EXPENSES POLICY

PURPOSE

To provide a policy whereby LPC members will be reimbursed for actual expenditure incurred wholly, exclusively and necessarily in the course of LPC business activities, travel, meetings and entertainment provided that such expenses were approved in accordance with the requirements of the policy.

1. INTRODUCTION

This document sets out in detail the Lincolnshire LPC expenses policy that is to be applied from the 1st of the month following its introduction. The LPC will reimburses members and employees for reasonable business expenses incurred on the LPC's behalf whilst they are engaged in authorised business or training activities provided they fall within the limits set by this policy. It is our intention that members should neither gain nor lose financially as a result of incurring expenses on LPC business. LPC members are subject to HM Revenue and Customs rules and guidelines as to what is allowable as a business expense. It is therefore important that all claims adhere strictly to the policy.

Expenses defined as 'reasonable' are those that are cost effective when weighed against the purpose of the business activity. Members are responsible for the settlement of any business expenses incurred and for reclaiming these costs through the process set out in this document. Any breach of this policy will be referred to the Committee for consideration.

2. ATTENDANCE AT CONFERENCES/TRAINING ON BEHALF OF THE LPC

Members' requests to attend training/conferences on behalf of the LPC must be approved in advance by a full meeting of the committee. If the schedule of meetings does not allow for this, applications must be approved by a panel comprising of a minimum of two persons that include the Chair, the Vice Chair, Governance Lead and/or the Treasurer. That approval must be reported back to the next meeting to be minuted.

3. SUBMISSION OF CLAIMS FOR REIMBURSEMENT

3.1 Members & Employees are expected to:

- Submit claims within three months of the expenditure. All claims in any one financial year should be submitted within 6 days of that year end. Send expenses claims, and claims for backfill, by email as follows:

  Email Title: Expenses Claim <NAME> FAO The Administrator
  Email address admin@pharmacylincolnshire.org. Please copy in info@pharmacylincolnshire.org

- Provide original invoices, receipts or itemised bills to support all expense claims.
- Submit claims on forms which are clear, understandable and auditable and in a format which is acceptable to the Treasurer.
- Should any of the above not be satisfied, we reserve the right to withhold payment
- Postal claims will not be accepted without prior authorisation and then only in specific and limited circumstances

Payment will only be made upon the production of an expenses form with documented evidence of expenses such as toll receipts etc. Electronic receipts, booking confirmations and digital invoices are acceptable evidence of expenditure provided they clearly show the supplier, date and amount paid. Where a receipt cannot reasonably be obtained or has been lost, a written explanation must be provided. Reimbursement remains at the discretion of the Treasurer and may require additional authorisation.

3.2 Authorisation/ limits:

- Single items of expenditure or activity exceeding £500 should be cleared with the Committee in advance.
- Claims for locum backfill expenses for LPC meetings should be no more than £240 for a full day, or £120 for a half day. Claims exceeding this to be evidenced by a copy of the locum invoice.

3.3 Payment:

- Expenses will be paid via BACS, and in exceptional circumstances, via a cheque
- A claim for expenses will normally be processed for payment within 28 days.

4. EXPENSES CLAIM ALLOWED

4.1 Locum Expenses:

If a locum has been employed to cover for a LPC member whilst he/she is attending an event on behalf of the LPC, the fee for employing this locum can be reclaimed by the member's employing organisation from the LPC upon the submission of an expenses claim form and/or invoice to the Treasurer. The claim should reflect the actual cost incurred and should not exceed the amounts as above unless previously agreed. Evidence to support the claim may be requested. There will be no personal tax implications for situations such as these.

If an LPC member is attending an event on behalf of the LPC on a working day all backfill costs will be paid to the company.

If an LPC member is attending an event on behalf of the LPC on his/her day off then this time may be claimed from the LPC at a rate of £30.00 per hour up to a maximum of £240 per day and paid to the member, who will be processed via our LPC PAYE procedures. This must be agreed prior to performing any duties on behalf of the LPC. Alternatively, the member may opt to claim the hours via his/her employer as an additional working day and reimbursement will be made to the company at locum rates.

Any payments to an individual will be deemed as income and regarded as work done for the LPC. As such, the LPC member must provide the treasurer with a detailed timesheet, outlining the number of hours worked in the working day.

4.2 Travel/ Transport:

- Mileage for travel undertaken in a private vehicle will be reimbursed at the prevailing HMRC Approved Mileage Allowance Payment (AMAP) rate. The applicable rate shall be the HMRC rate in force on the date of travel.
- Public transport should be used where practical and cost-effective.
- Standard class rail travel will normally be reimbursed. First class travel may be reimbursed where it represents better value for money, where no suitable standard class fare is available, or where authorised in advance.
- Taxi fares may be claimed where they represent a more efficient or economical option, where public transport is unavailable, or where personal safety considerations apply. Receipts must be provided. Pedal Cycle: mileage is paid at the prevailing tax-free rate per mile set by the H M Revenue and Customs.
- Travel expenses are paid directly to the committee member as a gross payment, unless the member claims via their employer as part of the process for claiming backfill. Mileage for employees of the LPC is paid at the same rate. Claims should reflect the miles travelled from the agreed base of work to the corresponding venue.
- Members and employees should make reasonable efforts to minimise costs through advance booking and by selecting appropriate travel and accommodation options.

