



**Manchester  
Metropolitan  
University**

**TRAVEL, SUBSISTENCE AND OTHER EXPENSES POLICY**

**(Incorporating the policy on Entertainment Related Expenses and Hospitality)**

**Financial and Legal Services**

**December 2015**

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## **1. Introduction and scope of policy**

- 1.1 This Policy applies to all staff & governors of the University.
- 1.2 This Policy provides guidance in claiming reimbursement of travel, subsistence and other expenses incurred in connection with University business. These provisions recognise the need to balance a number of factors including our desire to support staff, business needs, concern for the environment, public perception and prudent use of public funds.
- 1.3 Travel and subsistence claims may include the cost of meals, accommodation and any other expenditure or travel expenses wholly, exclusively and necessarily incurred while on University business. Claims may also be made for costs incurred by persons entertaining official guests (non-employees). Claims cannot be made for any additional stays made for personal purposes.
- 1.4 The general principles of reasonableness and economy must be applied for all claims. Alternative means of communicating should be considered in lieu of travel in support of environmental considerations.
- 1.5 The approach taken protects the University from inappropriate expenditure and ensures that University funds are used efficiently and effectively. It is important to note that the Policy applies to all funds administered by the University, including those secured through research and other grants and contracts. Only where such funds are subject to more stringent rules imposed by external bodies will any other requirements be considered to override those of the University. They will not, however, override the requirement for claims to be for actual expenditure and supported by receipts.
- 1.6 The provisions in this Policy are consistent with HMRC rules and guidance and the University's Financial Regulations. They should be read in conjunction with other relevant University policies including: Purchasing Procedures, Gifts and Hospitality, Anti-Fraud and Corruption.
- 1.7 For further details on the claiming process, see the *'How to Claim'* guidance.

## **2. Travel expenses**

### **2.1 General**

- 2.1.1 The University will pay for travel expenses of members of staff for journeys made in the performance of their duties as employees of the University. 'Green Travel' is encouraged and all members of staff should consider the cost of travel before undertaking it.
- 2.1.2 The method of transport offering the best value should be used, taking into account efficient working practices. Usually this will be standard class rail or economy class air travel, although staff should consider different options, for example public transport, hire car, or private car, depending on the destination, and the number of travellers.

- 2.1.3 Travel other than standard class or economy is permissible in certain limited circumstances e.g. in the case of disability and where air travel involves more than eight hours flying time (N.B. both conditions must be met). Prior agreement of the Director of Finance is required.
- 2.1.4 Members of the University Executive Group are entitled to use first class rail travel along with staff accompanying a member of staff who is entitled to travel first class.
- 2.1.5 Where staff are accompanying students on a rail journey they will be expected to travel standard class.
- 2.1.6 Justification for travel other than standard class/economy must always be given, and Financial and Legal Services reserve the right to pay the lower of actual cost and equivalent standard class/economy fare.
- 2.1.7 The University will not provide for or reimburse the costs of private travel or travel from home to an employee's permanent place of work, except in certain approved and limited circumstances (e.g. 'call-outs' outside normal working hours – see Section 2.5 below), in which case the payment is made subject to the deduction of income tax and national insurance contributions. Special procedures for sessional staff whose job requires them to visit schools are detailed in Appendix D.
- 2.1.8 Ticket stubs or receipts must be attached in support of any expense claim. Note that some train tickets are retained at the end of the journey by automatic barriers, so a receipt should always be requested at the point of purchase. If the ticket is booked online as an 'e-ticket', i.e. there are no separate physical travel tickets issued, then a copy of the booking web page should be retained, printed, and attached to any claim.

## **2.2 Private Motor Vehicles and Mileage Rates**

- 2.2.1 Car mileage allowance will only be paid to car users in accordance with the current approved rates. Rates are reviewed annually and are attached at Appendix A. Employees using their own vehicles must check that their motor insurance policy permits use of their vehicle on University business. Claims must be made via the myHR portal, where employees have access to this facility or, on the appropriate claim form, where they do not. Car users must either confirm that they comply with the Motor Insurance Declaration, if submitting claims electronically, or must have signed a hard copy of the Motor Insurance Declaration form; this can be found [here](#)
- 2.2.2 Members of staff may claim the following:
- The higher rate per mile for the first 50 miles in a single journey up to a maximum of 10,000 miles in the tax year (6th April to 5th April).
  - The lower rate applies for the remainder.

