

UNIVERSITY OF BIRMINGHAM EXPENSES POLICY

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University of Birmingham Expenses Policy**Contents**

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Key documents that might also be of use:

- **Corporate card policy**
- **Relocation policy**
- **VAT procedure note**

1.0 Introduction

- 1.1 This Expenses Policy provides guidance to all individuals claiming reimbursement of reasonable expenses incurred in connection with University business.
- 1.2 The University of Birmingham is a charity and a large recipient of public funds from Office for Students (formerly HEFCE), grants from other public bodies, charities and fees paid by students. All expenditure should be appropriate and modest in scale.
- 1.3 This policy has been prepared in accordance with Income Tax and National Insurance Contribution regulations and Her Majesty's Revenue and Customs (HMRC) regulations.

2.0 Policy Overview

- 2.1 This policy applies to all our employees that need to spend money for work related activities including from research grants and discretionary accounts as well as departmental source of funds. It is the policy of the University that employees are reimbursed the actual cost of expenses *necessarily* incurred in the performance of the duties of their employment.
- 2.2 Employees are expected to seek value for money when incurring expenditure on the University's behalf and to minimise costs without impairing the efficiency of the University, and obtain the necessary approval before committing University expenditure.
- 2.3 The University's online travel booking provider should be used for the organisation and purchase of business travel.
- 2.4 This policy covers the following areas of expenditure:
- Travel
 - Overnight costs and allowances
 - Telephone and internet costs
 - Entertainment and Hospitality
 - Conferences/ Training Courses
 - Subscriptions
 - Gifts
 - Travel Advances
 - Other Expenditure
 - Expenses that are not allowable
- 2.5 For information required to satisfy VAT requirements, please see the VAT procedure note.

3.0 General Principles

- 3.1 The expense must be justifiable and reasonable according to the information in this policy, and the claim should always be prepared honestly, legally and responsibly. Any breach of the policy could lead to disciplinary action, up to and including dismissal.
- 3.2 Whilst this policy aims to provide comprehensive guidance on reimbursable out-of-pocket expenditure, it is recommended that staff seek advance approval from their line manager in any situation where interpretation of this policy is in doubt.

The expenses process should only be used for travel, subsistence or other related incidental expenses. Goods and services should be ordered via the normal University purchasing process.

- 3.3 It is the responsibility of the claimant to ensure that this expenses policy is upheld; and it should be noted that individual claims falling outside of the policy may be subject to review and/or rejection by Finance.
- 3.4 Scanned copies or photos of receipts must accompany all claims. Credit card slips or credit card/bank statements will not be accepted as evidence of business expenditure. All receipts should include details of what goods or services have been purchased.
- 3.5 Failure to provide sufficient evidence of expenditure could lead to a delay or the claim being rejected. Unless stated in this document, all claims for reimbursement should have supporting information.
- 3.6 It is the responsibility of the individual that items claimed that are externally funded meet the required terms and conditions.
- 3.7 Expenses should be submitted as soon as possible after they have been incurred and must be claimed within three months. If a claim is submitted over three months the expense will not be processed.
- 3.8 If a claimant makes an error with an expense claim and has been reimbursed, the University will recover the amount from them.
- 3.9 Employees who incur a high level of expenses should use a University corporate card. See Corporate Card policy for further information.
- 3.10 Any claims that are submitted and deemed to have contravened this or any other policy will be investigated.
- 3.11 Reimbursement of spouses, partners or other family members is not allowable.

4.0 Authorisation of Expense Claims

- 4.1 Claims will need to be approved by the line manager within Oracle Fusion.
- 4.2 The expense approver confirms that:
 - The expenses were necessarily incurred in the performance of duties
 - The expenses claimed are not payable from another source
 - There is sufficient money in the budget to meet the costs involved
 - Due consideration has been given to achieving value for money