4.3 Parking and Tolls:

- The LPC will reimburse the cost of parking and road tolls incurred on LPC business, but parking fines, towing away charges or fines for other traffic violations will not be reimbursed.

4.4 Accommodation and Subsistence:

The LPC's intention is that members and employees should not be financially disadvantaged by attendance on LPC business. Claims must, however, represent reasonable and proportionate expenditure, demonstrate value for money, and be supported by appropriate receipts.

Accommodation

- Accommodation may be claimed where attendance on authorised LPC business is sufficiently distant from an individual's home or normal place of work that a same-day return journey would be unreasonable.
- Accommodation should be booked at the most cost-effective rate that reasonably meets business needs.
- Overnight accommodation may be claimed up to £100 per room per night, including breakfast.
- For stays within Greater London, overnight accommodation may be claimed up to £180 per room per night, including breakfast.
- In exceptional circumstances, where suitable accommodation is unavailable within these limits, reimbursement of up to £250 per room per night may be claimed with prior authorisation from the Chair, Vice Chair, Governance Lead or Treasurer.
- Receipts must be submitted with all claims.

Subsistence

Where members or employees are required to travel away from their normal place of work or home base on authorised LPC business, reasonable subsistence expenses may be claimed.

The following limits will normally apply:

- Breakfast: up to £10, where travel commences before 6:00am and breakfast is not otherwise provided.
- Lunch: up to £15, where the individual is away from their normal base during the usual lunch period.
- Evening meal: up to £45, where the individual is required to remain away from their normal base into the evening, returns home after 8:00pm, or where an overnight stay is required.
- Incidental refreshments, including tea, coffee, bottled water and soft drinks: up to £10 per day, where reasonably incurred during extended business travel and not already included within a meal claim.
- Actual expenditure only may be claimed and itemised receipts must be provided.
- Alcoholic beverages will not normally be reimbursed, unless expressly authorised as part of an approved LPC event or hospitality activity.

Claims should be reasonable in the circumstances and consistent with the principles of prudent use of LPC funds, whilst ensuring that members and employees are not financially disadvantaged when undertaking LPC business.

4.5 Hospitality and business entertainment

- Expenditure on hospitality or entertainment must have a clear business purpose and be proportionate. Prior approval should be obtained for any individual item exceeding £100..

4.6 Business Calls:

The cost of calls made on LPC business can be reclaimed. You must provide details of the calls you have made by attaching an itemised bill with the business calls highlighted.

4.7 Employed Staff Working From Home Expenses

- Employees whose designated place of work is their home address, or who are authorised to work regularly from home on behalf of the LPC, may claim a fixed monthly homeworking allowance.
- The allowance is intended to make a reasonable contribution towards additional household costs incurred through homeworking, including heating, lighting, electricity, broadband and other incidental expenses.
- The allowance shall be reviewed periodically by the Executive Committee and notified to employees by the Treasurer.
- Claims do not require the submission of individual utility bills or receipts unless specifically requested.
- The LPC's intention is that employees should not be financially disadvantaged as a result of undertaking agreed homeworking arrangements on LPC business.
- Records of payments will be retained in accordance with the LPC's financial governance requirements.

4.8 Miscellaneous:

- Members and employees should make reasonable efforts to minimise costs through advance booking and by selecting appropriate travel and accommodation options.
- The LPC will not reimburse costs incurred for spouses, partners, family members or other accompanying persons unless expressly authorised in advance by the Committee.
- Other legitimate claims will be considered by the Committee.

5. PROCESSING PAYMENTS

- Periodically the treasurer will propose a payment run for authorisation. This will constitute emailing two other members of the Executive Committee and/or the Governance Lead and circulates any documentary evidence- permission for the payment to be made will be sought by a minimum of two of the four people as above via an email reply, including the treasurer i.e. only one person has to agree if the Treasurer has proposed the payment. Should the treasurer have any personal payments on the proposed payment run, then there will need to be two people who agree the payment before payment can proceed. The physical payments are then made by the treasurer. As an alternative, this can be delegated to the LPC administrative assistant.

6. DECLARATIONS

Members' expenses will be declared to contractors in the LPC Annual Report.

7. ANNUAL REVIEW

This policy will be reviewed at least annually by the Executive Committee to ensure that reimbursement limits remain appropriate, proportionate and reflective of prevailing costs.

8. CONTACT DETAILS

Queries regarding expenses claims should be directed to the Treasurer:
Chris.Kenny@pharmacylincolnshire.org