

Staff and Personnel Expenses Policy

Approval Status:

Version 1.1 of the policy approved by the Renewable World Board on 20th November 2018.

Introduction:

Renewable World does not expect its staff, trustees or volunteers (collectively referred to as “personnel”) to be out of pocket in regard to legitimate expenditure incurred as result of their duties on behalf of the Charity. This policy refers to staff employed by RW, it also covers Trustees and volunteers who wish to claim for expenses incurred. This policy also provides the basis for expenses policies within RW outside the UK, alongside the principle of compliance with tax laws in countries where staff are based.

Based on UK tax law, RW will pay for actual costs of expenses which are incurred wholly, exclusively and necessarily in the performance of duties undertaken by staff in their employment at RW. Reimbursement will only be made once a claim has been successfully submitted, which must be accompanied by VAT receipts or invoices. The general principle of “no receipt, no reimbursement” applies.

Claims made for expenses incurred more than two months from the date of the expenditure may not be submitted and if submitted will be rejected.

A simple test to determine if a claim is reasonable is to consider how a particular claim would be regarded from the perspective of the typical RW donor and to ask “Would I be comfortable for this claim to be displayed on the RW website with my name against the entry?”

All expenses must be itemised on the Charity’s expenses claim form and approved by the relevant line manager before passing to the finance department for payment. Receipts for expenditure incurred must be attached in all cases. Where the production of a receipt is not practical, then “No receipt” must clearly be stated on the expense form. It remains at the line managers discretion to authorise all expenditure and so if you are unsure, you should always seek guidance first.

Allowable expenses:

Travel – UK

RW will reimburse the reasonable costs of amounts necessarily expended on travelling in the performance of the duties of the employment, for example to events, external meetings, training etc. This does not include travel between home and the office unless the employee is recognised as being a "contractual home-based employee". Notwithstanding the RW Environmental Policy, employees should travel by the most cost-effective mode of transport considering journey time and the nature of the journey as well as the monetary cost.

Staff and Personnel Expenses Policy

By employee's own car/motorcycle/bike

For UK only the mileage allowance is set by reference to the HM Revenue and Customs (HMRC) rules on AMAPs (Approved Mileage Allowance Payments). These are currently (2018/19) as follows,:

type of vehicle	first 10,000 miles	above 10,000
cars and vans	45p	25p
motorcycles	24p	24p
cycles	20p	20p
tax - rates per business mile		

The employee is required to keep track of business mileage incurred in the tax year (6 April to 5 April) to ensure the correct rates are used. If an employee carries any other employees in their own car or van on business travel, that employee can claim 5p per passenger per business mile. The passengers must be employees and they must also be travelling on business journeys.

Where an employee uses their own vehicle, the employee should ensure that the vehicle is in good working order, fully insured for business travel, taxed and MOTd and that the driver is covered by breakdown assistance.

The COO may request the employee to print off a route planner to support the business mileage claimed by that employee.

Parking costs will be reimbursed by the charity when incurred on charity business. This does not include parking charges incurred for day to day office working.

Speeding fines and penalty notices will not be met by the charity even if incurred on charity business and must be met by the individual involved.

By taxi

Employees are expected to use taxis only when strictly necessary or for personal safety (e.g. at night), and where it is cost effective to do so. Employees should always obtain a receipt.

By tube, DLR (Docklands Light Railway), bus or tram

Employees should retain tickets where possible. Where an employee's season ticket already covers the cost of travel, no further claim will be allowed. Where Oyster cards are used, the employee should provide evidence of the additional cost incurred, for example by printing off their online statement or by printing off the journey cost provided by the Oyster fare finder.

Staff and Personnel Expenses Policy

By train

Employees should, as far as possible, travel standard class and should book their journeys sufficiently in advance to obtain the best possible prices.

Employees should retain all tickets and credit card vouchers.

By plane

Flights should, whenever possible, be booked sufficiently in advance to obtain the best possible prices. Air travel should be by economy class. Employees should retain all tickets and debit/credit card vouchers.

Under the RW Environmental Policy, travel by plane is discouraged.

Late night travel

In exceptional circumstances, and only in accordance with HMRC rules, RW may meet the cost of late-night taxis or similar road transport provided all the following circumstances apply:

- the employee is required to work later than usual and at least until 9.00pm;
- this occurs irregularly; and
- by the time the employee ceases work either public transport has ceased or it would not be reasonable to expect the employee to use public transport.

