

School of Mathematics Expenses Policy

1. Introduction

Staff and students will necessarily incur expenditure in the course of their duties/activities. The University has a responsibility to ensure that expenditure is appropriate and reasonable. In light of the revised University expenses policy (effective from 1st March 2019, <https://www.edweb.ed.ac.uk/finance/for-staff/financial-regulations-policies-and-procedures/new-expenses-policy>) this document provides further information on staff/student expenses within the School of Mathematics.

2. Scope of policy

This policy covers the following areas of expenditure

- Travel
- Overnight costs and allowances
- Hospitality
- Other expenditure

3. General Principles

The University's expenses policy applies to all expenditure and takes precedence unless more restrictive financial limits are stipulated by the funder (for example, a research grant). Please note that any items purchased with University-administered funds are University property.

Overseas travel which gives rise to an expense claim may only be undertaken with the pre-approval of the line manager/budget holder. To satisfy this requirement staff should include the estimated costs to be incurred when submitting their absence request, this is mandatory for all claims no matter the source of the funding. The subsequent expense claim should then reference the specific 4 digit Absence ID in the Claim Additional field of the expense claim. Where travel is within the UK or undertaken as part of a research grant, pre-approval is not required.

Staff are strongly advised to use the University's nominated Travel Management Service (currently Key Travel) when booking trips and/or accommodation over £300. For the avoidance of doubt, this is not compulsory. Please contact the School Operations Office for assistance with using Key Travel.

All claims must be submitted via the online expenses system (<https://www.expenses.finance.ed.ac.uk/>). If you do not have access to the required job code then please see Jill Douglas.

It costs a fixed amount to process any claim, so it would be helpful if claimants could try to avoid submitting claims for less than £20, unless they represent the total of expenses in a three month period.

Expense claims should have been incurred wholly and necessarily in the performance of employment/studies. This means, for example, that we cannot cover the cost of expenses for spouses, partners, other family members or friends.

Expense claims must be made within 3 months of the cost being incurred i.e. reclaim conference registration fee, accommodation booked in advance. Costs incurred during a trip i.e. food, local travel must be claimed within 3 months of your return.

Expenses related to different trips should not be bundled together into one claim. This is particularly important for travel funded by research grants where the funder requires specific information on the travel undertaken.

Claimants must ensure that no unnecessary costs are incurred and that the University receives good value for money. Travel, subsistence, accommodation costs or other expenses that appear to be inappropriate or excessive will not be reimbursed.

The University provides an insurance service which all staff should make use of when travelling, for University purposes, overseas or where UK travel involves a trip by air or an overnight stay. Cover is not automatic and must be arranged by applying online (<https://www.insurance.finance.ed.ac.uk/>). Cover is free to applicants with the exception of some high-risk destinations which may require a fee which will be charged to the School by internal transfer. Therefore insurance cover will not be reimbursed on expense claims.

4. Receipts

Receipts must be obtained for all items as they are required for audit purposes. Mileage claims do not require a receipt. All receipts must be photographed or scanned and uploaded to the eExpenses system. Original receipts must be retained if it is a funder requirement (for example EC research grants).

University policy is that itemised receipts must accompany all claims, therefore credit card slips or credit card/bank statements will not be accepted as evidence of business expenditure, unless they are for one item of expenses which is clearly identifiable e.g. accommodation charges at a hotel but not for meals etc.

For split bills, receipts are to be submitted with the items being claimed for clearly marked.

Tips will only be reimbursed if shown as a service charge included on the bill or if the claimant can provide evidence of a gratuity of up to 15% (for example through provision of the relevant credit card statement alongside the itemised bill).

Foreign currency payments should be converted to sterling at the nearest applicable exchange rate to the date of the transaction and claimed in sterling including any charges. Where a credit/debit card was used to pay for overseas expenses, the actual cost in sterling will be reimbursed. A copy of the statement should be used to evidence the rate used alongside the original receipt as above. For cash items please use the exchange rate achieved on conversion to foreign currency plus any transaction charges. For foreign currency bank account transactions please use the <https://www.xe.com/currencytables/> rate on the transaction date.

5. Travel

Air travel

All flights should ideally be booked at least one month prior to travel. Internal flights are only permitted if they are cheaper than rail. Flights may be booked if rail travel is unable to get you to your destination in time or for disability, impairment or other health-related reasons. Internal flights will only be reimbursed at economy rates. For overseas flights, the class of travel depends on the length of flight and where a business case can be made. Business class may be allowable for longer overseas flights subject to approval by the Research & Finance Administrator, i.e. for flights over six hours if

there is a need to be able to work immediately after the flight and no other cost-effective alternative is available or for disability, impairment or other health-related reasons.

Train travel

Will normally only be reimbursed at standard travel rates. A non-standard class rail fare is allowable where the claimant plans to work for the duration of the journey or for disability, impairment or other health-related reasons. A sleeper is also permitted for overnight travel.

