

Contractor Expense Policy

Big Leaf Foundation

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# **REIMBURSEMENT OF EXPENSES**

Big Leaf Foundation wants to ensure that all Contractors undertaking roles are not out-of-pocket for the work they do for us, while also looking to get the best use of limited funds.

HM Revenue & Customs expenses and benefits rules recognise that reimbursement of standard business expenses (such as travel) are not taxable. Big Leaf Foundation’s policy is guided by these rules and we do not pay expenses that will give rise to tax or National Insurance.

In order to comply, any amounts claimed must be for actual costs incurred by team members ‘wholly, exclusively and necessarily in the performance of the duties of their contract’, and that adequate records are submitted with each claim.

## **General rules**

* Expenditure incurred by a contractor team member of Big Leaf Foundation should be necessary to achieve our goals and represent good value to the organisations that fund us.
* Each team member is responsible for familiarising themselves with these rules and understanding the limits of their authority, as Big Leaf Foundation may not reimburse any expenses considered unreasonable or outside this guidance.
* All expenses should be itemised, with supporting receipts attached on Big Leaf Foundation’s claim form.
* Expenses under £20 that have no supporting receipt may be accepted. Expenses over £50 with no supporting receipt require a signed letter by the staff/ volunteer member explaining the purpose of the expense and the reason why a receipt is not provided. Big Leaf Foundation may decline to reimburse an expense claimed with no supporting receipt.
* Big Leaf Foundation is a Surrey based charity. Any Contractor team member choosing to base themselves outside of Surrey is welcome to do so. Expenses should only be claimed within Surrey. Meaning any travel from outside of Surrey to Surrey will be at the Contractors own expense. The only exception to this is the instance where a Caseworker/team member is visiting a young person who has been housed out of the county. In this instance travel expenses will be paid.

## 

## **Eligible expenses**

The specific rules for eligible expenses that may be claimed by team members are listed and described below:

* Public transport fares
* Use of personal vehicles
* Taxis
* Subsistence
* Overnight accommodation
* the cost of postage and telephone calls on charity business
* the costs of a team member’s telephone rental and broadband subscription, so long as these are split to reflect the percentage of time relating to usage on behalf of the charity
* communication support: translating documents into Braille for a blind trustee, or into different languages; provision of alerting and listening devices, and other special aids for people with hearing impairment
* the costs of buying training materials and publications relevant to trusteeship
* providing special transport, equipment or facilities for a trustee with a disability
* cost of reasonable overnight accommodation and subsistence (including any essential care costs) while attending trustee meetings or other essential events such as voluntary sector conferences or specialist training courses

### **Public transport fares**

Expenses associated with public transport such as trains, buses, and underground are eligible for expenses claims.

Team members are expected to make use of any special reduced fare arrangements, such as cheap day and period returns, where possible.

### **Use of personal vehicle**

Team members may use their own vehicles for business travel if they wish, at their own risk. Where practical team members should travel together to minimise costs. Any member of the team using their vehicle for business purposes must have a full UK driving licence, and the vehicle must have an in-date MOT certificate, be a fully taxed vehicle and insured for business use.

A mileage allowance may be claimed by team members using their own vehicle for business travel. Current mileage allowance rates are in line with the guidelines set out by HMRC at the time of the expenses claim.

Within the HMRC guidance as of 2021 - HMRC say that the 45p per mile that you can claim for using your own car, not only ​covers petrol but it also covers wear and tear and other running costs. This is 45p a mile until 10,000 miles, when this reduces to 25p a mile for cars and vans.

Parking fees, congestion charges and toll charges will be met by Big Leaf Foundation, but not parking fines.

### **Taxis**

The cost of travel by taxi will be reimbursed in the following circumstances:

* There is no reasonable or practical alternative to getting to the destination.
* The team member has been required to work so early or late, that public transport is not reliably available, or the individual’s safety is compromised.
* A ‘heavy load’ is being transported, which would be unreasonable to carry on public transport.
* The individual has a disability such that public transport is not appropriate.

The reason why the team member has chosen to travel by taxi must be described in the expenses claim form, and a receipt provided showing the date, place of departure and destination.

### **Subsistence**

The reasonable cost of meals purchased while team members are working at a temporary workplace or while travelling within the UK and abroad will be reimbursed by Big Leaf Foundation. Please note that the costs of buying meals for colleagues (other than when both parties are travelling on Big Leaf Foundation business) may not be claimed.

### **Overnight accommodation**

Reasonable costs for overnight accommodation will be reimbursed where it is necessary for Big Leaf Foundation team members to perform their duties away from their usual workplace.

As a guideline, accommodation is expected to be as low cost as possible.

