

4. Expenses and Hospitality

4.1 Introduction and general principles

The key aims of this guidance are:

- To set out the Children's Commissioner policy in relation to business travel and expenses;
- To clearly state the types of expenditure that can and cannot be reimbursed;
- To define the process for claiming necessary expenses;
- To ensure reasonable standards of service whilst achieving value for money; and
- To ensure that the Children's Commissioner complies with HMRC requirements for tax dispensation.

The OCC is a non-departmental public body and must make sure public money and other resources are used properly and efficiently. The following principles should be applied irrespective of the type of expense involved:

- Only costs which are necessary and additional to normal daily expenditure should be reimbursed;
- The Children's Commissioner will reimburse actual costs only (within agreed limits);
- All claims for expenses should be receipted and independently approved;
- Audit processes should be in place to review claims on the basis of risk, quantum, nature of expense, or random selection;
- Claims should include a clear business reason where travel is other than standard class; and
- Line Managers should oversee the frequency of travel and associated expenses.

The Children's Commissioner is responsible for meeting the cost of travel by her staff on official business – this means travel that is necessary for the purpose of official business, including:

- Attendance at meetings in pursuit of official OCC business; and
- Attendance at training courses; and

Official travelling does **not** include:

- Travel between a person's home and normal place of work
- Travelling between home and a designated second (i.e. 'split site') work place mileage.
- Travel on first taking up duty and finally leaving the Civil Service; and
- Return home at weekends from a detached duty location.

All staff are responsible for ensuring that no unnecessary costs are incurred and that the Children's Commissioner receives good value for her use of public funds. When incurring expenditure of any type, you must be mindful of what a member of the general public would regard as reasonable, so that the opportunity for adverse media criticism is minimised.

You should also consider the increasing requirement for transparency relating to travel and subsistence expenditure at aggregate and individual claimant level, through FOI requests,

FINANCIAL POLICIES AND PROCEDURES

including expenses, hospitality, flights, taxis and social events; and high profile media comment on events such as away-days.

Any exceptions to the requirements set out in this guidance must be agreed in writing with your Line Manager, if necessary taking advice from the Business Support Team – without this, the Children's Commissioner can decline to reimburse you for some or all of the unapproved expenses you incur.

4.2 Key questions

Before you take the decision to incur any expenses, either for pre-paid booking (eg, rail tickets, hotel rooms) or expenses you would need to reclaim later (eg, taxi fares, subsistence payments), you should carefully consider the following:

- Do I have to make this journey at all?
- Do I need to attend the meeting in person, or can the work in question be taken forward by video conference or teleconference?
- If I must travel, how can I maximise the business benefits of this journey – for example, can I schedule other meetings with colleagues at that location on the same day?
- If I must travel, have I taken all reasonable steps to minimise the costs I will incur? For example, do I need to stay overnight, have I considered split-ticket rail travel?
- Is there any reason why I can't book travel using the tRIPS booking process to take advantage of negotiated discounts and ensure that staff travel is monitored and recorded?
- Do I know the right Cost Centre and Accounting codes to use for my travel claims, to ensure the costs I incur are charged against the correct business budgets for my work?
- If charging any items to programme budgets, have I ensured the specific approval for this is in place? (Administrative costs such as T&S must not be charged against programme budget lines without specific prior agreement with HMT.)
- Am I planning ahead to take advantage of the significant cost savings that can be made by, for instance, travelling off-peak, booking Advance rail tickets, or checking whether a split ticket would be cheaper overall for the same journey?

4.3 Roles and responsibilities

As claimant:

- You must always ensure that your Line Manager approves any expenses you may incur, and confirms that your travel arrangements comply with the requirements set out in this guidance, before making a booking or incurring costs for which you intend to make a claim. Line Manager approval must be in writing – for example, by email – and retained by claimant and Line Manager for audit purposes;
- You are responsible for the cost of daily travel between your home and your normal place of work; and
- All losses made by the Children's Commissioner - including those relating to cancelled or unused travel and hotel bookings that cannot be refunded in full - need to be recorded in the annual resource accounts. If you have either cancelled or unused bookings which cannot be fully refunded, you must record these losses with the Business Support Team.

