

Company Name

Employee Expenses Policy

1. Purpose

- 1.1 This Policy provides guidelines and rules governing expenses incurred by employees of [*insert name of Company*] (the **Company**).
- 1.2 The Company shall reimburse any and all expenses which are detailed in, and approved in **accordance** with, this Policy.
- 1.3 The aims of this Policy are:
 - 1.3.1 to ensure that all expenses incurred by employees are reimbursed in a fair and timely manner;
 - 1.3.2 to ensure that the Company complies with its legal and tax obligations;
 - 1.3.3 to prevent corrupt practices both internally and externally including, but not limited to fraud and bribery; and
 - 1.3.4 to control costs and expenses within the Company.

2. Expenses

- 2.1 Employees may claim expenses for the following approved activities only:
 - 2.1.1 Travel;
 - 2.1.2 Accommodation;
 - 2.1.3 Subsistence;
 - 2.1.4 Entertainment and hospitality;
 - 2.1.5 Training;
 - 2.1.6 Membership of professional bodies;
 - 2.1.7 Business-related personal expenditure;
 - 2.1.8 [**add any additional expense types**]
- 2.2 If you anticipate an expense that is not explicitly covered by this Policy or you are uncertain as to whether you would be eligible for reimbursement you should consult with [*insert name and job title*] before making the payment and/or claiming the expense.
- 2.3 Entertainment and hospitality expenses and any other expenses incurred in relation to third parties who are external to the Company should be treated with care at all times in light of the requirements of the Bribery Act 2010. All employees and associated persons must ensure that they are familiar with, and comply with, the Company's Anti-Bribery and Hospitality & Gifts Policies.

3. Rail Travel Expenses

- 3.1 For all journeys within the UK the following rules apply:
 - 3.1.1 For all journeys less than [*insert amount of hours*] standard / second class should be used; and
 - 3.1.2 For all journeys exceeding [*insert amount of hours*] first class may be used.
- 3.2 For all journeys outside the UK or those beginning within the UK and ending outside the UK the



following rules apply:

- 3.2.1 All bookings for such journeys must be made in consultation with **[insert name and job title]**;
- 3.2.2 For all journeys less than **[insert amount of hours]** standard / second class should be used; and
- 3.2.3 For all journeys exceeding **[insert amount of hours]** first class may be used.

4. **Air Travel Expenses**

- 4.1 Air travel within the UK shall be permitted only where the destination is not part of the UK mainland (e.g. Northern Ireland, Orkney Islands etc.), where air travel is cheaper than the equivalent permitted rail fare, or with the prior approval of **[insert name and job title]**.
- 4.2 For all flights outside the UK or those beginning within the UK and ending outside the UK the following rules apply:
 - 4.2.1 All bookings for such journeys must be made in consultation with **[insert amount of hours]**;
 - 4.2.2 For all journeys less than **[insert amount of hours]** economy class should be used;
 - 4.2.3 For all journeys between **[insert amount of hours]** premium economy class (or equivalent) may be used;
 - 4.2.4 For all journeys exceeding **[insert amount of hours]** business class (or equivalent) may be used; and
 - 4.2.5 First class may only be used in cases where a complimentary upgrade from another class is offered or with the prior approval of **[insert name and job title]**.

5. **Car Travel Expenses**

- 5.1 The following mileage rates shall apply to all employees:
 - 5.1.1 Company car drivers = **[insert amount]** / per mile;
 - 5.1.2 Car allowance recipients = **[insert amount]** / per mile; and
 - 5.1.3 Private car drivers = **[insert amount]** / per mile for up to 10,000 miles in each tax year and **[insert amount]** / per mile for mileage exceeding 10,000 in each tax year.
- 5.2 Employees shall at all times pay for private journeys. [Where an employee has been issued with a fuel card private mileage must be reimbursed to the Company at the rate of **[insert amount]** / per mile.]
- 5.3 Employees may not claim for mileage incurred on journeys to or from their home and place of work. [For employees with fuel cards, any such mileage shall be deemed to be private mileage and thus must be reimbursed to the Company as under sub-Clause 5.2.]
- 5.4 Under no circumstances will the Company pay any fines arising out of any Road Traffic Act offences.
- 5.5 [The Company shall arrange and pay for the servicing of all company cars.] **OR** [Company car drivers shall be responsible for arranging the servicing of their company cars. The Company shall reimburse employees for the costs of servicing company cars provided such costs are commensurate with average servicing costs within the authorised dealer network of the relevant vehicle manufacturer.]
- 5.6 Car allowance drivers shall be responsible for arranging the servicing of their cars. The Company shall not reimburse employees for the costs of servicing their cars.



