

Policy Manual for Expenses Claimed via University Systems

Document	Expenses policy
Author	Helen Stephens
Role	Tax Manager
Owner	Nicola Davies
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1 Introduction

In order to comply with HMRC rules, the University can only reimburse employees for expenses incurred in the actual performance of their duties or where it is necessary for the employee to attend a particular place on that occasion to perform the duties of their employment. This policy applies to all individuals, both staff and non-staff, undertaking work on behalf of the University (e.g. Council members).

- Reimbursed expenses that are found to be non-compliant with this policy will be subsequently deducted from the employee's salary.
- If you feel that planned expenditure will not be compliant with this policy you should contact the Corporate Card Officer in Finance for advice before incurring this expenditure.
- Always use Corporate Card (T & E or purchasing) where possible.

2 Authorisation

The claimant and the individual authorising any expenses claim will be held accountable for the accuracy of that claim. When completing and/or authorising any claims, the claimant and authorising signatory will be held responsible for ensuring that:

- The expenditure was properly incurred on University business and is compliant with this policy.
- The expenditure was incurred within the previous 6 months.
- All claims are adequately supported by documentary evidence (invoice/receipts) with the exception of tunnel tolls and bridge crossing fees when receipts are not available. Credit card slips and statements are not acceptable as proof of payment.
- The authoriser has the appropriate level of authority to authorise the claimant's expenditure. The authorising signatory must be senior to the claimant or be an appropriate nominee of the Dean / Director of Department e.g. Head of Operations.

3 Expenses Overview

3.1 Allowable expenses

The following expenses can be reimbursed without deduction of tax providing it is necessary for the actual performance of duties, subject to approval and correct receipts

- Business travel – mileage, fares, visas etc.
- Subsistence – meals and accommodation costs during any period of business travel.
- Gratuities – unless a service charge has been included and therefore no additional gratuity to be paid.
- Business calls – using either a home or personal mobile telephone.

3.2 Non-allowable expenses

The following expenses should not normally be incurred by an individual (such expenses should be incurred via the purchasing processes or use of purchasing card).

Non-allowable via reimbursement claim. Allowable via purchasing processes or purchase card

- Publications, books, newspapers and professional journals
- Protective clothing
- Uniforms or work clothing
- Equipment and mobile phones
- University mobile phone bills (these should be processed via the accounts payable process not by an individual and not on a purchasing card)
- Travel except in exceptional circumstances where it is not possible to pre book and/or use corporate cards
- Hotels except in exceptional circumstances where it is not possible to pre book and/or use corporate cards

Non-allowable expenses through any payment method - University policy

- Discount railcards
- Pre-flight lounges
- Any traffic related or congestion charge fines incurred on business travel
- Professional subscriptions
- Childcare/Pet care costs

HMRC view the following as taxable benefits and therefore are non-allowable

- Staff entertaining lunches and dinners
- Gifts to staff to acknowledge additional work
- Home telephone rental costs
- Any costs related to internet connectivity at home
- Home to work travel
- Expenses for spouse or family

3.3 Reasonable expenses

- The University's policy on the reimbursement of expenses attempts to utilise the allowances provided for within HMRC's legislation and ensure value for money.
- It is the responsibility of the individual to ensure value for money when travelling and incurring expenditure.

3.4 Payments by members of staff to third parties

Members of staff should not under any circumstances pay an individual for services from their own personal funds. Such payments to third parties are liable to tax and national insurance deductions. Members of staff who make such payments will be held personally responsible for these liabilities. All such payments should be referred to the Payroll Office for processing on an individual basis.

4 Travel

4.1 Home to work travel

Payment by the University, of travel expenses incurred in the course of commuting from home to the permanent workplace, are considered a taxable benefit and therefore will not be reimbursed by the University. However, expenses which are incurred between places of work are allowable e.g. between different campuses of the University. The net cost of travel incurred in the course of commuting from home to a non-permanent work place will be reimbursed by the University. The net cost is the cost of travel between home and the non-permanent workplace after deducting the cost of travel between home and the permanent workplace.

4.2 Late night travel home

Where an employee is required to work outside of normal working patterns then the provision of transport home, such as a taxi, is allowable, provided that the employee is working until 9pm or later. Prior approval from the line manager is required.