The university will meet the cost of railcards and Oyster cards where there are demonstrable savings arising from said cards to reduce the cost of university travel.

Taxis

The University will reimburse the costs of necessary travel for University purposes between one University workplace and another temporary place of work for meetings or other purposes (on University or other premises). However, the University's sites are considered to be well served by bus and the use of taxis should be used only in limited circumstances, such as

- whereby a journey would involve two or more buses or other modes of public transport
- in cases where the time between meetings/lectures/tutorials is so short that a taxi is the only reasonable way to get to the second meeting/lecture/tutorial in time
- when bulky items or sensitive materials (ie exam scripts) are being transported
- travelling home late at night i.e. after 11pm for example after an event or seminar dinner

Where taxis are required within Edinburgh, staff must use the School's contract with Central Taxis, where practicable. Please contact the School Operations Office to book such journeys.

Travel between home and normal place of work (which may include the central area) or business travel broadly similar to the claimant's normal commute will not usually be reimbursed. The main issue with such expenses is that they can be considered a taxable benefit by HMRC with the associated complications for the individuals concerned.

Sharing of taxis/cars is encouraged where possible (for example travel to Heriot-Watt for meetings/events)

Outwith Edinburgh the same spirit should be applied, although there is greater flexibility for staff to take account of local conditions, for example as regards personal safety when overseas.

Car parking permit

The School has a general use parking permit for use (which costs £250 per year), and also has a number of visitor scratch card permits (which cost £10 each). Use of these scratch card permits should be treated in the same way as taxis.

Car hire & mileage

The use of private cars for long journeys (i.e. over 100 miles for a return journey) is not normally economic. Exceptions are where there are a number of passengers (University employees), heavy or bulky equipment is carried, there are multiple destinations, public transport is impractical or it can be demonstrated that there is a significant saving in staff time by the use of a private car. The reason must be stated on the expenses claim. Prior approval should always be sought (from the Research & Finance Administrator) for car hire. For a case to be approved we will need details of the journey's and the costs involved (hire and approximate fuel costs).

When members of staff travel in their own car then mileage (at the HMRC approved rate of 45p/mile) will be reimbursed. The expense claim must include the start point, destination and number of miles travelled.

When a staff member is travelling by car it is their responsibility to ensure that appropriate parking and road traffic regulations are met. It is also the staff member's responsibility to ensure the car has the appropriate business insurance cover. The School will not reimburse parking or other fines.

6. Overnight costs and allowances

Accommodation

The cost of a hotel in the UK should not exceed £100 (£150 in London). In addition to value for money, aspects to consider include location, convenience and safety.

Staff cannot claim expenses for arranging private accommodation with friends or relatives while away for University purposes as this would be a taxable benefit under HMRC rules. If travelling with family/friends who do not have business with the University we will fund only the relevant proportion of the accommodation costs for the business traveller. For example if booking a family room in a hotel the claimant should provide a print out of a normal room from the same provider from the same date as the family room was booked. Please note that providers such as AirBnB are not regulated so please follow the advice in Appendix 1.

If any personal expenditure is charged to the accommodation bill this should be paid separately by the member of staff when checking out. If this is not possible then a copy of the accommodation bill should be attached to the expenses claim and personal items highlighted and deducted from the claim.

Meals

Actual subsistence costs incurred, while away from Edinburgh, can be claimed and itemised bills and proof of payment must be provided. For staff away from Edinburgh claiming meals, the following are indicative rates:

Breakfast: £5 - £10

Lunch: £10 - £15

Dinner: £25 - £35

If the claimant can provide evidence of payment of a gratuity of up to 15% (for example through provision of the relevant credit card statement alongside the itemised bill) then this will be reimbursed.

It is University policy that the cost of alcohol will not be reimbursed.

Incidentals

The School can only reimburse those personal incidental expenses that are necessary for the business trip and in excess of those that would have been incurred at home. Items of a personal nature (for example toiletries urgently required on work-related travel) will not be reimbursed.

The actual costs of personal incidental expenses such as newspapers, private calls, laundry, non-alcoholic drinks etc. can be claimed provided that the total amount spent on such items amounts to no more than £5 per night (where the night is spent in the UK) or £10 per night (where the night is

spent outside the UK). Receipts are required. This is not a round sum per diem allowance claimed for nights away from home.

The School reserves the right to query/reject specific incidentals.

7. Hospitality (e.g. seminar speakers, external examiners)

When external guests are being entertained the claimant must provide an itemised bill and the claim must include the names (and associations) of the attendees and the purpose of the entertainment. Reasonable tips that do not exceed 15% paid to reward good service are claimable as part of the meal.

Alcohol can be reimbursed when entertaining external guests.

Staff in attendance must be proportionate with the number of visitors with a maximum ratio of three University employees to every one visitor. The ratio of employees to external guests is a critical factor in determining whether such expenses are tax allowable for the University (see Appendix 2).

