Darwen Asylum Refugee Enterprise

Expenses Policy and Procedures

FOR STAFF, VOLUNTEERS and TRUSTEES

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1. PURPOSE

1.1 This document defines for staff, volunteers and trustees the expenses that can be incurred and reclaimed in the ordinary course of the business of the charity. It aims to ensure that funds are used effectively to achieve the objectives of the organisation.

2. GENERAL PRINCIPLES

2.1 Costs incurred must be wholly exclusively and necessarily incurred in the

course of DARE business.

2.2 With the exception of mileage rates, only the actual DARE business cost incurred can be reimbursed e.g. a flat rate to cover expenses cannot be paid.

2.3 No preferential treatment is given to trustees, manager,, staff or volunteers - all have equal entitlement to claim expenses and at the same rates.

2.4 Volunteers who need it may be provided with an advance for expenses. All receipts must be kept/provided and any balance of cash remaining returned to DARE immediately.

2.4 Individuals should be encouraged to reclaim valid expenses incurred on DARE business. An individual is able, if they wish, to donate the value of the expense claim back to DARE and Gift Aid could then be claimed on this donation (providing they are a UK tax payer). To enable DARE to reclaim gift aid the donor will need to pay the expense payment back to DARE.

3. ROLES AND RESPONSIBILITIES

3.1 Each individual is responsible for ensuring that they keep records of

expenses incurred and claim them via the DARE Manager.

3.2 Expenses claims must be authorised by the DARE Manager/a Team Leader in the case of staff or by the DARE Treasurer in the case of trustees.

3.3 The DARE Treasurer is responsible for paying expenses and maintaining records of expenses paid.

4. RELEVANT LEGISLATION AND POLICIES

4.1 This Policy complements, and should be considered along with

other DARE Policies:

- □ Volunteer Policy
- □ Financial Procedures

5. SCOPE

5.1 This policy includes:

- □ Expenses incurred by an individual and claimed via an expense claim form
- □ Expenses incurred by an individual and paid for by DARE directly.
- □ Expenses incurred by an individual using DARE debit card.

The Policy applies to all expenses incurred by staff and trustees. Volunteer expenses are dealt with in the Volunteer policy.

PROCEDURES

6. Authorisation

6.1 Claims for travel and other expenses must be authorised by the line manager (for staff/volunteers) or the DARE Treasurer (for Board members).

6.2 Claims will only be authorised where the expense was clearly incurred in the course of DARE work. If in any doubt staff/volunteers/trustees should seek authorisation first to ensure they will be reimbursed.

6.3 All claims should be made on the correct form and, with the exception of mileage allowance, should have bills, receipts or a signed voucher to support them.

6.4 There may be occasions when the line manager/Treasurer may require further information in support of a claim. This will be to ensure that DARE funds are used appropriately and effectively.

6.5 The authorisers' responsibility - The authoriser must ensure that:

- □ Approval of the claimants' expenditure is within his/her authority.
- □ The expenses is valid, a reasonable charge to the charity and complies with the policy document.
- □ The description of every item is clear and adequate. Any travel and subsistence allowance claim must include details of the purpose of the visit and the name of the organisation and people visited.

- The claim form is totalled correctly.
- The expenditure was wholly, exclusively and necessarily occurred in the performance of the duties of employment or the business of the charity.

7. Payment

7.1 All claims for reimbursement of authorised expenses must be made within three months of the expenditure being incurred.

7.2 Claims should be submitted to the DARE Manager by the last date of the month for the reimbursement in the following month's payroll.

7.3 Pre-payment of expenses can be made by special arrangement with the DARE Manager.

8. Travel Expenses

8.1 The most cost effective mode of transport should be used when travelling on DARE business. The purpose of travel should be clearly stated on the claim for reimbursement. The reclaimable amount is any extra cost incurred above the normal home to place of work cost.

8.2 Where public transport is not practical, employees may use their own vehicle for the performance of their duties and will be paid a mileage rate for their journey (Approved Mileage Allowance Payments – see appendix B). Car parking fees will be paid but fines will not be reimbursed.

8.3 See Appendix A for guidance on claiming travel costs for journeys that start or end at home.

8.4 If a car or taxi journey is unavoidable always consider if sharing is possible. If using a personal vehicle to carry official passengers a passenger supplement for each passenger may be claimed (see schedule of rates – Appendix B).