It is the employee's responsibility to keep a record of mileage claimed.

- 2.2.3 Approved miles to and from University sites are as shown in Appendix C. A single journey is from point A to B. If, in any one trip, visits are made to more than one site,

e.g. from All Saints to Birley, Birley to Crewe, Crewe back to All Saints, the claim should detail each leg of the journey.

- 2.2.4 If a member of staff travels on University business to a place other than their permanent place of work (including a journey to a temporary place of work), and the journey begins and/or ends at home, travelling expenses will be paid on the basis of the shorter of:
- actual mileage travelled (after having deducted normal home to work mileage); and
  - mileage that would have been travelled if the journey had commenced/finished at the permanent place of work.
- 2.2.5 The equivalent mileage from home to permanent place of work must be deducted from the total mileage travelled even if this is outside normal working times or if the member of staff holds a season ticket for public transport. Please see special conditions detailed in Appendix D for Sessional staff whose job requires them to visit schools.
- 2.2.6 Travelling costs between home and the normal place of work can never be claimed, however, a taxi may be justified where a member of staff is **required** to work later than usual and until at least 9pm on an irregular basis. In these circumstances, their taxi fare home may be reimbursed at their manager's discretion.

## **2.3 Car Hire**

- 2.3.1 In certain circumstances, hire of a car may offer the most efficient and cost effective means of transport. It is expected that a hire car will normally be used for journeys of 100 miles or more instead of a staff member's own vehicle.
- 2.3.2 Fuel costs for business mileage which are not covered under the hire agreement may be claimed as expenses when supported by a receipt.
- 2.3.3 The University will only allow vehicles to be hired where the purpose is necessary and exclusively for business use. Private use of such vehicles is strictly prohibited; this includes home to work commuting unless the hire car needs to be at home the previous night in readiness for an early morning start. The University's [Vehicle Hire Policy](#) sets out instructions for hiring vehicles and is fully compliant with HMRC guidance and their benefit in kind (tax liability) rules.

## **2.4 Fines and Penalties**

- 2.4.1 Car parking fines, release fees, speeding, and other motoring penalties are the responsibility of the individual and the University will not reimburse these costs.

## **2.5 Claiming 'Call-Out' Travel**

- 2.5.1 Members of staff, who are on call and are 'called out' and return to the University outside normal hours, may claim travel expenses. However, such payments are taxed to comply with HMRC rules on the payment of the cost of home to work travel. Staff who use their

private car may claim mileage allowance in accordance with the current approved rates or, alternatively, staff who use public transport or taxis may claim the actual costs.

### **3. Subsistence expenses**

#### **3.1 General**

- 3.1.1 The University will pay subsistence when the individual is away from their place of permanent work within the UK, unless it is otherwise provided. Claims up to the published rates will be allowed for the actual amount of expenditure as evidenced by receipts, and as approved by the manager/budget holder. These rates, which are a contribution towards the costs incurred by the employee, are reviewed annually and are detailed in Appendix B.
- 3.1.2 All claims for subsistence must be supported by receipts except in the limited instances specified in this Policy in which expenses are reimbursed by way of maximum allowances for which receipts are not required. The general principles of reasonableness and economy apply. Subsistence expenses are not normally claimable for inter-site visits.
- 3.1.3 Miscellaneous charges on hotel bills will be reimbursed when incurred necessarily on University business. The following are not accepted as legitimate business expenditure:
- Personal phone calls
  - Certain charges made by hotels for the use of facilities such as pay per view videos, leisure facilities, etc.
- 3.1.4 A member of staff travelling on University business and choosing to stay overnight in the UK with friends, relatives or colleagues instead of in a hotel, will be reimbursed for the actual cost of an evening meal (for himself/herself only) up to the allowed rates. No other expenses should be claimed. Staff are not permitted to claim 'cash payments' when staying with friends. For policy on overseas stays see Section 3.3.3 below.
- 3.1.5 Subsistence gratuities will be reimbursed provided these are not excessive. The claimant may write the amount on the receipt if it does not already appear there.

