

**QMUL TRAVEL AND EXPENSES POLICY & PROCEDURES
JULY 2013**

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1 EXECUTIVE SUMMARY

The aim of this document is to ensure a consistent approach to the reimbursement of costs necessarily incurred by employees (including Governors and others travelling/claiming business expenses) of Queen Mary, University of London (QMUL), and to ensure that the principles of transparency and disclosure are upheld. It sets out what can, and cannot, be reclaimed and describes the expenses claim process in detail.

2 INTRODUCTION

2.1 The purpose of the travel and expenses policy & procedure is to:

- Define the College's policy and procedures relating to business travel expenditure.
- Provide guidance on the types of expenditure that can and cannot be reimbursed by QMUL
- Inform employees and those approving expenses of their responsibilities when controlling and reporting travel and business expenditures.
- Aim to relieve employees from the need to declare travel expenses in their income tax returns.

2.2 QMUL wishes to ensure that all employees travel in, and are accommodated in, a safe manner. Travel by employees is an essential element in meeting QMUL's overall objectives. It accounts for a significant proportion of the expenditure and we are required to ensure that this money is disbursed in accordance with a policy and procedure aimed at fairness with demonstrable value for money.

2.3 As an organisation QMUL is an institution that receives public money and has an obligation to ensure economic and effective use of those funds. Furthermore, QMUL aims to ensure appropriate levels of authorisation are obtained in accordance with the Scheme of Delegated Financial Authority and all audit requirements and legal duties are met.

2.4 It is expected that employees will be aware of the need to minimise the costs of travel and subsistence to the College.

2.5 Reimbursement of expenses should be claimed only for incidental business expenditure that cannot be paid for by the use of the Agresso Purchase Order system or the Purchasing Card scheme. A general rule of thumb is that any purchase that generates an invoice (as opposed to a simple receipt) will probably be more appropriately handled via Agresso as a requisition item.

2.6 All claims must be fully supported by appropriate, original, tax receipts/supporting information. Photocopied receipts and copies of bank/credit card statements are not acceptable in lieu of the original tax receipt. If receipts are not included the claim will not be honoured.

2.7 All employees (including Council Members and others travelling on behalf of the College) must adhere to the "travel and expenses policy and procedures" when incurring travel and associated expenditure on behalf of QMUL. Employees should neither gain nor lose financially with regard to expenditure and reimbursement on business travel arrangements.

2.8 No individual may authorise reimbursement of his or her own expenses; all expense claims should be authorised by the claimant's line manager or, if different, the budget holder being charged with the costs. All expense claim forms should be submitted with all relevant supporting documentation (tax receipts, quotations, etc.).

2.9 The source of funding (i.e. funds generated from research activities or other income-generating initiatives) is irrelevant - any expenditure paid out of QMUL bank accounts is subject to the terms of this policy.

2.10 Purchase of any item which may be deemed to be a taxable benefit must be notified to Payroll eg visas; broad band; restaurant bills, and a tax receipt obtained. Reimbursement will not be made for claims not supported by a valid tax receipt. We need to demonstrate to HMRC that adequate controls are in place to ensure compliance with their rules and requirements for tax dispensations.

2.11 You should be aware that as a significantly publicly-funded organisation, QMUL is subject to scrutiny of its expenditure and must promote financial transparency. Under the Freedom of Information Act we are required to disclose details of staff expenses payments. You are asked to bear this in mind when making purchases that you intend to subsequently reclaim.

2.12 This policy accords with guidelines disseminated by the HEFCE Audit Service refer <http://www.hefce.ac.uk/about/standards/howweareaccountableforthefundswewadminister/>

2.13 QMUL reserves the right to decline to reimburse expense claims in cases where the procedure has been abused or claims are non-compliant with the policy. In cases where laws are breached or there is an attempt to defraud the College disciplinary procedures will be followed.

3 WHAT CAN AND CANNOT BE CLAIMED THROUGH EXPENSES

3.1 What can be claimed:

Bona fide business travel; expenses and subsistence costs incurred in the course of official College business and in accordance with any currently published rates. Note: If the expense can be paid for via Agresso or Purchasing Card, it should be.