The number of such journeys must not exceed 12 per employee in any tax year.

Overnight accommodation - UK

Should be booked in advance at the best possible rates which should not exceed £95 per night (£125 within the M25), including VAT but excluding breakfast costs. Any booking more than that amount will need to be approved by the COO prior to booking.

Employees should consider the location of the hotel regarding the cost of taxis, etc and the time required to travel to and from the hotel.

Staying with friends or relatives- UK

An employee may claim an allowance of up to £50 per night. Receipts are not required but the employee must confirm that the overnight stay was necessary regarding travelling on RW business. An employee claiming this allowance cannot also claim reimbursement of actual accommodation and subsistence costs

Subsistence - overnight stay - UK

RW will reimburse reasonable out of pocket expenses incurred by the employee when it is necessary to stay away from home overnight on RW business. This will include the following:

Staff and Personnel Expenses Policy

- hotel bills (see above)
- breakfast
- lunch, evening meal and beverages - to an overall maximum of £25 per day (please note that the employee may incur costs more than £25 but may only claim up to £25).
- parking at hotel

If the employee is away for more than one night, the daily limits may be averaged across the number of nights that the employee is away.

In all cases employees should retain all invoices.

Subsistence - no overnight stay – UK

An employee may claim for meals and beverages up to a maximum of £25 per day when travelling on RW business-related work. This is intended to reimburse the employee for additional expense because of having to travel on RW business. It does not apply when based at the usual place of work or working from home.

In all cases employees should retain all invoices.

International trips

The rules above apply to overseas travel as well as UK travel. However, in some cases, it may be necessary to allow higher limits for accommodation and subsistence costs, subject to approval from the COO. Additional costs for entry VISA, exit fees and inoculations may be claimed. The intention is that the employee should be able to obtain accommodation and meals of an equivalent standard to that available to them in the UK. Please note that there is no scope for higher rates for mileage.

Air travel should normally be by economy class.

Where expenses are incurred in the local currency, the claim for reimbursement should either be for the actual sterling amount debited to the employee's debit/credit card or, where paid in cash, should be converted at the rate applicable on that day.

In all cases employees should retain all invoices.

Entertaining - business

Employees should only entertain visitors and guests where it is likely to assist the RW in its objectives.

In general, entertainment counts as business-related if its purpose is to discuss an RW project, maintain an existing RW connection or to form a new RW connection.

Staff and Personnel Expenses Policy

By contrast, entertainment of RW acquaintances won't count as business-related if its purpose is social - even if there's some discussion of business-related topics during the entertainment.

Amounts claimed should be reasonable and appropriate.

In all cases employees should retain all invoices. Please show names and organisation of all attendees on the expense claim.

Entertaining - staff

The cost of entertaining other RW staff is not reimbursable.

Professional subscriptions

Employees may each claim back the cost of the annual subscription for up to a maximum of two professional bodies, provided that each body is on the HMRC approved list and its activities are directly relevant to the employee's duties. Approval should be sought from your line manager before any outlay to ensure your subscription meets these criteria. Further subscriptions may be claimed as a tax deduction on the employee's tax assessment return, provided they are also on the HMRC approved list.

Eye tests and spectacles (UK only)

RW recognises its obligations under the Display Screen Equipment (DSE) Regulations 1992 (Amended 2002). RW will contribute to the cost of an eye test if you use display screen (computer monitor) equipment for a significant part of your working day.

RW will reimburse the cost of an eye test conducted by a suitably qualified optician. If the test reveals that spectacles are required for exclusively VDU work RW will pay the full cost of basic spectacles. This policy does not apply to contact lenses.

RW will only reimburse one eye test in any 12-month period.

RW will not contribute towards the cost of spectacles with any element of everyday use, in other words the spectacles must be exclusively for VDU use.

Procedures for making an expense claim

Print off and complete the expenses claim form available on Dropbox.

[..\RW Glb\Finance and Corporate Services\Financial Forms & Templates\Expense form\RW Trustees Staff and intern Expense Claim Form v12.xltx](#)

Ensure all bills (NB: must be originals) and debit/credit vouchers are numbered and attached to the form which should also show the items numbered accordingly to enable easy identification.

Staff and Personnel Expenses Policy

Ensure any overseas transactions in local currency are converted to sterling as above.

