

BANGOR UNIVERSITY
FINANCIAL PROCEDURE

Title:	Employee Travel and Expenses Policy
Ref:	FINP 002
Applies to:	Bangor University
Operative date:	20 th March 2023
Status:	Approved by the Executive 01 February 2023
Replaces:	1 st August 2022
Summary:	This procedure sets out the University's policy for the reimbursement of employee travel and business expenses.

1.0 Introduction

- 1.1 The information and instructions contained in this section are for the guidance of all employees and, where appropriate, students, lay members of Council, external examiners and candidates for interviews claiming expenses.
- 1.2 The policies have been prepared in the light of the Income Tax and National Insurance Contributions (NIC) regulations to meet HM Revenue and Customs (HMRC) and comply with taxation legislation.
- 1.3 These procedures apply to claims for reimbursement and to purchases made using corporate credit cards.
- 1.4 Provided the procedure is followed unless otherwise stated, no additional tax or National Insurance Contribution liability will arise to the employee or the University and employees need not report details in their tax returns.
- 1.5 Where an expense claim is contemplated in respect of any item not included in this procedure, or an employee has a query relating to the payment of their expenses under this policy, the matter must be referred, in the first instance, to their line manager, who may refer to Finance Services team for guidance. In the event of an employee, by force of circumstance, exceeding the expense limits set out in this policy document, they may, through the relevant Head of School/Department, bring a case forward to the Chief Financial Officer detailing the circumstances. The Chief Financial Officer may at their discretion waive financial regulations in appropriate circumstances.
- 1.6 In cases where there is any uncertainty over the taxation treatment of expense claims, it is important that any contact with HM Revenue and Customs is conducted by the Finance Services team.
- 1.7 At the end of each tax year, the University will prepare a statement in respect of employees who have received taxable expenses and benefits, giving details of all such payments made in that year. A copy of this statement will be issued to employees. A report on form P11D will then be made to HM Revenue and Customs in order that tax due from the employee can be assessed and collected.
- 1.8 All University employees who are required to travel in order to fulfil their duties are required to seek approval from their line manager. Approval is required to be away from the University and to seek a budgetary allocation in order to cover the anticipated cost incurred, in line with normal departmental practices.

2.0 Expense Reimbursement Procedure

- 2.1 It is the policy of the University that employees are reimbursed the actual cost of expenses incurred wholly, exclusively and necessarily in the performance of the duties of their

employment. Employees are expected both to seek good value for money without impairing the efficiency of the University and to consider the environmental impact of travel.

- 2.2 Reimbursement will normally be made only on the production (or upload) of original receipts or invoices; credit card vouchers must normally be supported by the original itemised bill or receipt. Round sum allowances/expenses will not be accepted. Once the on-line expenses system is in operation, original receipts and documents should be scanned and uploaded.
- 2.3 Expenses incurred on behalf of the University are to be recorded on the Travel and Subsistence claim form, corporate credit card statement or online expenses system irrespective of the source of funding.
- 2.4 Expense claims must normally be submitted as soon as possible and no later than three months after the date on which the expense was incurred.
- 2.5 Travel and Subsistence claim forms are not to be used for the purchase of equipment or supplies for university activities and, wherever possible, goods and services should be ordered using a University Purchase Order or Purchasing Card.
- 2.6 If a payment is made in advance of an event and that event is cancelled, any associated refunds must be paid back to the University promptly.
- 2.7 Where items are denominated in foreign currencies, these shall be converted to sterling at the actual rate(s) when the expenses were incurred and claims should be supported by evidence of the rates used.
- 2.8 All expense claims will be verified for accuracy and authorised by the claimant's line manager. This is a basic internal control procedure and, in providing an independent check, acts to protect the interests of the claimant against any possible allegation of irregularity. The Vice-Chancellor's claims will be authorised by the Chair of Council.

3.0 Travel and Subsistence General Provisions

- 3.1 Except as otherwise provided below, employees may claim only the costs of necessary business travel. All staff should seek to travel by the most appropriate form of travel considering length of journey, cost and the impact on the environment.
- 3.2 Any insurance/compensation payments received by the University as a result of travel delays are for the benefit of the University and payment will only be made to a member of staff if additional personal costs can be substantiated.

4.0 Business use of own vehicle and mileage allowance.

- 4.1 A mileage rate payable to all staff for authorised use of their own private car on University business is reviewed annually. Mileage allowance is payable at £0.45 per mile for the first 10,000 miles in any tax year and at £0.25 per mile thereafter. The mileage allowance payment is made free of tax, if the following guidelines and regulations are adhered to.
- 4.2 All journeys away from the normal place of work on business may be regarded as business journeys.

