

Common Soil reimbursement of expenses & purchases policy

Applicability

All Contractors, Staff Members and Volunteers are entitled to be reimbursed for out-of-pocket expenses which they legitimately incur while promoting and supporting the delivery of the organisation's objectives.

In all cases, it is important to ensure that the reimbursement of out-of-pocket expenses is not – OR DOES NOT APPEAR TO BE – a disguise for making income payments (remuneration) to the recipient(s).

Expenses vs Purchases

Note that although claims for the reimbursement of purchases which have been personally and properly made on behalf of the organisation are usually made together with claims for the reimbursement of out-of-pocket expenses, they are not counted as expenses. Instead they are accounted for as part of the organisation's general expenditure in the usual way.

Policy Scope

Employees, contractors and volunteers are entitled to be reimbursed by the organisation for all travelling and other expenses actually, necessarily, reasonably and incidentally incurred by them in carrying out their duties, on submission of an appropriately authorised claim form and relevant supporting point-of-sale receipts. However, taxation law does NOT permit paid employees to claim travel expenses from their home to their normal place of work. The organisation also does not pay contractors for travel expenses from their home to the site of work.

“Actually” means that the claimant actually incurred the claimed expenditure. *eg:* the bus fare for a journey cannot be claimed if the claimant had decided to leave earlier and walk the journey instead;

“Necessary” means that the activity could not have been undertaken efficiently and effectively without incurring the expenditure;

“Reasonable” means that the cost of the expense must be commensurate with prudent, value-for-money use of the organisation's funds to promote & deliver its objectives. Thus, the cost incurred must be competitive with (*ie:* similar to) the costs of alternatives of similar quality and suitability-for-purpose.

However, this does NOT mean that the cheapest goods/services must always be purchased. Where the additional benefits TO THE ACTIVITY BEING PROMOTED/DELIVERED

demonstrably outweigh the additional cost of more expensive goods/service they can be chosen in preference to the cheaper alternatives. However, the claimant must always be ready and able to give a credible justification for their choice if challenged.

“Incidental” means that the expense(s) must not have been determined by considerations unrelated to the activity being promoted/delivered. For example: the claimant had attended a meeting the venue for which had been chosen specifically because it also enabled the claimant to visit a nearby friend. In such a scenario, even though the costs of attending the meeting in that venue would otherwise have been necessary and reasonable, they would not also have been incidental and, therefore would not be eligible for reimbursement.

Authorisation

Expenses may only be incurred, and subsequently reimbursed by the organisation, in respect of activities which are part of the organisation’s agreed and budgeted programme of activities (*ie:* by PRIOR agreement with the relevant budget-holder).

Likewise, goods and/or services may only be purchased on behalf of the organisation, and subsequently reimbursed, in respect of activities which are part of the organisation’s agreed and budgeted programme of activities (*ie:* by PRIOR agreement with the relevant budget-holder).

Procedures: Reimbursement of Expenses & Purchases

Submitting Claims for Reimbursement of Expenses & Purchases

- Claims for the reimbursement of expenses must be submitted on the organisation’s approved claims form. *Ad hoc* claims will not be considered
- Claims for the reimbursement of expenses must be accompanied by documentary evidence of the expense (*eg:* point-of-sale receipt, travel ticket, *etc*)
 - Where such evidence is not available the claimant must provide a written explanation to the Treasurer for approval;
 - The Organisation reserves the right to decline to reimburse expenses for which reasonable documentary evidence has not been provided;
- Employees’, contractors’ and volunteers’ completed expenses claim forms must be authorised by a member of the core management group;
- Core management group expenses must be authorised by the Treasurer;
- All expenses claims must be submitted within 30 days of the relevant activity.

Expenses may only be claimed later than 30 days with prior approval from the Treasurer.

- Expenses claim forms may also include claims for the reimbursement of goods/services purchased by the claimant on behalf of the Organisation.

- Claims for the reimbursement of purchases must be accompanied by documentary evidence of the each purchase (*eg: point-of-sale receipt, travel ticket, etc*).

Travel Expenses

- When it is not practical to use public transport, or where more than one employee or volunteer is travelling the same journey, travel by private vehicle (car, motorcycle, etc) is allowed and a mileage allowance of 45p per mile will be paid.
 - - You may only use your private car in connection with the organisation's business if, at the time of each journey, it has a valid: (a) certificate of insurance for the kind of journey involved; (b) road tax (if required); (c) MOT certificate (if more than 3 years old).
 - - Mileage should be claimed from your home.
 - - Parking costs incurred when on Common Soil business away from the normal place of work will be reimbursed.
- Taxis (preferably pre-booked mini-cabs rather than "on demand" hire) may be used where either no public transport is available or the journey time by public transport is unreasonably long (particularly where the journey involves multiple changes).

Subsistence

Subsistence costs (*eg: for refreshments, meals & hotel accommodation*) can only be claimed when an employee or volunteer is on authorised Common Soil business away from his/her normal place of work for more than 4 consecutive hours. Accommodation costs need advanced authorisation from the Treasurer.

Telephone Calls

The organisation will reimburse employees and volunteers for the actual costs of calls made from their personal telephones made whilst carrying out work for the organisation. This includes calls made on a home or mobile telephone or in a public call box.

No 'reimbursement' will be made for the notional cost of calls which incurred no actual cost to the claimant because they were covered by a contract which included an allocation of 'free' calls;

Other Types of Expenses

The above examples of expenses claims are illustrative, not definitive.

Expenses not detailed above will only be paid if authorised (in advance whenever possible) by the Treasurer or, if not available, a person appointed by the Treasurer to act on his/her behalf.

Reimbursement of Expenses & Purchases

- All claims submitted for the reimbursement of expenses incurred on Common Soil activities and/or purchases made on behalf of the organisation will be vetted for compliance with taxation law and these policies and procedures before being authorised for reimbursement.
- Claims which are not in the prescribed form, incomplete (eg: missing required supporting documents), inaccurate or otherwise not compliant with relevant legislation will be returned for correction or rejected.
- Valid claims will be authorised for reimbursement as soon as is reasonably practical after receipt.

Change Record

| Date of Change: | Changed By: | Comments: |
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| Sept 2022 | Created by Georgie | Last updated and approved by board September 2022 |
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