



KEELE UNIVERSITY

PROCEDURES FOR THE REIMBURSEMENT OF TRAVEL  
SUBSISTENCE AND OTHER ALLOWANCES

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# 1 PROCEDURES FOR THE REIMBURSEMENT OF TRAVEL AND SUBSISTENCE

## 1.1 Introduction

- 1.1.1 The University Financial Regulations and these Procedures must be adhered to at all times, see section **9.6 Travel, Subsistence and Other Allowances** within the Financial Regulations for further information
- 1.1.2 Travel by claimants is an essential element in meeting the University's overall objectives. It accounts for a significant proportion of the University's running costs and the University is required to ensure that this money is disbursed in accordance with a policy and procedures aimed at fairness and good value for money.
- 1.1.3 The University also needs to demonstrate to Her Majesty's Revenue & Customs (HMRC) that adequate controls are in place to ensure compliance with HMRC rules and regulations.
- 1.1.4 These Procedures will apply to all employees, members of the Council and any other persons (herein after collectively referred to as claimants) who are travelling on official business on behalf of the University.
- 1.1.5 All non-staff claimants should be informed at the time of appointment or commission of the staff grade to which they will be equated solely for the purpose of applying these Procedures. It should be made clear, in writing, that this in no way implies that they are employees of the University.
- 1.1.6 The Procedures:
- Define the University's procedures relating to business travel expenditure.
  - Provide guidance on the types of expenditure that can and cannot be reimbursed by the University.
  - Inform claimants and those approving expenses of their responsibilities when claiming, controlling and reporting travel expenditures.
  - Aim to relieve claimants from the need to declare travel expenses in their income tax returns.
  - Aim to provide the framework for a quality travel service that meets the needs of the University.
- 1.1.7 The reimbursement of staff expenses will be made via the Accounts Payable system, usually on the penultimate working day of the month.

## 1.2 Definition of Business Travel

- 1.2.1 A business journey is one necessarily undertaken by a claimant to carry out his or her duties on behalf of the University, or to attend training courses or conferences necessary for the performance of those duties. Any travel between the permanent workplace and a temporary workplace or travel between home and a temporary workplace or travel between two temporary workplaces is considered as business journey.
- 1.2.2 In contrast, the cost of travelling from home (or any other place the claimant attends for personal reasons such as the home of a friend or relative) to a permanent place of work is generally not claimable as this is regarded for income tax purposes as “substantially ordinary commuting” and therefore a private journey. The University will reimburse the cost of these journeys only where there is an authorised standing arrangement for special circumstances such as emergency call-outs. Any payment will always be subject to income tax.
- 1.2.3 Expenses incurred during a business journey may be reclaimed from the University within the rules and limits of these Procedures. The amounts so claimed generally attract no tax liability (see Annex F: Income Tax Liability on Travel).
- 1.2.4 Mileage claims for business journeys should be for the lesser of:
- (a) Keele/Normal place of work to the destination
  - OR
  - (b) Home to the destination

## 1.3 Promotional Incentives

- 1.3.1 The purchasing decision shall not be influenced by any promotional incentives such as airline mileage credits or personal cash credit card discounts or rebates. Claimants should not benefit personally from any promotional incentives but should use them to offset the cost of the current or future business journeys. The use of air mile credits for private travel is an unacceptable personal benefit from expenditure of public funds.

## 1.4 Partner’s Expenses

- 1.4.1 Partners, spouses or other persons not connected with the University shall not travel at the University’s expense except when their presence is required and authorised for a bona fide business purpose. In all cases the Budget Holder or his or her authorised nominee (hereinafter referred to as the Budget Holder) and the Director of Finance & IT must give authorisation in advance as described in section 9.6.5 of the Financial Regulations. Retrospective authorisation will not be accepted.
- 1.4.2 A partner may accompany a member of staff for personal reasons. In such instances the University must not be charged more than if the member of staff had travelled alone. Wherever possible the partner’s travel costs should be invoiced separately and paid privately. If the invoice includes both private and official travel costs the claimant should settle the total invoice and reclaim the official element from the University.

## 1.5 Holidays Linked to Business Trips

- 1.5.1 A claimant shall not claim any additional travel costs, subsistence or other expenses for days taken as holiday when linked to a business trip. Private insurance must be taken out to cover any days taken as holiday.

## 1.6 Claims to be for Actual Expenditure

- 1.6.1 Claimants will be reimbursed for reasonable travel and associated expenses incurred solely and exclusively in the performance of their duties. Expenditure should be kept to the minimum consistent with the effective performance of work on behalf of the University. The test of reasonableness is not always straightforward and in such cases an explanatory note should be appended to the claim form to justify the expenditure. Claims for reimbursement may be challenged for more detail or explanation as to the nature and purpose of the expenditure if the detail supplied is not clear. The Director of Finance and IT may refuse any claim that appears to be excessive.
- 1.6.2 All claims made for business travel and subsistence, other than mileage claims, must be for actual expenditure incurred and must be supported with original receipts. The subsistence rates given in Annex B are the normal maximum amounts that will be allowed. **They should not be used as a flat rate without supporting receipts.** For details of mileage rates see Annex C, Travel by Private Vehicle.

## 1.7 Advance Travel Authorisation

- 1.7.1 In line with any existing Faculty/Directorate procedures, authorisation is required in advance from the Budget Holder for each of the following journeys:
- (a) All international travel.
  - (b) All UK travel likely to cost more than the threshold shown in paragraph 3 of Annex D.
- 1.7.2 Authorisation grade levels and thresholds are shown in Annex D.

## 1.8 Travel Agents

- 1.8.1 The University will appoint one or more travel agents as the designated University agents. The appointment(s) will be made following a selection process to enable the University to obtain the most favourable service and terms available. The appointed agents must be used for all travel reservations, except where alternative methods are permitted by the Procedures.
- 1.8.2 The approved agent will invoice the cost centre directly, thus avoiding the member of staff the need to claim reimbursement.
- 1.8.3 The procedures for making travel bookings and the permitted exceptions to using the appointed agents are shown in Annex E.

