary for successful candidates or by BACS for unsuccessful candidates.
- Please note that for candidates travelling from abroad travel expenses will only be paid from the first point of arrival in England and, in exceptional circumstances, one night's bed and breakfast accommodation will also be paid.

## **13 Expenses Claimable**

- Subsistence – only claimable on an overnight stay and must reflect actual cost up to a maximum (see above)
- Public Transport (trains, buses, ferries)
- Taxis
- Airfare (internal flights only, as long as this is the overall cheapest option for the full journey. Proof of this will be required.)
- Car Parking
- Congestion Charge
- Toll Charge
- Telephone calls
- Interview expenses to the successful candidate

- Eye tests for DSE users
- Relocation expenses on senior appointments (see Annex 1)

#### **14 Expenses Not Claimable**

- Employees acting as agents for the school – where an employee pays for any goods and services which are not specifically consumed by the employee then the reimbursement should be made via accounts payable (cheque request form)
- Parking and Speeding fines

#### **15 Staff benefits**

- There are certain staff benefits which have been agreed with the Board and are made in addition to salary:
  - Free tea and coffee in the staff room

#### **16 Cash Advances**

Members of staff who are about to do extended work or to embark on extended travel on behalf of the Trust, and who will be required to incur expenditure while on the trip or doing business for the Trust may claim a cash advance.

- Only the Principal can authorise cash advances.
- Requests for cash advances should be made well in advance of the work or travel to allow for payment before the travel/work date.
- Claimants must state:
  - That it is an advance
  - How much is required
  - The purpose for which this is required
  - The planned dates of travel/work
- The requirement for authorisation for cash advances is the same as for other expenses claims
- Within 21 days of returning from the travel or completing the work claimants must provide an expenses claim and/or reimbursement of the advance to the Central Finance Team.

#### **17 Spectacles for Visual Display Unit/Display Screen Equipment (VDU/DSE) Users**

If an employee's work involves regular or prolonged use of VDU/DSE they will be entitled to claim for a VDU/DSE eye test up to the value of £40. This claim is only against an eye test that is specifically a VDU/DSE eye test not a standard eye test without VDU/DSE assessment. This eye test can be completed by most optometrists.

If an employees work involves regular or prolonged use of VDU/DSE and they need glasses specifically for VDU/DSE use they will be entitled to claim for up to £80 towards the cost of the glasses.

If a member of staff test shows they require glasses for other vision defects such as reading or long distance, but not specifically for VDU/DSE work, we will only reimburse the cost of the eye test, not any amount towards the glasses.

Staff will need to provide receipts alongside the filled out form in Appendix 2

Regular or prolonged use of VDU/DSE as a general rule will apply to support staff that use a screen for a large proportion of their role.

## **18 Training Courses**

- The Trust provides training courses to enable employees to improve their effectiveness at work.
- All costs and expenses of in-house training courses are borne by the Trust.
- Where it is necessary for staff to travel to attend such courses, any travel and subsistence expenses incurred may be claimed as business expenses under the rules indicated in the sections 5 and 9 of this policy.
- The Trust will also meet the cost of external courses where the training leads to the acquisition or improvement of knowledge, skills or personal qualities which are likely to prove useful in carrying out the member of staff's current or potential duties of their employment.
- These courses for which the Trust will pay, must be authorised by the appropriate line manager with the agreement of the Principal, before the training takes place. A request may be refused but in this case the line manager or Principal will give reasons.

## **19 Car Parking**

Parking costs incurred in the course of Trust business travel may be claimed via the expenses system, but the costs of parking otherwise at the normal place of work may not be claimed.

## **20 Using Personal Transport on Trust Business**

**Note:** No tax or NIC liability arises in respect of mileage claimed for the use of the employee's own car under the above rules and details need not be reported in personal tax returns.

## **21 Hired Vehicles**

The cost of fuel used for Trust business purposes in cars and vans hired by the Trust should be entered on the staff expenses claim form under travel.