3.2 What cannot be claimed:

- Items that can be processed through Agresso or Purchasing Card
- Electrical equipment - computers, computer accessories, mobile phones, iPads, iPhones and items of a similar nature
- Stationery and computer consumables
- Personal subscriptions
- Payments to individuals for services rendered/in lieu of salary (this includes payment by voucher or any other reward or incentive - there may be tax implications in making such payments)
- Claims under DSE – display screen equipment – the cost of glasses and eye-tests are not claimable. QMUL provides eye-care vouchers where applicable (contact Occupational Health for more information)

- Items with a direct cash exchange value ie foreign currency, travellers cheques etc
- Any punitive interest, fines or compensation charges incurred by an individual
- Home broadband costs
- General refreshments for staff consumption ie office tea/coffee/milk etc

3.3 The above is intended to set out the general principles, is not intended to be exhaustive, and may be revised, expanded or amended from time to time, at the College's discretion. If unsure please clarify with the Procurement department in Finance.

3.4 Reasonable adjustments should be considered to support disabled employees. These should be agreed in advance between the individual and their line manager, but notification may be required to support expenses claims where expenses fall outside the rates and allowances contained within this policy. Refer to <http://www.hr.qmul.ac.uk/equality/equalitydisability/index.html> for fuller guidance.

4 NO PERSONAL GAIN OR LOSS

Employees should neither gain nor lose financially in relation to expenditure and reimbursement on business expenses or travel arrangements.

4.1 Promotional Incentives - The purchasing decision shall not be influenced by any promotional incentives such as airline mileage credits ('Airmiles' or similar) or personal cash credit card discounts or rebates.

4.2 Partner's and Family's Expenses – Partners and Family shall not travel at the College's expense. If a partner does accompany a member of staff for personal reasons, the College should not be charged more than if that member of staff travelled alone. Wherever possible the partner's travel expenses should be invoiced separately and paid privately. If their travel cannot be invoiced separately it should be settled by the member of staff and an expense claim submitted for reimbursement of the official business element, with a clear explanation for the reason for the claim.

4.3 Claims to be for Actual Expenditure - All claims made for business expenses; travel and subsistence must be for actual expenditure incurred and must be supported with itemised VAT receipts and where relevant other supporting information. The subsistence rates (see 9.9) are the normal **maximum** amounts that will be paid: they should not be used as a flat rate without supporting vouchers to show that they have been spent in full. However, the mileage rates (see 9.6.4) for use of a personal vehicle are to be paid in full without supporting receipts (e.g. for business miles travelled).

5 PROCEDURE FOR THE PAYMENT OF EXPENSE CLAIMS

5.1 Employees will be reimbursed for their approved expenditure on business expenses and subsistence provided that the authorised claim is compliant with this policy and it is received by the Accounts Payable team in Finance **within 3 months of the date of the expenditure**. Payment will be made by BACS directly into the individual's bank account or by bank transfer if the individual has a non-UK account.

5.2 Employees should fill in an expense claim form providing appropriate descriptive detail, with supporting documents attached, to substantiate expenditure where appropriate as soon as possible to ensure compliance with the time limit set out in 5.1 above and 5.7 below and be mindful of any specific claim time limits imposed by grants. No other form of claim submission will be accepted. Claimants should ensure all relevant sheets are completed in full. The form can be downloaded from: <http://qm-web.finance.qmul.ac.uk/accounts payable/forms/index.html>

5.3 Expense claim forms must be signed by either a line manager or designated budget holder where different. An individual cannot authorise his or her own expenses claim - their immediate line manager must do this (unless they are also a participant, in which case a further level of authorisation will be necessary).

5.4 Claims which are not compliant with the travel and expenses policy and procedures should not be authorised, but in the event they are received in finance they will be returned to the claimant unpaid.

5.5 All completed, compliant and appropriately approved expenses claims (approved in accordance with the Scheme of Delegated Financial Authority published on the ARC policy zone) should be submitted to the Accounts Payable team in Finance **within 3 months of the date of expenditure** for payment. Payment will be made by bacs directly into the individual's bank account or by bank transfer if the individual has a non-UK account.

5.6 The claimant is responsible for amounts being claimed – irrespective of whether the claim has been completed by an administrator on their behalf. The claimant is responsible for ensuring that only valid business expenses, compliant with this policy are claimed.

5.7 QMUL will not reimburse claims received by Accounts Payable more than 3 months after the expenditure was incurred, no matter what the reason.