- 1.8.4 All bookings must be supported by a Purchase Order unless payment has been made via a Procurement Card. The appointed agents will present invoices for all business travel bookings made through them and the University will pay these directly to the agents. There is no need for these items to be recorded on a Travel Expenses Claim, form Trav C1.
- 1.8.5 If a travel booking is made other than through the University's appointed agents the traveller is expected to meet the costs in the first instance and submit a claim later.

## **1.9 Payment by Company Card**

- 1.9.1 Some claimants with regular travel commitments hold University Company Cards. These must be used only in accordance with the University's Company Card rules and procedures, see Financial Regulation 8.11. Under no circumstances should they be used for private travel or other private expenses. Legitimate business travel costs charged to the Company Card will be settled directly by the University and charged to the appropriate cost centre.

## **1.10 Payment by Procurement Card**

- 1.10.1 The University operates a Procurement Card system which can be used for the booking of travel. Procedures for the operation of the card can be found separately on the Directorate of Finance and IT's, Procurement Section web page.

## **1.11 Reimbursement of Expenses**

- 1.11.1 Claims for reimbursement should be made on an official claim form Trav C1, C2 or C3 (see Annex G). Claims must always be supported by original receipts or other supporting documentation such as e-receipts or tickets. Photocopies of receipts are not acceptable. The only exception to this would be where receipts are required for reclaiming monies from an external body such as a Research Council and should be noted on the claim.
- 1.11.2 Credit/Debit/Visa card receipts or statements are not admissible. An official detailed receipt should be obtained. Bank statements are only admissible in certain circumstances where a detailed receipt is not available.
- 1.11.3 When making contactless payments with a debit or credit card, via Apple Pay or Android pay etc., a receipt or evidence of payment must still be submitted. On occasions, the contactless payment receipt may not give details of items purchased or even in some cases the name of the establishment. Detail of items purchased and where the items/s were purchased must always be supplied. If other such e-receipts or e-tickets are supplied, these must be printed off and attached to your claim form.
- 1.11.4 If paying via the Keele Card, your UPay Chilli account can be accessed and transaction details printed off and supplied as proof of payment.
- 1.11.5 No claim for "round sum" expenses will be accepted except a pre-arranged per diem allowance for overseas travel see 1.27.2 for information. No claims for "round sum" cash machine
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withdrawals will be allowed; detailed receipts justifying the expenditure must always be submitted.

- 1.11.6 Claims for reimbursement should be made as soon as possible and in any case **not later than three months** after the expenditure has been incurred where there has been no advance payment. Where an advance payment has been made the claims must be submitted within one month of completing the journey.
- 1.11.7 Claims submitted more than three months after the travel date will be automatically disallowed unless approval is sought from the Directorate of Finance & IT.
- The Accounts Payable Office challenge employees to justify the reason for the late submission of expense claims and highlight all instances of non-compliance to the Financial Services Manager. Payment of late claims will only be made upon approval by the Financial Services Manager. Approval will only be given in exceptional circumstances.
- 1.11.8 Payment of travel expenses should conform to HMRC requirements as described in Annex F of the Procedure.
- 1.11.6 If claims are not fully completed, contain adequate explanation and detail, have receipts or relevant proof of payment attached, delays will occur and the form will be returned to the claimant for further details and supporting evidence.

## 1.12 Authorisation of Claims

- 1.12.1 Budget managers should ensure that all travel on University business is justified and that all claims relating to that travel are in accordance with these Procedures.
- 1.12.2 Claims must be authorised by an authorised responsible person. Budget Holders are required to inform the Director of Finance & IT of the names of members of staff that they wish to be responsible for the authorisation of expense claims. The Authorisation of Signature Form AS/SE should be used for this purpose. Copies are available from the Directorate of Finance and IT, Accounts Payable Office.
- 1.12.3 Claims must always be approved by the designated authorised signatory. Claimants are not permitted to authorise their own claims.
- 1.12.4 Each journey entry must contain sufficient detail for the Budget Manager and the Director of Finance & IT to agree that the cost is a valid claim on University resources.
- 1.12.5 Authorisation of a claim will be taken to mean that the journeys were approved, the expenses were properly and necessarily incurred, the allowances are properly payable by the University, and that consideration has been given to value for money in choosing the mode of transport.
- 1.12.6 Claimants must not authorise their own claims or those of their spouse, partner or family member. Where spouses, partners or other persons unconnected with the University intend to

participate in a trip, this must be clearly identified in advance and arrangements approved by the Budget Manager and Director of Finance & IT.

- 1.12.7 The Procedures will apply whatever the source of funding e.g. from externally funded Research Grants and contracts etc. Members of staff who holds external grants should ensure that any specific regulations included in the grant are also adhered to.
- 1.12.8 A copy should be kept of all claims within the Faculty, School, RI or Directorate records and the original sent to the Directorate of Finance and IT, Accounts Payable and Insurance Office, for processing.

## **1.13 Advance Payments**

- 1.13.1 Advance payments against expenses in excess of £300 may be requested using a Travel Expenses Advance form (Trav A). Advances for less than this amount should not normally be required but may be approved in exceptional circumstances. Requests should be kept to a minimum, particularly as personal credit card settlements are made in arrears and the administrative processes involved are both time-consuming and costly. Whenever possible, arrangements should be made for the direct payment of fares, car hire, hotel expenses, etc., thus leaving the minimum amount to be met during the course of the journey.
- 1.13.2 The amount requested should be limited to the anticipated cash expenditure and should include a detailed costing.
- 1.13.3 In all cases where an advance has been given, a Travel Advance Reconciliation Form (Trav B) must be submitted within one month completion of the journey.
- 1.13.4 Under no circumstances will a second advance be approved when the final reconciliation for an earlier advance to an individual is outstanding.
- 1.13.5 Where the advance exceeds the expenses claimed, claimants will be required to pay the outstanding balance back to the University via the Income Office using form TRAV B1 or by either card payment or a personal cheque (made payable to Keele University). This will be done once the reconciliation has been verified by the Accounts Payable Office.
- 1.13.6 The advance must be authorised by the relevant Budget Manager. If the person requesting the advance is the Budget Manager then his or her line manager must authorise the advance.