#### **3.2 Incidental Overnight Expenses**

- 3.2.1 Staff may claim the actual costs of incidental overnight expenses such as newspapers, one private call home per day, laundry etc. provided that the total amount spent on such items amounts to no more than £5 per night (where the night is spent in the UK) or £10 per night (where the night is spent outside the UK).
- 3.2.2 No receipts will be required to support such a claim, but expenditure must be itemised on the claim and staff should claim only the costs incurred up to the limit, rather than claiming a round sum allowance. The average may be calculated only over the duration of an unbroken business trip. Any nights not spent away from home on the business trip will break the period. The University will check claims for personal incidental expenses to ensure the HMRC limits are not exceeded.

- 3.2.3 The University will not reimburse other personal costs incurred as a consequence of being away from home on business, for example the cost of childcare.
- 3.2.4 The University will not reimburse staff for any accommodation expenses incurred by staff to allow them to make early or late starts (e.g. for meetings) at their usual place of work.

### **3.3 Overseas Travel**

- 3.3.1 Hotel accommodation and meals overseas should be in hotels and restaurants similar in quality to those that would be used in the UK. As the cost of such accommodation and the price of food in restaurants vary so much worldwide, HMRC has confirmed benchmark rates for meal costs and accommodation costs for overseas business travel by employees. The University will reimburse actual expenditure up to these rates.
- 3.3.2 The rates payable depend on the time spent by the employee at a particular location and vary by country to country and even city to city and can be found at <http://www.hmrc.gov.uk/employers/wwsr-bench.pdf>. Please include a copy or details of the specific country/city HMRC applicable rates with the claim.

Various rates are provided within the table, the most commonly used ones being:

- A "room rate" which provides the benchmark accommodation cost per night in each location
  - A "total residual rate" which covers the cost of all meals in a 24 hour period as well as travel between the hotel and office location
  - A "24 hour rate" which is the two above rates combined
  - An "over 5 hour rate" for meal costs
  - An "over 10 hour rate" for meal costs for periods of more than 10 hours but less than 24 hours
- 3.3.3 If staying with friends or relatives an allowance of 10% of the overnight accommodation rate (maximum rate per day as per the tables) may be claimed for a gift for the friend or relative.
- 3.3.4 When making a claim for costs incurred in foreign currency, the exchange rate to use should be either the rate charged for conversion into the foreign currency, or the rate current at the time of the expenditure as quoted in the UK financial press. If the former differs significantly from the latter, and the former has been used, evidence should be supplied to support the rate used (e.g. if currency has been exchanged whilst away).
- 3.3.5 In the case of purchase by credit card, the preferred method of claim is to use the rate charged on the credit card statement, in which case a copy of the statement should be submitted with the claim. (Please note that it is advisable to obscure the credit card number from statements). Alternatively, the rate may be the rate current at the time of the purchase as quoted in the UK press.

- 3.3.6 Where it is necessary, in the discharge of University duties or in the interest of promoting goodwill, to return reasonable hospitality whilst abroad, the cost of this may be claimed.
- 3.3.7 It is also recognised that from time to time it is necessary to purchase and present appropriate and reasonable gifts to overseas partners; the costs of these items will be reimbursed.
- 3.3.8 Where a claim is being made for expenses incurred over a period of time, and the employee does not have access to the myHR portal, it is usually beneficial to enter the expenses into a schedule, and then cross-reference to receipts.

### **3.4 Accompanying Persons**

- 3.4.1 Any person travelling who is not directly connected with the University business for which the travel is being undertaken should normally pay for their costs at source.
- 3.4.2 Note that the University's travel insurance policy does not extend to non-employees and alternative arrangements for insurance cover will need to be made. The employee's insurance policy must include business cover for the amount and type of mileage they undertake, and covers 'business' passengers.

