

## **Travel and Other Expenses, Benefits, Hospitality and Gifts**

With effect from 1<sup>st</sup> August 2016

Approved by University Executive Board on  
27<sup>th</sup> June 2016

## Purpose

The purpose of this document is to outline the University's policy on travel, other expenses, benefits, hospitality and gifts. The document sets out areas of expenditure that will be funded by the University as business costs and identifies areas of expenditure where restrictions are in place.

## Scope

These regulations apply to the University, its subsidiaries and branches, both in the UK and elsewhere, (the "University Group") except where the relevant decision-making body normally the Board of Directors of the subsidiary company) has indicated otherwise. The main body of this document is the general policy which is applicable across all entities within the University Group. For expenditure incurred by members of staff who are employed by the University's overseas subsidiaries and branches please also refer to the specific international variations outlined in the appendices and to the specific contractual agreements with individuals.

Note that thresholds and limits given in £ Sterling should be converted to the local currency where appropriate.

The regulations set out in this policy apply to all members of staff of the University who incur expenditure on behalf of the University, its subsidiaries and branches, regardless of the method of payment. These regulations also apply to any non-employees (students and visitors) who are entitled to claim reimbursement from the University for expenditure incurred on behalf of the University, its subsidiaries and branches. However this does NOT include requests from consultants or contractors for payment for goods or services provided to the University. These must be paid on invoice, processed through the correct procurement procedure; such payments must not be submitted as an expense claim.

The regulations apply regardless of the source of funding for the expenditure. All expenditure is coded to a project, and all projects are University funds (including SDAs); adherence to these regulations is mandatory. Failure to comply with these regulations may be regarded as a disciplinary offence.

These regulations must be read alongside related policies that operate in conjunction with this policy, including the Financial Regulations, Finance Manual and Procurement Policy.

If you have any queries relating to these policies, or issues that you consider are not covered in this document, you should refer the matter in the first instance to your Head of School, Function or equivalent, or to the Director of Finance and Corporate Services (Carol Wright, ext. 8101, [c.a.b.wright@reading.ac.uk](mailto:c.a.b.wright@reading.ac.uk)).

The University reserves the right to make changes to these policies from time to time and amendments will be circulated to staff in accordance with current employment law legislation. Updates may be by individual letter, memorandum, update to the document or by means of notice/bulletin boards.

The latest version is always available on the Finance website.

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# 1 Providing Hospitality

## 1.1 Background

You must undertake the provision and receipt of hospitality in a way that is appropriate to the University's position; you must not risk any damage to the University's reputation, in particular its status as a charity in receipt of public funds.

You must always consider your personal position, the University's position and any tax implications. You should always consider how a situation, however well intended, would appear to external scrutiny. Hospitality is a sensitive area and you are asked to observe the spirit as well as the letter of this policy.

Hospitality must also be dealt with within the framework of the relevant tax regime. All expenditure must be 'wholly and exclusively for the purposes of the trade'. Failure to adhere to this may result in tax demands on the individual and on the University.

## 1.2 Giving Hospitality to Visitors/Business Entertaining

It may be appropriate for you to provide hospitality, e.g. lunch or dinner, for visitors where there is a 'valid business reason'. Examples of this would include providing hospitality for external examiners, visiting lecturers, external contributors to research seminars and visiting business contacts with whom the University either has or is seeking to develop a relationship.

The general rules with hospitality are that you must ensure that:

- There should be more external visitors than staff at any single event, unless there is a good business reason why this should not be the case.
- All hospitality taking place on University premises must be provided by the Universities own Catering, Hotel and Conference Services (CHCS) department. This includes the provision of all refreshments, food and for licensing purposes, alcohol. CHCS will endeavour to meet all requirements, however if they are unable, they will source on your behalf via a contracted supplier. For food safety reasons no departmental staff outside of the CHCS team should purchase, deliver or prepare food items for hospitality events. Wherever possible hospitality should take place on the University premises, using the University's own catering and hospitality services.
- If that is not possible or practical, then the University's approved suppliers should be approached in line with the University's Procurement Policy. As a result of Health and Safety and insurance issues with the transport and storing of food, members of staff should not themselves fetch, collect or make food that is subject to those rules.
- Although the University does not prohibit the purchase of alcohol it should be at a reasonable cost (house wine or equivalent), and not involve excessive quantity (up to half bottle per person).

You must ensure that the following information is clear on the paperwork:

- The name(s) of attendees, noting whether they are staff or visitors, and, if they are visitors, the organization which each represents.
- The purpose of the entertainment; the 'valid business reason'.

- If you have not used the University's own services please explain the reason.

If there are more members of staff than visitors receiving hospitality then this may result in a taxable benefit in kind for the members of staff involved and for the University. If there is a tax liability, the University is obliged to declare the matter to the relevant tax authority.

Partners of University representatives should not be present unless visitors' partners are also being entertained, and only then on an exceptional basis. Approval for partners to be present must be sought in advance from your management.

If the hospitality takes place in a restaurant then any tips added to the cost of the meal must be reasonable, up to a maximum of 15%. If the restaurant has already levied a service charge, then no tip should be given. When several University staff entertain visitors, the bill should normally be met by the most senior member of staff present.

### **Student Events:**

Student entertainment is permitted, with staff present where appropriate and required, provided that the majority present at the function are students. The type of catering should be appropriate to the nature of the student event. As with all hospitality provided, the University's own catering facilities must be considered first, and there should be a valid business case for using external suppliers.