## **1.14 Mode and Class of Travel**

- 1.14.1 Claimants should travel and be accommodated in safety and reasonable comfort.
- 1.14.2 Wherever possible, and subject to business needs, travel reservations should be made in time to take advantage of cheaper fares or accommodation (e.g. off-peak)
- 1.14.3 The mode of travel should be the most cost-effective consistent with the business needs of the University.
- 1.14.4 The table at Annex A gives guidance on selecting the mode of transport to be used for business travel.



## **1.15 Use of Private Vehicle**

- 1.15.1 The “Mode and Class of Travel” table in Annex A includes recommended distance thresholds to assist with decisions on whether to hire a vehicle or use a private vehicle.
- 1.15.2 Claimants using their private vehicles (car, van, motorcycle or pedal cycle) for business travel should claim reimbursement at the mileage rates laid down in Annex C. Claims must be recorded on form Trav C1 – Claim for Travelling and Subsistence Expenses for Staff Members.

## **1.16 Use of Hired Vehicle**

- 1.16.1 The “Mode and Class of Travel” table in Annex A includes recommended distance thresholds to assist with decisions on whether to hire a vehicle or use a private vehicle.
- 1.16.2 Vehicles should be hired only from the University’s recommended suppliers. Details can be found on the Procurement Section’s Website – Buyers Guide.
- 1.16.3 Paragraphs 2.3 and 5 in Annex E (Travel Booking Procedures) provide further details about booking directly with the recommended suppliers.
- 1.16.4 The cost of fuel for hired vehicles may be claimed on form Trav C1, and must be supported by an original detailed receipt.

## **1.17 Private Vehicle Insurance**

- 1.17.1 The University’s motor insurance policy does not provide cover for claimants driving their own vehicles on University business. Where a claimant uses his or her own vehicle he or she must ensure that their vehicle insurance policy includes cover for business use and must only carry passengers if the policy permits.
- 1.17.2 The University accepts no liability for claims made against employees who fail to take out appropriate insurance and who are involved in an accident whilst on University business.

## **1.18 Hired Vehicle Insurance**

- 1.18.1 Claimants are encouraged to take out the hire/lease company’s own vehicle insurance as it proves more cost effective, there is no excess to pay and the University avoids having to pay a daily rate to the company should the vehicle be off the road due to repairs. The hire/lease company will require a copy of the drivers licence when taking out the insurance. The copy must be faxed to the Company before the hire can take place and will be kept by the Company for six months.
- 1.18.2 The University’s motor insurance policy provides comprehensive cover for persons driving hired or leased vehicles on University business. Drivers must be over the age of 21 with a clean driving licence.

- 1.18.3 In order to insure hire vehicles on the University's motor insurance policy, licence requirements must be adhered to and the Accounts Payable and Insurance Office must be informed either by email or memo, **in advance of the hire**, of the make, model, registration, dates of hire and cost centre to make the charge to. Further details can be found on the Accounts Payable and Insurance Office web page.
- 1.18.4 The University's motor insurance policy does not provide cover for the hire of vehicles overseas. Relevant motor insurance must be taken out at the time of booking. Overseas requirements vary from country to country; specific advice should be sought from the booking agent.

## 1.19 Car parking

- 1.19.1 The University will reimburse all expenses for car parking costs incurred whilst travelling on University business away from the claimant's normal place of work. Claims should be made on form Trav C1, and must be supported by receipts. Where a parking meter was used and no receipt is available a note to that effect should be included with the claim.
- 1.19.2 Claims for parking excess charges, fines, wheel clamp unlocking, etc. will not be met by the University under any circumstances.
- 1.19.3 Motorway, tunnel and bridge toll charges will be reimbursed on production of receipts or tickets.

## 1.20 Local Public Transport Expenses

- 1.20.1 Local bus, tram and underground train fares for business journeys (not home-to-office) may be claimed using form Trav C1. Claims must be supported by original receipts (e.g. used tickets).
- 1.20.2 Where a form of contactless payment has been used, evidence of this cost must still be produced. This may be via a printout of an emailed receipt when the ticket is purchased or via a registered account with the provider (eg TfL, First Group etc). If no other way of proving purchase is available then a copy of the card/bank statement showing the purchase will be accepted for public transport travel.

## 1.21 Air travel

- 1.21.1 The "Mode of Travel" table in Annex A includes guidance on when to travel by air. A further table shows the authorised classes of air travel.
- 1.21.2 Please refer to Annex D for authorisation levels and requirements.
- 1.21.3 Air travel booking procedures are shown in paragraphs 5 to 19 in Annex E.

## 1.22 Rail Travel

- 1.22.1 The "Mode of Travel" table in Annex A includes guidance on when to travel by inter-city rail. A further table shows the authorised classes of rail travel.

- 1.22.2 Please refer to Annex D for authorisation levels and requirements.
- 1.22.3 Rail travel booking procedures are shown in Annex E (Travel Booking Procedures).
- 1.22.4 The cost of meals and refreshments on longer train journeys may be claimed under the rules and rates laid down for day subsistence – see Annex B.

## **1.23 Taxis**

- 1.23.1 The “Mode of Travel” table in Annex A gives guidance on when taxis may be used. Claims should be made on form Trav C1, and must be supported by original receipts.

