

Expenses Policy

Policy Control Sheet:

Name:	Expenses policy
Purpose:	This policy outlines the Society's approach towards the reimbursement of expenses incurred by individuals while on Society business.
Region:	All – anyone claiming expenses from the MS Society regardless of where based
Scope:	<p>This policy includes:</p> <ul style="list-style-type: none"> • Expenses incurred by an individual and claimed via an expense claim form (either a paper form or an electronic form). • Expenses incurred by an individual and paid for by the Society directly. • Expenses incurred by an individual using a Society credit card. <p>Excludes disbursements incurred by consultants which should be covered in their contract.</p>
Lead Officer:	Head of Finance
Responsible Director:	Executive Director of Finance
Key Consultation:	
Approver	Audit, Risk and Finance Committee
Last Review	2014
Review Cycle	3 years

Contents

1. Policy Statement
2. What can and cannot be reclaimed
3. Definitions

1. Policy Statement

- 1.1 The MS Society wishes to ensure that individuals can be reimbursed for expenses that have been necessarily incurred on MS Society business. This policy sets out the MS Society's approach to reimbursing expenses.
- 1.2 This expenses policy covers trustees, volunteers, managers, directors, staff or any other individuals - all have equal entitlement to claim expenses and at the same rates.

- 1.3 Any guidance produced on expenses must refer people to this policy for further details and must be in line with this policy. Guidance must be approved by the Financial Controller or Head of Finance.
- 1.4 With the exception of mileage rates, only the actual MS Society business cost incurred can be reimbursed e.g. a flat rate to cover expenses cannot be paid.
- 1.5 Expenses should be kept to a minimum. However the safety and wellbeing of volunteers and staff also needs to be taken into account in determining what is a reasonable level of expenses to reimburse.
- 1.6 Users of MS Society payment cards or credit cards must use these cards in line with this policy. Under no circumstances must MS Society payment cards or credit cards be used for private use.
- 1.7 Individuals should be encouraged to reclaim valid expenses incurred on MS Society business. An individual is able, if they wish, to donate the value of the expense claim back to the Society and Gift Aid could then be claimed on this donation (providing they are a UK tax payer). To enable the Society to reclaim gift aid the donor will need to pay the expense payment back to the Society (i.e. it cannot just be deducted from the amount claimed).
- 1.8 The word '**must**' appearing in this expenses policy means that these expenses will not be reimbursed through expenses if this part of the policy is not followed. In these cases it may be possible to get reimbursement through the Society's payroll although there is likely to be a significant additional tax charge.
- 1.9 The word '**should**' appearing in this expenses policy means that under normal circumstances we would expect this part of the expenses policy to be followed. However there may be exceptional circumstances when it may be necessary to go outside of the expenses policy – in these cases the authoriser will need to justify the reasons why the expense should be reimbursed. To avoid delays in payment of expenses it may be sensible to contact the finance team in advance to ensure the reason is justified.
- 1.10 Expenses should be reclaimed within three months and must be reclaimed within six months.
- 1.11 All expenses submitted need to include a statement that the expenses were incurred on MS Society business and are accurate.
- 1.12 Staff who are managed by staff must use 'e-request' (the online expense claim system) unless directed otherwise by the finance team. All other

expenses must be reclaimed on the appropriate MS Society expense claim form and receipts should be attached.

- 1.13 All expenses must be approved by someone who will know whether the expenses are business expenses and are reasonable. The approver will be one of the following:
- For group volunteers: one of the three lead volunteers.
 - For volunteers supervised by MS Society staff: by the budget holder or a person designated by the budget holder. Where a designated person is used the budget holder must ensure they follow this policy.
 - For employees: the line manager or their director. In cases where the line manager is not the budget holder then the budget holder may sign (this arrangement will need approval in advance from the finance team).
- 1.14 For paper based forms a scanned signature must not be used by the approver and should not be used by the claimant. Email authorisation will be accepted providing full details of the expense claim being authorised are given in the email.
- 1.15 The approver is responsible for ensuring that expenses are incurred in line with this policy.
- 1.16 Staff whom are found to have made a false claim will be subject to disciplinary action or in the case of a volunteer subject to the Resolving Volunteer Issues and Concerns policy. This may result in termination of employment for employees or the ending of the relationship with the charity for volunteers.
- 1.17 Line managers, lead volunteers and others who may approve expenses are responsible for informing staff and volunteers of the expenses they can claim.
- 1.18 If an approver of an expense claim is found to have;
- knowingly approved an expense claim outside the policy without speaking to finance or justifying on the expense claim form OR
 - not checked claim forms they have authorised OR
 - advised individuals to make a false claim

Then they may be subject to disciplinary action or in the case of a volunteer to the Resolving Volunteer Issues and Concerns policy.