6 CASH ADVANCES

6.1 Cash advances against travel and expenses are not available. The following alternatives should be used:

- Book expenditure (i.e. flights, hotel accommodation) in advance through the travel management companies via Agresso or Purchasing Card.
- Apply for a purchasing card, if you are a regular traveller. <http://QMUL-web.finance.QMUL.ac.uk/purchasing/cards/index.html>
- For business costs that cannot be met using either Agresso or Purchasing Card, cash or personal credit cards can be used and reclaimed via expenses

7 PRE-TRAVEL CHECKLIST

7.1 Employees should check the following to ensure they are meeting the policy and procedures of the College.

- Is the journey really necessary and is it wholly and exclusively for business purposes?
- Have alternatives to travel been considered, e.g. video conferencing?
- Has prior approval been obtained?
- Have you booked travel/accommodation through QMUL's contracted Travel Management Companies? (refer to section 9.2.1 on the advantages and disadvantages of using the TMC)
<http://QM-web.finance.QMUL.ac.uk/purchasing/buy/items/9907.html>
- Has the most economical travel fare been sought i.e. material savings can be achieved by booking well in advance? Has sensible judgement been used in determining whether to purchase a high cost flexible ticket as opposed to a low cost but inflexible ticket? Has flexibility of the dates and times of travel been considered as these can also affect the fare quoted?
- Have appropriate precautions been taken regarding any medical provisions as recommended for the countries that are being visited, ie inoculations? If not, please consult with QMUL's Occupational Health Service department immediately. <http://QM-web.ohsd.QMUL.ac.uk/>
- Have you obtained a Travel Insurance cover note? If not, please consult with QMUL's Insurance Officer immediately. You MUST ensure you do not travel without a Travel Insurance cover note.
<http://QM-web.finance.QMUL.ac.uk/financialmanagement/insurance/travel/index.html>
- Have you obtained a European Health Card? It's free and should be carried by all employees travelling to the EU and Switzerland.
<http://www.nhs.uk/NHSEngland/Healthcareabroad/EHIC/Pages/about-the-ehic.aspx>
- QMUL will only reimburse costs associated with official College business. If travellers have combined a leisure element to their trip (e.g. use of annual leave for sightseeing) then any incremental costs arising from the leisure element will not be met.

7.2 Before travelling staff should familiarise themselves with the medical and emergency services provided by the QM insurers; details of these and the contact telephone numbers are given on the insurance cover note. In the event of emergencies such as flight disruptions, illness and injury, the first priority is to ensure the safety of those involved. If this involves making a payment locally a purchasing card or personal credit card may be used.

8. DEFINITION OF BUSINESS TRAVEL

8.1 To determine which journeys may be regarded as business travel the following rules shall apply:

8.2 A business journey is one necessarily undertaken by an employee to carry out his or her duties for the College, or to attend training courses or conferences necessary for the performance of those duties. Travel between the permanent workplace and a temporary workplace or travel between home and a temporary workplace or travel between two temporary workplaces are all considered business journeys.

8.3 In contrast, the cost of travelling from home (or any other place the employee attends for personal reasons such as the home of a friend or relative) to a permanent place of work (as defined in the individual's contract of employment) is **not** claimable as this is regarded for tax purposes as "substantially ordinary commuting" and therefore a private journey.

8.4 Expenses incurred during a business journey may be reclaimed from the College, within the rules and limits of these Procedures. The amounts so claimed generally attract no tax liability .

8.5 Claims for business journeys that start or end at home should be for the lesser of:

- the distance actually travelled, or
- the distance which would have been travelled if the journey had started or ended at the employee's normal place of work.

8.6 Employees will normally be fully reimbursed for the cost of travel undertaken by train, tube and bus, if this has been undertaken for business purposes and provided this is an additional cost and not precluded in their contract of employment. The purpose of travel and details of the journey should be clearly stated on the claim together with supporting receipts.

8.7 Unless prior approval is given in writing by the budget holder, only the cost of the standard class rail fare (evidenced by a ticket or receipt) will be reimbursed by the College. It should be noted that savings can usually be achieved by booking rail journeys in advance.

8.8 Staff who already possess a travelcard covering journeys to and from work will be expected to use that for business and inter-site travel whenever possible.

9 TRAVEL & SUBSISTENCE

9.1.1 General

The following key points should be noted:

1. In order to enhance our reputation as a socially responsible organisation staff should only travel when necessary and use the means of transport which is most cost effective and, where possible, has least impact on our carbon footprint. By default, staff will be required to travel Economy class (or equivalent). Premium Economy

may also be used but supplementary evidence must be provided to the relevant authorised signatory specifying the reason, and subject to prior written approval.

