

# INSOURCE-SELECT EXPENSES POLICY

March 2016

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The Company reserves the right to alter or amend this policy to ensure compliance with HMRC regulations.

The Policy will be reviewed every six months. It is your responsibility to keep aware of any changes made to this policy.

## **Expense Claim Process**

Personal Expense Claims should be submitted every month to your Line Manager for approval. This should be done electronically with all claims being supported by scanned copies of VAT receipts.

The company will pay personal expense claims with the monthly payroll. It is your responsibility to ensure claims are submitted in time for your Line Manager to authorise and payment can then be made directly into your bank account. Failure to submit to your Line Manager on time or their failure to authorise in time will result in your expenses not being paid until the next salary run.

Expenses must be submitted and fully approved by the 21<sup>st</sup> of the month.

If submitted on time and no queries arise, the claim will be processed and payment made as detailed above.

Any expense item which is queried or rejected by your Line Manager should be removed from the claim and resubmitted once the query has been resolved. This will ensure that the fully approved items are paid to you.

A paper copy of the claim, and all relevant receipts should be sent to Head Office for the attention of Finance.

## **Authorisation of Expense Claims**

All claims will be submitted to your line manager for initial approval, followed by the approval by a Director. Until this is done your claim cannot be processed by Finance.

If you are a Manager who authorises expense claims, please ensure you allocate your direct reports expenses to another Manager during any period of absence, such as holidays etc. Failure to reallocate these expense claims will mean your direct reports expenses cannot be processed and paid.

All employees are required to pay for their own expenses and reclaim back via an expense claim form. Claims can only be made via petty cash for employees who do not have the facility to reclaim via salary or in extenuating circumstances when agreed by a Director. All expense claims will be submitted on the approved claim form.

If you have a company credit card this should only be used to pay for your own expenses. In exceptional circumstances you could use your card to pay for another person's hotel bill if they have lost their card and have no other means of payment.

Do not use your card to split charges with other employees.

## **Validation/Audit of Expense Claims**

All expense claims including company credit card claims are checked and scrutinised by the Finance Department. At times you may be contacted to verify specific items claimed/purchased.

False claims are considered an act of gross misconduct and will be dealt with accordingly.

## **Types of Expenses- Guidelines**

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## **Accommodation and Overnight Stays**

Overnight hotel accommodation may only be used where travel time is greater than two hours from home/office and the nature of the visit deems an overnight stay essential. An upper limit of £80.00 per night will be applied. Lower accommodation costs cannot be substituted for further subsistence.

You are recommended to use wherever possible Premier Inn or Travel Lodge hotels. Stays in other more expensive hotels should be authorised by a Director.

The allowance for an evening meal is £15.00 per night; this must be supported by a VAT receipt. Any excess will not be reimbursed by the company.

Should you wish to tip for service you should pay for this yourself.

Personal Incidental expenses such as beverages, newspapers etc. must amount to no more than £5.00 per night and must also be supported by a VAT receipt. Any claims for incidental expenses that equate to more than the allowed allowance will not be reimbursed by the company.

## **Subsistence**

You cannot claim subsistence if you are travelling to your normal place of work or if you are a Manager and your job function requires you to visit multiple locations.

### **Breakfast**

Breakfast may only be claimed where you leave home earlier than usual and before 6am. The maximum amount claimable is £5.00 per person and must be accompanied by a VAT receipt. Any cash claims over the allowed allowance will be rejected.

### **Lunch**

Provided that you are working more than five miles away from your normal place of work, lunch may be claimed up to the value of £5.00 per person and must be accompanied by a VAT receipt. Any cash claims over the allowed allowance will be rejected.

Lunch cannot be claimed for internal meetings unless a third party is present.

Lunch cannot be claimed if you are travelling to your normal place of work or if you are a manager/employee and your job function requires you to visit multiple locations.