2. What may be claimed in expenses

2.1 Travel - general

- 2.1.1 To claim for travel the expense claim form must detail why the journey was undertaken and where it was from and to. If a diversion was taken during the journey then this must be stated on the claim form.
- 2.1.2 Reimbursement of travel costs between home and work is only permissible in the following circumstances:
- Where the person is a volunteer.
 - Where home is their normal place of work as stated in their contract of employment.

Note it is not possible to reimburse through expenses the cost of a taxi to a staff members home when working late at a hotel close to their office.

- 2.1.3 Employees who are expected to attend a meeting or a training event outside their normal place of work resulting in difference in their usual commute can be reimbursed for any additional expenditure over and above their normal commuting costs.
- 2.1.4 In the case of journeys to meetings from the normal place of work, the full costs will be reimbursed.
- 2.1.5 Rates for travel and subsistence are set at either HMRC rates or Society rates which are increased in line with inflation. The latest rates are available on the Society intranet site - Axon (for staff) or from the finance team at the MSNC.

2.2 Travel on MS Society business – using private vehicles - general

- 2.2.1 Individuals are responsible for ensuring they have the correct insurance to use their vehicle on MS Society business and the vehicle is roadworthy – individuals may be asked for evidence that this is the case.
- 2.2.2 The Society cannot pay any additional premium that may become payable or pay for a lost no claims bonus and/or excess if the individual is involved in an accident while on MS Society business.
- 2.2.3 The following motoring costs can be reimbursed providing they are necessarily incurred in order to carry out MS Society business:

- Parking fees (not fines)
- Bridge and tunnel tolls. Reimbursement of road tolls must be justified on the claim form (but not late payment fines).
- Congestion charges (but not late payment fines)

2.2.4 The following expenses will not be reimbursed under any circumstances:

- Insurance costs in the event of an accident while on MS Society business.
- Repair and maintenance costs incurred while on MS Society business.
- Any other motor vehicle costs not mentioned above.
- Parking fines and fines for late payment of congestion charges and similar fines.

2.2.5 Staff must provide fuel receipts with their claim forms. Volunteers should be encouraged to submit fuel receipts with claim forms to enable the Society to reclaim VAT.

2.3 Travel on MS Society business – using private vehicles (but not staff who receive a car allowance)

2.3.1 The Society pays mileage at 45p per mile, for journeys up to 150 miles, for anyone who uses a private vehicle on MS Society business except staff who receive a car allowance (s2.4 below).

2.3.2 We would normally expect journeys over 150 miles to be undertaken by the most cost effective practical means of travel (likely to be public transport). When the claim form is submitted the authoriser will need to justify how the method of travel was the most cost effective practical means of travel. Mileage above 150 miles is reimbursed at 25p per mile. (e.g. so for a 280 mile round trip journey – 150 miles would be reimbursed at 45p per mile and 130 miles at 25p per mile).

2.4 Travel on MS Society business – staff who receive a car allowance

2.4.1 Those who receive a car allowance can reclaim the fuel they use on MS Society business.

2.4.2 We would normally expect staff in receipt of car allowances to use their vehicles rather than public transport. Where public transport is used then this will need to be justified on the claim form by the authoriser.

2.4.3 Mileage is paid at the HMRC company car rate for petrol vehicles of less than 1400cc regardless of the actual vehicle you have used. HMRC update these rates quarterly and the latest rates are available from the finance team at the MSNC or for staff, from the Society's intranet (Axon).

2.5 Travel on MS Society business – using car hire or MS Society pool car

- 2.5.1 Unless receiving a car allowance, if you hire a car you should reclaim your expenses using the 45p per mile rate as outlined in s2.3 and not claim the cost of the hire car. If you choose to reclaim the cost of the hire vehicle then you **must not** use the hire vehicle for any private usage whatsoever and you can reclaim the actual cost of fuel.
- 2.5.2 If you receive a car allowance then you can only reclaim your fuel in line with s2.4.3 and not the cost of the hire vehicle.
- 2.5.3 If you use a MS Society pool car then you should reclaim the actual cost of any fuel used.

2.6 Travel on MS Society business – using public transport

- 2.6.1 Journeys on public transport should be the cheapest available at standard class fares.
- 2.6.2 To reclaim the cost of journeys in London using an oyster card or bank card, a TFL statement should be provided which details the journeys undertaken. It is the claimant's responsibility to register any oyster or bank card with TFL to enable back up documentation to be obtained. Under no circumstances will a top-up of an oyster card be reimbursed.
- 2.6.3 The Society does not reimburse the cost of railcards.