When travelling from home to a business destination, the mileage claimed should be the lesser of the:

- a) the mileage between the normal place of work and the business destination or,
- b) the actual mileage from home to the business destination.

- 4.3 A single journey is defined as a return journey from either home or permanent workplace (or a combination thereof) to a temporary site/location.
- 4.4 Staff who choose to travel by motorcycle or bicycle will be reimbursed at £0.24 per mile for a motorcycle and £0.20 for a bicycle, for each business mile incurred.
- 4.5 Ordinary commuting (any travel between a permanent workplace and home) or any other place which is not a workplace, cannot be claimed
- 4.6 Where an employee travels to/from a temporary site directly from/to home this will qualify for payment without the deduction of tax if there is a clear necessity for them to visit that site.
- 4.7 Where the temporary site is close to one's normal permanent workplace whereby a significant proportion of the journey can be considered as ordinary commuting, mileage allowance is not reimbursable. HMRC define "close" (to permanent workplace or home) as being within 10 miles.
- 4.8 Where an employee performs substantive duties of their employment at home as an objective requirement of the job, they should make enquiries with Finance Services as to whether they may be able to claim mileage from home to the workplace in line with HMRC guidance. Working from home will not be seen as an objective requirement if the employee works from home as a matter of choice (e.g. dynamic working). Staff contractually based from home will be able to claim their travel to the University campus.
- 4.9 All staff using their own private vehicle on behalf of the University must notify their motor insurers and maintain appropriate insurance cover for business use.

5.0 Hire Cars

- 5.1 Consideration should be given to the use of a hired vehicle from the University's recommended suppliers in circumstances where it may be cheaper than use of a private one. The cost of fuel may be reclaimed through the expenses system with the relevant receipts. If no suppliers are close to the contractual place of work then staff should use another local provider.

6.0 Rail Travel

- 6.1 All members of staff should travel by the most appropriate method arranged via the appointed preferred travel booking agent. Standard class travel is normally expected to be appropriate. However, if business requirements are such that undertaking work whilst travelling is important, then staff may request that they travel by first class. This is allowable at the discretion of Heads of School or Heads of Department. Staff at Head of Department level and above may use their own discretion as to whether first class travel is appropriate for their own travel.
- 6.2 Where the preferred supplier is not used, full details of the journey, including date, reason for journey, starting, intermediate points and destinations, must be recorded for each journey on the Travel and Subsistence claim form along with the cost of tickets claimed (ticket counterfoils to be attached) priced out to a total.

7.0 Air Travel

- 7.1 All members of staff should travel by the most appropriate available method arranged via the appointed preferred travel booking agent.
- 7.2 Economy class flights are normally expected to be appropriate. However, in certain circumstances premium economy or business class travel may be appropriate. The decision on whether premium economy / business class travel is to be permitted should be made by the

appropriate Dean of College for academic departments and the appropriate Chief Officer for Professional Services staff, considering:

- the length of the flight
- whether the flight is non-stop, or involves a stop (as opposed to a stop-over)
- the overall itinerary, in particular, the scheduling of work requirements on arrival
- the frequency with which the member of staff is required to undertake long-haul air travel on behalf of the University
- the opportunity to undertake work whilst in flight (senior staff are expected to have more scope for this)
- any relevant medical conditions

7.3 The University has a recommended and preferred travel booking agent and air travel arrangements will be booked with this agency unless a cheaper fare is available through booking direct with a scheduled / low-cost airline, normally via a Purchasing Card.

8.0 Car Parking

8.1 Parking costs incurred while travelling away from home in the performance of the duties may be claimed. Where there is a cost of parking at the normal place of work such costs may not be claimed.

9.0 Hotel Accommodation

9.1 Employees travelling on business should obtain accommodation in a reasonable quality/business style hotel and should normally stay in a standard room rather than an upgraded or superior room. When booking a hotel, the University's recommended travel booking agent should normally be used unless a cheaper alternative is available through booking direct with a hotel or through a recognised online booking agent normally via Purchasing Card.

9.2 Normally, Airbnb should not be used. The University has a legal duty to ensure the safety and health of staff and students travelling on University business. Because of the way Airbnb runs, it is very difficult to uphold that duty. Travellers may end up in sub-standard accommodation or in places/parts of town that might not be considered safe or places that do not satisfy fire safety regulations.