FINANCIAL POLICIES AND PROCEDURES

As Line Manager:

- Within the requirements set out in this guidance, Line Managers are free to decide the best course of action for the performance of their business. All expenditure incurred will be met from their budget;
- Line Managers must authorise / approve all expenses incurred by their staff, either before pre-paid expenses are booked, or before cash claims are submitted to RM for reimbursement. This approval must be recorded in writing (e.g. email) and retained by both Line Manager and claimant for audit purposes. This approval includes:
 - Ensuring that the travel and associated expenses are necessary for the effective delivery of official departmental business;
 - Ensuring that proposed bookings and/or claims are in line with requirements set out in this guidance - for example, that standard class rail tickets are to be booked, hotel costs are within the agreed thresholds, subsistence claims are for actual receipted amounts, below the set caps on such expenditure, and reflect the actual hours worked in respect of the specific claim being made; and
 - Checking that the right codes are being used for all claims relating to their specific areas of work or budget lines, and in particular that the correct approval is in place for any claims to be charged to programme cost centres;
 - Where any reimbursements are sought, Line Managers must ensure that a digital copy of the relevant receipt (i.e. a scanned or digitally captured image) has been submitted to them and that all details on the receipt match the claim being submitted. Electronic copies ensure that all receipt evidence is archived within OCC and available for checking and audit purposes;
 - Where no invoice or receipt is available, Line Managers may – by exception - approve the claim at their own discretion, but their approval must be in writing (email) and must explain why they have accepted the claim without the required evidence;
 - Where there is any variation to the requirements set out in this guidance, Line Managers must ensure that they have seen, considered and explicitly approved the business reason why deviating from the guidance requirements is, in their view, an acceptable and necessary use of administrative funds;
 - Where any errors within a claim are highlighted or misuse of the T&S system is found, Line Managers must:
 - take action to recover any monies that may have been overclaimed;
 - monitor future claims of any staff who may not have complied with the policy; and
 - take further/disciplinary action where necessary.

4.4 Claims

You should make your claim as soon as possible on completion of the relevant expense being incurred, and always within one month. Staff on long-term absence can submit claims by using a hard copy form. Any claims submitted after three months may be declined for payment and will, in all cases, require an explanation for the delay in submission.

FINANCIAL POLICIES AND PROCEDURES

You must keep all receipts for any items you intend to claim: scan, photograph or otherwise digitally record them as soon as possible, to ensure you have an electronic copy. Without receipts, your claim can be refused. In the event that you have mislaid or been unable to obtain a receipt, you must ensure that you have obtained your Line Manager's approval for claiming without a receipt.

Any claim may be rejected, or invalidated post-payment, if it is not properly authorised by your Line Manager. If your claim is invalidated your Line Manager will determine whether you are required to refund the claim.

Responsibility for accuracy of claims rests with the claimant and relevant Line Manager.

You must retain actual or electronic / digital copies of all receipts and supporting evidence (where required) for six years, together with a copy of your claim. All expenditure claims must be supported with the correct receipt(s). If you are unable to produce a receipt, you will need to include an explanation for the absence on the relevant claim line, and ensure you keep a copy of your Line Manager's approval email.

When staff leave the OCC, or go on secondment or maternity leave, it is the Line Manager's responsibility to retain the claims for the remaining period or until they return to the OCC, to ensure they can be accessed at any time for audit purposes.

Other miscellaneous business expenditure should be handled in accordance with normal procurement arrangements (the use of the GPC card and/or PO process on NAV) and should not be included as part of a T&S claim.

4.4.1 How to make a claim

You are expected to use OCC travel and related expenses contracts where possible, to minimise both your own out-of-pocket expenses and the volume of receipted claims that have to be processed through payroll. Travel and hotels should be booked through [Redfern](#) by the Business Support team.

All expenses must:

- Comply with OCC policy;
- Include itemised receipt(s) as evidence of expenditure; and
- Be claimed in a timely manner.

A home to office deduction should be made for any day where you are claiming expenses and have not incurred your normal travel costs from home to office. You have a responsibility:

- To claim only for valid and agreed expenses;
- To retain evidence of expenditure (including receipts with explanations for any exceptions to the policies set out here and required approvals) for six years;
- To pass copies of these to your Line Manager; and
- (As Line Manager) to retain all copies of claims, receipts and approvals, including those for staff leaving the department or taking extended leave.

FINANCIAL POLICIES AND PROCEDURES

Staff expenses are claimed through a manual form, approved by your line manager. The form can be obtained from the Business or Finance Team.