## **1.3 Giving Hospitality to Staff / Entertaining Staff**

Any hospitality where all or the majority of attendees are University staff **MUST** take place on University premises. There are two kinds of hospitality:

### **1.3.1 Business hospitality**

The University can provide modest on-campus hospitality to staff where there is a valid business reason. This mainly occurs as:

- Refreshments during a meeting at the workplace:  
The provision of tea and coffee for business meetings is permitted, provided it is a formal meeting and minutes are taken.
- Working lunches  
Modest working lunches for formal minuted meetings are permitted where the timing and duration of the meeting unavoidably prevents attendees from having their normal personal lunchbreak.

Note that tea, coffee, biscuits etc. for staff not in connection with a business event as defined above is a personal expense and must not be charged to University funds.

Note that business hospitality of the sort described above must not include alcohol.

### **1.3.2 Other staff hospitality (exceptional)**

For the University to provide hospitality to members of staff without a valid business reason would normally result in a personal tax liability for the individual(s) involved, which the University will be obliged to declare to the relevant tax authority. Exceptions

to this would be out-of-the-ordinary, infrequent special celebrations to which all staff are invited.

Modest claims in respect of, for example, retirement celebrations are permitted, provided prior written approval of the Head of School or Service or equivalent has been obtained. Expenditure must not exceed £10 per head per event. Such events must not take place on a regular basis and total expenditure must not exceed £35 per head per annum within each area. Note that this exception does NOT apply to any routine celebrations, for example birthdays and Christmas.

Where hospitality is provided and members of staff are included, you must ensure that the paperwork clearly shows:

- the reason for the entertaining,
- the nature of the entertaining and
- the names of the attendees, indicating clearly which are members of staff.

## **2 Providing Gifts**

### **2.1 Long Service Awards**

In recognition of 21 years continuous service to the University staff receive a Long Service Award, normally in the form of a £200 voucher. Receipt of such a gift under the Long Service Award scheme is a special case in some countries, including the UK, and does not generate a personal tax liability in those countries.

### **2.2 Reward scheme vouchers**

The University has a performance reward scheme in which vouchers are awarded for excellence. These voucher payments are a taxable benefit and must be recorded and accounted for as such. The University will meet the tax costs arising from these awards. They are administered through Human Resources (HR) who liaise with Finance in order that the tax is included on the University's HMRC account.

### **2.3 Giving Gifts to Staff is not permitted**

All other gifts to staff are personal costs and must not be funded by the University; giving such a gift would risk conferring a taxable benefit on the recipient. Examples of personal gifts include gifts to mark occasions (birthdays, weddings, exam successes etc.). These cannot be classified as business costs and must be paid for personally.

### **2.4 Giving Prizes to Staff is a taxable benefit**

Note that the giving of competition prizes to staff will incur a tax liability (even if the University has not paid for the prize).

### **2.5 Giving Gifts to Others**

The University's standard policy is not to offer any gifts to customers or clients unless these are an integral part of the University's service and available to the general public. An exception can be made in the case of a gift of a low value, wherever possible incorporating the University logo, to a visitor who, for cultural reasons, would normally consider such a gift an essential courtesy. The provision of meal vouchers for registered students at the University when assisting with Open Day visits does not constitute a gift.

## **2.6 Making Donations – ONLY with prior approval**

Donations from University funds of any kind to individuals or organisations, including to registered charities, must not be made without the prior approval of the Director of Finance and Corporate Services in the UK or the Board of Directors for subsidiary companies. Paperwork must be provided as evidence of approval. Such items would be on an exceptional basis only and would require to be separately disclosed in the relevant published financial statements.

## **3 Receiving Personal Gifts and Hospitality from third parties**

### **3.1 Receiving Hospitality**

Where you are offered hospitality in the form of a meal or refreshments in connection with a meeting or event organised with an outside party, University policy is that you can accept, provided the hospitality is reasonable in relation to the event. You must ensure issues of actual or alleged improper influence have been fully considered.

All other offers of hospitality should normally be refused. In particular:

- i) hospitality offered as an alternative to fees for work done must be refused. If you accept it may give rise to a taxable benefit which must be declared to the relevant tax authority, and which will incur a tax liability;
- ii) substantial offers of invitations to social functions, overseas travel or the provision of accommodation outside the purpose and duration of business must be refused;
- iii) inducements to either do something or not do something which could affect the contractual position between the University and a potential supplier or customer of goods or services must be refused.

In the case of iii) above, any such approach by a potential or current supplier or customer should be reported to the University Secretary, the Head of Internal Audit Services and the Director of Procurement immediately.

For i) and ii) above, if you believe such an arrangement should be accepted in the best interests of the University, you should seek prior approval from the Vice-Chancellor before accepting. However, requests of this kind will normally be refused as not being in the University's best interests. In any case the details must be entered into the Gifts and Hospitality Register and may give rise to a tax liability.

Where hospitality is accepted, anything valued greater than £50 must be approved in advance by the Head of School or Service, and for senior managers by their line manager. See Appendix 6 for the Approval Form.

### **3.2 Receiving Gifts**

With regard to receiving gifts, in some business sectors it is normal business practice for organisations to provide small, low value gifts (pens, paperweights, calendars, diaries and so on) incorporating their name or logo for their customers. It is reasonable to accept such gifts.

You should decline all other gifts valued greater than £10, including seasonal gifts from contractors and suppliers. You should return unsolicited gifts with a note explaining that it is University policy not to accept gifts of this kind. If the gift was anonymous then you should donate it to a local registered charity.

You should be familiar with the University's Business Conduct Policy (see section B3 of the Finance Manual) and the Bribery Act 2010 to which that policy makes reference.