### **Out of Hours Working**

If you are travelling on business and working outside of normal hours you may claim the cost of one meal up to the value of £10.00 providing a VAT receipt is submitted. You must however be more than 5 miles away from your home or office while consuming the meal and been away from home/office for at least five hours. As a guide this meal should only be claimed if arrival at home is expected at 8pm or later for a standard working day. Any cash claims over the allowed allowance will be rejected.

### **Drinks**

Tea and coffee may be claimed if you are working away from your normal place of work. Additional costs for cakes, sweets, water fruit etc. are not allowable. Any cash claims for these items will be rejected.

## **Overseas Travel**

Advances may be made in foreign currencies where the employee is embarking on an overseas business trip. All expenditure must be accounted for by relevant receipts. Failure to produce receipts will result in you being asked to reimburse the company for the amount in question.

When staying abroad please ensure wherever possible you adhere to the guidelines for cost of accommodation subsistence etc., Receipts must be provided for all expenditure.

## **Casual Employees**

A casual employee is any individual undertaking short term, irregular employment within the INSOURCE SELECT group. It includes anyone not engaged on a permanent basis.

Under no circumstances should any casual employee be paid out of petty cash or via the expense claim form system.

Finance and the HR Department must be consulted prior to the commencement of any employment.

## **Company Credit Cards**

Company credit cards are not provided.

## **Computer Hardware, Software and Consumables**

Computer Hardware, software and consumables should be authorised in advance by the relevant budget holder and will be procured and paid for by the company and sourced from centre,

Any expense claims for the above items will be rejected unless there are exceptional circumstances and a Director has authorised the purchase.

## **Entertaining- Customers**

When making a claim for Customer entertaining please list the names of all attendees including any INSOURCE SELECT employees and the name of Company being entertained, the reason for the entertaining (i.e. contract renegotiation) and confirmation that it has been approved.

Customer Entertainment should be confined to meals, drinks and entrance fees. (E.g. sporting events)

VAT receipts must be provided for all customers entertaining.

The company will not pay for customer/supplier hotel bills unless pre authorisation is obtained by a Director.

Under no circumstances should cash or vouchers be provided to a customer.

## **Entertaining – Staff**

Entertaining staff is a taxable benefit. If the need should arise prior authorisation from a Director must be obtained.

All employees present must be recorded on the claim and the reason for the expenditure (i.e. record month etc.)

Entertainment or a gift may be provided under the Recognition Award scheme. This should be supported by the signed authorisation form plus a receipt from the employee. Cash or vouchers can not be given. Reimbursement can only be made when all the above criteria is obtained.

## **Mileage Claims**

For drivers who do not have the use of a company car fuel claims should be submitted via an approved expense claim form. Please refer to the current mileage distance and charge. For company car users please refer to the same document

Travel between an employee's home or any other place that is not a workplace, and their normal place of work is ordinary commuting and cannot be claimed any mileage claimed for this journey will be considered by HMRC as a benefit in kind and will be taxed accordingly. If an employee travels to a site that is beyond the normal place of business then the difference in mileage between the destination and the normal travel to work is claimable. Therefore, if the distance to the office is 52 miles (normal commute 104 miles per day) with the client visit being 74 miles away (148 miles round trip) the amount claimable is 148 miles less 104 miles or 44 miles at the current rate.

For employees using hire cars please ensure the car is always refuelled before collection and you may reclaim the cost of the fuel from Finance the request must be made on an approved expense claim form which is supported with a VAT receipt.

## **Medical Examinations**

If for any reason a medical examination is required by the company, INSOURCE-SELECT will make the necessary arrangements and pay the medical practitioner directly. If you pay for it yourself and it has been authorised by HR you can reclaim via an approved expense claim form which is supported with a VAT receipt.

## **Motor Expenses**

As all company cars are fully maintained there should not be a need to claim motor expenses. If in the unusual circumstance that this necessity arises then you can reclaim via an approved expense claim form which is supported with a VAT receipt and approved by a Director.