5.0 Travel

General guidance for travelling on University business

- 5.1 The cost of business travel, that is, journeys away from your normal place of work while undertaking University business, can be claimed. The cost of travel, or mileage between home and normal place of work is not allowable.
- 5.2 The cheapest and most efficient way of reaching your destination should be used. Journeys made on rail, bus, ferry, river boat, underground, metro or tram services can be claimed.
- 5.3 The University has a preferred travel supplier for airline, hotel and rail bookings. This supplier should be used for all travel bookings where possible. Access to this service requires registration via the Buying team in Procurement.
- 5.4 Travel Insurance needs to be activated before travelling overseas, travelling in the UK for fieldtrips or travelling on a business trip where there is an overnight stay or air travel involved. Details can be found at www.travel.bham.ac.uk
- 5.5 Current limits and conditions

The below limits must be adhered to:

Expense Type	Condition	Maximum Reimbursement
Mileage – Car	Up to 10,000 Miles	45p per mile
Mileage - Car	Above 10,000 Miles	25p per mile
Mileage - Motorbike	All Miles	24p per mile
Mileage - Bicycle	All Miles	20p per mile
Air Travel	Less than 6 hours	Economy
Air Travel	More than 6 hours	Premium Economy (or Business Economy if Premium doesn't exist)
Subsistence - Breakfast	All Locations	£7 (including VAT and service)
Subsistence - Lunch	All Locations	£10 (including VAT and service)
Subsistence - Dinner	All Locations	£25 (including VAT and service)

The limits below are to be used as a guide, although every effort should be made to utilise the University's travel provider:

Expenses	Condition	Guidance prices
Hotel Accommodation	London	£180 (including VAT)
Hotel Accommodation	UK, outside London	£130 (including VAT)
Hotel Accommodation	Overseas	£180 (including VAT)

Train Travel

- 5.6 These should be standard class unless a heavily discounted first class ticket can be obtained for no more than the standard, or if funded by an external party, they allow it.
- 5.7 If travelling by underground, if a receipt cannot be obtained, full details of the journey including the reason for travel and amount, should be provided.

Taxis

- 5.8 Taxi fares can only be claimed for journeys where:

- Alternative methods of transport are impractical due to pregnancy, disability, illness or injury, luggage, lack of alternatives or similar
- Carrying bulky equipment
- Travelling on a short business related journey before 7am or after 7pm
- Prior approval has been given from the budget holder or line manager

Mileage

- 5.9 If a car, motorcycle or bicycle has been used on a business trip the costs can be claimed using a mileage allowance – that is, a sum of money for every business mile travelled. The University does not reimburse claims based on actual petrol receipts for journeys in a personal vehicle.
- 5.10 It is the responsibility of the individual to ensure adequate personal insurance cover is in place for business use for vehicles belonging to claimants. Personal insurance costs cannot be claimed.
- 5.11 Personal vehicles should not be used for journeys exceeding 150 miles (round trip).

Car Parking

- 5.12 Parking costs incurred in the course of undertaking University business, away from their normal place of work, may be claimed.
- 5.13 If a receipt is not possible, employees should state why and the amount incurred.

Charges

- 5.14 Toll charges paid for in the course of a business journey can be claimed. The name of the toll bridge or road should be included on the expense claim.
- 5.15 City congestion charges may be claimed with appropriate evidence of the charge.

Car Hire

- 5.16 Any hire car should only be used for business purposes.
- 5.17 Any petrol bought solely for business purposes can be claimed. A VAT receipt should be obtained for purchases, a credit card receipt is not sufficient.

Air Travel

- 5.18 Membership of a frequent traveller scheme and potential air miles benefits must not deflect from using the most cost-effective airline option for travel.

Travel Incidentals

Claimants can claim the following goods or services if they are related to the business purpose of the trip:

- 5.19 The cost of obtaining a visa for working abroad on University business.

5.20 The cost of any vaccinations needed for working abroad.

6.0 Accommodation

6.1 When staying in a hotel, all claims for the room cost, breakfast, dinner and relevant necessary incidentals require supporting receipts.

6.2 The cost of accommodation at or near the normal place of work does not qualify as business travel and cannot be claimed.

6.3 Expenditure incurred on newspapers, personal items, pay-per-view programmes and the use of health and fitness facilities, are not allowable.

7.0 Subsistence costs

7.1 Employees who are required to travel on the business of the University are entitled to claim the additional cost of meals taken whilst working away from their normal place of work.

