

SCR Local Enterprise Partnership

Expenses Policy

Document Properties

Document Approval

Approving Body or Person	Role (review, approve)	Date
LEP Board	Approve	05/02/2018

1. Purpose

- 1.1 This policy provides clear guidance regarding acceptable travel and subsistence arrangements for Private Sector LEP Board Non-Executive Directors (NEDs). It governs all expenditure on business travel and associated services irrespective of business reason, and whether in the UK or internationally. The policy also offers guidance to Public Sector LEP Board Non-Executive Directors (NEDs) in claiming expenses under their own authority's procedures.

The policy takes on board the recent national review of Local Enterprise Partnership Governance and Transparency which aims to promote the highest standards of stewardship of public money through robust governance and transparency. Having a policy on fees and expenses is seen as one of the key elements of an effective local assurance framework.

The expenses policy will be published on the SCR website to promote transparency.

As all SCR spend is open to public scrutiny, it may be the subject of Freedom of Information requests. The policy will be reviewed in due course if further improvements are made to the National LEP Assurance Framework to provide additional guidance in this area as recommended by the national review.

2. Things to consider

- 2.1 Before undertaking any kind of business travel on behalf of the LEP you should consider:
- Is the reason for travel essential business for a Non-Executive Director of the LEP
 - Using communications as an alternative to travelling (telephone; email; audio conferencing)
 - Value for money, including the time your journey may take you
 - Personal safety, particularly when travelling at night.

3. Authorisation

- 3.1 It is the responsibility of the CA's Head of Paid Service to authorise any expenditure for LEP Non-Executive Directors. This includes pre-authorisation of the activity and certification of the claim and the evidence for the claim (i.e. receipts) and to check that the claim is reasonable, in line with this policy and has been incurred wholly and exclusively in the performance of LEP business.

In accordance with standard procedures, pre-approval will be needed for all travel and accommodation booked through the SCR's travel management agents and any incidental expense in excess of £50.

Further detail on the arrangements for booking travel and accommodation through the SCR Executive can be found in sections 5 and 6 and Annex B of this policy. The process for claiming reimbursement of expenses can be found in Annex C.

4. Income Tax and National Insurance Implications

- 4.1 Compliance with the policy will help meet the General Exemption granted by HMRC to prevent the need for reporting taxable expenses for travel, accommodation and subsistence annually through P11Ds. This is dependent on comprehensive records

being retained to support expenses in order to demonstrate that the policy is being operated effectively. This will also enable the SCR to recover VAT where appropriate.

It should be noted that the CA will not reimburse fines and penalties.

Where tax liabilities do arise, the necessary information will be forwarded to the Inland Revenue for tax liabilities to be assessed.

5. Travel

5.1 Modes of Transport

Consideration on which method of transport is appropriate should reflect all aspects of the situation including:

- Destination, distance and time of travel
- Duration of stay
- Any mobility needs of the individual
- Any other specific need of the individual
- Health & Safety
- Environmental considerations
- Value for money
- Is car sharing a possibility?

5.2 Public Transport

In general, public transport is SCR's preferred method of transport. The most environmentally beneficial form of travel being by train. This should be considered when planning journeys.

Where there is a clear business reason to travel by any other mode, this will be permissible with prior approval by the CA Head of Paid Service, LEP Chair or Vice-Chair CA Finance Director.

All rail travel will be restricted to standard class. If any Non-Executive Director wishes to travel first class they must upgrade their ticket on the date of travel at the station. There will be no reimbursement from SCR for any upgrade.

Advanced tickets with an allocated time to travel should be purchased wherever possible rather than purchasing more expensive any time tickets.

The train ticket booking procedure can be found in Annex B.

5.3 Bicycles

Non-Executive Director may use their own bicycle if they wish and it is appropriate to do so. Claims for mileage must be submitted on an expenses claim form within 3 months of travel.

Bicycle mileage rates can be found in Annex A.

5.4 Own Vehicle

Non-Executive Director may use their own vehicle where they have been authorised to do so in the execution of LEP business provided that appropriate insurance is in place.

Consideration should be given to car sharing if appropriate.

Claims for mileage must be submitted on an expenses claim form within 3 months of travel.

Mileage rates can be found in Annex A.

5.5 Car Hire

Car hire is only an option where a journey exceeds 100 miles (round trip) and a suitable form of public transport is not available.

Arrangements should be made via the SCR Executive Team.

5.6 Car Parking

Non-Executive Director may claim for parking when there is no free parking available at the site of a business event.

5.7 Taxis

More cost effective modes of transport must be considered before taxis are used. Acceptable circumstances are:

- where public transport is not available, convenient or suitable e.g. where personal safety could be at risk
- where an impairment means the use of a taxi is recognised as a reasonable adjustment
- when you must travel before 6am or after 8pm
- all claims for taxi journeys exceeding £10 require prior approval.

Claims for taxi fares must be submitted on an expenses claim form within 3 months of travel.

5.8 Foreign Travel

All foreign travel must be approved in advance by the CA Head of Paid Service supported by a business case stating the business purpose and benefits of the trip. No foreign travel or claims relating to such travel can be made without the prior consent of the CA Head of Paid Service and the LEP Chair or Vice-Chair. Non-Executive Directors who are required to travel abroad in the performance of their duties will be reimbursed actual expenditure on the production of receipts up to the maximum of the allowances.