Staff should also be aware of the University's [Public Interest Disclosure \('Whistleblowing'\) Policy and Procedures](#). This enables any concerns which are in the public interest to be reported to the whistleblowing hotline

There are exceptional circumstances where small gifts could be accepted:

- i) where the refusal of a gift would cause offence to the organisation or individual offering the gift and thus damage the University's reputation. If you are in any doubt please consult your Head of School or Service or equivalent who, if in doubt, should consult the University Secretary;
- ii) gifts from students can only be accepted if, in consultation with your Head of School or Service or equivalent, you can clearly show that the proposed gift is not, nor can it be construed as, a bribe. All gifts from students valued in excess of £5.00 should be recorded in the Gifts and Hospitality Register.

All gifts/hospitality with a value in excess of £10.00 (apart from those from students, see above) which are offered should be recorded in the Gifts and Hospitality Register, regardless of whether they were accepted. See Appendix 5 for the form layout.

Staff should note that accepting a gift may give rise to a taxable benefit which, when declared to the relevant tax authority, may incur a personal tax liability. The Procurement Department will seek confirmation from suppliers of the offers of gifts and hospitality that they have made to employees of the University.

### **3.3 Gifts and Hospitality Register**

See Appendix 5 and Appendix 6

If gifts or hospitality are offered to you the details must be recorded in Gifts and Hospitality Register. Each School and Service must maintain such a register.

This register should normally be held by the Head of School or Service or equivalent, and they should review and sign it regularly, at minimum annually. It should record details of all gifts or hospitality offered, including whether it was accepted, plus an estimate of the cost of the gift or hospitality received and a justification if it was accepted.

This register must be kept up-to-date at all times.

The register must be submitted to the University Secretary according to a timetable

prescribed by the University Secretary. The minimum return will be on an annual basis.

The register must always be available for inspection by the Head of Internal Audit Services or nominated representative at any time.

A minimum data set layout of a Gifts and Hospitality Register is given at Appendix 5 and the Approval Form template is at Appendix 6.

## **4 Travel Expenses Policy: Travel, Accommodation and Subsistence**

### **4.1 Purpose of the Travel Expenses Policy**

- To ensure that the staff and students have access to centrally defined and mandated policies and guidance that should be used when booking travel and accommodation requirements
- To ensure that any travel or accommodation bookings for legitimate University business purposes are made with the University's contracted supplier(s) and in line with the University policy.
- To ensure that the most cost effective travel and accommodation options are selected for each journey.
- To ensure that the purchase and use of all travel and accommodation for the University's legitimate business purposes is correctly assessed, authorised and managed.
- To ensure that travellers follow the University's Health and Safety Travel abroad guidance and complete the relevant University's Insurance "online risk management forms".

### **4.2 Scope**

This policy applies to all members of University staff and persons who are required to travel on University business. This includes persons undertaking work on part funded University of Reading projects and any work which the University would cover from a cost of travel and accommodation perspective.

### **General rules**

The University is committed to reducing its carbon footprint and therefore business travel should only be undertaken when absolutely essential and when there is no other reasonable option such as using the University's video conferencing facilities.

Staff are encouraged to travel by environmentally friendly modes of transport wherever it is cost-effective to do so.

Business travel is defined as duties which an employee must or is required to perform as part of their role and is solely in the interest of the business. Business travel also includes trips not funded by the University undertaken as a result of the employee working at the University.

Prior to undertaking any business Travel, authorisation must be given by a line manager and the budget holder if they differ.

All overseas Air Travel, Rail Travel, Coach Travel, Hire Cars and Accommodation over £300 must be booked through a University Contracted Supplier and it is mandatory that payment is arranged by University Purchase Order or University Purchase Card.

All UK travel can be booked directly either by utilising your own University purchase card or claiming on expenses.

If the value of your trip (flights and accommodation) is under £300 you are able to book directly by utilising your own University purchase card or claiming on expenses regardless of where you are travelling. However, you can still use the contracted Travel Management Company, if you wish to do so.

If you are attending a conference and it includes a discounted hotel rate you are able to book directly.

If you are travelling on University business you must complete the on-line Overseas Staff or Student Travel Form. Unless prior permission from the DVC has been provided, expenses incurred in connection with overseas travel may not be reimbursed for members of staff and research students who have not submitted the on-line Overseas Staff or Student Travel Form.

Coach Hire and Car Hire are dealt with separately: details are available from the website: [www.reading.ac.uk/procurement](http://www.reading.ac.uk/procurement)

Where travel tickets that have been booked are subsequently cancelled, creating a cancellation cost to the University, there must be a business case approved by the Head of School or Function to justify the expenditure.

Open return tickets are permitted where single onward and return tickets are more expensive than the open return.

All journeys away from the Normal Place of Work to a 'temporary workplace' on business may be regarded as business journey, provided that:

- The destination is more than 10 miles from your Normal Place of Work
- If the whole journey takes place within a ten mile radius of your Normal Place of Work, the outward journey must be in a completely different direction to your normal commute.

Note that journeys which are regarded as substantially ordinary commuting, and therefore not funded by the University, occur when:

- The starting point of the journey is more than 10 miles from your Normal Place of Work, but the destination is within 10 miles of your Normal Place of Work. If the whole journey takes place within a 10 mile radius of your Normal Place of Work and the outward journey is in the general direction of your normal commuting.

Neither the day of the week nor the mode of transport affect the assessment of whether a journey is classified as business travel.

Where it is known with reasonable certainty from the outset that a person will be working away from their normal place of work for at least 24 months the University will pay the travel expenses but these will be paid through the payroll and will be subject to tax and NI as appropriate.

Private travel, including commuting between home and work, is not funded by the University.

Where members of staff have arrangements to work overseas permanently, or for an extended period (e.g. secondment), the arrangement must be handled through Human Resources (HR) and an appropriate package of terms and conditions will be agreed to suit the specific situation. In those cases this policy may not apply, depending on the terms and conditions.