4.5 Travel Policy

Redfern Travel has been awarded the Government Procurement Service cross government business travel contract and must be used for business travel needs, including bookings for rail, air and sea travel and hotel accommodation. Bookings should be made by the Business Support team via Redfern's online Booking Tool (tRIPS).

4.5.1 Rail Travel

When travelling by rail you should always travel Standard Class using the most cost effective route, preferably pre-booking your tickets to travel on specific (timed) trains. You may only book an open return ticket if you have no way of knowing what time your meeting or official business will finish, or when it is the cheapest option available.

- Exceptionally, first class travel can be booked if one or more of the following applies:
 - Where disability or health reasons mean that you would not be able to secure suitable facilities in standard class; and
 - Where the overall cost of the first class ticket is less than the overall cost cheapest ticket for standard class. If applicable, you must keep evidence of the relevant price comparisons (such as a screen shot from the booking page) for audit purposes.

When claiming reimbursement of rail fares you must attach the train ticket or a receipt to the claim form. In the case of London Underground, please ensure your claim states the zones you have travelled to and from.

If using a personal "pay as you go" Oyster card for business travel, you should claim for the actual journey and not the value of the top up.

4.5.2 Air Travel

Air travel makes a growing contribution to climate change and can be more expensive than surface travel. You must carefully consider the real need, the full cost (including travel between airports and offices) and the travel alternatives before booking flights. The Children's Commissioner does however recognise that there may be occasions when flying is the most appropriate form of travel e.g. cost and or time savings or urgent business.

All staff booking air tickets should use economy class or an alternative which costs the same or less, with a few exceptions. Staff with a disability or health reasons who are unable to secure suitable facilities in economy class may travel business class. Staff who manage to purchase a cheaper business class ticket than an economy ticket for the same journey may also travel by business class (a copy of the price comparisons must be printed off and retained for audit purposes.)

You may only claim for excess baggage if you are due to be absent for over two weeks.

FINANCIAL POLICIES AND PROCEDURES

4.5.3 Taxi Travel

Use of taxis is not an entitlement and official journeys should usually be made by public transport, particularly in London. Taxi travel is often expensive so may only be used under certain circumstances while you are on official business. Acceptable reasons for using a taxi include:

- Where it is cost effective due to numbers travelling together;
- Where there is no other suitable method of public transport, especially when travelling early in the morning or late at night before public transport starts or is running regularly;
- When you have a temporary or permanent disability;
- When you have heavy luggage to carry;
- Where the time saving is important; and
- When you may be concerned for your physical safety.

Ideally you should always let your line manager know if you intend to use a taxi and should secure post-payment approval by email from your line manager if not. Always remember to obtain, scan and retain a receipt for your claim.

When staying at a hotel on official business, taxi fares will only be reimbursed for official trips. Taxis for personal use will not be reimbursed.

When travelling overseas, taxi's should be avoided if public transport is available, except during unsocial hours or if time constraints are unavoidable.

4.5.4 Car Travel

You are encouraged to use self-drive hire cars where savings are generated over alternative vehicle use. You must always get your line manager's approval before booking a hire car.

If you use your own car you may claim mileage in line with mileage limits and allowances. You can also claim for any associated expenditure – e.g. toll and reasonable parking charges provided that these are necessarily incurred on the Children's Commissioner business.

You should only use your own car when for example:

- There is no suitable public transport or using it would be too time consuming;
- There is a cost saving by using a car instead of public transport; or
- You need to carry office equipment or other items.

Car users must record the mileage, destination to and from, the rationale for using a car instead of taking public transport, the cost equivalent of a standard rail fare, and evidence that the cost of using a car does not exceed the cost of a standard rail fare.

If you choose to use your car on OCC business, for your own convenience, we will pay the public transport rate or the appropriate rail fare if less. Please note that if you elect to use

FINANCIAL POLICIES AND PROCEDURES

your car by choice the public transport rate is 25p per mile. You may claim an additional 2p per passenger (first passenger and an extra 1p for each additional passenger) per business mile for carrying fellow employees in your car on journeys which are also work journeys for them.

When you use your car on OCC business you will need to provide evidence that you have a valid car licence and that your car is insured for business use. This is in order to ensure that in the event that you were involved in an accident, there would be appropriate third party insurance. Copies of your licence and current insurance documentation will be kept on your personal file and you should notify the Business Support Team of any change in your circumstances.

You are responsible for ensuring that your car is parked legally at all times. The Children's Commissioner will not accept any liability for the payment of parking fines, unless in exceptional circumstances.

