awen

Ymddiriedolaeth Ddiwylliannol Cultural Trust

Expenses Policy

Polisi Treuliau



Ava Plowright
Chair to Board of Trustees



Richard Hughes
Chief Executive

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Who can help?

The People and Organisational Development and Finance Teams can provide support and advice with the application of this policy and answer any questions you may have. Please email support@awen-wales.com or accounts@awen-wales.com or call 01656 754825

If you are a member of a trade union Awen's recognised Trade Unions are Unison, GMB and Unite and you can receive support and advice from your trade union representative.

Related Documentation

Expenses Procedure
Redeployment Procedure
Secondment Policy
Disciplinary Policy
Mileage Ready Reckoner

Please Note

This policy does not form part of your contract of employment with Awen and may be subject to change.

1. Policy Statement

1.1. This policy document is intended to be a detailed guide to all business expenses that can be claimed. Awen Cultural Trust (Awen) retains the right to amend and update the policy from time to time especially with regard to changing tax legislation.

1.2. This document also covers the policy toward other allowances, incidental expenses and cash floats, which fall within the scope of an expenses policy.

1.3. In the event of any conflict with previously issued instructions or 'arrangements' this policy shall prevail.

2. Scope

2.1. This policy and procedure applies to all employees of Awen Cultural Trust and Awen Trading Ltd.

3. General Principles

3.1. Awen will reimburse employees for approved business expenses incurred wholly, exclusively and necessarily in carrying out their duties. Awen will not reimburse your personal expenses.

3.2. Expenses must be claimed and approved in accordance with the rules laid out in this policy document.

3.3. In most cases reimbursed expenses will be specifically excluded from the need to be treated as 'pay' and as such will be paid tax-free. However, Awen has a responsibility to ensure the correct treatment of expenses and, if appropriate, tax them as emoluments through the PAYE system. In some cases, Awen will be required to report them in the end of year return of expenses and benefits (P11D).

3.4. Individual employees have a responsibility to ensure they make proper claims for expenses and have a responsibility under the Income Tax self-assessment rules to ensure the correct amount of tax is paid on their income. Should Awen incur tax, NI, costs or penalties resulting from an employee making a fraudulent expense claim (i.e. for an expense which is subsequently shown not to be wholly, exclusively and necessarily incurred in the performance of their duties), these may be recovered from the individual employee concerned.

3.5. Any attempt to submit a false expenses claim will be treated as fraud and be dealt with under Awen's Disciplinary Policy.

3.6. All claims must be supported by the required paperwork, including claim form, VAT receipts where applicable or VAT invoices.

4. Expense claims

4.1. All expenses are to be claimed in-line with the Expenses Procedure.

4.2. Your line manager may authorise expenses claims up to £500 but over this, all expenses must be authorised by the Head of Finance.

4.3. Director's expenses must be authorised by the Chief Executive, whilst the Chief Executive's claims must be authorised by the Head of Finance.

4.4. All expenses should be claimed on a monthly basis in-line with payroll deadlines. Claims should not exceed a two month period. Claims for more than two months must be reported to the Head of People.

4.5. Expense claims will be paid on the 18th of each month through payroll.

4.6. AA Autoroute is to be used to calculate mileage distances. Where diversions are in place the employee is responsible for documenting the reason for an increased mileage claim on their expense claim form.

4.7. A ready reckoner is available on Awen Workplace Knowledge Library for mileage distances between Awen venues.

5. Redeployment or Secondment

5.1. Where an employee's journey to the new place of work exceeds their current journey to work, the employee can claim the difference between the two distances. E.g. if an employee currently travels 3 miles to and from work (totalling 6 miles a day) and the new place of work is 10 miles away (20 miles a day) the difference of 14 miles per day can be claimed.

5.2. If an employee travels by public transport and there is an increased cost of travel the employee can claim the difference between the current cost and the new cost.

5.3. Redeployment mileage is payable at the rates indicated in 7.9.

5.4. Further details on redeployment can be found in the Redeployment Procedure.

6. Credit Cards

6.1. The credit card is provided with the intention that it will be used solely for business purposes.

6.2. All expenditure incurred by means of the credit card must be supported by VAT receipts where appropriate and duly analysed on the online system by the end of the month the expense relates to.