7.2 Costs of food and drink incurred whilst staying away, will be reimbursed on submission of valid receipts, up to current limits.

7.3 In addition to the current limits detailed in this policy, employees may claim for non-alcoholic beverages during the day but the cost of additional snacks will not be reimbursed.

7.4 One alcoholic drink may be claimed with an evening meal.

7.5 Per diems are paid by the University in relation to certain longer term travel requirements as part of the overall location package, please refer to the HR guidance for more information.

8.0 Relocation Expenses

8.1 Please refer to the University's Relocation Guide for further details: <https://intranet.birmingham.ac.uk/hr/international-staff/Relocation.aspx>

9.0 Telephone, Internet and Wi-Fi

9.1 Line rental or hardware costs cannot be claimed for personal mobiles or landlines. Only the cost of business calls on a call by call basis can be claimed, and an itemised VAT bill with the relevant calls highlighted must be provided as a receipt.

9.2 For staff in receipt of a University mobile phone, no claims for business calls, from either a personal mobile or a home landline should be made as calls and line rental are paid directly by the University.

9.3 Short Wi-Fi internet session fees e.g. at airports and hotels while on University business can be claimed, a receipt must be provided.

9.4 Installation of personal broadband cannot be claimed.

10.0 Entertainment and Hospitality

- 10.1 Staff Meetings - Food or drink for two or more members of staff or registered University of Birmingham students may be provided in relation to University business activities, for example working lunches/dinners. Wherever possible, University catering services should be used.
- 10.2 Business Entertaining –For business reasons, as identified on the claim appropriate levels not exceeding £40 per head including alcohol and service can be claimed for. Any higher costs require the approval of the Head of College or Professional Service to be provided with the claim.
- 10.3 A record of all attendees and their organisation names must be included with the claim; this includes any University staff or students attending.
- 10.4 Staff Entertaining – Social Functions - These are events that are not in connection with University business activities e.g. Christmas lunches/parties the University contribution should be no more than £25 per head.
- 10.5 Dress or suit hire is not a claimable expense.

11.0 Other Expenditure

Professional Subscriptions

- 11.1 The University will only reimburse staff, or pay on their behalf, annual subscriptions or memberships to a professional body where either:
- Savings to the University arising from membership, for example reduced conference attendance fees, exceed the cost of membership, or
 - Membership is mandatory in order to be able to teach on a professionally accredited course.
- 11.2 In all cases, the professional body must feature in the list of approved organisations published by [HMRC](#).

Eye Tests for Display Screen Equipment

- 11.3 Where staff are required to operate display screen equipment and undergo an examination by an optician, the University will reimburse the cost of the eye test. Prior approval must be obtained from the line manager.
- 11.4 The University will contribute to the cost up to a maximum of £50.00 towards frames / lenses for those employees that are required to operate display screen equipment.

Full details are available on the Health and Safety web site under the heading Display Screen Equipment Use. The guidance document can be found at <http://www.hsu.bham.ac.uk/univ/hspolicy/7dse.pdf>

Gifts

- 11.5 Gifts for third parties overseas - Small token gifts up to the value of £30 given to third parties overseas may be purchased and, where paid for by the member of staff, reclaimed through the expenses system.
- 11.6 Gifts to third parties in the UK - Gifts to third parties within the UK should normally be “badged” gifts available either from some budget centres, or from retail outlets on campus.
- 11.7 Gifts to employees – Benefits in kind up to a maximum of £50 per person may be claimed in relation to occasions such as retirement, illness and bereavement.

12.0 Travel Advances

- 12.1 In circumstances where considerable expenditure on foreign travel is anticipated, an advance of expenses may be considered where no other payment method is available.
- 12.2 The claimant is required to apply for the advance not less than 10 working days before the money is required and declare the period for which the advance is required.
- 12.3 An advance will not be issued if the member of staff already has an advance outstanding from a previous trip. Advances must not be carried over from one trip to the next.

13.0 Exclusions

Although not exhaustive, the following items are not to be claimed through expenses:

- Stationery
- Equipment
- Books, journals or periodicals
- Uniforms
- Conferences and training courses