6. Accommodation Expenses

- 6.1 The Company shall reimburse employees for the reasonable costs of overnight accommodation.
- 6.2 [The Company has negotiated reduced rates with **[insert name and contact details of relevant hotels]**. Whenever it is reasonably possible and practical to do so, employees must use those hotels.]
- 6.3 Reasonable subsistence may be claimed for overnight stays. [No set limits apply to claims for meals, however employees are expected to adopt a common-sense approach to such costs and the Company will not reimburse employees for any such costs which are deemed to be extravagant or unnecessary.] **OR** [The following limits shall apply to claims for meals:
- 6.3.1 Evening meal = up to £**[insert amount]**;
 - 6.3.2 Breakfast = up to £**[insert amount]**; and
 - 6.3.3 Lunch = up to £**[insert amount]**.]
- 6.4 Reasonable subsistence may be claimed for occasions where an employee is working away from their normal place of work but not on an overnight stay. The following criteria must be satisfied in order for such claims to be made:
- 6.4.1 The employee must be at least **[insert distance]** away from both their normal place of work and their home (and may not travel further from the location at which they are working in order to qualify to make a claim);
 - 6.4.2 The employee must be away from their normal place of work for at least **[insert period of time]**;
 - 6.4.3 For breakfast expense claims, the employee must have started their journey before **[insert start time]**;
 - 6.4.4 For evening meal expense claims, the employee must still be at the location at which they are working for work purposes after **[insert time]** (and at least **[insert amount of hours]** must have elapsed prior to that time).
- 6.5 For subsistence claims arising under sub-Clause 6.4, [no set limits apply to claims for meals, however employees are expected to adopt a common-sense approach to such costs and the Company will not reimburse employees for any such costs which are deemed to be extravagant or unnecessary.] **OR** [The following limits shall apply to claims for meals:
- 6.5.1 Evening meal = up to £**[insert amount]**;
 - 6.5.2 Breakfast = up to £**[insert amount]**; and
 - 6.5.3 Lunch = up to £**[insert amount]**.]
- 6.6 All claims for the costs of subsistence must be supported with full receipts.
- 6.7 The Company shall reimburse employees for reasonable overnight incidental expenses which may include, but not be limited to, drinks, newspapers, laundry, and personal telephone calls. The following limits shall apply to claims for such expenses:
- 6.7.1 For overnight stays within the UK = £**[insert amount]** / per night; and
 - 6.7.2 For overnight stays outside the UK = £**[insert amount]** / per night.

7. Entertainment and Hospitality Expenses

- 7.1 The Company shall reimburse entertainment and hospitality expenses provided such claims:

- 7.1.1 are for reasonable entertainment and/or hospitality which is not excessive, is otherwise commensurate with the practices of other businesses in our sector, and is in compliance with the Company's Gifts and Hospitality Policy and its Anti-Bribery Policy;
 - 7.1.2 clearly state a valid business purpose for the entertainment and/or hospitality;
 - 7.1.3 detail the time, date, and location of the event and/or hospitality; and
 - 7.1.4 provide the name, status and employer (whether the Company or another business) of all persons entertained.
- 7.2 Where the entertainment and/or hospitality is for the benefit of Company employees alone, the expense shall be classed as "Employee Entertainment". Where the entertainment and/or hospitality is for the benefit of third parties including, but not limited to, customers and suppliers, the expense shall be classed as "Hospitality Entertainment". Hospitality Entertainment shall also include the costs of accommodation and meals where such hospitality is provided to third parties including customers and suppliers of the Company. In cases where Hospitality Entertainment is provided but the number of Company employees present exceeds the number of third party persons present, the costs incurred by that excess shall be classed as "Employee Entertainment".
- 7.3 Where more than one employee is present it shall be the responsibility of the most senior employee present to pay any and all bills.
- 7.4 The Company shall be responsible for bearing the tax liability for all Staff Entertainment including in-house lunches and other reasonable Staff Entertainment (subject to the exception of the staff Christmas party which shall incur no tax liability up to an average of £150 per person. The Company shall bear the tax liability of any costs exceeding that level).
- 8. Training Expenses**
- 8.1 The Company shall reimburse (or pay for in advance, as appropriate) the costs of any authorised training which is relevant to a given employee's job role.
- 8.2 The costs of travel and accommodation related to any such training shall be governed by the normal rules relating to business travel and accommodation set out in Clauses 3 to 6 of this Policy.
- 9. Membership of Professional Bodies and Associations**
- 9.1 The Company shall cover the costs associated with employees' membership of professional bodies where such membership is required by law and/or is in the interests of the Company.
- 9.2 In the event that subscriptions paid for the membership of professional bodies are taxable, the Company will [not] bear the tax liability for the same.
- 10. Personal Expenditure for Work Purposes**
- 10.1 Reasonable telephone calls made for business purposes using an employee's personal telephone shall be reimbursed by the Company on submission by the employee of the relevant telephone bill.
- 10.2 Reasonable personal expenditure on equipment for business purposes shall be reimbursed by the Company [provided such expenditure receives the prior approval of *[insert name and job title]*].
- 10.3 *[insert any other expenses that can be claimed by staff]*
- 11. Claiming Expenses**
- 11.1 Each employee is responsible for submitting carefully completed expense claims to *[insert*

name and job title]. For a claim to be valid, the employee must submit original receipts for all claimed expenses together with the appropriate completed expenses form.

- 11.2 Employees must keep copies of all relevant receipts and all completed expenses ***forms*** for at least ***[insert amount of time]*** and may be required to produce the same at any time during his/her employment with the Company.
- 11.3 Expenses claims must be submitted ***[insert when expense claims must be submitted by for payment]***.
- 11.4 If an employee is unsure whether any planned or incurred expense is eligible for reimbursement, he/she should consult ***[insert name and job title]***.
- 11.5 In the event that a purchase is made before consultation under sub-Clause 11.4 and a subsequent consultation reveals that the expense so incurred is not covered by this Policy, the employee who has made the payment/purchase will be required to cover the cost from their personal funds.

This policy has been approved and authorised by:

Name:

Position:

Date:

Signature:

This document is for general information purposes only. While we endeavour to keep the information up to date and correct, we make no representations or warranties of any kind, express or implied, about the completeness, accuracy, reliability, or suitability with respect to the content of this document.

In no event will we be liable for any loss or damage including without limitation, indirect or consequential loss or damage, or any loss or damage whatsoever arising from the use of the documents.