The University will only bear the travelling and subsistence expenses of your partner/guest where he/she accompanies you on a business trip if:

- You are too ill to travel alone.
- The partner/guest's presence is essential to act as host(ess) at a series of business entertainment functions which you have organised as part of your employment duties. In this case you must also ensure that they keep an itinerary of the hosting responsibilities (detailing the events) in order to establish that there has been substantial business entertaining.

Where your partner/guest accompanies you on a business journey, it is essential that their travel is authorised by the Director of Finance and Corporate Services prior to expenditure being incurred. For members of the University Executive Board such approval must be given by the Vice-Chancellor. For the Vice-Chancellor prior approval is required from the President of Council.

## **4.3 Means and Class of Travel**

### **4.3.1 Air Travel**

Air travel bookings must be made as far in advance as possible (no later than 21 days prior to departure) through the online portal of the contracted Travel Management Company(s). Air travel should only be undertaken when this is the most economic or

suitable mode of transport and there are no other means to carry out the University business e.g. video conferencing. In cases, where air travel bookings are made due to urgent travel requirements and sufficient notice to book in advance is not feasible, air travel should be booked within two days of confirmation of the need for travel.

It is mandatory that all flights booked for University travel are restricted and economy class fares. However with advance approval from the Vice-Chancellor (for members of UEB) or a Dean, Chief Operating Officer or Chief Strategy Officer for all other staff, the following rules apply for the below circumstances:

- a) The flight duration is in excess of 8 hours AND its timing in relation to business meetings, presentations, etc. merits the need for sleep and/or work on the flight. Under these circumstances, upgrading to either premium economy or business class might be authorised.
- b) The spend is sponsored by a funding agency/organisation for any work being undertaken by University staff on behalf of or for an external organisation and this specifically allows premium economy or business class travel. This should not require any funding or subsidy from the University.
- c) There is a legitimate business need to book flexible rather than restricted flights.

Travel to locations where the Foreign and Commonwealth Office (FCO) travel advice guidance indicate a cause for concern will require mandatory prior approval from the Vice-Chancellor and the Insurance Office.

### **4.3.2 Airlines**

The Travel Management Companies will only provide you with flight options from airlines with good safety records. The most economical and suitable air fare must be chosen irrespective of personal loyalty schemes.

### **4.3.3 Rail**

All rail travel should be standard class (see exemptions below)

First class rail travel can only be booked if there is a “special offer” and the fare is lower than standard class.

Upon advance approval from the Vice-Chancellor (for members of UEB) or a Head of School, Chief Operating Officer or Chief Strategy Officer for all staff, open rail tickets may be purchased if there is a relevant business case for flexibility.

An exception to these advanced booking requirements is commuter fares, where there is no price difference between tickets booked on the day of travel or those booked in advance (e.g. peak Reading to London).

All people spending University funds have a responsibility to obtain the best value for money. Oyster cards may only be purchased for travel on the London Underground where it is the best value; however a Day Travel card may be more cost effective and includes all journeys covered by Transport for London (TfL). Oyster cards funded by the University may only be used for travel on University business and credits held on such cards must be kept to a minimum.

Where a rail travel card is available that enables reduced fare tickets, that travel card may only be purchased with University funds if the savings to the University will exceed the cost of the travel card. A rail travel card purchased in the above scenario requires approval from Vice-Chancellor (for members of UEB) or a Head of School, Chief Operating Officer or Chief Strategy Officer.

It is the responsibility of the authoriser of the expenditure to only approve funding strictly on this basis. Any tax liability and associated fines and interest resulting from non-compliance with this rule will be met by the department concerned from within their existing budget.

#### **4.3.4 Travel by Hire Car**

Car rentals must only be used if this is the best value for money transport method for the business journey. Normally it will be better value for money to use a hire car where the mileage is in excess of 70 miles.

All car hire should be booked through the University's contracted car hire company. All overseas car hire should be booked through the University's contracted travel management company(s)

All vehicles hired must be at or below Group D category (Ford Focus or equivalent) or the lowest cost option available.

If vehicle hire is required for a short duration e.g. an hour, the University has two Hertz 24/7 vehicles which can be hired through the Clean and Green Website at [www.reading.ac.uk/cleanandgreen/whatcanyoudo/TravelandTransport/cag2-whatcanyoudo-travelandtransport-carclub.aspx](http://www.reading.ac.uk/cleanandgreen/whatcanyoudo/TravelandTransport/cag2-whatcanyoudo-travelandtransport-carclub.aspx)

Note that in the event that a hire car is damaged by a person on University business, the financial impact must be dealt with through the insurance office and not submitted on a personal expense claim.

#### **4.3.5 Travel using a personal vehicle**

In the event that a person uses their own personal vehicle for a University business trip, the University will reimburse mileage costs. The rate to be applied depends on whether

the vehicle is personally owned or leased as a company car through the University's salary exchange scheme, and it also depends on the miles travelled. Aside from the mileage rate, no personal vehicle related costs will be funded by the University.

The detailed mileage rates can be found on the website at <http://www.reading.ac.uk/internal/finance/fcs-expenseclaimsform-open.aspx>

It is the driver's responsibility to ensure that they have a valid driving licence, the vehicle has a valid MOT certificate as appropriate and it is properly insured for appropriate business use, including if applicable for passengers and business equipment. In approving the claim, it is the authoriser's responsibility to check the legality of all of these items.

#### **4.3.6 Travel between campuses**

The University operates in a number of locations. In the UK, there are two within Reading and one in Henley. In addition there are University farms and other premises in the area. It is sometimes necessary for travel between these sites for business purposes, using either public transport or a personal vehicle.

If travelling by public transport, the cost of the ticket may be reclaimed. If travelling in your own vehicle, the University reimburses at a fixed number of miles for each defined inter-campus trip.