4.3 Private vehicle use

Employees may use their own private vehicle providing they have valid business use insurance in place (see 5.1). The University will reimburse the cost of fuel used in line with HMRC's Approved Mileage Allowance Payments, which are currently:

Car or van	45p per mile for the first 10,000 miles 25p per mile for anything over 10,000 miles
Motorcycle	24p per mile
Cycle	20p per mile

4.4 Pool cars

The University has a fleet of pool cars available via Facilities, Residential & Commercial Services for the use of staff when carrying out University business. This excludes home to work travel with the exception of where an employee takes the car home the night before the start of a very early journey. The pool car policy can be found at <https://www.liverpool.ac.uk/facilities-residential-and-commercial-services/policies-and-procedures>

4.5 Car hire abroad

The University will reimburse the cost of car hire abroad when this is the only travel option available.

4.6 Parking charges / tolls

The University will reimburse the cost of on or off street car parking, congestion charges and tunnel, bridge or road tolls. The University will not reimburse the costs of excess parking fines or congestion charge fines under any circumstances, as employees bear a personal responsibility to avoid such fines.

4.7 Public transport (excluding air travel)

Trains and taxis should be booked and paid for with the departmental purchasing card where possible. Travel must be booked standard/economy class unless it is cheaper for non-standard class (evidence of this must be provided), or there is a strong business reason for travelling non-standard class and pre-approval has been given as set out in the table below.

Requestor	Approval level
School and departmental staff	Relevant Dean / Director of Department
Deans and Directors	Relevant EPVC
EPVC	VC
VC	Chair of Council

4.8 Air travel

Expenditure on air travel will only be reimbursed in exceptional circumstances and/or where it is not possible to pre book through the University recommended supplier or use corporate cards.

The least expensive class of air travel must be used by all staff. Examples of circumstances giving rise to exception to this requirement are as follows:-

- When the flight requires six or more hours in the air, there is strong business reason for travelling non-standard class, and prior approval is obtained as set out above in 4.7
- When the least expensive class is not available at the required time and flights at other times cannot meet the trip requirements.

The following table gives guidance on the class to be used for travel by air.

Class of Travel by Air

Single Leg Journey Time (Schedule Flight Time)	Class of Travel
Under 6 hours	Economy/standard
Over 6 hours	Economy/standard. By exception, Premium economy or business class (with prior approval as detailed above and in 4.7 for train travel)

4.9 Pre-flight lounges

The University will not reimburse expenditure incurred on pre-flight lounge charges.

4.10 Visas

The University will reimburse travel visa costs incurred by staff in the course of carrying out University business. It's been agreed that the University will offer support in terms of paying the Visa and NHS surcharge costs for those employees who require a skilled worker visa, providing they meet the criteria. Link to HR webpages for further information below;

<https://www.liverpool.ac.uk/working/relocating/visasandimmigration/working/skilled-worker-visa/faqs/>

5 Travel Insurance

5.1 Private vehicle usage

Staff travelling in the UK in their own private vehicle may wish to claim mileage. It is the responsibility of the claimant to check, prior to travel, with their own motor insurer, that their policy includes adequate third party insurance for business travel.

Where a member of staff is required to pay an additional premium to cover business use insurance, the cost of this will not be reimbursed. Mileage allowances include a contribution to additional running costs.

5.2 Other travel

The University offers a free worldwide travel insurance policy for members of staff and students travelling on University business with the consent of the Line Manager. It cannot be used for holidays (unless the main purpose of the journey is for University business). Staff travel outside the UK for trips over six months in duration may attract a premium payable by the individual or department.

Members of staff and students who expect to travel abroad on University business are required to apply, prior to travel, for travel insurance through the University and will not be reimbursed for any additional personal insurance costs in any circumstances.

Go to https://tulip.liv.ac.uk/pls/new_portal/hr_overseas_travel.main for travel insurance certificates. Further information on travel insurance can be obtained from the Risk and Insurance Manager, Second Floor, Foundation Building and at the following link <https://www.liv.ac.uk/intranet/legal/insurance/>

6 Subsistence and Entertaining

6.1 Hotels

Where employees make business journeys that require an overnight stay the University will fund the costs of hotel accommodation.

However expenditure by employees on hotels from their own personal funds will only be reimbursed in exceptional circumstances and/or where it is not possible to pre book and/or use corporate cards.

Hotel costs should be limited to reasonable amounts.

The University reserves the right to restrict the amount reimbursed where the costs incurred are excessive.

6.2 Subsistence

Whilst travelling off campus on University Business involving an overnight stay or where travelling results in returning home after 8.00pm, employees may claim the cost of meals. For the avoidance of doubt the University will not reimburse the cost of alcoholic drinks purchased by an employee while travelling off campus on University business.