## **Other Expenses**

Certain other expenses, if wholly necessarily and exclusively incurred on company business may be reimbursed though an expense claim. Examples of this would be subscriptions. Photocopying, road

maps etc. However it is advisable to seek approval for such expenditure in advance from your line manager.

## **Petty Cash**

Petty cash is only to be used in exceptional circumstances with every disbursement being approved by a Director. Petty Cash should **never** be used for staff loans or salaries/wages.

## **Relocation Expenses**

In certain discretionary cases, relocation costs may be paid for by the Company. Please refer to the HR Department for the current policy.

## **Staff Development/Training Courses**

Employees travelling to staff development/training courses are entitled to claim public transport costs. If a car is required and a company car is not available you must contact the Fleet Controller in sufficient time so that a car can be hired for you. In no circumstances should travel be undertaken in the employees own vehicle.

The hire car should be fully refuelled for return and the fuel reclaimed via branch petty cash or cheque request as detailed in section relating to Fuel.

While on a training course the allowance for an evening meal is £20.00 per night this must be supported by a VAT receipt. Any excess should be reimbursed to the company. As detailed in section Accommodation

Personal Incidental expenses such as beverages, newspapers etc. must amount to no more than £5.00 per night and must also be supported by a VAT receipt. Any claims for incidental expenses that equate to more than the allowed allowance will have to be reimbursed to the company. As detailed in section Accommodation

## **Telephone**

Company mobile phones are for reasonable use only. The company reserves the right to reclaim from an employee all charges incurred from unreasonable use.

You may claim for the use of a hotel telephone up to £5.00 per night as long as this does not exceed your personal incidental expense limit as detailed in section Accommodation If you are allocated a company mobile phone any claim for phone calls will be rejected.

## **Travel – UK**

In most circumstances air and rail travel will be covered by the company whilst on company business. Air travel should be authorised by a Director in advance. Company policy is to travel on economy tickets unless pre agreed.

If you are required to use a car for company business mileage will be paid at the current publicised rate.

If you are required to have the use of a hired vehicle you must ensure that hire cars are refuelled before return. You can reclaim via an approved expense claim form which is supported with a VAT receipt and approved by a Director .

The cost for other travel i.e. taxis, bus fares etc. while on company business can be reclaimed as above if accompanied by a VAT receipt. Claims should not be made for general “night- outs” after meetings.

Travel expenses cannot be claimed for a spouse accompanying an employee on business unless specifically authorised by a Director. The Inland Revenue deem this to be a taxable benefit.

Tolls and parking charges (excluding fines) incurred on company business will be reimbursed if accompanied by a VAT receipt (where applicable)

Toll charges cannot be reclaimed if they are incurred on your normal journey to and from your normal place of work unless specifically agreed.

## **Overseas Travel**

Advances may be made in foreign currencies where the employee is embarking on an overseas business trip. All expenditure must be accounted for by relevant receipts. Failure to produce receipts will result in you being asked to reimburse the company for the amount in question.

When staying abroad please ensure wherever possible you adhere to the guidelines for cost of accommodation subsistence etc., Receipts must be provided for all expenditure.

All overseas travel must have prior approval of a Director and be booked through the admin support team.

## **Items that will not be reimbursed**

### **Personal Incidental Expenses**

Charges for film hire, sunbeds gym usage etc. cannot be included in your £5.00 per night personal incidental expense claim

### **Motor Expenses**

Car washes car cleaning equipment, tow bars or car mats cannot be reclaimed.

Parking fines or other motoring offences or repairs to vehicle through driver's negligence. (e.g. vehicle filled with incorrect fuel)

### **Work wear and PPE.**

This should be sourced through the company.

### **Items for personal use**

Shaving equipment, personal hygiene items etc.

### **Business Gifts**

Unless authorised in advance by a Director

### **Goods for Resale**

These should be procured by Admin Support, following the approval of a Director.

**Sponsorship & Donation**

Requests should be directed by e-mail to [shaf.ali@insource-select.co.uk](mailto:shaf.ali@insource-select.co.uk)