No travel from your University campus to your home or vice-versa is valid for a mileage claim.

The allocated number of miles for each defined trip can be found on the web at <http://www.reading.ac.uk/internal/finance/fcs-expenseclaimsform-open.aspx>

Note that if your role for the University requires you to have more than one Normal Place of Work (for example you are based at more than one campus) travel between those sites is not reimbursable.

Note that the University does not make any reimbursements for intra-campus travel, e.g. travelling between the Whiteknights side and Earley Gate side of the Whiteknights campus.

#### **4.3.7 Taxis**

Routine journeys between UoR Whiteknights or London Road campuses and the Reading centre or station should be made by public transport rather than car or taxi, unless the lateness of the return will cause safety issues.

Taxis should only be requested through the University's appointed firms when there is no suitable public transport option or if it not appropriate due to the nature or time of the journey.

#### **4.4 Business travel between UoR campuses**

Due to difficulty in use of public transport when travelling to and from UoR Greenlands campus, this journey may be undertaken by other means.

If travelling by public transport, the cost of the ticket may be reclaimed.

#### **4.5 Pool vehicles**

Pool cars and vans are not allocated to any one employee. You must comply at all times with the following conditions in respect of pool cars and vans (ALL of the conditions must be met):

- Pool cars and vans must be available to and actually used by more than one employee and must not ordinarily be used by one employee to the exclusion of other employees.
- Pool cars and vans must be used for business journeys only. Any private use (including home to work journeys after late working) must be merely incidental to its business use.
- Pool cars and vans must be kept overnight at the University's business premises. On occasions it may be necessary for you to keep the pool car or van overnight at your home, for example, where you will start a business journey very early the next day. On these occasions you must obtain permission in advance from the authorising officer.
- A log of all mileage must be maintained and be available for inspection.

#### **4.6 Accommodation**

All accommodation bookings must be made as far in advance as possible (no later than 21 days prior to departure) through the online portal of the contracted Travel Management Companies. In cases, where accommodation bookings are made due to urgent travel requirements and sufficient notice to book in advance is not feasible, accommodation should be booked within two days of confirmation of the need for accommodation.

Price per night limits for accommodation (including breakfast) apply to the following regions:

- a. London (within the M25) – Up to a maximum of £200 per night
- b. Rest of U.K – Up to a maximum of £110 per night
- c. New York – up to a maximum of £180 per night
- d. Dubai – up to a maximum of £160 per night
- e. Rest of the World – normally up to a maximum of £150 per night

When suitable accommodation is not available within the above limits, the Travel

Management Companies will find the most suitable alternative within a 5 mile radius. Similarly, the Travel Management Companies will be able to provide guidance on the expected price per night in international destinations and this cost should be as close as possible to the international limit.

When a conference includes accommodation at a specific hotel which is within the price per night limits this is a permissible exception to booking through a contracted Travel Management Company.

If a person on University business is required to stay away overnight and chooses to stay somewhere other than a hotel or equivalent (e.g. with friends or colleagues), the University will not reimburse any notional accommodation costs.

## **4.7 Subsistence**

As a general rule the University does not operate a per diem subsistence policy. Schools and Services must not attempt to operate a local per diem policy as these will not be paid by the University. Subsistence must be based on actual expenditure and supported by appropriate receipts. Also note that the hospitality and business entertaining regulations apply to all catering expenditure.

Although the University does not prohibit the purchase of alcohol within subsistence payments, it will only be considered for University funding when purchased with a meal, at a reasonable cost (house wine or equivalent) and not in excessive quantities (up to half a bottle of wine per person or equivalent). University funds will not be used to pay bar bills.

Any additional items beyond the limits set out below will be considered out of policy unless there is a clear business case that is approved by the Vice-Chancellor (for members of UEB) or a Head of School, Chief Operating Officer or Chief Strategy Officer for all staff.

### **4.7.1 Subsistence - day travel**

For day business trips lasting less than 10 hours no food or other subsistence can be claimed.

For business trips lasting more than 10 hours, a subsistence claim for up to a maximum of £10 for food can be claimed on production of valid receipts.

### **4.7.2 Subsistence - overnight travel**

Subsistence may be claimed up to the following limit on production of valid receipts:  
Maximum £45 per day

Overseas subsistence claims may be claimed up to the following limit on production of valid receipts:  
Maximum £45 per day.

## **4.8 Travel Insurance**

Please note that if you are travelling internationally on University business you will, other than in exceptional circumstances, be covered by the University's travel insurance policy; the University will not pay for privately arranged travel insurance.

You must notify the Insurance Office in advance of any international travel arrangements. You must ensure that you have clarified with the Insurance Officer the scope and extent of the Insurance cover, including any excess payments that would apply and the extent of cover of any personal items. Further information about how to inform the Insurance Officer and what the level of cover is can be found on the Insurance website. [www.reading.ac.uk/insurance](http://www.reading.ac.uk/insurance)

In the event that the business trip is broadened (for example, you pay personally for family members to also make the trip, or a circuitous route is arranged for personal reasons) ensure that you have made the Insurance Officer aware of the details and clarified the insurance position. You must also contact the Financial Tax Accountant to clarify the position on any tax liability.

All travellers must complete the online risk management form for staff and any students travelling on University business must complete the online risk management form for students:

<http://www.reading.ac.uk/internal/finance/Insurance/fcs-ins-business.aspx>

## **4.9 VISAs for business journeys to others countries**

Visas for specific business trips can be arranged through the Travel Management Companies for business travel purposes only.

## **4.10 Fines and Penalties**

The University will not reimburse or meet the cost of any fines. This includes inter alia parking, speeding, bus lane, congestion charge fines and library fines.