6.3 Business entertaining

Expenses on entertainment and provision of hospitality for external business contacts will be reimbursed provided that; this is in the course of carrying out University business, the ratio of staff to external guests is no more than 2:1, and an agenda is completed. The agenda form can be found on the finance website at the following link:

https://www.liv.ac.uk/finance/intranet/finance_office_forms/

6.4 Staff entertaining and working lunches

The University does not reimburse staff only entertaining, or the provision of lunches for staff, during the normal working day. Such costs are viewed by HMRC as a taxable benefit. Meetings

held during the lunch period should be avoided. However lunches that are provided during a full day away day/workshop are allowable.

Away Day/Team Building/Networking Events/Retreats

- The condition of an away day, team building event is that only light refreshments are allowed e.g.: tea, coffee, light lunches are provided. Alcohol is not allowed. Events should be for one day whereby conference room / facilities /equipment are available if required.
- The University does not allow/pay for any “wrap up” discussion meetings/meals after these events, or multi day events with the exception of the VC’s SMT-led events.
- Any tax that the University incurs due to non-compliance with this rule will be charged to the department on a grossed up basis.

6.5 Subsistence and entertaining abroad and/or with collaborators

The specific policy arrangements outlined in points 6.1-6.4 above apply to subsistence and entertaining expenses incurred whilst undertaking work on behalf of the University in the UK and also whilst undertaking work on behalf of the University outside of the UK. Where this conflicts with the subsistence and entertaining policies which apply to collaborators and business partners the University of Liverpool policy will apply.

7. Business calls

Business calls made from a home telephone may be reimbursed in full subject to the production of an itemised bill. The cost of home telephone rental or broadband connection is specifically excluded and will not be reimbursed.

FAQ's

- **Can I claim subsistence whilst away on University business but which does not include an overnight stay?**
YES, lunch (reasonable) including a drink can be claimed, but not dinner unless after 8pm. Does not include snacks/unlimited teas/coffees/soft drinks throughout the day.
- **Can I claim for alcoholic drinks with a meal?**
Not for subsistence. If it is for hospitality then yes, and includes guests external to the University on a ratio of 2:1 (University staff : guest). You cannot claim as part of a subsistence claim. Reasonable / allowable is 2-3 drinks max.
- **How do I claim for gratuities if not on the itemised receipt?**
Claims for gratuities will only be paid if it is on a receipt but this can be the credit card slip along with the itemised receipt re: HMRC compliance.
- **What is the acceptable amount I can claim for gratuity?**
Whatever the acceptable rate is in the country you are visiting.
- **Can I claim for WIFI access whilst away on University business?**
Yes
- **Can I pay for train and flight travel and reclaim via expenses?**
University policy is that all travel should be booked centrally whenever possible, but it is understood that sometimes this is not possible. Where practical please book via the School Finance Office, using the departmental purchasing card/ recommended supplier.
- **Do I have to claim a mileage rate of £0.45/mile?**
Yes
- **Can I claim for pre-flight lounges?**
No (Unless in exceptional circumstances). If deemed not exceptional then this will not be reimbursed.
- **Can I claim for an evening meal “wrap up” meal after an away day/team building event?**
No
- **Can anyone have a T&E card?**
Yes, subject to approval, as long as they are an employee of the University of Liverpool.
- **If meals are included when attending a conference, and I decide to eat elsewhere can I claim for this expense?**
No
- **Does the Policy apply to all individuals both staff and none staff?**
Yes, this is outlined in point 1 – Introduction of the attached policy.
- **Can I claim for toiletries?**
No, these constitute personal expenditure and not allowable.
- **Is the non-allowable expense list a complete list?**
No, this is a guide as the list would be infinite.
- **Can staff claim subsistence on behalf of other members of staff?**
No, staff should arrange and pay for their own expenses.
- **Can staff claim for hospitality dinners/subsistence expenses from research grants?**
The policy is an institutional policy irrelevant of which cost centre/research grant the funds are being met from.
- **Can I book overnight accommodation to carry out activities in my normal place of work e.g. Liverpool?**
No as this would be viewed as a benefit in kind by HMRC.
- **Can I claim for expenditure older than 6 months?**
No

- **Is there a limit to how many claims can be submitted?**

No

- **What is the best way to claim for extended long trips with numerous expenditure items?**

Split up into manageable size claims. This makes it easier for approvers to check and also helps avoid the claims exceeding the 6 month time limit.