## **4. Entertainment Related Expenses and Hospitality**

### **4.1 General**

- 4.1.1 Modest hospitality is an accepted courtesy of a business relationship; however, no member of staff should reach a position whereby they might be deemed to have been influenced in making a business decision as a consequence of accepting such hospitality. Please refer to the University's Gifts and Hospitality Policy. Necessary costs of entertaining business contacts will be reimbursed on production of receipts.
- 4.1.2 University entertainment and hospitality which is for social purposes only and / or which is entertaining attended by University staff only (i.e. not involving third parties) is not allowed and, therefore, cannot be charged to University administered funds, or reimbursed. Nor is it acceptable to charge for part of the cost of entertaining University staff only. This means that the University will not pay for alcohol at a function where staff have paid for the food, nor will it pay for food and/or drinks purchased from a grocery store, or similar, so that the function can be held in an office, whether on or off campus, and includes:
- Celebratory functions (e.g. Christmas parties).
  - Functions for members of staff who are leaving the University (with the exception of functions that are covered under the hospitality for staff leaving functions procedure below).
  - Sampling proposed venues for future functions designed to entertain third parties.

Where procurement cards are used to pay for entertainment related expenses and hospitality then the expenditure must be processed in accordance with the procurement card procedures.

## **4.2 Business Entertainment / Hospitality**

- 4.2.1 The University recognises that there may be occasions when, for legitimate business reasons, it is appropriate to entertain external customers or other important supporters of the University. On these occasions it is expected that the purpose of entertaining is to foster new business, provide a documented benefit to the University, or to continue existing business contacts. The following rules apply to expenditure when offering business hospitality.
- 4.2.2 Hospitality must be pre-authorised in writing by the Budget Holder. If the Budget Holder is the recipient of the hospitality then approval must be by a more senior officer.
- 4.2.3 The University will meet the reasonable cost for business entertainment and internal hospitality where that expenditure has been incurred wholly, necessarily and exclusively in the furtherance of University business. This ensures compliance with HMRC regulations and helps the University achieve value for money. All entertainment and hospitality must be proportionate and defensible. Reasonableness must also be applied with regard to the number of University staff attending. MMU will only meet the costs relating to those guests whose presence can be justified by reasons directly connected to MMU business. Purchases of moderate amounts of alcohol will be reimbursed when part of hospitality to existing or potential business clients. Reasonable amounts will be allowed for gratuities where the amount is included on the receipt.
- 4.2.4 Business entertainment should not involve University staff only - external guests must be present. The ratio of University employees to external guests is a critical factor in determining whether such expenses are taxable. It is expected that the ratio of employees to third party attendees should be reasonable and justifiable if challenged by HMRC. If this ratio is unreasonable then the event will be deemed to be for purely social purposes and as a benefit provided to staff which is taxable in the same way as salary.
- 4.2.5 Where possible, University facilities should be used. Use of on-campus facilities, rather than hotels and restaurants off-campus, is beneficial to the University and promotes value for money. Where it is not possible to use in-house facilities (due to the time/day or the need for facilities that are unavailable on University premises) and the entertaining is at an outside facility, then there should be no more than two members of staff for every one visitor.
- 4.2.6 There must be an agenda available for the meeting, which gives a full list of delegates and indicates whether the delegates are University staff or from an external company, giving details of the names and job titles.
- 4.2.7 Staff who are making an e-expenses claim for business entertainment costs incurred, or who are completing their procurement card log, are required to provide details on:
- The numbers of attendees broken down into the numbers of visitors and number of University employees
  - The organisation the visitors represent
  - The business purpose of the entertainment
  - The location at which the expenses were incurred

This information is required for tax compliance purposes and for helping demonstrate accountability and proportionality.