2. It is expected that most travel-related expenditure (hotel accommodation, air fares etc) will be requisitioned through the College's nominated travel management companies (see 9.2.1 below), via Agresso. In cases where this route has not been followed (ie purchase by purchasing card etc) travellers will be expected to explain the reasons, and to demonstrate that best value has been achieved.
3. Business class travel should be avoided (whether funded directly by the College or indirectly through external grants for specific College led projects). In the event this is not practical authorisation should be obtained in advance of booking with a clear statement specifying the reason for Business class travel.
4. Under no circumstances will UK first class travel (or its equivalent) be permitted;

Exceptions to these general rules should be carefully considered. Authorisers (line managers or budget holders where different) must be satisfied work commitments justify the upgrade. Anticipated exceptions include:

- a) When compatibility with co-travellers from outside QMUL is desirable, especially in instances where work needs to be discussed during the flight. The purchase order/claim should clearly specify who the co-travellers are.
- b) When advantage of negotiated route deals are being used.
- c) When bookings have been unavoidably made at short notice and it is imperative the journey is undertaken, and economy or premium economy travel options are not available.
- d) When travel, generally flights, are booked close to the business engagement and the traveller needs to arrive "fit for work". Authorisers should however consider alternative options such as whether to travel economy the previous day with a hotel stay would offer better value for money.

9.1.2 Claims for travel

For **all** expense claims involving travel the relevant travel sheet should be completed in full with details of each business journey itemised.

9.1.3 Claims for incidental travel expenses

The College should not be expected to reimburse incidental travel expenses such as hotel mini-bar bills; newspapers etc, however claims for reasonable business internet use; laundry expenses etc may be considered if the member of staff is travelling for an extended period. These should be fully supported with tax receipts.

9.2 Travel Management Company (TMC)

9.2.1 QMUL uses contracted Travel Management Companies (TMCs) which can provide various travel and accommodation services. Furthermore, as the TMCs are highly competitive on price, time spent seeking alternative quotes can be avoided. Procurement continue to work to ensure QM achieves the best possible deals.

Contact details for QMUL's TMCs can be found here on the 'How to Buy Business Travel' intranet page

<http://qm-web.finance.qmul.ac.uk/purchasing/buy/items/9907.html>

The following outlines some of the advantages and disadvantages of using the TMC which should be considered before booking travel:

Advantages:

- Ability to widely source competitive arrangements across a wide range of airlines and hotel providers
- Provide access to the QMUL and wider LUPC airline route deals
- Provide travel expertise and advice
- Use of the TMCs ensures that QMUL is providing a duty of care to staff as the TMC ensures only reputable airlines and hotels are used - these are vetted to ensure appropriate health and safety standards and value for money are met.
- Consequently use of the TMC minimise that risk of breaching the Corporate Manslaughter act 2007 (see link to Act in section 17.8)
- Allows QMUL a method by which to capture carbon reporting requirements
- Provides the best route to obtaining flexible arrangements that protect the College should the booking be changed or cancelled.

Disadvantages:

- Will charge a management fee
- Do not always provide the most economical deal

9.2.2 Employees are encouraged to make arrangements in advance settling costs via Agresso and avoiding the need to outlay potentially large amounts personally. All transactions with the TMC should be via Agresso (unless these are necessarily incurred in an emergency outside of UK business hours)

9.3 Domestic and EU Air Travel

9.3.1 The TMCs should provide quotes, and unless there are significant savings found elsewhere, their lowest quoted fare should be accepted.

9.3.2 It is however not mandated to use the TMCs for domestic and EU air travel, but authorisers signing off on staff travel should note the potential risks involved in booking with an alternative supplier, where accommodation may not have been vetted. You will also be required to demonstrate the benefits of not using the TMCs and that safety of the employee is assured.

9.3.3 Ticket prices can fluctuate, and it is generally considered good practice to book early. Though the very best deals may be sourced closer to departure, tickets can become unavailable.

9.4 International Air Travel (beyond EU territories)

9.4.1 Many international destinations are served by 'QMUL Route Deals' which provide exceptional prices that have been specifically negotiated and are exclusive to QMUL employees and include both business class and economy fares. Employees are mandated to use these route deals in all cases. The QMUL Route Deals are only available via the TMCs. Please refer to Procurement's 'How to Buy Business Travel' page for details.

<http://qm-web.finance.qmul.ac.uk/purchasing/buy/items/9907.html>

9.4.2 For other international destinations, staff are still asked to obtain quotes from the TMCs, but can book elsewhere providing savings can be demonstrated.

9.4.3 Choosing an airline based upon personal benefits such as Air Miles is unacceptable.

9.5 Rail/Tube

9.5.1 Use of Oyster Cards are encouraged by QMUL departments wherever staff have cause to use the TFL or National Rail networks whilst on business. Oyster Cards ensure the minimum fare is paid.