## **1.24 Travel Insurance**

- 1.24.1 Claimants must be adequately insured when on University business abroad. The University's insurance policy will provide this cover.
- 1.24.2 Faculties, Schools, RI's and Directorates are required to issue a travel pattern on an annual basis to the Directorate of Finance and IT's Accounts Payable and Insurance Office. This travel pattern will define the way in which the Faculties, Schools, RI's and Directorates will be cross charged annually to cover the insurance premium.
- 1.24.3 Travellers are also required to complete a risk assessment form before travelling abroad. Please refer to the Travel Insurance section of the Finance web pages for more detail – <https://www.keele.ac.uk/finance/insurance/travelinsurance/stafftravelinsurance/>
- 1.24.4 Travellers must be familiar with the University Travel Insurance Policy and have access to policy details when travelling on University business.
- 1.24.5 An element of personal travel may be allowed as part of the business trip subject to the approval of the Accounts Payable & Insurance Office.

## **1.25 Conference Fees**

- 1.25.1 These can be paid directly by the University at the time of the booking either by the University Credit Card, Procurement Card or via the Purchase ordering system, (14 days advanced notice is required for this method). Alternatively fees can be paid by individuals and reclaimed with an original receipt through the expense claim system.

## **1.26 Hotel Accommodation**

- 1.26.1 Members of staff are encouraged to book hotel accommodation through the approved supplier, details can be found in paragraph 1.1 in Annex E. Where this is not possible claimants are expected to meet the cost and submit a claim later.

- 1.26.2 When claimants are necessarily away from home overnight on University business they are entitled to hotel or other suitable accommodation. Basic standards include cleanliness, privacy, personal security and the availability of breakfast.
- 1.26.3 Hotel room and meal costs are covered by subsistence payments, see Section 1.27 “Subsistence”.
- 1.26.4 Wherever possible the cost of the accommodation and meals should not exceed the subsistence rate limits shown in Annex B. Claims for subsistence in excess of these limits must be justified in writing. The officer authorising the claim has the right to reject all or part of the amount in excess of the subsistence rate if he or she is not satisfied with the justification.
- 1.26.5 Where prior arrangements have been made for the cost of the hotel room (plus breakfast, if this is not included in the room cost) to be invoiced directly to the University, the claimant is responsible for settling the cost of any additional items, e.g. newspapers, phone calls, bar, mini-bar, restaurant (other than breakfast), etc. before leaving the hotel. These additional items, where they are permissible, may be claimed using form Trav C1, and should be supported by original receipts.

## **1.27 Subsistence**

- 1.27.1 When claimants are away from their normal place of work on University business for a period of more than 3 hours they may claim reasonable subsistence to cover the cost of food and beverages within the rules and limits in Annex B. If the claimant is away overnight, subsistence for accommodation may be claimed, also within the rules and limits in Annex B.
- 1.27.2 Exceptionally when travelling abroad there may be a case for claiming a per diem. Use of the per diem rate of travel must be agreed in advance by the Directorate of Finance and IT, Accounts Payable and Insurance Office prior to the travel and will only be allowed in parts of the world where it is deemed difficult to obtain receipts.
- 1.27.3 Claims must be made on form Trav C1, and must be supported by original receipts.

## **1.28 Entertainment Expenses**

- 1.28.1 The University Catering Facilities (CBE) should be used wherever possible for all hospitality requirements, e.g. working lunches/the entertaining of external visitors only
- 1.28.2 Where an individual claims for reimbursement of entertainment expenses, the claim must set out the names and organisations of those entertained, e.g. external visitors/delegates together with reasons for the entertainment having taken place.
- 1.28.3 Alcohol is only allowed when entertaining people external to the University and claims must not be excessive. Full details of the external individuals must be supplied when claiming for alcohol (names, and details of their organisation/institution etc)

## 1.29 Staff Social Functions

1.29.1 Staff social functions, such as Christmas meals, office parties, and staff leaving parties etc. will not be funded by the University. However, this rule has been relaxed to allow for retirement functions only providing that they are in accordance with the following conditions and limits:

- The party is for a retirement. No other staff social functions will be funded by the University
- The retiring employee has worked for the University for the previous 10 years, as a minimum
- Funding is being sought for an internal function. External functions will not be funded in any circumstances.
- Limits are in place and the level of expenditure should reflect the number of years' service immediately prior to retirement:
  - A total of £50 for service of 10 years but less than 15 years
  - A total of £75 for service of 15 years but less than 20 years
  - A total of £100 for service of 20 years or more
  - There is no central funding for such events and must be paid for from Departmental/School/RI funds

## 1.30 Business Telephone Calls

1.30.1 Members of staff seeking reimbursement of business telephone calls must produce an itemised bill with the relevant business calls highlighted and totalled.

## 1.31 Personal Incidental Expenses

1.31.1 Staff staying away from home overnight on business may claim reasonable incidental expenses. This may include newspapers, laundry or private phone calls.

The cost of an alcoholic drink can be claimed but only as part of a meal. The maximum amount an employee may claim is:

- £5 per night for overnight stays within the UK and
- £10 per night for overnight stays outside of the UK

This is in accordance with HMRC guidelines. Receipts must be provided to support the claim.

1.31.2 Tips and gratuities will be reimbursed for overseas travel where this is accepted custom and practice, such as the USA, where the service-charge is often included as standard on the receipt. The tip/gratuity should be clearly stated on the claim form or noted on the receipt where possible. The University reserves the right to refuse a claim that is considered excessive or where the appropriate evidence has not been provided.

## **1.32 Equipment and Consumables**

- 1.32.1 Ordinarily equipment and consumables must always be purchased through the University's own purchase ordering system and not by individuals to be reclaimed at a later date through the staff expense claim system. However, equipment and consumables may be purchased by an individual and reclaimed through the staff expenses system as long as the total value of such items does not exceed £50 and can be supported by detailed, original receipts. Exceptionally, the £50 limit can be exceeded but only with the prior approval of the Procurement Manager.

## **1.33 IT Equipment**

- 1.33.1 IT Equipment such as laptops, iPads or desktop PCs must always be purchased after consultation with University IT Services and in accordance with University Procurement procedures. Equipment purchased elsewhere may not have appropriate anti-virus software or encryption, resulting in a risk to University data security. Any expense claim for such items will therefore not be allowed.

