

## expenses policy for directors

It is our policy to reimburse directors and staff for reasonable expenses necessarily incurred in connection with our organisation. Directors and staff should be neither financially advantaged nor disadvantaged as a result of incurring genuine business expenses.

Any discount obtained in the course of incurring an expense must be included in any subsequent claim.

### travel expenses

We will pay the reasonable costs of necessary travel on behalf of the Service. Travel to meetings and between offices must be by the most cost effective mode of transport, taking into account journey time as well as monetary cost.

For directors, travel between home and South Quay Plaza is deemed by the Inland Revenue to be travel to the place of work, and therefore not allowable. However, directors may claim reimbursement of the cost of travel to SQP as the Service meets this cost on behalf of the directors.

If a journey is made to London for the Service as well as for other business purposes, only the appropriate proportion of the expenses incurred should be claimed from us.

#### by car

Where it is cost effective to make a business journey by car, a mileage allowance may be claimed as follows:

First 10,000 business miles in the tax year	45p per mile
Business mileage over 10,000 miles	25p per mile

These rates are reviewed annually and updated in accordance with AA and Inland Revenue statistics.

Our motor insurance policy covers employees using their own vehicles for our business within the UK.

#### by taxi

Taxis should only be used where necessary. If a taxi is used, a receipt should be obtained for the fare and submitted with the expenses claim.

#### by train

Travel should normally be by standard class within the boundary of the M25. The cost of first class travel may be claimed for journeys from outside the M25 to London. Tickets should be booked as far in advance as possible to obtain cheaper fares. They can be booked through our travel agent or directly with the train operator. If the latter option is used, a copy of the ticket must be attached to the expenses claim.

## **by air**

As with train travel, whenever possible, flights should be booked well in advance using the most cost effective ticketing arrangements.

Air travel outside Europe must specifically be authorised by the chairman of the board. Bookings may be made through our travel agent. Air travel should normally be by economy class, or by business class outside Europe.

If bookings are made independently, a copy of the ticket must be attached to the expenses claim.

## **accommodation**

Hotels may be booked through our travel agent or directly with the hotel. If a booking is made directly with the hotel, a copy of the hotel bill must be attached to the expenses claim. As far as possible, accommodation should be selected for convenience and booked in advance to obtain the best possible rates. The rate per night should not exceed £130 including VAT (£150 in London) but excluding breakfast costs.

## **subsistence: away overnight**

When a journey on behalf of the Service makes it necessary to stay away from home overnight, reasonable out of pocket expenses incurred will be reimbursed. This includes:

- Hotel bills
- Breakfast
- Lunch, evening meal and beverages, to an overall maximum of £35 per day
- Other personal incidental expenses such as private telephone calls, newspapers, laundry and alcoholic drinks, to an overall maximum of £5 a night for travel within the UK and £10 a night overseas.

These figures are not flat rate allowances but limits on the amount of actual expenditure that will be reimbursed against receipts.

## **subsistence: no overnight absence**

If no overnight absence is required, but extra expense on meals is incurred as a result of having to travel on behalf of the Service, a claim for meals and beverages up to a maximum of £15 per day may be made against receipts.

## **staying with friends**

If an overnight stay is necessary in connection with our business and accommodation is provided by relatives or friends instead of at a hotel, an allowance of £35 a night may be claimed. Receipts are not required in support of this claim.

## **overseas accommodation and subsistence**

This policy applies to overseas travel as well as to travel within the UK. For travel to overseas locations where hotel accommodation and meals are particularly expensive, the chairman has discretion to agree higher cost limits than those for UK travel. This is to allow accommodation and meals to be obtained of an equivalent standard to that available in the UK.

Advances in foreign currency should be obtained from the Finance department. Expenses paid in foreign currency should be converted to sterling at the rate used at the time of the advance.

## **entertaining visitors**

A claim may be made for the reasonable and appropriate cost of entertaining visitors and guests if such entertainment is likely to assist the Service in promoting its strategic objectives.

## **claim procedure**

### **reimbursement of expenses**

Expenses will be reimbursed if they are:

- supported by valid receipts
- submitted on the Service's expense claim form; *and*
- authorised in accordance with the procedure below

<b>position</b>	<b>authorised by</b>	<b>authorisation limit</b>
chairman	chairman of the audit committee	all expenses
director	company secretary chairman	<£1,000 >£1,000

Detailed guidance on how to complete the expenses claim form is attached to the form. Copies of the form can be obtained from the company secretary.

In claiming reimbursement, confirmation must be given that the expenses have been incurred, and that the business to which they relate has been carried out in the manner most cost effective to the Service in the circumstances.

Authorised expenses submitted in accordance with this policy on the required form will be paid directly into the claimant's bank or building society account in the week following receipt of the claim.