9.5.2 Claims for expenses incurred on a personal Oyster card should be accompanied by a print out of the Oyster card transaction report, available for registered Oyster cards via the Oyster website, in lieu of receipts. Claimants should remove/protect details of their personal travel ie striking out with a marker pen.

9.5.3 Usage of department Oyster cards should be periodically monitored by the appropriate authoriser. Abuse of the department Oyster card will result in disciplinary proceedings.

9.5.4 All rail travel, whether in the UK or abroad, should be in **standard class** wherever possible. Exceptions to this may be made where;

- Where booking of a valid, more cost effective ticket is available e.g. promotional fares etc.
- Where otherwise exceptionally agreed in advance by the staff member's authoriser – a valid reason must be given and documented on the expense claim.

9.5.5 Unused tickets should be returned for refund if possible.

9.6 Hire Vehicles; Queen Mary Owned vehicles & use of private vehicle

9.6.1 A hired vehicle may be used for road journeys where it proves to be the most cost effective mode of travel.

9.6.2 The QMUL has a vehicle hire agreement in place which can supply a variety of vehicles from small cars to vans. Details can be found on Procurement's 'How to Buy....Car Hire' intranet site.

9.6.3 Queen Mary Insurance will only be valid for vehicle hire greater than 14 days if the QMUL insurers are provided with the full details of the vehicle to be hired, including registration number, prior to the transaction-taking place. For further details please see the link to the College's Insurance intranet site.

<http://qm-web.finance.qmul.ac.uk/financialmanagement/insurance/index.html>

Queries on insurance should be directed to the Queen Mary Insurance Manager.

9.6.4 Alternatively, staff may use their own vehicle where prior authorisation has been received and reasons for use rather than public transport are clearly documented on the expense claim. A **mileage allowance** can be claimed according to the HMRC rates detailed here <http://www.hmrc.gov.uk/rates/travel.htm> (currently 45p per mile for cars). QMUL will not reimburse use of own vehicle based on petrol receipts, this will only be reimbursed based on business miles and the mileage HMRC mileage rates.

9.6.5 Staff using their own vehicles for business travel should ensure that their insurance policy is valid for such use and their insurer notified where applicable.

9.7 Taxis & Cabs

9.7.1 The college sites are considered to be well served by both bus and underground and hence the use of taxis for journeys between each site will not be reimbursed, unless exceptional circumstances exist. These circumstances should be noted on the claim and approval provided by the budget holder. A valid receipt must be provided.

9.7.2 Employees may use taxi/private hire vehicles (of a standard class) when undertaking business travel, **if and when** it would not be reasonable to use public transport eg travel between the railway station/airport and their business destination if this is not served by public transport. If a taxi is used rather than public transport then the reason for this should be made explicit on the claim form.

9.7.3 If payment is initially made by the staff from their own funds, this can be reclaimed via the expenses claim form procedure. Staff are reminded to request as detailed a receipt from the taxi firm as possible, and give reasonable details of the journey undertaken, even when travelling abroad.

9.7.4 Hotel transport may also be used where there are security or other considerations, e.g. travel late at night.

9.8 Car Parking and Car Related Costs

9.8.1 Parking costs incurred in the course of official business travel may be claimed via the expense claim system, if they cannot be paid for by a QMUL Purchasing Card. Staff are reminded to keep receipts.

9.8.2 Fines resulting from parking, speeding or any other similar offence will not be reimbursed by the QMUL.

9.8.3 London Congestion Charge will be reimbursed if travel through the Congestion Charge Zone is necessary for business travel, although reasonable efforts should be made to avoid it. QMUL will not reimburse fines arising from the non-payment of the Congestion Charge.

9.9 Subsistence

When employees are away from their normal place of work on college business for a period of more than 5 hours they may claim subsistence to cover the cost of food within the rules and limits below. 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 vouchers to show they have been spent in full:

UK Rates

<http://www.hmrc.gov.uk/manuals/eimanual/EIM05231.htm>

HMRC benchmark <http://www.hmrc.gov.uk/payerti/exb/a-z/e/expenses.htm>

Breakfast £7.00

Lunch £10.00

Evening Meal £20.00

International Rates

<http://www.hmrc.gov.uk/employers/emp-income-scale-rates.htm>

Expense claims may be made, but will not be reimbursed beyond the amounts stated above. Receipts for all spend being claimed within the amounts must be attached to the expense claim. Credit/debit card slips are not acceptable as supporting documentation. If amounts spent exceed the limits above the claim should be for the maximum permitted.

In the event that claimants split a restaurant bill with other external parties, then the subsistence limits above will still apply, however a copy of the itemised restaurant bill together with supporting evidence of the amount paid should be submitted for consideration.