## **1.34 Foreign Exchange and Travellers Cheques**

- 1.34.1 It is the claimants' responsibility to arrange the purchase of foreign currency or travellers cheques. If required, the claimant may request an advance of expenses cheque as per section 1.13 which can then be used in the purchase of foreign currency or travellers cheques but the claimant must make their own arrangements for obtaining the currency. Any unused currency must be converted to sterling by the claimant using the best exchange rate possible and paid back to the University.

## **1.35 Passports**

- 1.35.1 Claimants are responsible for ensuring that they have valid passports for overseas business travel. For any journey, the expiry date of the passport must be at least 6 months after the date of returning to the United Kingdom. It is generally expected that claimants have passports for their own personal use, in which case the cost of the passport will not be refunded. However, if a claimant has to obtain a new passport solely for the purpose of travelling on University business, then the cost of the passport may be claimed using Form Trav C1. The University is not responsible for the cost of replacing lost or stolen passports; however, the Staff Travel Insurance Policy will deal with any claim for lost or stolen passports whilst travelling on University business.

## **1.36 Visas, Vaccinations**

- 1.36.1 Claimants must use the University's appointed travel agents to seek advice on the need for visas and vaccinations for overseas business travel. The cost of visas may be charged to the same cost centre as the travel tickets. Any charge made by doctors or health centres for vaccinations may be claimed using Form Trav C1.

## 1.37 Non Reimbursable Expenditure

1.37.1 The following items will not be reimbursed as part the Travel and Subsistence claim:

- (a) Subscriptions to professional bodies or journals will only be allowed by the Director of Finance & IT. in exceptional circumstances, if it is proven to be wholly, exclusively and necessarily required to enable a member of staff to perform their duties and responsibilities
- (b) Speeding, Parking, Wheel Clamp fines
- (c) Unauthorised or excessive Travel and Subsistence costs
- (d) Any Expenditure not supported by detailed, original receipts.
- (e) Privately purchased Travel Insurance. The University has a Staff Travel Policy which covers all members of staff whilst travelling on University business. No other form of travel insurance is necessary and will therefore not be reimbursed, see 1.24
- (f) Cost of hire/purchase of evening wear for formal functions
- (g) Child Care
- (h) Cost of caring for animals
- (i) Non university mobile phone charges
- (j) Private mobile phone charges – e.g. rentals, top-ups

1.37.2 Payments must NOT be made by an employee to cover internal or external services where payment is to an individual which is then claimed at a later date as a reimbursement through the staff expense claim system, for example, where the services of a speaker are required and payment is to be made to the individual. There are very specific HMRC rules that have to be adhered to.

## 1.38 Alcoholic Drinks

1.38.1 No reimbursement for alcoholic drinks will be made where staff are claiming subsistence expenses whilst on University business. There is an exception to the rule when staying overnight as per regulation 1.31

The exception to the rule also applies when staff members are entertaining visitors from outside the University and wholly on University business. Claimants must then state the names of the external visitors along with the nature of the business. The claim for alcoholic drinks must not be excessive

## 1.39 Refreshments – Staff/Office/Meetings etc

1.39.1 Reimbursement of refreshments such as tea, coffee, milk, biscuits etc. will only be made if purchased for use during events such as meetings with external visitors, interviews, visit days or other functions involving external visitors to the University. Details of the events, meetings, visit days or similar events must be supplied when submitting a claim and the Finance & IT Directorate

reserve the right to request detailed listings of events/attendees for which the refreshments are purchased should it be deemed necessary.

Refreshments purchased for the consumption by staff during their normal daily duties or for staff/office meetings cannot be reclaimed and must be paid for by the individual staff. This type of expense cannot be reclaimed via Petty Cash as per University guidelines.

The reimbursement of “working lunches/meals” between staff members is also not allowed.



**Annex A****Mode and Class of Travel****Mode of Travel**

The following table gives guidance on selecting the mode of transport to be used for business travel. The distances in particular are approximate: the final decision will often rest on the “other factors”.

**Mode of Travel**

<b>Mode</b>	<b>Distances*</b>	<b>Other factors</b>
<b>Local public transport</b> (buses, trains)	Within local area.	This transport should be frequent, fast, and have convenient stops.
<b>Taxi</b>	Within local area and to/from airport 90 mile round trip.	Local public transport not suitable or available.
<b>Train, inter-city</b>	Between cities within UK.	For longer distances compare time and cost factors with air travel.
<b>Private motor vehicle or motor cycle</b>	Up to 300 miles round trip.	Local public transport, taxis, trains are inconvenient or unavailable.
<b>Private bicycle</b>	Up to 5 miles round trip.	Time taken would be a limiting factor.
<b>Hired vehicle</b>	Over 300 miles round trip or up to 300 miles where private vehicle is not available.	Where rail travel is unsuitable or more expensive
<b>Air, within UK</b>	Over 300 miles round trip.	Compare total time and cost factors with travel by train or hired vehicle.
<b>Air, to foreign countries</b>	All journeys to foreign countries.	Consider suitability of ferry/Eurostar for Ireland and France.
<b>Ferry/Eurostar</b>	France, Ireland	Consider as an alternative to air travel; but air will usually be the preferred mode on time and cost factors.

## **Annex A**

### **Class of Travel**

#### **Travel by Air**

There is an assumption that all staff will travel economy class unless there are exceptional circumstances to justify business class and approval has been obtained from the relevant Dean or Director, and for members of University Executive Committee from the Vice-Chancellor or Deputy Vice-Chancellor as appropriate. The circumstances that should be taken into account when considering whether business travel is justified are a combination of

- the length of the flight-time, in particular whether the travel destination is outside Europe and/or the flight time is in excess of 8 hours
- the timing and nature of the work

#### **Travel by Rail**

There is an assumption that all staff will travel standard/economy class unless there are exceptional circumstances to justify first class and approval has been obtained from the relevant Dean or Director, and for members of University Executive Committee from the Vice-Chancellor Deputy Vice-Chancellor, as appropriate.