10.0 Subsistence (including meetings and entertainment)

10.1 Employees who are necessarily more than 10 miles away from their normal place of employment, home or other University locations on University business for more than three hours over a recognised mealtime are entitled to claim for the additional costs incurred in purchasing meals and any other reasonable out-of-pocket expenses. The payments should be supported by receipts and claimed on the Travel and Subsistence claim form priced out to a total. The costs of a subsistence meal should not normally exceed £40 for an evening meal and £10 for other meals, except for breakfast purchased in hotels. The cost of non-alcoholic refreshments between meals is allowable, provided the costs are reasonable.

10.2 Subsistence allowances may not be claimed by employees who travel from their normal place of work to another University site.

10.3 Refreshments or working lunches should be ordered through Commercial Services when they are a necessary part of a meeting.

- 10.4 On occasion, senior staff may conduct evening University related meetings including an evening meal. Such meetings should normally be held in the University's own catering facilities and normal subsistence rates will apply.
- 10.5 The University will not reimburse costs incurred on hospitality offered at the home of members of staff. Nor will it reimburse gifts or financial contributions in recognition of hospitality offered by third parties to members of staff, for example where members of staff stay in the homes of friends in the locality of University business visits. Both of these are deemed by the University to be private arrangements.
- 10.6 On occasions when a member of staff is required to work away from the University and is joined at that location by a partner, then in such cases, where a hotel room is shared there is a requirement that the cost claimed should be no more than the cost of a standard room with single occupancy.

11.00 Catering

- 11.1 The University provides catering services in-house and it is expected that schools/departments utilise these services rather than seek external suppliers in line with the 'Keep it on Campus' policy.
- 11.2 It is, therefore, a requirement that all catering services provided by the University to staff, students and visitors on University premises, must be provided by the in-house Commercial Services Team.
- 11.3 In circumstances where Commercial Services cannot provide on-premises catering services or catering is to be provided away from the main campus, please refer to 12.0 below.

12.0 Provision of Hospitality/Business Entertainment

- 12.1 The University recognises that there may be occasions when it is appropriate to provide hospitality to guests and stakeholders of the University.
- 12.4 All entertaining must be authorised by the line manager before it is incurred unless there are acceptable unforeseen circumstances.
- 12.5 Where the provision of hospitality is offered to visitors to the University, one of the following should normally be used:
- Commercial Services (Teras Restaurant, Pontio etc.)
 - The Management Centre
 - Menai Science Park
- 12.8 Necessary University business hospitality costs (including gratuities) will be reimbursed on production of receipts. These costs should not normally exceed £40 per head.
- 12.9 Wherever possible, the internal ordering and recharging system should be used and the above information will be included on the internal invoice. Where it is not possible to use these arrangements, the Travel and Subsistence claim form can be used with the hospitality form attached.
- 12.10. On some occasions, it may be appropriate for a spouse of a member of staff to attend hospitality and entertainment events, particularly if a guest is attending with their spouse. Attendance of spouses should be agreed in advance by the relevant line-manager.

13.0 Professional Subscriptions

- 13.1 The University will not normally bear the cost of any personal subscriptions unless the subscription to the organisation in question requires a named individual to subscribe on behalf of the University or where a personal subscription gains a specific benefit that is open to a group of staff in the University.
- 13.2 Requests for payment of personal subscriptions, which are brought forward under this regulation, should be submitted through the normal process and supported by a Professional Subscription form which must be annotated and signed by the Head of Department to confirm how the subscription is of a wider benefit to the University.
- 13.3 The University will not bear the cost of personal subscriptions which are a requirement of the post-holder fulfilling the requirements of the post such as membership of accountancy bodies for professional accounting posts.

14.0 Advances and foreign currency

- 14.1 Where an individual member of staff has to incur substantial personal expenditure in relation to travel and would suffer financial hardship through a delay in reimbursement caused by the duration of the visit, the University will, on request, to make an advance payment to a member of staff. Such requests must be approved by the line-manager. It is a condition of making an advance payment that vouchers must be obtained to substantiate expenditure, that a detailed expense form is completed for the amount spent, and that any unspent amounts are returned to Finance Services.
- 14.2 Advances are not intended for small amounts of foreign currency. Staff are expected to exchange their own currency and the University will fully reimburse the exchange costs, which should be shown on the receipts provided with the claim.

15.0 Staff Social Events

- 15.1 The cost of the entertainment of staff at a Christmas party or equivalent annual function will be determined by the Chief Financial Officer, who will determine the limit each year that may be charged to University funds.
- 15.2 Refreshments for internal events such as staff leaving events should be obtained through Commercial Services and may be met by the University.

16.0 Costs of working from home (Dynamic Working)

- 16.1 The University will provide reasonable equipment to support dynamic working and formal working from home agreements. Equipment should be ordered through normal University systems such as through the Digital Services team.
- 16.2 If any equipment is provided, this remains the property of the University.