## **4.11 Congestion Charge and Road tolls**

Where congestion charges or road tolls are incurred in the course of business travel in connection with the University, the cost of the congestion charge or toll will be reimbursed, provided a suitable receipt is submitted with the claim. Note that, in line with paragraph 4.10, any fines for non-payment of the charge are a personal cost and will not be reimbursed.

## 4.12 Duty of Care

All University business travellers should review the University's Health and Safety overseas traveller safety guidance document.

<http://www.reading.ac.uk/internal/health-and-safety/resources/hs-resources-guidance.aspx>

The Travel Management Companies provide emergency 24/7 traveller tracking, emergency contact assistance and travel security alerts.

## 4.13 International mobile phone calls on University phones

Please see the University's mobile phone policy. Staff should check that they are on the correct tariff or that the most appropriate roaming tariff is added to their mobile phone before travel, to avoid unexpectedly large bills being incurred whilst abroad.

## 5 Subscriptions to Professional Associations

Where a member of staff is required to be a member of a professional organisation in order to fulfil their duties as required for their employment at the University, they may in some circumstances apply to have those fees reimbursed.

In order to minimise the risk of a tax liability, the individual should discuss the possibility of corporate membership with their line manager as the preferred option.

The cost of a personal subscription should be charged to the individual's Staff Development Account (SDA) where applicable. In other cases, it will be for the relevant budget holder to decide what subscriptions can appropriately be paid. Criteria for decisions should include maintenance and development of primary services, limitations of the current budget, and normal expectations for the group of professionals concerned, e.g. recruitment and retention issues.

If a budget holder takes the decision to approve University funds for payment of a subscription which incurs a tax charge, the tax charge will be met by the University on behalf of the individual and the cost will be charged to the same project code as the subscription.

In the UK, the tax authority publishes a list of approved professional bodies and their subscriptions are not subject to tax provided that membership is essential to your role at the University.

## 6 Uniforms and work-wear

Where a specific operational need exists, the University will issue uniforms and work-wear. This may be due to health and safety needs or if you will have a direct contact with the public and need to present a suitable image.

All uniforms must be clearly marked with a non-removable University logo and must not

be worn for any non-University activities.

## **7 E-books and other electronic literature**

Where electronic books and similar are purchased using University funds, those items are the property of the University and must be available for the University to use. In the situation where the e-literature is downloaded to hardware, the hardware must be either the property of, or readily accessible to, the University.

## **8 Home-working and use of Telephones**

### **8.1 Home-working**

In general, the University makes no contribution to indirect costs (e.g. heating and lighting) incurred when you work at home. The only exception is telephone costs.

### **8.2 Home telephones**

Where you are required by the University as part of your employment duties to make business calls using your home telephone, you are entitled to claim reimbursement of such calls. You must keep adequate details of business calls to allow the University to check on the accuracy of claims made, and attach the original, itemised telephone bill to your expense claim form. The University will not reimburse the cost of any private calls. The University will not normally reimburse any part of rental of a home telephone.

You may only reclaim the cost of a telephone line where a second line is installed and it can be demonstrated that it is used solely for business purposes. You must obtain the approval of your Head of School or Service or equivalent before such a telephone line is installed.

Home subscription to an ISP will not normally be reimbursed. It is not possible to verify that it is used solely for business purposes.

### **8.3 Mobile phones**

#### **8.3.1 Provided by the University**

The University will provide you with a mobile phone if a specific business need arises. The provision of a mobile phone will be in accordance with Procurement Policy rules, will be from an approved supplier and will be of a standard specification.

When a member of staff is provided with a mobile phone they will be asked to opt for whether they want to use it for personal calls. For those who do not wish to use their phones for personal calls, their use of the phone will be monitored and spot checks will be carried out by Internal Audit in consultation with authorisers to verify that no personal calls are made. If they are, then the arrangements set out below will come into operation.

For those staff who opt for personal call usage they will be asked to agree that a sum equivalent to 15% of the monthly cost of providing their mobile phone is deducted from payroll and reimbursed to the University. If and when an individual's monthly cost changes, e.g. because they have asked for a different tariff, the monthly deduction from payroll will be amended.

### 8.3.2 Personal mobile phones

If you use a personal mobile phone for business related calls you are entitled to claim reimbursement, provided that the following requirements are met.

- You must keep adequate details of business calls and provide original itemised phone bills to allow the University to confirm the accuracy of claims made.
- You are not entitled to claim for any or all of the monthly rental cost of your personal mobile phone **even when this includes inclusive minutes**.
- If business calls made are included within your normal line rental tariff, i.e. are made using inclusive minutes, then no reimbursement will be made as no additional cost has been incurred.
- If in addition to your normal tariff you are charged for call costs, then only the call costs relating to business phone calls will be reimbursed as per your itemised bill.

## 8.4 Personal Use of the University's telephone system

Reasonable personal use of the University's fixed line telephone system is acceptable; for example you may telephone home to warn of delays at work, and make any necessary changes to planned arrangements caused by such a delay.

IT Services regularly report details of call costs to budget-holders.

The cost of all personal non-UK calls must be reimbursed to the University.

## 9 Relocation expenses

### 9.1 General

The Policy relating to the awarding and approval of relocation expenses is managed by Human Resources and can be found on the Human Resources website and in the relevant staff rules. Normally only the costs of the removal of furniture and effects are reimbursed.

Where relocation expenses have been approved by Human Resources, the amount of qualifying eligible expenses which may be reimbursed without being subject to UK tax or NIC is £8,000.

Relocation expenses may apply where you are required to move because your former residence is no longer within a reasonable daily travelling distance of your new normal place of work as a result of:

- Your becoming employed by the University.
- A change in the duties of your employment.
- A change in your normal place of work.