The standard method of booking rail travel should be via the internet.

#### **Hire Vehicles**

Vehicles may be hired for business use as appropriate for purpose. It would be expected that the claimant would consider the length of any journeys made and the number of occupants when choosing the class of hire vehicle.

## **Annex B**

### **Subsistence Rates**

#### **Maximum Subsistence Rates**

1. When claimants are away from their normal place of work for a period of more than 3 hours and incur expenses on food and (if away overnight) accommodation, subsistence may be claimed as detailed in the table overleaf. This will include private phone calls, mini bar, an alcoholic drink with a meal and newspapers only if staying overnight.
2. No subsistence is payable for any periods when meals and/or accommodation are included in the fare (e.g. for air travel or rail sleeper).
3. All claims for subsistence must be for actual expenditure incurred and, must be supported with original receipts. The maximum subsistence rates include taxes (e.g. VAT).
4. The subsistence rates given below are the normal maximum amounts that will be paid: they should not be used as a flat rate without supporting receipts to show they have been spent in full.
5. Claims for light refreshment, food and light beverages should not exceed the maximum rates set out in the table below. Where rates for accommodation are likely to exceed the maximum rates stated, the advanced approval of the Budget Holder or Delegated Officer is required. See Annex D, Authorisation Levels and Requirements for more details.
6. Claims for subsistence must be made on form Trav C1. Requests for advances to meet subsistence expenditure may be made on form Trav A.
7. Claims for subsistence during normal working hours, for example a lunchtime meal where employees would have to provide for themselves, will not normally be allowed unless this can be justified by the claimant due to unusual circumstances.

**Annex B****Subsistence Rates**

<b>Time away from home</b>	<b>Place</b> (away from normal workplace or home)	<b>Allowable</b>	<b>Maximum Rate per Day</b>
Up to 3 hours	All places	Light refreshment	£3
Up to 7 hours	All places	Food and Beverages	£15 *
Over 7 hours	All places	Food and Beverages	£35 *
Overnight Accommodation	Staying with friends/relatives	Accommodation	£25
Overnight, up to 24 hours	London	B & B	£125
Overnight, up to 24 hours	Elsewhere in UK	B & B	£95
Overnight, up to 24 hours	Overseas	See next paragraph	

\* Maximum allowances per meal:

Breakfast £5.00      Lunch £10.00      Dinner £20.00

The rates shown above are those agreed by the Business Travel National Working Party. This was a working party set up at the request of Proc-HE to determine agreed standards for subsistence expenses.

In some instances, the London overnight allowance of £125 may be claimed at a higher rate, but only with the prior approval of the Budget Holder or Designated Officer, and where it can be proved that accommodation cannot be obtained within the normal subsistence limits.

**Overseas Accommodation and Subsistence Expenses**

1. Hotel accommodation and meals overseas should be in hotels and restaurants similar in quality to those that would be used in the UK to keep expenditure wherever possible within the UK subsistence rates. As a guide, hotels should be 3-star, or 4-star in more remote, or less secure areas. As the cost of such accommodation and the price of food in restaurants vary so much worldwide, no maximum rates of subsistence are laid down but the standard maximum accommodation and meal allowances as above should be used as a guide where possible. Guidance on hotels should be sought from the University's appointed travel agents or hotel booking agent.
2. A Per Diem allowance may be agreed in advance of travel with the Accounts Payable & Insurance Office. The University is able, under HMRC rules to offer a maximum of £35.00 per 24 hours applicable only to countries where it may be deemed difficult to obtain receipts. No payment of round sum expenses or per diem allowances will be reimbursed unless prior approval has been agreed.

**Annex C****Mileage Rates**

1. The “Mode of Transport” table in Annex A gives guidance on when the use of a claimant’s private vehicle for business travel would be appropriate.
2. Claimants using their own vehicles on University business may claim mileage allowance not exceeding the following rates:

**Maximum Mileage Rates**

<b>Private Vehicle</b>	<b>Mileage</b>	<b>Rate per Mile</b>
Car or van	Up to 10,000 miles p.a.	45p.
	Over 10,000 miles p.a	25p
Motor cycle	Any distance	24p.
Bicycle	Any distance	20p.

***Lower Rate in Certain Circumstances***

1. A lower rate than shown above may be agreed in certain circumstances, for example:
  - (a) Where the claimant decides to use his or her private vehicle even though the Budget Holder or Delegated Officer would have expected an alternative mode of transport to be used (e.g. rail, hire car or local public transport).
  - (b) Where the claimant decides to use his or her car instead of a hired car for a round trip journey of over 300 miles.

***Income Tax***

2. All of the mileage rates shown above are within the limits set by HMRC for exemption of income tax (see Annex F: Income Tax Liability on Travel).
5. At the end of each tax year a return is submitted to the HMRC for any claimant whose mileage exceeds 10,000 in a year.

## **Annex D**

### **Authorisation Levels and Requirements**

#### **General**

1. The University needs to demonstrate to the Funding Council and other funding sources that adequate accounting and accountability controls exist for the disbursement of money for business travel. The University also needs to ensure compliance with the rules and requirements of HMRC for tax reasons.

#### **Authority to Travel**

2. The following journeys require prior authority from the Budget Holder or Delegated Officer:
  - (a) All journeys within the UK likely to cost more than £350.
  - (b) All international travel.

#### **Authorisation of Mode and Class of Travel**

3. Tables in Annex A give guidance on the mode and class of travel. If the person making the journey wishes to use an alternative mode of transport from that in the guidance, then authority must be obtained in advance from a member of the University Executive Committee, usually the relevant Dean or Director
4. Where the requested change will cost more than the given mode and/or class, it must be supported by a good business case.