### **4.3 Business Lunches – away from University Premises**

4.3.1 Working meals taken other than on University premises may be reimbursed as follows provided that the following conditions are all met:

- The meals must be pre authorised by the relevant budget holder.
- Third party speakers, lecturers, business associates or clients are in attendance and the attendees are predominantly external people unless the meal forms part of an “away day”.
- There is a genuine business need to host the meeting with a meal “off site” (this may include the time of day if it is outside normal working hours, or the use of facilities which are unavailable on University premises).

4.3.2 The claim for reimbursement of the cost should be made by submission of an e-expense claim through the myHR portal. The claim should give details of the purpose of the entertainment / hospitality and should indicate whether the delegates are University staff or from an external organisation. Strict records of the agenda, the names of all attendees and, wherever possible, notes of the meeting or reports about sessions must be maintained and available. Original receipts should be attached to a copy of the e-expense summary statement and forwarded directly to Payroll, All Saints Building. Reimbursement will be made at the earliest opportunity and will be included with your pay at the end of the month.

4.3.3 For clarity, the following examples are acceptable as permitted business entertaining where all of the above conditions are met:

- Examiners lunches or meals
- Meals for visiting lecturers or speakers provided immediately before or after the event at which they are speaking
- Meals involving collaborators on research projects or business projects
- Meals involving potential or actual sponsors or donors
- Meals involving officials of government or other publicly funded organisations.

### **4.4 Refreshments during Meetings**

4.4.1 The University will meet the cost of the following expenditure either through internal hospitality, or, by reimbursement following submission of an e-expense claim through the myHR portal.

#### Refreshments during a meeting

Light refreshments (tea, coffee, biscuits etc. but not sandwiches) provided by the University before or during a meeting

#### Sandwiches and working meals – on University premises

Working lunches or other type of working meal, including sandwiches or any refreshments more substantial than those covered under light refreshments (above), if all the following conditions are met:

- The meal is an integral part of the meeting
- The meal is held on University premises
- Alcohol is not consumed
- Such meetings do not take place frequently
- Agendas and a full list of delegates, and, wherever possible, notes of the meetings or reports about sessions must be available.

4.4.2 As with all other expenses, the expenditure must be pre authorised by a budget holder who should also approve the claim. Reimbursement will be made at the earliest opportunity and will be included with staff pay at the end of the month. The claim should give details of the purpose of the entertainment / hospitality and should indicate whether the delegates are University staff or from an external organisation. Strict records of the agenda, the names of all attendees and, wherever possible, notes of the meeting or reports about sessions must be maintained and available. Additionally, original receipts must be attached to a printed copy of the e-expense summary statement and forwarded directly to Payroll, All Saints Building to enable reimbursement to be made. If the initiator is the budget holder then the claim must be approved by a more senior officer.

#### **4.5 Hospitality for Staff Leaving Functions**

The University will meet the cost for internal hospitality for a leaving event when certain conditions are met. See Appendix E.

### **5. Other Expenses**

#### **5.1 Professional subscriptions**

Personal professional subscriptions for members of staff are the personal responsibility of individual members of staff. No University reimbursement shall be provided 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. Exceptionally, personal subscriptions may be reimbursed in the following circumstances:

- the subscription is required for a specific business purpose or activity, such as attendance at a conference, or obtaining information and participating in relevant HE sector groups; and
- such a subscription cannot reasonably be purchased by the University directly.

#### **5.2 Telephone calls and IT related expenses**

5.2.1 University staff that are required to make business calls on their home or mobile telephones must attach the appropriate bill to the staff expenses claim with the relevant business calls highlighted and only these will be reimbursed. If employees are away on business overnight and need to make an essential personal call, this will be reimbursed (see Section 3.2 Personal Incidental Expenses).

5.2.2 In all cases, provision of top up cards for Pay As You Go services are not permitted as HMRC rules cannot be met.

5.2.3 The University will not reimburse staff for broadband or internet connections as the University cannot demonstrate sole and exclusive business use to satisfy HMRC guidelines. The University recognises there will be exceptional cases where it is an absolute necessity for staff to work from home, using a dedicated internet connection. In these circumstances, and where there has been agreement from the line manager, the University shall arrange for direct provision of the service, following approval by the relevant Head of Department/Dean or Executive Director. The use of this internet connection should be for business purposes only so as not to give rise to a taxable benefit.