The University will only bear the expenses incurred by you, or provide benefits, during the tax year in which the relocation takes place or the following tax year.

For senior appointments relocation packages are negotiated on a case-by-case basis, and the range of expenses which may be reimbursed is broader. Eligible expenses and benefits include:

- Selling the old home, for example legal and estate agent services.
- Buying the new home, for example legal fees and stamp duty.
- Removal of furniture and effects.
- Assistance with travel and subsistence costs incurred in connection with the move, for example journeys undertaken to find a new home at the new location and the provision of temporary accommodation to the new location before a permanent move.
- Provision of replacement goods, services and facilities, for example the replacement of carpets and curtains which are not suitable for removal to the new home.
- Bridging loans.
- Services of relocation management (or similar) companies.

## 10 Healthcare

### 10.1 Eye tests and spectacles for Display Screen Equipment ('DSE') users

- Eye tests

Eye examinations are available to all employees who are classified as 'a DSE user'. The University has ruled that anyone who uses DSE for more than an hour a day on most days is classified as a 'user' and eligible **to reclaim the cost of a basic eye examination**. This basic examination is to determine whether corrective spectacles are required for DSE work. The cost of a basic eye examination would not normally exceed £25.

Prior to attending the eye examination you must obtain the Eye Test form, which is available on the University Health and Safety web site. Your line manager must authorise the funding of the eye test in advance.

Note that only the cost of the basic eye test is reimbursable. Any additional tests or extensions to the test are a personal cost and not reimbursed by the University. Also not reimbursed are any charges levied by the optician for certifying the form.

- Corrective spectacles

If corrective spectacles are required specifically for use with DSE the optician is required to certify that fact on the form. The certification is not just general short-sightedness; it is an eye defect specific to DSE use. If the optician certifies that the defect is DSE related, the University will contribute towards the cost of a pair of corrective spectacles for use with DSE up to a value of £55.

If spectacles are prescribed for other vision defects, the University will not contribute

towards their cost.

More details on this subject can be found on the University's Health and Safety website.

## 10.2 Medical examinations

The University may require you to undergo routine medical health checks or medical screening ('medical examinations') on the following occasions:

- As part of pre-employment screening for employees joining the University.
- Annual medical screening for employees as notified by the University.
- Where the University requires a report on your medical health.

The University will arrange for any medical examinations and will pay the costs direct.

You should not pay the medical practitioner who provides the medical examination with a view to claiming reimbursement of your costs.

The University will be supplied directly with medical reports. You will be issued with a copy of the medical report.

The University will not pay for the costs of any treatment arising from any medical examination.

## 10.3 Medical insurance or treatment whilst working overseas

The University will provide insurance for you against the cost of necessary medical treatment should you fall ill or suffer injury while on international travel in the performance of your employment duties.

In some cases this may incur a tax liability, you should always check with the Financial Tax Accountant and the Insurance Officer to clarify the administration that is required.

# 11 Reimbursement of out-of-pocket expenses

## 11.1 Basic principles

Wherever possible you should avoid using personal funds by effective use of the University's ordering system or purchase card facility. If it is unavoidable that you incur out-of-pocket expenses when acting on behalf of the University, you may make a claim for reimbursement.

For members of staff, the University will make payment to the bank account details held in the HR system.

- You are eligible to apply for reimbursement of any expenses incurred **wholly, exclusively** and **necessarily** in the performance of your duties.
- You must not already have been reimbursed for these expenses from any source, and if that subsequently occurs you must repay the University immediately.
- In the event of any discrepancies being identified subsequent to the payment of this claim, you must repay any overpayment immediately.
- The University will not reimburse any personal expenses.

- The University will not reimburse any fines, these are personal expenses.
- The University will not reimburse personal payment of supplier invoices.
- Reimbursement will only be on the basis of actual costs incurred, fully supported by original receipts from the suppliers. The University does not routinely accept credit card slips, credit card statements or photocopies of cheques as proof of purchase.
- In the case of train/tube tickets, if the original ticket has been retained by the transport provider then a receipt slip may be submitted, but this must be explained on the expense claim (or purchase card log).
- The onus is on all employees to spend the University's money wisely, appropriately and to maximum effect
- **Under no circumstances** are you permitted to submit an expense form on behalf of another person; expenses must be claimed by the person who has incurred the expenditure.
- Any attempt to submit a false expenses claim will be treated as a serious disciplinary offence.
- The University reserves the right to refuse an expense claim, or will require personal repayment of purchase card or petty cash expenditure, if the University's policies have not been followed.

## 11.2 Ownership

All items purchased with University funds of any kind are and remain the property of the University. In the event that a member of staff leaves the University they must ensure that all such items remain with the University.

## 11.3 Expense claim procedure

All expense claims must be using the appropriate means.

Student and visitor claims should be made through a University member of staff, using the form on the Finance website and this must always be approved by a delegated authoriser.

Staff claims are to be made on the same form.

You are responsible for ensuring that all items on your claim are correct and in accordance with all relevant University and grant regulations, including this policy. In any instance where this is not the case, you must include full details on the claim form to explain the reasons.

Authorising officers are required to ensure that there is sufficient information to check that the claim has been completed correctly, that items claimed were incurred wholly, exclusively and necessarily for business reasons and that they are an appropriate use of University funds.

Those staff processing expense claims will challenge any items that do not (or do not

have sufficient support to show that they) adhere to University policies. If this occurs, either you or the authoriser is obliged to provide clarification.

Your claim together with all supporting documentation should be submitted as promptly as possible in order that the expenditure be reflected in the University's accounts. Any claims submitted over 12 months after the transaction will be referred to the Director of Finance and Corporate Services and may not be paid.