#### **Authorisation of Higher Rates of Subsistence**

5. If suitable accommodation and meals cannot be obtained within the subsistence rates shown in the table in Annex B, authority should be sought in advance to claim a higher amount and reasons stated. If there are unforeseen circumstances a higher amount may be claimed without prior authority, in which case a full explanation should be given on the claim form or on an additional sheet attached to it.

#### **Authorisation of Expense Claims**

6. Form Trav C1 must be used for all claims for travel expenses. It incorporates a section for authorising the claim.
7. The table below illustrates the authorisation required for reimbursement of Travel & Subsistence expenses. If the claimant is also the Budget Holder then the claim must be authorised by their line manager or as detailed below. All Delegated Officers must be listed on the authorised signatory list held in the Directorate of Finance & IT or reimbursement of the claim will not be made.

## **Annex D**

### **Travel & Subsistence Claims – Authorised Signatories**

<b>Traveller</b>	<b>Authoriser</b>
Vice Chancellor	Pro Chancellor/Deputy Pro Chancellor/Treasurer
Deputy Vice Chancellor	Vice Chancellor
Faculty Dean / Pro Vice Chancellor	Deputy Vice Chancellor
Head of School/Research Institute Director	Faculty Dean
Directors / Members of Council	Vice Chancellor, Deputy Vice Chancellor
Staff member / Non Staff member	Budget Holder or Delegated Officer

## Annex E

# Travel Booking Procedures

## (A) INDEX

- 1 Appointed Travel Agents
- 2 Making Business Travel Bookings
  - 2.1 Procurement Card
  - 2.2 Need for Purchase Orders
  - 2.3 Initial Enquiries – Excluding Rail
  - 2.4 Keeping costs low
  - 2.5 Rail
  - 2.6 Non-Approved Agents
- 3 Travel Insurance
- 4 Car Hire
- 5 Hired Vehicle Insurance
- 6 Passports
- 7 Visas, Vaccinations
- 8 Making Private or Business/Private Travel Bookings
- 9 Travel Checklist



## **1 Appointed Travel Agents**

- 1.1 The University's appointed travel agents will change from time to time. Details of current Travel provided can be found on the Buyers Guide on the Procurement Web Page.

The appointed Agents must be used for all travel and hotel arrangements except for local public transport, car hire (see paragraph 2.2 below) and rail journeys (see paragraphs 2.5 and 2.6 below). They have been appointed following a competitive tendering procedure and offer the best value for money.

There are a number of good reasons for appointing a single agency. These are just a few of them:

- (b) No time or cost lost in obtaining competitive quotes for every major journey.
- (c) The University has no real "hold" over non-appointed agents in case of dispute.
- (d) The contract "small print" has been carefully negotiated and is known to be fair to the University.
- (e) Ability to accumulate valuable management information.
- (f) The appointed Agents know the University rules and requirements and can develop good customer profiles.
- (g) Enhancements and improvements to the services can be introduced.
- (h) Arrangements can be made for consolidated and electronic invoicing and charging.

## **2 Making Business Travel Bookings**

- 2.1 Procurement Card – through the approved agent

The University operates a Procurement Card system for the booking of rail, air travel, conferences and hotel accommodation. Details of the Procurement Card procedures are available on the Procurement Section web site.

- 2.2 Need for Purchase Orders (only if Procurement Card has not been used)

Although initial bookings may be made by phone, fax or e-mail, the appointed Agents will not issue the tickets without production of a properly completed official University Purchase Order. The use of blanket ordering can be utilised. This is an essential control, partly to protect the Agents from bad debt, but mainly to comply with University Financial Regulations.

Invoices from the Agents will be received electronically via the E Procurement Purchase Ordering system and processed in the in the normal manner.

- 2.3 Initial Enquiries – Excluding Rail

Initial enquiries about routes, costs and schedules should preferably be made by

e-mail to the approved agent or by using the on line booking tool if available. This leaves the phones free for complex itineraries.

Please let the Agents know if the enquiry is just for a quotation to be used for an estimate (e.g. for a grant application), so that they do not spend too much time finding very precise costs for fares, hotels, car hire, etc: the final arrangements, and costs, will usually be different several months hence.

## 2.4 Keeping Costs Low

The Agent's services should be used to source the most cost effective route. For air travel in particular, attention should be paid to the following:

- (a) Give maximum notice to take advantage of discount fares.
- (b) Avoid last minute changes before or during a trip where these result in higher fares unless a fully flexible ticket has been purchased
- (c) Non-refundable fares should be accepted when travel plans are relatively certain. The discounts should be weighed against the penalties when making the decision.

## 2.5 Rail

Bookings should be made through the University's approved travel agent, using the University's purchase ordering system or Procurement Card system.

All rail bookings should be made via the internet using the appointed Agents online booking systems

Instructions and training on how to use the online systems is available from the applicable Agent upon request or via the Directorate of Finance & IT's Procurement Section web pages.

The Agent has introduced a rail desk, where users can obtain help and advice and make bookings if necessary. A fee will be charged for this service and is available on the Procurement Web site, Buyers Guide.

Rail tickets can also be purchased on the day of travel from station ticket offices and claimed back through the University's travel expense claims procedure.

## 2.6 Non Approved Agents

Should an end user book travel through an unapproved agent, this is done purely at their own risk and must be paid for using personal funds which can be claimed back through the University Expenses Claim procedure and must be supported by original receipts.

### **3 Travel Insurance**

3.1 See Section 1.24 of the Procedures for information about using the University's travel insurance policy.

### **4 Car Hire**

4.1 The approved local agent is Afford Rent a Car. These agreements offer the best overall value for money and should always be used. Bookings should normally be made directly with the supplier by the claimant, but can also be made through the University's appointed travel agents where car hire is part of an integrated travel itinerary. Details of the car hire agreements are on the Procurement Section's Web site.

### **5 Hired Vehicle Insurance**

5.1 See Section 1.18 of the Procedures for information about the preferred method of insurance for car hire.

### **6 Passports**

6.1 Claimants travelling on University business overseas must have passports valid for at least 6 months after their return to the United Kingdom – see Section 1.34 of the Procedures for further information.