### **5.3 Internet purchases**

5.3.1 These should usually be made using standard University purchasing procedures, including using official purchase orders. However, it is recognised that there may be occasions where it is economic to make purchases over the Internet. Wherever possible, purchases over the Internet should be made using a University procurement card.

5.3.2 The purchaser should print out a copy of the items purchased, the price paid, VAT payable, and information about any additional charges such as delivery, together with an acknowledgement that payment has been accepted. This should then be attached to the claim.

### **5.4 Non-refundable Items**

5.4.1 The basic rule for expenses to be reimbursable is that the costs must have been wholly, exclusively and necessarily incurred in the performance of University business. In addition to the items specifically referred to in the sections above, the examples below do not constitute business expenditure. Please note the list is not exhaustive.

5.4.2 Examples of other expenditure that will not be reimbursed:

- Purchase of goods or services where these should be purchased using a purchase order or University procurement card.
- Uniforms – these must be purchased by the University.
- Birthday, retirement and other types of cards
- Flowers, gifts or vouchers (except flowers purchased occasionally at the discretion of the relevant Dean/Director in the case of staff sickness, bereavement or other appropriate circumstances).
- Decorations for offices, including flowers and vases, other ornaments, Christmas decorations, and so on.
- Christmas cards/presents
- Purchase of tea, coffee and other refreshments for use by staff. Note that this type of expense is acceptable where the goods are to be used for business entertaining or during genuine business meetings, etc. Note that meetings on-campus should normally use the University's catering service for the provision of refreshments.
- Passports or the cost of replacing lost or stolen passports
- Purchase of equipment for office use, including microwaves, lamps, fridges and kettles etc.
- Any other miscellaneous items that are not for business use.

## **6 Authorisation of expenses**

- 6.1 Budget holders have a duty to exercise control over their budgets and to ensure that only legitimate expenditure is authorised.
- 6.2 The process to be followed is:
- i. approval to incur expenditure obtained;
  - ii. expenditure incurred;
  - iii. claim completed, authorised and submitted with receipts where appropriate;
  - iv. reimbursement through the payroll system.
- 6.3 The authoriser must be satisfied that the expenditure was necessarily incurred in accordance with this Policy and the applicable rates set by the University, that there is sufficient budget to cover the expense, and that adequate details and receipts accompany the claim. Claims are processed by Financial and Legal Services where some checks are carried out, but responsibility for the authenticity of the claim and the associated expenditure always lies with the person authorising the claim. Checking by Financial and Legal Services staff does not remove the responsibility on the authorising signatory for ensuring that the claim is in accordance with this procedure.
- 6.4 All members of staff who have responsibility for authorising expenditure have a duty to ensure that value for money is achieved.
- 6.5 All claims should be authorised by the Director/Dean/Head of Department or their delegated authority and always by someone more senior than the claimant.

Claims submitted by the Director of Finance must be approved by the Vice-Chancellor.

Claims submitted by the Vice-Chancellor must be approved by the Chair of the Board of Governors.

In the case of other members of the University Executive Group, all claims must be forwarded to the Director of Finance for certification.

## **7 Expense payment procedure**

- 7.1 For full details on the claim and payment procedure see the *'How to Claim'* guidance document
- 7.2 In order to comply with HMRC requirements expenses reimbursed will only be made on production of receipts, except in the limited instances specified in this Policy in which expenses are reimbursed by the way of fixed rate allowances for which receipts are not required. Non-attachment of receipts will mean that the item(s) may be disallowed from the claim. Mileage claims do not require receipts.