4.6 Overnight accommodation

In considering the business need to book overnight accommodation, you must:

- Not use hotel accommodation which is not essential (for example, if a matter could be satisfactorily cleared by correspondence, video conference or telephone);
- Not use hotel accommodation other than in the most cost effective way – wherever possible meetings and itineraries should be arranged with economical daily travel in mind; and
- Consider other events that are being held at the time of your stay. These events can drive up the price of accommodation and other charges.

Redfern Travel has been awarded the Government Procurement Service cross government business travel contract and must be used for business travel needs, including bookings for rail, air and sea travel and hotel accommodation. Bookings should be made by Business Support via Redfern's online Booking Tool (tRIPS).

Rates – normal nightly limits are: London £135.00 and elsewhere in UK £75.00. Limits for overseas bookings should be agreed with your line manager in writing before booking. You may not exceed these limits without good reason (e.g. no other suitable accommodation is available, or you are attending a conference or meeting in a particular hotel and wish to stay in that hotel). **A preference for a hotel which is situated close to the office to be visited is not a sufficient reason to exceed the price limit.** Hotels booked through tRIPS cannot exceed these limits by more than £25. You must have written line manager approval for any bookings over the limits.

Accommodation provided within a five-mile radius of the workplace will qualify as a taxable benefit.

You must settle the balance of your bill covering any other costs incurred on departure. You will be reimbursed for the costs subject to the current limits and production of receipts. If the limits are likely to be exceeded, then you should obtain prior permission from your line manager.

Overseas Bookings

FINANCIAL POLICIES AND PROCEDURES

Overseas accommodation should be booked using tRIPS, wherever possible. Individuals who choose to book their accommodation independently should always consider value for money and will need to demonstrate that their booking was cheaper than using tRIPS.

4.7 Subsistence

Subsistence expenses may, with appropriate receipts, be claimed on an actual cost basis within the limits set out in section **4.7.3**. Receipts must be obtained, submitted and retained for six years.

Day and overnight subsistence is not subject to tax, provided that receipted actuals are claimed in line with this policy and that receipts are retained. As the individual making the claim, it is your responsibility to retain all necessary evidence including receipts and approvals.

The period of absence should be calculated as your actual time of absence from the office, based on your departure and return time to the office. If you travel direct from your home, without calling into the office, the period of absence will be seen as whichever is the shorter of the following:

- The time from home to arriving back home, less the usual journey times from home to office; or
- The time that you would have been absent if you had set off from, and returned to, your office.

There will be no reimbursement for the purchase of alcohol as part of subsistence. The purchase of alcohol will be at the employee's expense.

4.7.1 Day subsistence

Day subsistence is intended to contribute towards the extra food and drinks costs associated with working away from your normal place of work on official business. It must only be claimed where expenses have been incurred and receipts obtained.

To be eligible for claiming for meals/refreshments, the place you are visiting must be at least five miles by the most direct route from your usual workplace and you must be away from your usual workplace for more than five hours.

Day subsistence is not payable:

- When you are already claiming actuals for overnight subsistence for the same period of time;
- When you are being provided with meals during your visit;
- When you eat at home or bring food from home; or
- For alcoholic drinks.

4.7.2 Overnight subsistence

Overnight subsistence is intended to contribute towards the extra food and drink costs associated with spending nights away from home on official business, whether staying in

FINANCIAL POLICIES AND PROCEDURES

a hotel or with friends and family. Payment covers a 24 hour period starting from the time your official journey starts. Where the period of absence exceeds 24 hours but does not justify a further overnight stay, residual day subsistence may be additionally claimed in accordance with the normal criteria.

When claiming overnight subsistence, you can separately claim for local travel costs if these are incurred as a result of official business. You can also claim a personal incidental allowance of £5.00, un-receipted, to cover costs such as personal telephone calls and newspapers.

The place you visit must be beyond reasonable daily travelling distance, meaning you have to travel the night before you start work, or you cannot reasonably be expected to get home the same night as you finish work.

Overnight subsistence is not payable:

- If you are temporarily recalled back to your permanent office;
- When it is reasonable for you to get home the same night as you finished work;
- If meals are provided, not purchased or you don't have receipts;
- For alcoholic drinks;
- When you eat at home or bring food from home.

