

Expense Policy change summary and FAQs

The expenses policy can be found [here](#)

The primary changes, effective as of 27 November 2023, are:

- **Increases in UK accommodation and subsistence rates** put us towards the top end of benchmarked HEIs with an additional increase of 10% to offset the impact of recent inflation. Unreceipted rates have also been increased in line with HMRC guidance. The new rates are summarised below.
- **Introduction of an aggregate 24-hour rate for UK subsistence** to allow further flexibility across meals for staff staying away for at least 24 hours.

Changes to UK rates are summarised below :

Daily rate (UK)	Current (£)	Revised (£)
Breakfast	10	11
Lunch	7	16
Dinner	20	33
24-hour rate	N/A	Up to 60
Unreceipted rate – 24 hour	20	25
Hotel (London)	180	190
Hotel (out of London)	126	130

- **Removal of fixed limits for overseas accommodation and subsistence**, and replacement with a framework of expected standards to guide future claims. This will enable greater flexibility and discretion when travelling and allow a consistent standard of support across destinations with varying economic conditions and costs of living.
- **Adjustment to the childcare policy** to allow staff to claim in line with their research funder's allowance rather than a set amount per head. This will allow staff to access the full benefit of these allowances without the current risk of grant expenditure being deemed ineligible due to exceeding current fixed rates.

1. Is advance budget holder / line manager authorisation necessary for overseas trips?

Yes. This is a central requirement of UCL's [Travel Policy](#) (section 2.1), replicated here to ensure consistency and clarity for staff. The Travel Policy was established by a combined Academic and Professional Services working group in late 2020 and the policy was last refreshed in January 2023. The need for advance approval was tested again as part of this expenses policy refresh and re-confirmed as a requirement - in part to protect staff and provide assurance that expenses incurred will ultimately be recoverable.

2. What steps should be taken in getting sign off for travel plans?

- a. Estimate the outline costs for the length of travel planned using the rates in the policy and ensure the availability of appropriate budget.

- b. Obtain appropriate budget holder approval as per the [Travel Policy](#) – we recommend this is done by email and included in the claim.
- c. Consider if there any other required policy approvals to be obtained e.g. due to the class of travel required, not using Clarity to book (3.1.2 travel policy).
- d. Check that the trip is in line with funder T&C's where relevant e.g. is the person travelling named on the research project, is the class of travel allowed. Rules for some major funders can be found [here](#).

3. What if the budget holder wants to travel?

The budget holder has responsibility for decisions on the use of their funds, however it should be remembered that claims will need to be approved once submitted. It is recommended that potential claims should be discussed ahead of travel if there is any doubt around their eligibility under the policy.

4. How do the changes to overseas travel work in practice/I cannot find where I am staying on the HMRC list?

We are no longer using fixed GBP rates for overseas travel but instead are allowing more flexibility to reflect the wide range of destinations and associated currencies that our staff travel to. The key requirement is that costs must remain justifiable, reasonable and represent value for money.

[HMRC's published rates](#) for different destinations ([Currency conversion tool](#)) should be the key benchmark used - costs within these rates are a good indication that the costs meet the requirements above.

The HMRC list is not exhaustive however and if a particular country is not listed, they recommend using the closest city either in the country of travel or geographically. The overarching guideline is that staff should get a hotel/meal of an equivalent standard to those available in the UK under the set UK rates.

<https://www.gov.uk/guidance/expenses-rates-for-employees-travelling-outside-the-uk>

5. If HMRC rates only represent guidance for overseas subsistence, why does the policy still set fixed rates for UK meals?

HMRC rates are not exhaustive and a standards-based policy needs a fixed point of reference for assessing reasonableness across various destinations (which the UK rates provide). We are also able to monitor the cost of living in the UK far more easily than in other countries, and an annual review of the UK rates will ensure they remain appropriate.

6. What is the new UK 24-hour rate and how does it work?

The 24-hour rate can be used for UK travel where there is an overnight stay and 3 meals are being claimed in a single day. Staff can claim for the costs of all meals in that day in one go rather than having to claim for each separately with flexibility over how the aggregate 24-hour allowance is allocated across the three meals (subject of course to the overriding requirement that meals are reasonable and represent value for money). Costs cannot be claimed for twice if a meal is provided for within another rate e.g. breakfast in the hotel rate and all costs must be receipted. Some example scenarios:

1. Overnight stay for 4 nights, no meals included in hotel or conference rates:

Use up to the 24-hour rate of £60 based on receipted spend.

2. Overnight stay for 4 nights, however breakfast is included in the hotel rate:

The 24-hour rate cannot be used – claim for each lunch and dinner separately based on receipted spend.

3. Overnight stay for 4 nights, no meals included in hotel or conference rates, however missing receipts for 1 day:

A maximum of £25 may be claimed for meals taken on the day of missing receipts. Use up to the 24-hour rate with the value of actual receipted spend for the others.