The cost should be appropriate and not exceed £20 per head (lunch) or £40 per head (dinner) including alcohol and service.

8. Other expenditure

We will reimburse annual subscriptions or memberships to a professional body where there are demonstrable savings arising from said membership, for example reduced conference attendance fees, exceed the cost of the membership.

We will reimburse visas or vaccinations if required for business travel but passport costs will not be reimbursed. The University's Occupational Health Unit offers a range of vaccines that can be charged to Schools through internal transfer (<https://www.ed.ac.uk/staff/business-travel/travel-health/travel-vaccines>).

Books can be purchased directly through Blackwells by means of the School Operations Team raising a purchase order. Books purchased through Amazon can be claimed back on expenses.

Short term Wi-Fi access when travelling will be reimbursed but we will not pay for home broadband/internet provision.

Mobile phone contracts/hardware will not be reimbursed.

Unless there are exceptional circumstances, items such as equipment, computer hardware and software must not be incurred directly by claimants and claimed on expenses.

The College's Public Engagement Advisory Group has received clarification that ad-hoc purchases for public engagement/outreach purposes can continue to be claimed on expenses. However, if there are items which are bought on a semi-regular basis then please seek advice from the School Operations Office.

Appendix 1 – AirBnB

- Airbnb is not regulated and may fail to meet basic safety standards such as smoke detection, electrical testing, extinguishers and fire escape.
- Airbnb is highly unlikely to share traveller information with the University in the event of an emergency.
- Airbnb hosts sometimes cancel at the last minute for various reasons and our own insurance will not cover any direct or indirect costs associated with that. Airbnb hosts may have no insurance and their normal domestic insurance may not cover them for letting rooms.
- Airbnb hosts may trade illegally if the host city, for instance, does not permit short-term room rentals. The accommodation may be an unused back bedroom in a stranger's house. The accommodation will often be less secure than a hotel, with no CCTV, key control, robust door locks, swipe access or room safe. Travellers should wherever possible favour accommodation where it has smoke detection and good locks / security.
- Airbnb bookings may be illegal if the country / region / city / building does not permit short-term room rentals, or if the host has not complied with local regulations but nonetheless advertises the property on the platform regardless.

In order to avoid some of these problems, travellers can use the Airbnb platform ONLY where:

- You can identify that the country / city / region / building permits short-term lets and the property complies with local regulations, so the booking is legal.
- There is a reasonably full history of positive reviews (this is common sense for anyone booking any accommodation).
- The accommodation is a self-contained apartment (so you aren't staying in a stranger's back bedroom or similar).
- You can identify the neighbourhood as safe (again, it is common sense to check).
- You don't rely only on the Airbnb bookings calendar, but also email the host directly, as some hosts are not assiduous about updating calendars.
- You leave full contact details in your travel plan including location of the apartment and owner contact details.

Appendix 2 – Inland Revenue Legal Requirements

Tax Status of Expenses Reimbursed

Expenses incurred by staff which are reimbursed by their employer are taxable payments unless they are incurred 'wholly, exclusively and necessarily' in the furtherance of the duties of the employment. This definition would appear likely to increase an employee's potential tax bill, but this is removed by the Dispensation arrangements the University has with the Inland Revenue.

Dispensations

Technically, all expenses reimbursed by an employer to an employee are taxable income in the hands of the employee. The employee would then require to claim tax relief from the Inland Revenue for the costs incurred by him/her wholly, exclusively and necessarily in the performance of the duties of his employment.

However, in order to simplify administration of expense claims the Revenue will grant a dispensation to organisations whose systems are adequate to meet the Revenue's requirements for control on expense claims. The effect of a dispensation for the employer is that he/she does not deduct tax from expenses claims. For the employee this obviously means he/she does not suffer tax deduction from his/her expense claims, but it also means that he/she does not have to make any claim for tax relief on the expenses paid by him/her.

The University has a dispensation from the Inland Revenue, covering the following:-

- travel and subsistence, both in UK and abroad, except where accompanied by a spouse, relative, friend etc.
- entertainment
- mileage payments on private cars under the Fixed Profit Car Scheme (as used by the University)
- reimbursement of business telephone calls. Note - line rentals and private calls are specifically excluded from the dispensation.

This means that, generally speaking, expense claims will be paid without deduction of tax.

It must be noted that, as a result of the University dispensation, the employee must not include expense reimbursement amounts in his/her Self-Assessment Income Tax Return, and neither must he/she make any claim for tax relief on those expenses.

If the Revenue believes that the system for claiming expenses is being abused they can revoke any dispensation and insist on all expenses being taxed at source.

The maximum rates for subsistence and accommodation noted in this Manual should not be interpreted as 'round sum payments' for expenses. A round sum payment could be defined as a lump sum paid to an employee to cover unspecified expenses. Any payments of this nature would normally be treated as taxable remuneration by the Inland Revenue. As a matter of policy, the University does not provide round sum payments for expenses.