10 ACCOMMODATION

10.1 Domestic Hotel Accommodation

10.1.1 Wherever possible staff should return on the day of their business activity, but when it is reasonable to consider a return journey impractical hotel accommodation may be arranged by staff travelling on official business.

10.1.2 When hotel accommodation is booked, this should normally be at no more than of a UK 3 star standard or equivalent. Bed and Breakfast arrangements are acceptable.

10.1.3 The TMCs are recommended for domestic accommodation bookings. QMUL has a duty of care to its employees by law, using the contracted accommodation provider avoids having to do a risk assessment on hotels booked independently. The TMCs will also provide a 24 hour helpline for staff. Furthermore the QMUL can reclaim a proportion of the VAT paid in UK bookings and the QMUL's carbon footprint can also be captured with the Management Information provided by the TMC.

10.1.4 The TMCs are recommended to be used when making accommodation bookings for visitors, (i.e. visiting lecturers or external examiners).

10.1.5 Booking directly with hotels is permitted, but quotes from the TMCs must still be sought and superior value must be proven. Ordering and payment must be by Agresso Purchase order or Purchasing Card. Expense Claims made for Domestic Hotel Accommodation will not normally be met by the College.

10.1.6 Conference events often come with accommodation provided or recommended. In this situation it is also permissible to use the recommended accommodation provider.

10.2 European and International Hotel Accommodation

10.2.1 Use of the QMUL's TMCs for all overseas hotel accommodation is mandatory, unless an exceptional reason not to is given. For example, a Conference event may provide or recommend accommodation, which would be permissible, though staff and their authorisers must be entirely happy with the quality and location.

10.2.2 Spurious reasons for booking outside of the TMCs are unacceptable; the risk of breaching the Corporate manslaughter Act 2007 must be minimised wherever possible (refer to section 17.8 for link to the Act).

10.2.3 Where staff are involved in travelling to volatile regions, it is recommended that they consult with the QMUL International Office who can provide specialised knowledge of the area – see Section 17 for details.

10.2.4 Expense Claims made for European and International Hotel Accommodation will not be met by the College except in the case of emergency circumstances, (subject to 4.2 above)

10.3 Accommodation provided by a Third Party Family or Friends

Where hospitality and/or overnight accommodation is provided by a third party (e.g. family or friends) staff cannot claim subsistence allowances.

10.4 Staff Accommodation when travelling with a partner and/or family members

QMUL will not cover any costs for the accommodation of a partner and/or family members. Ideally, travel arrangements should be made and paid for separately (refer to section 4.2).

11 HOSPITALITY AND BUSINESS ENTERTAINMENT

11.1 Hospitality is defined as expenditure incurred in offering meals and refreshments to external visitors to the College. It is not envisaged that this would be performed off site. The hospitality claim form is a supplementary sheet attached to the expense claim.

11.2 Business Entertainment is defined as "the provision of certain goods and services, free of charge to the recipient, designed to foster goodwill and enhance the business relationship between the College and a customer, academic or business partner, or such other third party as may be deemed appropriate".

It is deemed to include the following:

- provision of food and drink;
- provision of accommodation (such as in hotels);
- provision of theatre and concert tickets;
- entry to sporting events and facilities;
- use of College-owned assets such as meeting rooms, sports facilities or vehicles for the purpose of entertaining.

11.3 Business entertainment should, wherever possible, be carried out at the College's own facilities, and requisitioned via Agresso.

11.4 QMUL allows members of staff to entertain external third parties, such as an external adviser, outside student, sponsor or colleagues from an external organisation involved in collaborative official business. As a recipient of public funds, with expense claims potentially disclosable under the freedom of information act, it is not anticipated that spend will be excessive and should be fully documented and justified.

11.5 Business entertainment expenditure may only be an appropriate use of College funds and avoid tax liability if it is incurred **wholly, necessarily and exclusively** for College purposes. A taxable benefit-in-kind charge arises on an employee when he or she is provided in the course of official business with food or drink free of charge and the circumstances surrounding the provision of such food or drink is not in connection with business travel, or entertaining third parties for business reasons (that is, employee-only meetings or functions).

11.6 The completed business entertainment/hospitality form must accompany the expense claim giving details of the organisation being entertained (including the names of the individuals concerned) and the purpose of the entertainment, together with itemised VAT receipts. Claims will not be reimbursed unless this detail is provided.