7. How to use the 24-hour rate when claiming?

The expense type Meals 24-hour (UK) subsistence can be selected where 3 meals are being claimed for whilst staying overnight in the UK.

- The 24-hour rate should be selected for each day of stay e.g. there will be 2 separate lines required if staying away for 2 nights and no line should therefore exceed the maximum daily rate of £60.
- Select the date being claimed for under the start date field.
- Receipt amount should be the total value of the 3 meals being claimed for.
- Receipts can be added as separate files for each day or as one file to cover multiple days so long as there is an obvious way to reconcile the amounts being claimed for back to receipts.

The screenshot below illustrates scenario 3 from FAQ 6:

Select Claim Lines: Duplicate Remove Show Receipt Currency +						
<input type="checkbox"/>	Line	Date	Amount Claimed	Expense Type	Justification	
<input type="checkbox"/>	1	09-Oct-2023	59.00	Meals - 24-hr UK (Subsistence)		
<input type="checkbox"/>	2	10-Oct-2023	48.00	Meals - 24-hr UK (Subsistence)		
<input type="checkbox"/>	3	11-Oct-2023	60	Meals - 24-hr UK (Subsistence)		
<input type="checkbox"/>	4	12-Oct-2023	25	Meals - 24-hr UK (Subsistence)	No receipts	

8. Are the allowances for individual meals transferrable (e.g. having a larger lunch and smaller dinner)?

Where staff are travelling for more than 24 hours, they may be allowed to use the 24-hour rate and claim up to £60 per day based on actual, receipted spend (see above).

Otherwise, the rates for individual meals in the UK are fixed and cannot be transferred.

There are no set rates for overseas travel under the new standards-based approach and so again discretion is allowed.

9. Does the expenses policy allow for incidental subsistence (i.e. bottled water) outside of meal-time?

Yes. Existing policy guidance for 'incidentals' ([section 5.5](#)) allows for this. Certain incidentals such as newspapers, bar drinks, hotel health and fitness facilities will always fail to satisfy the conditions for reclaim but items such as bottles of water could certainly be seen as justifiable and reasonable so long as they are receipted and spend is in line with the guiding principles of the expenses policy.

10. What is the best way to pay for travel costs?

Hotel and airfares should go through UCL's travel preferred supplier, Clarity, as per UCL's [Travel Policy](#) unless exception is granted under section 3.1.2 of that policy. This will avoid any need to incur and reclaim costs personally.

Corporate cards may be used for local travel expenditure where there are unavoidable changes in itineraries and immediate payment is essential. They may also be used for subsistence, accommodation, local travel, motoring, and other payments where immediate settlement is essential. All spend must be consistent with UCL's policies.

11. When will the rest of the policy be updated/ When will these rates next be reviewed?

The changes to subsistence and accommodation have been prioritised based on feedback from the community as the most urgent need, however a full review of the policy is to follow in the first half of 2024. We will be reviewing the UK rates annually in future as well.

12. What can I do to avoid any risk of delayed payment/irrecoverable costs/items being reviewed as policy violations

- Check funder terms and conditions for allowable expenditure e.g. UKRI will not allow the purchase of alcohol with meals.
- Attach appropriate approvals, using the correct rates.
- Add appropriate invoice or itemised VAT receipt (credit card statements are not appropriate support). Numbering receipts to match the line being claimed for (e.g. 'Line 1 receipts.jpg' or by writing on the receipts) can greatly assist the approver and reduce the chance of queries delaying a receipt.
- Use the description field to support the approver in understanding the claim e.g. number of rooms being claimed for
- Ensure the correct number of nights is selected for hotel stays in the mandatory field.

There will be more spot checking of claims in future and claimants may be contacted as a result to understand more about their claim by the Accounts Payable team.

13. Will my budget be increased to reflect these new rates?

No. Travel costs will still need to be informed by, and contained within, existing operational budgets or research funding envelopes.

14. What happens if I don't have my receipts?

UCL requires receipts for all expenses claims but there is some provision for exceptions where receipts can't be obtained. The receipts missing box should be checked in the claim and staff may then claim £5 for breakfast, £5 for lunch and £15 for dinner, totalling £25/day whether it is UK or overseas travel.

15. Who to contact with queries/feedback on these changes?

As noted, we will be monitoring the impact of these changes and there is a wider policy review planned for 2024.

One Desk should be the first point of contact for any queries that cannot be addressed locally. Accountspayable@ucl.ac.uk

Specific feedback will be collected but may not be responded to. We will be updating the FAQs based on feedback received however and may contact you for further clarification and input.

16. Can I claim for costs already incurred prior to the launch of these changes at the new rates?

The rates are effective for travel planned from the date of the policy change and cannot be backdated for prior claims in progress or paid.

17. I am not sure if a submitted claim is appropriate for approval.

Look at the guidance within the policy. If still unsure, then it is worth discussing with other expenses approvers or appropriate senior management (e.g. Department Manager).