2.7 Travel on MS Society business – using taxis

- 2.7.1 As a general rule, taxis should not be used.
- 2.7.2 The following will be a justifiable reason for using a taxi:
- Where there are access issues with public transport.
 - Where a location has only limited public transport.
 - Where the journey is not considered safe for the individual to undertake on public transport.
 - Where you need to carry equipment or other luggage.
 - The cost is cheaper than using public transport (which might be the case if there are a number of people using the taxi).

Note it is not possible to reimburse through expenses the cost of a taxi to a staff members home when working late at a hotel close to their office.

- 2.7.3 The authoriser will need to justify the use of a taxi on the claim form.

2.8 Subsistence (Food, drink and accommodation)

- 2.8.1 Subsistence can only be reimbursed if incurred on the course of a journey on MS Society business. Note, to be reimbursed, food and drink will need to be purchased on the course of that journey and not beforehand (or afterwards) – otherwise this is deemed to be a benefit in kind by HMRC and therefore taxable.
- 2.8.2 [Staff] To claim subsistence the claimant must be away from their normal place of work for more than 4 hours.

2.9 Food and drink

- 2.9.1 You can reclaim up to the following amounts (limits as at 1 January 2017):
- Breakfast up to £7.00
 - Lunch up to £12.70
 - Evening meal up to £31.75
- 2.9.2 For other non-alcoholic drinks & snacks purchased there is a limit of £5 per day.
- 2.9.3 Claims for alcohol will not be reimbursed without the authorisation of a MS Society director.
- 2.9.4 To be reimbursed for food or drink paid for others you should provide the following additional information on the claim form:
- The purpose of the meeting.
 - Who the meal or subsistence was paid for – whether they were volunteers, staff members, corporate guests etc.
- 2.9.5 Working lunches at national offices (or within close proximity to a national office) involving only staff **will not** be reimbursed. Those staff who are working away from their normal place of work, at a national office, can claim for any lunch they purchase in the normal way.
- 2.9.6 Working lunches at national offices (or within close proximity to a national office) involving predominately staff will not normally be reimbursed. In this circumstance, before any costs are incurred, a check should be made with the finance team at the national centre (Financial Controller or Head of Finance).

2.10 Accommodation

- 2.10.1 Overnight accommodation should not exceed £100 per night (£110 per night where breakfast is included).

2.10.2 Overnight accommodation can only be claimed where it is part of a journey e.g. you cannot claim the cost of overnight accommodation which is close to your office or your home. For example, an MSNC based employee should not stay in overnight accommodation at the Crown or Travelodge (in Cricklewood). If you are unsure whether a proposed overnight stay may be considered to be close to your office or home you should contact the Financial Controller at the MSNC.

2.10.3 Incidental expenses while staying at overnight accommodation must not amount to more than £5. Incidental expenses include food and drink not part of the evening meal, internet access and similar expenses.

2.11 Telephone, mobile costs (and similar devices)

2.11.1 Only the cost of telephone or mobile calls made on MS Society business and on a detailed bill can be reclaimed.

2.11.2 The following will not be reimbursed:

- Rental charges on telephones/mobiles
- Pay as you go top ups
- Calls where there is not an itemised bill

2.11.3 Where a telephone/mobile is used exclusively on MS Society business then the telephone bill must be in the name of the Society and not the individual.

2.11.4 Where a telephone/mobile has been issued to an individual for MS Society business they must reimburse the Society for any private calls made on the phone.

2.12 Professional fees and subscriptions

2.12.1 Professional fees and subscriptions can only be reimbursed for employees where the professional qualification is a requirement of the job description. The professional body must be included within 'HM Revenue & Customs List 3' and in accordance with s343 and s344 Income tax (Earnings and Pension) Act 2003. To find the latest list use this [link](#) or google 'HM Revenue & Customs List 3'.

2.13 Other costs

2.13.1 Individuals should not make payments on behalf of the Society for goods and services. A credit account should be set up with the supplier who should bill the Society directly. If goods are purchased which could easily be used in part for private use there is a danger, if reimbursed through expenses, the expenses will be seen as a taxable benefit.

2.13.2 The cost of discount cards will not be reimbursed.

2.13.3 As a general rule any other costs should be checked in advance with the finance team to ensure they will be reimbursed.

3 Definitions

3.1 **'Expenses'** for the purposes of this document are personal costs of an individual incurred while undertaking MS Society business.

3.2 HMRC consider trustees as 'directors' and not as volunteers. Therefore Trustees will also need to consider the policy requirements which relate specifically to staff when claiming expenses.