6.3. Awen reserves the right to withdraw the credit card in the event of failure to comply with the above.

6.4. Credit Card spend is checked and authorised by the employee's line manager on a monthly basis in line with the Credit Card Reconciliation Procedure.

7. Travel

7.1. There is no set preference on travel for meetings and employees are responsible for considering the most effective and beneficial approach based on the purpose. When considering whether to travel for a face-to-face meeting or whether to arrange an online meeting, employees should consider:

- Will a face-to-face meeting support peer and/or client engagement;

- Are there added benefits of attending in person such as meeting others at the venue or being visual and engaging with other staff;
- Is there a requirement to attend in person;
- Distance of travel
- Type and length of meeting

7.2. When appropriate, colleagues are encouraged to arrange car sharing.

7.3. When claiming travel costs the equivalent of home to normal work base mileage/cost should be deducted from claims.

7.4. Employees should use the method of travel most appropriate for the purpose and travel economy class where applicable.

7.5. The mode of transport may not necessarily be the least expensive, as journey time should be considered when deciding the appropriate method. E.g. bus versus train journey to London.

7.6. Where business or situational needs dictate that travelling in a higher travel class makes business sense, approval is required by a director.

7.7. Where an employee decides to travel in a higher class for personal reasons, they will be eligible to pay for the difference in cost.

By Air

7.8. Employees will be reimbursed for air travel costs.

By Car

7.9. Employees who use their own car on Awen business will be reimbursed at the following rates:

Up to 10,000 business miles	55p per mile
Over 10,000 business miles	25p per mile

An allowance of 5p per mile may be claimed for each passenger who is an Awen employee.

Motor Cycle

7.10. Employees who use their own motor cycle on business will be entitled to claim reimbursement of business mileage at the rate of 24p per mile.

Cycle

7.11. Employees who use a cycle for business will be entitled to claim reimbursement of business mileage at the rate of 20p per mile.

By Public Transport

Bus

7.12. Employees who use public transport buses for business will be entitled to claim the cost of the bus tickets.

By Rail

7.13. Employees will be reimbursed for train travel costs.

Taxi Fares

7.14. Awen will reimburse the cost of taxis for a business journey, if this is the cheapest or most appropriate means.

Home to Work Journeys

7.15. Awen will not reimburse the cost of travel between the employees' home address and their normal place of work for call out, late night or weekend working.

7.16. Where an employee is a permanent home worker they may claim mileage from their home to a work base.

Travel on non-working days & for events

7.17. Where an employee is required to attend an Awen venue on a non working day for a specific project, the employee is entitled to claim full mileage costs. i.e. there is no deducation for the normal home to work journey.

7.18. If an employee is attending an event as a representative of Awen on a non-working day, the employee is entitled to claim full mileage costs. i.e. there is no deducation for the normal home to work journey.

7.19. If the employee chooses to attend an event via invitation or attends an event in line with the hospitality and gifts policy there is no entitlement to claim for travel.

7.20. For any situations which sit out side of this policy, advice should be sought from the Head of People.

Car Park Tickets

7.21. The cost of parking will be reimbursed if driving by car is in total (i.e. mileage plus cost of parking) the cheapest or most appropriate means of making the business journey.

7.22. Car parks at airports should only be used when these are cheaper than taking a taxi or public transport to the airport.

Toll Fees

7.23. Toll fees and tunnel fees may be claimed if incurred in the course of Awen business, but it must be part of a business journey. Toll/tunnel fees cannot be claimed for trips to the normal place of work, i.e. base office.

Hire Cars – General Policy

7.24. Costs relating to a hire car in the UK can only be charged where the Finance Team provides prior written approval on the basis that:

- The cost of the hire car would be less than alternatives based on taxis or public transport, or
- Use of alternative transport would be wholly impractical.

7.25. All hire cars must be returned in line with the Hire car provider's terms and conditions, any associated costs should be claimed through expenses e.g. the requirement to return the hire care with a full tank of fuel.