11.7 The authorisation and submission of a claim for entertaining is a declaration that the cost was incurred wholly, necessarily and exclusively for College. Expenditure on Hospitality and Business Entertainment is permissible, but it is the duty of staff and their authorisers to ensure that the expense incurred is appropriate to the occasion. Expenses are not allowable if entertainment is really for social reasons, even if some business topic happens to be discussed.

11.8 One test that HM Revenue & Customs may use to identify legitimate business entertaining is where the ratio of third parties to QMUL staff is, or exceeds, 1:3 (i.e. 1

external guest to 3 QMUL employees). If the ratio of third parties to QMUL staff exceeds 1:3 in favour of QM staff ie 1:4, then QMUL is required to calculate tax on the amount spent and pay this over to HM Revenue & Customs. This cost should be charged to the Budget Code.

11.9 The occasion should not contravene any other QMUL policy; UK or International law such as UK Bribery Act and US Foreign Corrupt Practices Act, and should not include events that could adversely affect the QMUL's reputation.

11.10 At all times, staff responsible for arranging entertaining should be aware of the source of funding being used and be able to justify the use of that money on entertaining, rather than on other business use. This includes funds awarded in the form of research grants.

11.11 If entertainment is being funded through a research grant it must be specifically allowed by that provider of funds. Any additional rules which are applied by that provider must also be followed.

11.12 Working meals off-site are permissible where there is a genuine business need. This may be as a result of the time of day if the event is outside normal working hours, or to enable the use of facilities which are unavailable on QMUL Premises. As mentioned in 11.8 the 1:3 ratio will apply.

11.13 Service charges for example in restaurants are mandatory and will be explicit on the receipt, however claims for reasonable gratuities//tips (up to maximum of 10.0% or 15% in USA) will only be reimbursed if shown on the receipt. Amounts paid in excess of this are at personal discretion and consequently are not reimbursable by QMUL.

11.14 Costs of a spouse, partner or other family member attending any such events will not be reimbursed by QMUL.

11.15 All employees should ensure they are familiar with the "Anti-bribery and corruption policy". This policy applies where ever in the world the employee conducts QMUL business, regardless of local custom and practice. Refer to ARC policy zone http://www.arcs.qmul.ac.uk/policy_zone/index.html

12 REFRESHMENTS AT MEETINGS

12.1 Light refreshments (tea, coffee, biscuits) before or during meetings can be offered providing the duration is in excess of 2 hours.

12.2 Working lunches with other QM staff are permissible as long as:

- The meeting could not have been scheduled during more conventional working hours
- Alcohol is not consumed
- Lunch meetings do not take place unreasonably frequently
- Details of attendees in addition to the date, time and venue are submitted
- The cost should not exceed HMRC subsistence limits extant at the time of the meal (refer 9.9)

12.3 It is not permitted for staff to have lunch immediately after a meeting has been concluded. This would be a taxable event and will not be reimbursed by the QMUL.

12.4 Payment for meetings and working lunches must be made through Agresso or by Purchasing Card, unless demonstrably impractical.

13 ANNUAL PARTIES & ONE-OFF EVENTS

13.1 Annual Parties are allowable by HMRC/QMUL provided the following key conditions apply:

- The event is regular in nature (usually annual) and not a one-off, e.g. Christmas Party, Summer Party
- The event is open to all staff within the School/Institute/Professional Services Department
- A member of staff can only belong to one School/Institute/Professional Services Department
- The total cost of all such events is no more than £150 per head attending per annum
- Appropriate budget-holder approval has been given in advance of the event being arranged

13.2 Events which do not satisfy all of the conditions above, will not be permitted or reimbursed by QMUL.

13.3 Given the potential scale of the outlay it is anticipated that this is planned expenditure will be procured via Agresso and not claimed via expenses. Local records will need to be maintained to ensure the limits are not breached. Any breaches should be reported to Payroll for appropriate tax deduction.

14 RETIREMENT, LONG SERVICE GIFTS & OTHER GIFTS TO STAFF

14.1 QMUL will make a contribution of £250 towards a gift for employees after 25 years service. Refer to the HR website:

<http://www.hr.qmul.ac.uk/workqm/paygradesrewards/reward/benefits/serviceandretirement/index.html>

Please note:

- This money must be used to purchase a gift and under no circumstances can the employee be given the money.

14.2 Officially, all gifts or benefits provided to employees are subject to Income tax and National Insurance unless there is a specific exemption. However, HMRC take a pragmatic view of benefits of a trivial nature and do not normally consider these to be taxable (examples which HMRC cite being a seasonal gift of a turkey or an ordinary bottle of wine). Gifts are permissible only as long as they are infrequent, of low value (no more than £50) and do not include money or vouchers. Budget holder approval should be provided in advance of any commitment.