The employee needs to sign and date the form and obtain signed approval from your line manager or relevant authorising colleague/trustee.

Forward the completed and signed form, with bills and vouchers attached, to Finance by the end of the first week of the month following claim.

Reimbursement to employee

For non-company debit card (i.e. incurred personally) expenses, expense claims received in a timely manner will be included in the following week's payment run.

UK Finance team will also endeavour to process claims received on the Monday and Tuesday the same week but this cannot be guaranteed.

Payment will be made direct to the employee's bank account and funds should be received by the end of the week that the payment is processed.

Debit Card Expenses (UK only)

The same policy applies to debit card expenses as to expense claims, apart from the reimbursement aspect.

An expense claim form for each calendar month should be filled out and sent to accounts by the first working day of the following month. Vouchers/receipts can be submitted later, but at the latest by the end of that month.

Regional Offices: Nepal Branch Specific Policies

Except where specified below the same practice follow in the Nepal branch office and overseas RW offices.

Communication

The limit for claiming the communication expenses by field staff is based on actual expenses incurred to the limit of Rs 750 per month (Nepal).

After the field staff are provided with an office phone it will be reimbursed on the basis of respective bills and it must be solely used for official purposes only. Project Managers will be required to verify the requested claims.

The field staff may be asked to justify the claims and produce the communication log in case they have requested for amounts in excess of the above limit.

Food Per Diems

Staff and Personnel Expenses Policy

A special agreement is being trialled with the Nepal Branch from January 2019 due to the previous time-consuming and administratively burdensome system. This was demotivating for regional staff and the change to this system should contribute to motivating these staff members.

The Nepal country office is trialling a move from an 'actuals' system to a 'per diems' system, in relation to food costs only. No change is being proposed for the current 'actuals' system for accommodation or travel.

An amount of NPR 900/1200 (Nepal) per day is to be implemented for a trial period of 3 months, after which both the system and the amount would be reviewed and any necessary changes identified should be agreed by the COO and reflected in this policy.

This two-tier rate will be based on the location you stay on the night in question: -

District and provincial headquarters: 1200 NPR per day

Other areas: 900 NPR per day

The rate will be based on the location you stay on the night in question

1. NPR 900/1,200 day for food (paid in Lump sum basis); half of this rate for a returning day (half day). If a staff member remains in the field for 7 days (6 nights), s/he will be paid @ the daily rate for six days and the half day rate for the last day (7th day).
2. Staff can claim per diems for 15 days /month (Max). However, if there is any important work to be completed on site and staff need to continue their stay longer than 15 days in that month, their respective line manager will review the request and can give approval for an additional 5 days (max). This means, in general, staff would be permitted to claim per diems for 15 days per month (max) and in exceptional cases 20 days/month. But, on an average, the total per diems claimed per year should not exceed 180 days (15 days*12). Staff, if they wish, can work more than 180 days/year in the field with the approval of their line manager but will only be permitted to claim a maximum of 180 days of per diems.
3. Accommodation: As per actual, receipt required, max amount: NPR 2,200 per night (Including all taxes).

An actuals system will be retained for occasions when staff accompany the following visitors: donors, overseas staff, government staff as expenses are likely to be higher due to the nature of the establishments that visitors would be likely to eat at.

Personal Vehicle Use – Reimbursement Policy

At times Renewable World (RW) employees may be required to use their personal vehicle for office & business purposes. Acknowledging this necessity, RW will reimburse its staff for the approved use of their

Staff and Personnel Expenses Policy

personal vehicle for office purposes which is properly authorized, reasonable and appropriately documented.

Allowable Vehicle Reimbursement Expenses Examples of allowable business purposes include: Meetings, Conferences/Presentations, Site visit, Work-related errands (bank, tax office, partner offices, etc), Attending Workshops and seminars

Other expenses such as parking will be reimbursed at the actual costs. Original receipts/invoices must be provided.

Employees must document their travel on the Vehicle Mileage Reimbursement Form and submit for review and approval.

Reimbursement for the operating expenses of the vehicle will be calculated by multiplying the number of Kilometers travelled by the Standard Mileage Rate as below:

For Bike/Scooter – the current rate is Rs. 14 Per KM.

Updates to these all Nepal travel and subsistence rate shall be recommended by the Regional Finance & Administration Manager and approved by the COO annually.