- 7.3 Credit card and debit card vouchers or bank statements are not acceptable forms of support for expense claims. Therefore, claimants are advised that they should always request a proper receipt. Only original receipts will be accepted – not photocopies.
- 7.4 Travel or subsistence allowance must not be paid through the petty cash system and personal expenditure must never be claimed.
- 7.5 The claim should be submitted within three months from the end of the month in which the expense is incurred. All individuals are encouraged, where appropriate, to submit expense claims on a monthly basis. In the case of currency advances, claims must be made within one month from return of travel.
- 7.6 Discretion may be allowed in the case of late submission of expenses claims for staff where there are exceptional and extenuating circumstances that caused the delay in submission. Such explanations should be made available to the Head of Payroll, Taxation, and Compliance, who will arbitrate in such situations.
- 7.7 In all cases, F&LS staff should be satisfied that the person who has approved the form is the appropriate authorising officer (in accordance with the authorised signatory list) who is senior to the claimant, that all calculations are correct, and that the claimant has confirmed agreement with the motor insurance declaration confirmation, if mileage is being claimed.
- 7.8 Claims that are received after the payroll deadline will be held over and paid with the next available salary payment. All payments will be identified on the claimant's payslip.
- 7.9 Claims in respect of any tax year should be claimed before the end of the financial year (e.g. expenses incurred to 5th April must be claimed and paid before 31st July of the same year). In addition, staff leaving the University must submit all claims before leaving.
- 7.10 Where an individual staff member incurs expenses frequently as part of their routine duties, we recommend applying for a procurement card to facilitate payment. Where procurement cards are used to pay for travel and subsistence then the expenditure must be processed in accordance with the procedures on the use of Procurement Cards Procedure available [here](#).
- 7.11 Employees should keep copies of claims and receipts where this information is likely to be needed for other purposes, such as claims to external bodies.
- 7.12 Where F&LS receives or becomes aware of a claim that does not adhere to the rules, it may conduct enquiries prior to determining how to proceed with a claim. In cases of non-compliance, or lack of awareness of existing rules, claims will be returned to the claimant or Director/Dean for amendment and re-authorisation.
- 7.13 Fraudulent claims will be treated in accordance with the University's Anti-Fraud and Corruption Policy available [here](#).

## 8 Tax Information

- 8.1 HMRC has issued the University with a dispensation in respect of these regulations. This relieves the University of the obligation to report expenses paid under this Policy, at the end of each tax year. It also means that the employee does not have to report any expenses claimed under this Policy on their tax return.

## 9 Review

- 9.1 This Policy will be reviewed in the light of relevant developments no later than December 2018. Rates will be reviewed annually.

If you have any queries regarding this policy, please contact [Lisa Blackshaw](#), Head of Payroll, Taxation, and Compliance, in Financial and Legal Services.

<b>Author Name &amp; Job Title</b>	Lisa Blackshaw (Head of Payroll, Taxation, and Compliance)		
<b>Version Date</b>	December 2015	<b>Approved by:</b> (Board/Committee)	Finance and Resources Committee
<b>Date for Review:</b>	December 2018		

## MILEAGE RATES

<b>BUSINESS MILEAGE RATES</b>	
Higher rate car mileage (first 50 miles of each journey) up to a maximum of 10,000 miles in the tax year	45p per mile
Lower rate car mileage (after first 50 miles of each journey, or for all miles once 10,000 maximum miles at higher rate reached)	25p per mile
Interviewee mileage allowance	22p per mile
Motorcycles – any distance	24p per mile
Allowance per car passenger * (who must be fellow employees making the same business trip)	5p per mile
Bicycles (for short business journeys only)	20p per mile

\*The name of any passenger must be identified in the claim

## SUBSISTENCE RATES

**UK TRAVEL**

<b>Maximum Subsistence Rates Period</b>	<b>Maximum Rate per Day</b>
Under 5 hours	Nil
Breakfast (must leave home before 6am on an irregular basis)	£5
5 to 10 hours (one meal rate)	£5
Over 10 hours (two meal rate)	£10
Late evening meal (must be working after 8pm on an irregular basis)	£15

*N.B. Only three meals can be reimbursed in any 24 hour period.*

**Bed and Breakfast hotel accommodation** **No fixed rate**

No subsistence is payable for any period when meals and/or accommodation are included in the fare (for example air travel)

**Staying with Friends**

A member of staff travelling on University business and choosing to stay overnight with friends, relatives or colleagues instead of in a hotel, will be reimbursed for the actual cost of an evening meal (for themselves only) up to the allowed rates. No other expenses should be claimed. Staff are not permitted to claim 'cash payments' when staying with friends.