8. Accommodation and subsistence

Overnight Accommodation

8.1. Staff may claim the costs of accommodation incurred for overnight stays in the UK or abroad when they are required to work away from their normal place of employment and it is impractical to return home. At all times staff should try to achieve the best available price for suitable accommodation. The amount claimed must be relevant to the circumstances of the booking e.g. Location, time of year, day of the week and it is not expected that this would exceed £200 in London or £120 elsewhere per night.

8.2. If it is not possible to secure accommodation within the above limits, prior approval must be obtained.

Meals

8.3. When staying away the cost of evening meals and a non-alcoholic drink (but not after dinner drinks) should be added to hotel or accommodation bills or a separate VAT receipt must be provided.

8.4. When working or staying away from the employee's normal place of work Awen will reimburse the reasonable cost of midday meals and refreshments (but not alcoholic). This will include breakfast on the day of travel if the employee is required to leave home before 7.00am. Receipts must be kept justifying all such expenditure.

8.5. Where, because of working away from the normal place of work, the employee does not return home until after 8pm, Awen will reimburse the cost of a reasonable meal. Receipts must be kept justifying all such expenditure.

9. Personal Incidental Expenses

9.1. Where you stay overnight in hotel accommodation you may also claim the cost of reasonable personal incidental expenses. Examples of personal incidental expenses include drinks, food, internet charges if required for work purposes. Any such expenditure must be evidenced by receipt.

9.2. Provided that the cost of personal incidental expenditure does not exceed £5 per night in the UK and £10 per night when abroad, no tax or NIC liability will arise. Therefore, any cost more than these amounts must be borne by the employee, and you must calculate the excess amount and deduct this from your claim.

10. Hospitality

10.1. Awen will reimburse employees for reasonable and proper expenses incurred on behalf of Awen for business meetings that is justified by business needs.

10.2. Awen's preferred method of payment is Fairfx

10.3. FairFX/Credit card receipts must be submitted with expenditure forms to finance monthly.

10.4. The Inland Revenue requires that any ancillary costs of entertaining, (e.g. the additional transport costs incurred in attending a client meal) should be charged to the business entertaining code, not just the cost of the lunch.

10.5. Where an employee is unable to use a FairfX or credit card and claims costs through payroll expenses the Inland Revenue expect the following details to be recorded:

- The name of the person(s) being entertained;
- The name(s) of the employee(s) attending;
- The name of the organisation which they represent;
- The nature of the entertaining (e.g. meal, theatre tickets, etc.);
- The purpose of the entertaining (e.g. to secure contract, etc.).

These details are to be submitted with the expenses claim form.

11. Staff Entertaining

What is staff entertaining?

11.1. There are specific tax rules relating to staff entertaining and therefore such expenditure must be shown separately on the expenses claim form or on the monthly credit/prepaid card submission form. Expense for entertaining staff can only be incurred with the prior approval of the Head of Finance. Details of who was entertained and where must be included on the expenses form/monthly credit/prepaid card submission form.

11.2. Staff entertaining covers all events such as Christmas parties, social functions and similar events. Additionally, expenditure incurred which is essentially social in nature, even if an indirect business benefit is anticipated, must be treated as staff entertaining.

11.3. The Inland Revenue allows a tax-free concession of a maximum of £150 per head, generally for Christmas parties and other such functions, if certain conditions are met. Where, for approved functions, a tax liability arises Awen will settle this direct with the Inland Revenue.

11.4. Generally, employees are not permitted to claim the cost of entertaining only themselves or other members of the organisation.

11.5. Where staff entertaining is claimed either on an expenses claim form or through an Awen credit card statement it must describe: -

- The reason for the staff only entertaining.
- The nature of the staff only entertaining.

11.6. If authorised, the amount of such reimbursements will need to be tracked by the People and Organisational Development Team for each fiscal year, enabling Awen to enter into a PAYE Settlement Agreement to discharge any tax liability and as such the expenditure must be recorded as staff entertainment on the expense claim.

12. Flowers

12.1. At the discretion of senior management in some circumstances Awen may give flowers as a token to recognise a significant life event, e.g. birth, death, marriage, hospitalisation.