The allowances will be determined prior to travel by the CA Head of Paid Service in conjunction with the CA Finance Director based on the following factors:

- Country to be visited
- Time of year
- Nature of the visit
- Exchange rate

Air travel should be purchased according to the following guidelines:

The choice of airline and airfare must be clearly identifiable as being the most cost effective and the best value option. Budget airlines should be used in the first

instance if there is a route to the destination city. Where it is not possible to travel by budget airline to the destination, travel should be on the cheapest possible ticket in economy class.

Domestic air travel should not be used unless there is a compelling business need or if it is significantly cheaper than the rail travel alternatively. Domestic air travel should always be with the cheapest available airline on that route.

Airport parking should only be used with advance authorisation. A cost comparison must be made between using airport parking and the use of a taxi or other means of transport to and from the airport.

Flight bookings must be made via the SCR Executive Team. The procedure can be found in Annex B.

5.9 Currency

If travelling abroad it is likely that LEP Board Non-Executive Directors would be accompanied by an Officer of the Combined Authority and that travel, accommodation and subsistence will be pre-arranged. However, it may be appropriate to issue Non-Executive Directors with currency or a suitable alternative prior to their departure. Receipts must be retained to enable a balance to be calculated on their return.

The SCR's procedure for foreign currency orders requests that 6 weeks notice be given to allow sufficient time for it to be ordered.

5.10 Insurance

SCR will arrange travel insurance for LEP Board Non-Executive Directors for any trips that are made wholly and exclusively on behalf of the SCR LEP.

6. Accommodation

6.1 Hotels

Hotel accommodation should only be obtained where there is a business requirement to stay overnight in a location.

Consideration on which hotel is appropriate should reflect all aspects of the situation including:

- The distance to the venue from the hotel
- Any impairment or mobility needs
- Any other specific need
- Health & Safety
- Value for money

6.2 Costs should be kept to a minimum and must not exceed the following costs, except with prior written approval of the CA Head of Paid Service.

Central London	£180 (maximum with written approval £200)
Greater London & Outside Europe	£120
Other UK Location and Europe	£100

These guidelines are for a standard room with and en-suite bathroom and breakfast, including VAT.

- 6.3** Accommodation bookings must be made through the SCR Executive Team. The procedure can be found at Annex B.

It is acknowledged that on occasion the travel contract in place may not be the cheapest option against 'last minute' booking companies. In this instance, prices will be verified and any authorisation required to make a booking via the marketplace direct will be given by the CA Head of Paid Service in conjunction with the CA Finance Director.

7. Subsistence

- 7.1** Allowances are available to provide compensation for expenses incurred whilst undertaking official duties. Subsistence allowance will only be reimbursed up to the maximum amounts stated, and upon the production of a valid receipt. If you attend an event and meals are provided you may not claim any additional expenses in respect of such costs.

Any expenses incurred by Non-Executive Directors should not include any alcohol purchases therefore any claims that include alcohol will not be reimbursed.

7.2 Breakfast

You may claim this allowance if are absent from your home on LEP business prior to 7 a.m.

Costs will be reimbursed on production of a valid receipt up to a maximum of £10.00

7.3 Lunch

You may claim this allowance if you purchase a meal while undertaking LEP duties for more than five hours spanning your normal lunchtimes

Costs will be reimbursed on production of a valid receipt up to a maximum of £20.00

7.4 Dinner

You may claim this allowance if you purchase meals whilst away from home on LEP business and you are absent from your home or your normal place of work beyond 8 p.m.

Costs will be reimbursed on production of a valid receipt up to a maximum of £30.00

8. Hospitality

- 8.1** Payments for hospitality expenses must be in accordance with the LEP Gifts and Hospitality Policy.

9. Monitoring

- 9.1** A quarterly monitoring report will be provided to the CA Head of Paid Service and Finance Director.

10. Equality & Diversity

- 10.1** If, on reading this policy you feel there are any equality and diversity issues, please contact the Governance and Compliance Function at Sheffield City Region Executive Team, (LEPBoard@sheffieldcityregion.org.uk) who will if necessary arrange for the policy to be reviewed.

Annex A

Approved HMRC mileage rates applicable to 2017/18		
	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor Cycles	24p	24p
Bicycles	20p	20p

Process for booking travel and accommodation through the SCR Executive

A booking request form for travel or accommodation should be completed setting out:

- the reason for the request
- Brief details of its nature, and
- Whether the travel or accommodation is within the Sheffield City Region, UK or International

The request form is available by emailing LEPBoard@sheffieldcityregion.org.uk

Once completed, the form should be submitted to LEPBoard@sheffieldcityregion.org.uk for authorisation by the CA Head of Paid Service.

Process for claiming reimbursement of expenses

An expense claim form should be completed listing the expenses for which reimbursement is being sought.

Items should be supported by receipts in order that the claim can be verified and VAT recovered where appropriate.

The form should be used to reclaim incidental expenses and mileage.

The expense claim form is available by emailing LEPBoard@sheffieldcityregion.org.uk

Once completed, the form should be submitted to LEPBoard@sheffieldcityregion.org.uk for authorisation by the CA Head of Paid Service.

Payment of expenses will be made through the SCR Executive's P2P system. Supplier accounts will be set up for each LEP Board member to facilitate this. This method will ensure that payments are subject to proper financial controls and that personal information is subject to appropriate data protection.