8.5 It is the sole responsibility of the staff member to ensure that their vehicle is fully insured for business use and the vehicle has a valid MOT certificate and current road

fund licence. DARE will not be liable for any third party claims for any accidents incurred whilst on DARE business.

8.6 As a general rule, taxi should not be used. Claims for taxi fares will only be met where there is no other suitable method of transport and the claim has been agreed in advance with the manager.

8.7 Consideration will be given to the special needs of people with disabilities or health problems such that they require assistance, special travel and/or accommodation arrangements. These should be discussed with the line manager/Treasurer, as appropriate, prior to incurring additional expenditure.

9. Subsistence Allowance

9.1 Subsistence costs are costs necessarily incurred by employees when working away from the normal place of work.

9.2 Employees who are necessarily away from the office for more than 5 hours over a recognised meal time are entitled to claim for subsistence. The claims, supported by receipts, will be reimbursed up to the maximum level of expenditure as shown in Appendix B. Schedule of Maximum Rates paid.

9.3 You may claim for a non-alcoholic drink during any period of travel which lasts more than two hours and does not include a mealtime. (Receipts must be provided).

10. Telephone Calls and Mobile Phone

10.1 Reimbursement for the cost of essential phone calls will be made. This includes the cost of mobile phone calls. An itemised bill should be provided in support of your claim. Mobile phones provided by the company are solely for business use.

10.2 Personal use of mobile phones provided by the company should be kept to a minimum and any significant personal use should be reimbursed to DARE in line with the itemised bill for the phone concerned.

11. Carers

11.1 Where staff/trustees with a disability require the services of a carer for help with travel to and from meetings and other business, full consideration will be given to meeting the cost of the carer's travel expenses. Individuals should discuss their needs with the line manager/the Director prior to incurring the expenses.

12. Hospitality

12.1 Hospitality for work commitments is allowed, but in each case it must be associated with or form part of DARE's aims and objectives, and be for a specific legitimate purpose. Hospitality should be reasonable, transparent, and accountable and kept to a minimal.

12.2 When making a claim the names of the people receiving hospitality, the name of their organisation(s) and the reason for the hospitality should be given.

12.3 It is possible that DARE may have to justify using public money to provide hospitality to guests; therefore staff should discuss with the line manager if there is any doubt about whether it is appropriate to offer meals or entertainment to guests.

13. Other costs

13.1 Individuals should not make payments on behalf of DARE for goods and services. A credit account should be set up with the supplier who should bill DARE.

13.2 As a general rule any other costs should be checked in advance with the finance department to ensure they will be reimbursed.

Date of last review: JANUARY 2025

Date for Review/Who to Review: This policy will be reviewed yearly by the Finance and Staffing Sub-Committee.

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Appendix A – Travel from home

Travelling costs for journeys to out-of-office appointments which start or end at home can only be reimbursed if the journey qualifies according to HMRC guidelines (see HMRC factsheet 490: employee travel http://www.hmrc.gov.uk/helpsheets/490.htm). These guidelines exclude journeys which do not make the total journey significantly longer than a normal commuting journey. A significantly longer journey which would be eligible for reimbursement would, typically, be one which, when taken by a reasonable route, adds more than ten miles to the normal commuting journey. Such journeys can then be reimbursed at the approved HMRC mileage rate (see schedule of rates).

It is up to the discretion of the DARE Manager if it is appropriate to start or end the journey from home or work, if unsure please check with them before making the journey.

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Appendix B - Schedule of Maximum Rates

These rates represent the maximum that can be claimed and all receipts must be provided.

- Up to £5.00 for meal allowance (after travelling/off site for 5 hours).
- Up to £10.00 for meal allowance (if travelling/off site for 10 hours or more).
- Up to £25.00 for meal allowance (if travelling/off site for 15 hours and on-going at 8.00 pm.).
- Bed & Breakfast £59.50. (London £80).

  Approved Mileage Allowance Payments for reimbursement of business travel in employee's car

- First 10,000 business miles in the tax year 45p per mile
- Subsequent miles at the rate of 25p per mile

  Approved Passenger rates - 5p per mile for each passenger
  Travel in employee's motorcycle: 24p per mile.
  Travel in employee's bicycle: 20p per mile.
  Claims outside of these limits will need to be justified before they will be approved for reimbursement