14.3 Gifts to staff for a reason such as a thank you, illness, a birth or marriage, success in exams or leaving and retirement should be funded by staff collections, and will not be reimbursed by QMUL.

14.4 QMUL's Financial Regulations http://www.arcs.qmul.ac.uk/policy_zone/index.html detail the guiding principles required by employees in the conduct of public business and the requirements for formal registration of any gifts or hospitality received above a low intrinsic value.

14.5 Gifts offered by suppliers or others should be politely but firmly declined, generally. Articles of low intrinsic value, e.g. diaries or calendars, need not necessarily be refused however. Any member of staff who is offered hospitality in excess of what would normally be expected to be provided by QMUL should refuse it.

14.6 All employees should ensure they are familiar with the "Anti bribery and corruption policy". This policy applies wherever in the world the employee conducts QMUL business. Refer to ARC policy zone http://www.arcs.qmul.ac.uk/policy_zone/index.html

15 QMUL-SPECIFIC (PROMOTIONAL) EVENTS

15.1 The following events are considered to be non-taxable or permissible as business-related entertaining, when held either on QMUL premises or elsewhere:

- New student dinners or student welcoming parties
- Post-graduate entertaining
- Drinks or light refreshments provided at the start of a new course or in association with lectures or seminars

15.2 In all of the above cases, the majority of attendees at the events must not be QMUL staff. The moderate expenditure should be appropriate for the circumstances but budgeted and authorised in advance of the event by the budget-holder.

16 CONFERENCES, COURSES AND OTHER EXPENSES

16.1 Conferences are an accepted part of QMUL business for many staff. Where a conference includes an accommodation package or recommendation of accommodation then provided staff are satisfied as to the quality (ie UK 3 star or equivalent) and location this may be booked through the conference organiser, but use of the QMUL's TMC is recommended for events within the UK and mandatory for those overseas where accommodation isn't provided or recommended by the conference.

16.2 Wherever possible, staff should undertake QMUL-offered **training courses** in-house. The costs of these courses are borne by QMUL and held on QMUL premises. At the discretion of the authoriser QMUL may bear the cost of external training courses. Payment for course costs should be made via Agresso or Purchasing Card and not through Expense Claims.

16.3 QMUL will provide **mobile phones** and contracts only where a specific operational need arises. Private use on a QMUL contract should be minimal and the employee will

be required to pay QMUL the associated costs where this is deemed not to be minimal. Details on how to obtain a mobile phone can be found on Procurement's 'How to Buy Telephones' intranet site. Staff should not claim for the costs of phones or their running costs via expenses.

16.4 Staff using mobile phones overseas are advised to purchase a local sim card to remove the need to pay high international rate call or UK roaming charges. QMUL will reimburse the cost of the sim purchase and business calls. Calls made overseas on a UK mobile phone will not normally be reimbursed.

16.5 Employees who are required to make business calls using their **home telephone** should claim reimbursement of the cost of the call and associated VAT only. The College will not bear the cost of any part of the home telephone rental. Details of business calls on an itemised telephone bill will need to be submitted when making an expense claim.

16.6 QMUL will not reimburse employees the cost of their home internet if they choose to work from home.

17 USEFUL LINKS

17.1 Procurement's intranet site; contains up to date information on TMCs, Care hire firms, Purchasing Card applications etc.

<http://qm-web.finance.qmul.ac.uk/purchasing/>

17.2 Finance's intranet site; contains links to required forms (e.g. Hospitality form, Expense claim form) and the QM Insurance site.

<http://qm-web.finance.qmul.ac.uk/>

17.3 Occupational Health Services intranet site; contains information on pre-journey inoculations that may be required.

<http://qm-web.ohsd.qmul.ac.uk/>

17.4 UK Foreign Office provides worldwide travel advice, available here;

<http://www.fco.gov.uk/en/travel-and-living-abroad/travel-advice-by-country/>

17.5 European Health Card information can be found here;

<http://www.nhs.uk/NHSEngland/Healthcareabroad/EHIC/Pages/about-the-ehic.aspx>

17.6 HMRC website for information on tax

www.HMRC.gov.uk

<http://www.hmrc.gov.uk/guidance/2013/480.pdf>

17.7 QMUL Anti-Bribery and Corruption Policy

http://www.arcs.qmul.ac.uk/policy_zone/index.html

17.8 Corporate Manslaughter and Corporate Homicide Act 2007

<http://www.legislation.gov.uk/ukpga/2007/19/contents>