Separate arrangements are in place for the authorisation of expense claims for the Vice-Chancellor, Deputy Vice-Chancellor, Pro-Vice-Chancellors, Deans and Heads of Service.

#### **11.4 VAT on expense claims**

Where the cost of the expense includes VAT, you must provide with your expenses claim a valid VAT invoice or receipt. This is to enable the University to reclaim the VAT, if appropriate.

Purchases from non "retailers" should always be supported by full tax invoices

Should you have any queries with regards to VAT, please contact the Financial Tax Team in the first instance at [vat@reading.ac.uk](mailto:vat@reading.ac.uk).

#### **11.5 Expenses incurred in foreign currencies**

Where expenses are incurred in foreign currencies, the amounts should be shown in the currency in question and in the local currency equivalent. The rate of exchange to be used is the rate in force on the date of the transaction. The rate of exchange applied must be indicated on the expense form.

#### **11.6 Advances**

On application, the University may provide you with an advance in respect of expenses that you will be incurring for the University in the course of your duties acting on behalf of the University. The minimum amount advanced at any one time will not be less than £100; the maximum amount will generally not exceed £2,000 but you may apply for a larger advance if there is a valid reason.

An advance must be cleared by submission of an appropriate expense claim form not later than three months after the date of the advance. Any unused balance of the advance must be repaid promptly.

A further advance will not normally be provided until existing advances have been fully accounted for.

The University reserves the right to recover any uncleared advances from any monies owed or payable to you.

Advances, in total or in part, which have not been accounted for and which have not been repaid to the University will generate a tax liability.

## Appendix 1 Variations that apply in Finland (branch)

Section	Notes
2.1 Long Service Awards	Awards given as vouchers or cash are a taxable benefit. If an award is given in the form of a gift, that is not taxable.
4.7 Subsistence	Subsistence payments are not taxable up to the limits set by the Finnish tax regime. Therefore subsistence will be reimbursed at the local tax-exempt rate:
Absence from their permanent workplace	over 10h = EUR 39 over 6h = EUR 18
	There is also the tax-reduced lunch voucher scheme. Note that per diems are only tax free if the destination is located more than 15 kilometres away from either the employee's home or main place of work. Per diems are intended as a reimbursement to the employee for any meal costs that are higher than usual. For any day of travel, when the employee receives free meals, or meals included with the travel ticket, the maximum per diem is half the amount specified in the table below. 'Free meals' comprise two free meals in the case of full per diem, and one free meal in the case of partial per diem.
5 Professional subscriptions	If the University funds personal professional subscriptions on behalf of an employee, that is a taxable benefit.
6 Uniforms and work-wear	Only work-wear that is specifically provided for health and safety reasons is tax-free. All other provision of work-wear is a taxable benefit.
9 Relocation	Compensation relating to buying or selling a home is a taxable benefit.

## Appendix 2 Variations that apply in Germany (subsidiary)

Section	Notes
2.1 Long Service Awards	Such awards are a taxable benefit. The University will pay the tax.
4.7 Subsistence	<p>Subsistence payments are not taxable up to the limits set by the German tax regime. Therefore subsistence will be reimbursed at the local tax-exempt rate:</p> <p>Absence from their permanent workplace 24h absence = EUR 24 8h absence = EUR 12</p>
5 Professional subscriptions	If the Company pays an employee's personal professional subscription that not a taxable benefit provided that it is solely for business use.

## Appendix 3 Variations that apply in Hong Kong (subsidiary)

2.1 Long Service Awards	Such awards are a taxable benefit.
4.5.4 Mileage rates	There are no fixed mileage rates in Hong Kong, reimbursement must be on the basis of actual cost.
5 Professional subscriptions	If the Company pays an employee's personal professional subscription that is a taxable benefit.
9 Relocation expenses	The categories of expense which are free from tax are much more restricted than in the UK, you must check with the subsidiary's accountants for clarification on a case-by-case basis.
10 Eye tests	The Company's contribution towards eye tests and corrective spectacles would only be free from tax if invoiced to and paid directly by the employer. In all other cases the reimbursement is taxable.
General note:	
11.1 Reimbursement of expenses	The tax regime in Hong Kong is much stricter in this area than in the UK. As a general rule, items where the individual has the primary responsibility to pay the invoice are considered a personal cost and reimbursement would lead to a tax liability. Ensure where possible that invoices are in the name of the Company. If unsure, you must check with the Company's accountants.

## **Appendix 4 Variations that apply in Malaysia (subsidiary)**

4.4 Temporary place of work for >24 months	This concept does not exist in Malaysian tax rules, therefore travel would be taxable.
4.5.4 Mileage rates	There are no fixed mileage rates in Malaysia; reimbursement must be on the basis of actual cost.
5 Professional subscriptions	If the Company pays an employee's personal professional subscription there is no taxable benefit provided that it is essential for business use.



## Appendix 6 Hospitality Approval Form

This form must be completed and authorised BEFORE an event or hospitality valued at greater than £50 is accepted. This signed form must be retained with the Gift and Hospitality Register.

Name: .....

Job title: .....

Description of benefit or hospitality:
Justification for acceptance

Approximate value (to be ascertained and agreed prior to sign off): £.....

Offered by (name of company/person): .....

Signature	Date
Authorisation:*	
Signature:	Date: .....
Print name: .....	

\* Authorisation must be by Head of School or Head of Function, or in the case of senior managers, their line manager. For example, HoS must be approved by their Dean, and Heads of Function must be approved by their Head of Service.

Your attention is drawn to the University's policies on such expenditure which can be found at <https://www.reading.ac.uk/web/FILES/finance/FfinanceExpensesHospitalityPolicy.pdf>