### **7 Visas, Vaccinations**

7.1 Claimants must use the University's appointed travel agents to seek advice on the need for visas and vaccinations for overseas business travel – see Section 1.35 of the Procedures for further information.

### **8 Making Private, or Business/Private, Travel Bookings**

8.1 The University's appointed Agents would be happy to attend to any private travel arrangements, including the purchase of foreign currency and traveller's cheques. These arrangements must be conducted strictly on a personal basis and there can be no question of using University funds in the first instance, to be repaid later.

8.2 If mixed business and private travel arrangements are being made (e.g. spouse accompanying claimant on a business trip at his or her own expense) this must be made clear to the Agents from the outset. The Agents can then make the joint bookings on the basis that they will not release the tickets until the official part has been covered by a Purchase Order, and the private part has been paid privately in advance.

## 9 Travel Checklist

9.1 When making overseas travel arrangements it is important to consider the following:

(a) Details that may be required by the Travel Agents

- Full name as it appears on passport
- Passport Number
- Nationality
- Date of Birth
- Address and Phone Number of Hotel at Destination
- Passport issue date and place of issue
- Passport Expiry Date
- Country of Residence
- Home address and telephone number

(b) Country information

A variety of information relating to the destination, including airport and city guides, can be found on the approved agents web site or Foreign Office web sites and embassies.

(c) Visa and inoculations

Check if you require a visa or any inoculations well in advance of your departure date as it can take three to six weeks to obtain a visa. Further information on visa's and inoculations can be found on the Key Travel's web site.

(d) Driving overseas

If you are planning to hire or drive a car overseas, ensure that your licence is acceptable in the country you are driving in.

(e) Overseas medical emergencies

The University is insured with AIG Travel, Policy Number 0010627485

Medical Assistance abroad is with AIG Lifeline Plus

Tel No: +44 (0) 1273 552922  
Website: [www.mylifeline.co.uk](http://www.mylifeline.co.uk)

Policy Details are available at:-

<http://www.keele.ac.uk/finance/insurance/travelinsurance/stafftravelinsurance/>

## **Annex F**

### **Income Tax Liability on Travel and Incidental Expenses**

This section explains in general terms how, in most cases, the application of the HMRC dispensation procedure enables the University and claimants to avoid the inclusion of travel expenses in income tax returns. This should not be taken as the definitive current position: income tax regulations and thresholds change regularly, and are much more complex than can be described here. The Accounts Payable and Insurance Section of the Directorate of Finance and IT, or the HMRC, should be consulted if more precise information is required.

### **Dispensations for Travel Expenses**

1. Under Government legislation, travel and other expenses paid to a claimant by reason of his or her employment are normally considered as remuneration for tax purposes. This basic principle holds good either when the claimant incurs the costs personally and is subsequently reimbursed, or the employer meets the expenses on the claimant's behalf.
2. Business travel and certain other expenses may, however, be paid as non-taxable under the HMRC dispensation procedure. A dispensation can cover any business travel expenses and benefits for which there is a matching tax deduction. It saves time and effort for both the administration and claimants in reporting details of travel expenses and benefits on which no tax is ultimately payable. It is, in effect, a notice of nil liability. It cannot cover an item for which there would not be a matching income tax deduction.
3. The University has dispensation for business travel costs (rail, air, etc. tickets) and subsistence. There is a separate dispensation for mileage when using personal vehicles for business journeys. To obtain these dispensations we are required to inform HMRC the nature of expenses paid, how they are identified within the accounting system and who is authorised to approve reimbursement.
4. The Inspector had to be satisfied that no tax is payable in respect of the payments and benefits covered by the dispensation, and that good control systems are in operation to ensure that travel expense payments and benefits remain within the terms of the dispensation. In particular, the Inspector had to be satisfied that the expenses covered by the dispensations are calculated and paid on the basis that they are clearly intended to do no more than reimburse claimants for expenses actually incurred in making genuine business journeys.
5. Under the dispensations, the arrangements for recording and paying expenses need to show:
  - (a) The purpose of the business journey
  - (b) Details of the business journey
  - (c) The amount paid or reimbursed for the journey.

## **Annex F**

6. A definition of business travel is given in sections 1 to 5 of the Travel Procedures. Note that for tax purposes all journeys between home and the normal place of work are regarded as private. Thus, although the University may, for example, agree to reimburse claimants for travel to the normal place of work when on an emergency call-out, that reimbursement is invariably subject to tax.

### **Personal Incidental Expenses (PIEs)**

7. The University will reimburse PIEs such as newspapers, laundry costs, private phone calls and the cost of an alcoholic drink if staff are away from home overnight on business. This is under a specific HMRC rule which is currently up to a maximum of £5.00 for every night spent away on business in the UK and £10.00 for every night spent away on business outside the UK.
8. Anything in excess of these rates will be taxed at the basic rate of tax prior to reimbursement being made.

### **Tax Returns**

9. Claimants are advised not to enter in their annual tax return details of travel and incidental expenses covered by the dispensations and arrangements described above.
10. In the event of there being no dispensation agreed for a particular expense the University will be required to deduct tax from the expenses in the first place and it will be the responsibility of claimants to reclaim tax from their Tax Office. Details of expense payments taxed in this way will be included on form P11D and submitted to the HMRC. A copy will be issued to the claimants concerned by the Payroll and Pensions Office of the Finance Department by 6 July after the end of the tax year. A P11D form will not be issued where expense payments made during the year were covered by a dispensation.
11. In the event that a claimant exceeds the maximum mileage allowed under the HMRC rules, currently 10,000 p.a. a P11D will also be completed.

<b>Document Name</b>	Travel Procedure
<b>Owner</b>	Finance
<b>Version Number</b>	[version number, with 0.1 increments for minor amendments]
<b>Equality Analysis Form Submission Date</b>	[Decision from Equality Analysis and form submission date]
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