**OVERSEAS TRAVEL**

The University will reimburse meal and accommodation costs for overseas business travel according to the HMRC benchmark rates. The rates payable, which can be found at <http://www.hmrc.gov.uk/employers/wwsr-bench.pdf> depend on the time spent by the employee at a particular location and vary by country to country and even city to city.

If staying with friends or relatives an allowance of 10% of the overnight accommodation rate (maximum rate per day as per the tables) may be claimed for a gift for the friend or relative.

## **Incidental Overnight Expenses Rates**

The following maximum rates apply only to overnight stops away from home on University business.

<b>Place</b>	<b>Maximum Nightly Rate</b>
UK	£5
Overseas	£10

Only actual itemised expenditure can be claimed and should be supported by receipts where possible.

**APPENDIX C**

**OFFICIAL MILEAGE FOR INTER-SITE TRAVEL**

<b>Campus</b>	<b>All Saints</b>	<b>Birley</b>	<b>Crewe</b>
<b>All Saints</b>		1	38
<b>Birley</b>	1		38
<b>Crewe</b>	38	38	

**Special procedures for sessional staff whose job requires them to visit schools**

As sessional staff who visit more than one school are deemed (under HMRC rules) to have more than one permanent place of work, then travel expenses from home to a school and return will not be reimbursed by the University.

If a sessional member of staff travels from one school to another during the day, the expenditure incurred in travelling between schools will be reimbursed by the University. The cost incurred in travelling to the first school on that day, however, will not be reimbursed, nor will the journey from the last school back home.

Sessionals may be asked to attend training events or meetings at an MMU site. As MMU will not be deemed a permanent workplace (under HMRC rules) in this situation, any expenses travelling from home to the University and return will be reimbursed.

These special procedures have been agreed with HMRC for this group of staff only.

**Hospitality for Staff Leaving Functions**

The University will meet the cost for internal hospitality for a leaving event under the following conditions:

- The member of staff must have completed at least 10 years continuous service with MMU.
- Hospitality must be ordered using the MMU on-line food and drink request system.

The cost of any hospitality arranged outside the University, including food, beverages and room hire costs will not be met or reimbursed by the University.

The maximum amount that the University will meet for each leaver is:  
 £300 for staff who have completed 10 years and up to 15 years;  
 £500 for staff who have completed 15 or more years service,

There is a tax liability on staff who attend these functions. To avoid the University having to record the names of the individual employees who attend the functions, and in order that the employees do not have to meet this tax liability themselves, the University has entered into a PAYE Settlement Agreement (PSA) with H M Revenue & Customs (HMRC). Departments and budget holders should be aware that this additional financial liability will be borne by the Department and, therefore, the cost of the function plus the additional tax liability should be taken into account.

**Procedure**

- The member of staff applies to their HR Advisor for confirmation that the eligibility criteria are satisfied.
- Human Resources will provide written confirmation that the leaver meets the eligibility criteria.
- The hospitality is booked, up to the maximum allowable, through the MMU catering service's on-line food and drink request system and the confirmation, from Human Resources is forwarded, separately, to the Catering Manager as evidence that the event is allowable under this policy. Any costs over and above the amount allowed must be met directly by the leaver and not by the Department or any other University budget. The name of the retiree, together with the number of people catered for must be included in the on-line booking. These should be recorded in the fields 'No. of people' and 'Event' e.g. retirement of {name} This information is required for the University to calculate the correct tax liability.
- Catering provides hospitality for the event and charges the cost to a dedicated general ledger code.
- Staff leaving functions can use any appropriate University-owned building.
- A report will be produced from SAP to enable the tax and national insurance liability to be calculated and recharged to the appropriate department.
- Payment for the tax liability will then be made to HMRC.