## **22 Professional Subscriptions and Membership of Professional Bodies**

Normally personal professional subscriptions for members of staff are the personal responsibility of individual members of staff. No reimbursement will normally be provided by the Trust for such costs, although individual staff members may be able to claim tax relief for such costs either through their tax code or on their own tax self-assessment returns. However, if there are benefits to the Trust, by being a member of an organisation, payment may be allowable but this must be agreed, prior to the expense being incurred, by the Principal.

## **Annex 1 – Relocation Package (as per TSAT Recruitment and DBS Policy)**

### **Trust Relocation Package**

#### **Purpose**

The purpose of this scheme is to enable financial assistance to be given to employees who are required to relocate to Portsmouth or Medway to take up appointments within TSAT. Application of the scheme and the actual amounts are at the discretion of the Head Teacher/Principal/Directors.

#### **Eligibility**

The scheme applies to employees newly appointed to permanent posts who reside beyond a 40 mile radius of the school and whose primary reason for relocating to the area is to take up their new appointment at the school.

Exceptions to the above eligibility may be made in special circumstances by the Finance & Operations Director.

Employees to whom this benefit applied will normally be expected to move within 6 months of accepting the appointment. This period may be extended in exceptional circumstances by the Finance & Operations Director.

#### **Provisions of the Scheme**

The Relocation Package includes allowances for the following:

- Expenses incurred in searching for accommodation.
- Removal expenses and associated leave.
- Lodging Allowances.
- Professional fees.

#### **Search for accommodation**

Travelling expenses together with one night's accommodation for the appointee, partner and dependants who travel to Portsmouth or Medway to seek accommodation will be reimbursed. A maximum of two such visits will be reimbursed. Payment will be made on submission of receipts, only after employment has commenced. Travel expenses will be paid at second class rail fare or equivalent.

#### **Removal expenses and associated leave**

The appointee may claim up to £1,000 for the reimbursement of removal expenses which include premiums paid to insure furniture in transit and the storage of furniture between moves. Claims will be admitted from the main domicile within the UK but the cost of removing effects from a second home will not be paid.



Whilst it is desirable for the actual move to take place during school holidays; two days paid leave may be taken during term time in respect of the initial house move with the agreement of the Headteacher/Principal.

### **Lodging Allowances**

A Lodging Allowance of £50 per week up to a maximum of 3 calendar months immediately after taking up the appointment will be paid if the appointee has to take up temporary residence locally during this period whilst continuing to be responsible for the outgoings of another primary residence in the UK. This may be extended at the discretion of the Headteacher/Principal.

### **Professional fees**

Legal and Estate Agents Fees necessarily incurred in surrendering a primary residence in the UK consequential upon appointment at TSAT will be reimbursed up to a maximum of £2000. The original documents must be produced to support the claim for reimbursement.

### **Repayment on termination of employment**

Employees terminating their appointment with TSAT or employees whose employment is terminated for reasons of conduct or performance within the periods detailed below will be required to repay all or part of the monies paid under the scheme as specified. Eligible employees will be required to sign a form of undertaking before the scheme can be applied.

Repayments will be as follows:

<b>Time elapsed between actual date of taking up appointment and last day of service</b>	<b>Percentage of all sums paid under the scheme which have to be repaid</b>
Less than 1 year	100%
1 year but less than 2 years	50%
2 years or more	0%

### **Documentation**

Reimbursement of all claims under the scheme can only be made upon proof of expenditure. Original invoices will be retained by the school for audit purposes. If employees require copies of estimates, invoices etc. for record purposes they should take these before submitting the original document.

### **Income Tax**

The current limit on tax relief for removal expenses and benefits is available from the HMCE website. Payments in excess of this limit will be subject to income tax assessment by HMCE. It is the responsibility of the employee to declare any such expenses to HMCE.

In order to qualify for tax relief the relocation expenses must normally be incurred or the benefits provided before the end of the year assessment following the one in which the employee commences employment.