## **Making claims**

* All claims for travel and subsistence expenses, from trustees, staff and volunteers, must be completed on the appropriate form.
* Claims by team members should be authorised by the Trustee.
* Claims by trustees should be authorised by one of the founding trustees.
* Claims should be submitted monthly.

## **What is not claimable as an Expense?**

The following are all examples of payments which are not legitimate expenses or payments:

* payment of hotel accommodation or travel costs for spouses or partners who are not themselves travelling on charity business
* payment of private telephone bills for business unrelated to the charity
* payment of private medical insurance
* petrol mileage rates above the levels approved by HMRC for claimable expenses
* in the case of a trustee nominated by a local authority, expenses already allowed for under that authority’s statutory or contractual arrangements

## **Allowable expenses that require approval by the Foundation’s Treasurer, plus one additional Trustee**

## Approval will be sought in advance of any payment being made to the claimant.

* compensation for loss of earnings whilst carrying out trustee business
* allowances: for example, a personal clothing allowance
* honoraria (small or token sums not intended to reflect the true value of the service provided)
* payment for use of a trustee’s property (or part of it) for storage and use of charity equipment

## **Claiming expenses as a Trustee**

* It is the obligation of each trustee to submit an expense claim to the treasurer within 2 months of the expense being incurred
* The expense claim must be made providing the following details:
  + Copy of the relevant receipt for the expenditure
  + Total amount of the expense being claimed
  + Details of why and expense was incurred
  + Details of the number of trustees involved
  + Bank details for the expenses reimbursement payment to be made to, by bank transfer from the foundations bank account.
* The treasurer will record the expenses incurred for audit purposes.

## **Payment to Trustees for Services delivered**

A charity can pay a trustee for the supply of any services over and above normal trustee duties. The decision to do this must be made by those trustees who will not benefit. They must decide that the service is required by the charity and agree it is in the charity’s best interests to make the payment and must comply with certain other conditions

Examples of services that may be provided by a trustee in return for payment under the power in the Charities Act include:

* the delivery of a lecture
* a piece of research work
* the use of a trustee’s firm for a building job
* the occasional use of a trustee’s premises or facilities
* entering into a maintenance contract with a trustee’s firm
* providing curtains or decorating materials for hall premises
* providing timber for a building
* providing specialist services such as estate agents, land agents, management and design consultants, computer consultancy, builders, electricians, translators, and graphic designers.

Should Big Leaf Foundation decide to pay a Trustee for services we will follow the guidance laid out by the Charities Commission and ensure:

* there is a written agreement between the charity and the trustee or connected person who is to be paid
* the agreement sets out the exact or maximum amount to be paid
* the trustee concerned may not take part in decisions made by the trustee board about the making of the agreement, or about the acceptability of the service provided
* the payment is reasonable in relation to the service to be provided
  + whether Big Leaf Foundation can afford the payment
  + the value to the charity of the services provided by the trustee
  + the quality of the service and the reliability of the supplier
  + any costs previously paid by the charity in obtaining those services
* how much other organisations pay for similar services in similar circumstances
* the implications for the reputation of the charity with its donors, funders, members and supporters, and with the general public
* the trustees are satisfied that the payment is in the best interests of the charity
* the trustee board follows the ‘duty of care’ set out in the 2000 Act
* the total number of trustees who are either receiving payment or who are connected to someone receiving payment are in a minority
* there is no prohibition against payment of a trustee.

# **EXPENSES CLAIM FORM**

|  |  |
| --- | --- |
| **Name** |  |
| **Address** |  |

If you’d like to be paid by BACS, please complete your bank details below.

|  |  |
| --- | --- |
| **Bank name** |  |
| **Name on account** |  |
| **Sort code** |  |
| **Account number** |  |

|  |  |  |  |
| --- | --- | --- | --- |
| **Date of expense** | **Details** | **Amount** | **Receipt attached or explanation if no receipt** |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
| **Total:** | |  |  |

I confirm that this claim is accurate and that the above expenses have been incurred by me in the performance of my duties for Big Leaf Foundation

**Signature:**

**Date:**

**Big Leaf Foundation will meet all reasonable expenses incurred by claimants in carrying out their duties. Please give brief details of what work each expense relates to, giving details of all journeys and attach corresponding receipts. Expenses claimed without receipts may be declined. Travel should normally be by second-class rail, taking advantage of the cheapest fare as far as is possible. If use of a car is necessary, or makes sense with regard to the practicalities of the journey, you may claim at [x]p per mile. Taxis may be claimed for (with receipts) in line with expenses policy. Your assistance in keeping Big Leaf Foundation’s costs as low as possible is greatly appreciated.**

**Authorised by:**

**Signature:**

**Date:**