4.7.3 Subsistence categories and limits table

Period of absence	Upper Limit
More than 5 hours and no official food provided – One meal	£4.50
More than 10 hours and no official food provided – Two meals	£9.30
More than 12 hours and no official food provided – Three meals	£13.80
More than 24 hours and where breakfast is included in the accommodation tariff	£21.25
If breakfast is not included in overnight accommodation, then an additional meal is added to the 24 hour allowance	£4.50
Breakfast on day one if the official journey starts before 6.00am and is part of an overnight stay.	£4.50
More than 24 hours - Minimal incidental expenses will be allowable to cover items such as a telephone call home or to purchase a toiletry item that has been forgotten.	£5.00
More than 24 hours and staying with friends or family - receipted actuals for lunch and an evening meal up to:	£21.25

5. Salary Advances for Season Tickets

If you are a permanent member of staff or on a fixed term contract and need help to buy a season ticket for travel between home and work, providing you have sufficient earnings to cover your monthly repayments, you may apply for an advance to purchase a season ticket for public transport (for 3, 6, 9 or 12 months);

5.1 Applications

You must complete a season ticket application form available from the Business Support Team in duplicate and pass both copies to your Principal Budget Holder who would normally certify your travel claims. He or she will certify on the form that, so far as he or she is aware, you are likely to remain in employment with the Children's Commissioner for the full period of validity of the season ticket for which an advance has been requested. Your Principal Budget Holder will send the top copy of the application form to the Business Manager, who will authorise the advance and arrange payment via the Finance Team.

The Children's Commissioner must be satisfied that an advance has been used for the purpose for which it was given. You must therefore produce the season ticket to the Business team on the commencement of the period of validity, or as soon as possible after that and at any other time when requested.

5.2 Repayment procedure

An advance will normally be repayable in equal instalments within the life of the season ticket. Recovery will be made by deduction from your pay usually in equal monthly amounts, commencing in the month in which the advance is made. The deductions will be calculated by dividing the amount of the advance by the period of validity of the season ticket. Odd amounts may be rounded up with an appropriate adjustment to the first or final instalment. For example, for an annual season ticket commencing in March, the advance will be made with February's pay and recovered by 12 equal deductions from your pay for each month from February to the following January.

In cases where an advance becomes repayable before the expiry of the normal payment period, the payment should be sent without delay to the Children's Commissioner and marked for the attention of the Business Manager.

5.3 Conditions of Repayment

When you apply for an advance you will be required to sign an agreement accepting the following conditions:

- That the advance is solely for the purchase of a quarterly or longer period season ticket;
- That you will agree to monthly deductions from your salary over the same period as the season ticket to clear the advance; and
- That, you will repay the outstanding balance of the advance on leaving the OCC
- That this amount may be deducted from your final salary or be set off against any payments due.

FINANCIAL POLICIES AND PROCEDURES

In the event of the member of staff surrendering the season ticket for any reason, repayment of the balance outstanding of the advance will be required immediately. The OCC reserves the right to seek repayment of these advances at any time. Any outstanding advance will immediately become repayable and may be offset against any pay, allowances or pension due, if:

- You resign or your contract is ended by the Children's Commissioner. It may be necessary to make special arrangements for repayment if deductions can no longer be made from salary; or
- You surrender the season ticket for any reason. If you surrender the season ticket, you must repay the outstanding balance. However, you may have to wait some time before you receive your refund on the ticket from the travel company. The Children's Commissioner is prepared to defer the repayment of the outstanding amount until you have received your refund. You must write to Business Support to explain your case. However, the Children's Commissioner cannot meet any administrative charges which may be levied unless the surrendering of the season ticket is due to OCC action.

You cannot apply for a further advance to be paid until the existing advance has been repaid. However, if for any reason payment of the advance is delayed and cannot be recovered within the life of the season ticket, any outstanding amount will be added to your next advance. Repayment of this amount will be spread over the life of your new season ticket.

5.4 Upgrading Season Tickets

If you upgrade your season ticket you can apply for an extra advance to cover the difference in the cost of the new ticket. The deductions for your existing season ticket will be adjusted to take into account the extra cost of the upgrade.

5.5 Tax Considerations

Income tax will continue to be charged on your gross pay, not on the advance and deductions. However, this type of advance is classed as a beneficial loan and the Children's Commissioner has a statutory duty to provide the Inland Revenue with details of the advance. Tax is personal to individuals and the Children's Commissioner cannot advise you on your tax position. When contacting the Tax Office please quote Employers Tax reference 951/BZ72378 and Accounts office reference 951/PQ00217738).