13. Other Gifts

13.1. Gifts to staff are taxable benefits for the recipients. Awen will be responsible for settling the tax on gifts where the gift is made with the prior approval.

13.2. Such expenditure may not be reclaimed through the expenses procedure without prior written approval.

14. Leaving Parties

14.1. Standard practice is that Awen does not provide leaving parties for staff and costs can not be reclaimed through the expenses procedure.

14.2. Where there are exceptional circumstances, approval is required from the Head of the Business Unit and purchases are made via Credit or FairFX Cards.

15. Telephone Calls

15.1. Where an employee uses a telephone owned and paid for by Awen, Awen will seek reimbursement of unreasonable private use (a call home to say that you have left the premises and are on your way home is reasonable use).

15.2. Where an employee uses a personally owned telephone, then Awen will reimburse the costs of telephone calls on production of an itemised bill. Under no circumstances can the costs of line rental be claimed.

16. Uniforms

16.1. Awen will provide uniform to staff who are required to wear a uniform.

16.2. All uniforms are ordered and paid for by Awen. Claims should not be made through the expenses process.

17. Professional Subscriptions

17.1. Awen may agree to reimburse the cost of professional subscriptions where it is felt that membership of the professional body is relevant to and necessary for the day to day work of the employee concerned. Reimbursement will only be made with the approval of the Chief Executive.

18. Apprenticeships and Training

18.1. Reasonable expenses will be paid for text book/other resources to support an employee or apprentice when undertaking a qualification.

18.2. Travel expenses can be claimed in line with point 7 above.

19. Homeworking

19.1. Where an employee has requested to work from home on an ad-hoc or temporary basis and this has been approved in line with the Homeworking Policy and Procedure, the employee will not be eligible to claim any expenses incurred from this arrangement.

19.2. If an employee requests to work from home and this is agreed on a permanent basis, resulting in a change to the employee's contractual work base the employee may claim travel expenses using their home as their work base. The employee will not be eligible for any other expenses.

19.3. Where extenuating circumstances result in employees being required to work from home as their work base is closed, there is no other suitable Awen venue to work from and this extends longer than a 4 week period, Awen will pay the employee a homeworking allowance based on the HMRC set weekly rate. Payment will be backdated to the first week of working.

19.4. If the employee has an existing home working agreement and circumstances outlined in 19.3 occur, the employee's application to work from home through choice will prevail, and there will be no eligibility to claim a home working allowance.

19.5. Claims can only be made for full weeks worked from home.

20. Health Care

Eye Test for Display Screen Equipment ("DSE") users

20.1. Eye examinations are available to all employees who use DSE as part of their role.

20.2. Awen will reimburse the cost of the examination if your claim is made via the expenses claims procedure.

20.3. If corrective glasses are required for primary use with DSE, Awen will reimburse the cost of a basic pair of corrective glasses for use with DSE or as part payment towards a more expensive pair of spectacles of the employee's choice. As an employer Awen will use Specsavers as a guide for the cost of a basic pair of corrective glasses.

20.4. If glasses are prescribed for other vision defects, Awen will not contribute towards their cost. Employees will not be liable to tax or NIC on reimbursement of any eye examination or the cost of corrective glasses. Claims for reimbursement should be made on an expense form.

21. Sundry Expenses

Stationery/Office Consumables

21.1. This should be ordered centrally within the office. However, if an employee needs to purchase such items whilst working away from the main site this will be reimbursed, up to a maximum value of £30, via the normal expense claim procedure. Receipts or invoices must be provided.

Bank Charges

21.2. Awen will not reimburse bank or credit card charges incurred as a result of any delay by the individual in claiming expenses.

Foreign Exchange Losses /Gains

21.3. Any gains arising from foreign currency transactions purchased for overseas assignments must be repaid to Awen and should be shown as a negative cost on the expense claim form.

Penalty Charges

21.4. For the avoidance of doubt Awen will not pay excess parking charges, parking fines or speeding fines.

22. Data Protection

22.1. All information gathered for the purpose of managing employee expenses will be processed in accordance with Awen's Data Protection Policy and Retention Procedure.

23. Document Contol

Policy Owner: Head of People
Business Unit: People and Organisational Development
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