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# **Institute of Education**

## **Travel, Subsistence and Other Expenses Policy**

December 2011

<b>Contents</b>	<b>Page Number</b>
Introduction	3
General principles	3
Value for money	4
Evidence	5
Expense claim and payment	5
Mileage allowance	6
Toll, parking and congestion charges	7
Fines	7
Subsistence	7
Tips/gratuities	8
Accommodation	8
Staying with family and friends	9
Per diems	9
Hospitality	9
Advances	10
Other expenditure	11
Staff parties	11
Mobile phones	11
Computer software, hardware and equipment	11
IT consumables and stationery	12
Subscriptions	12
Annex 1 – Travel Policy and Procedures	13

## Introduction

1. This policy sets out the rules and regulations for reclaiming expenditure for travel, subsistence (T&S) and other expenses, and covers all IOE activities both internally and externally funded. The rates for all allowances are given in T&S rates set out in paragraphs 31 to 44 below.
2. The aims of the T&S policy are to:
  - provide a common understanding of which expenses can be reclaimed;
  - increase the value for money obtained from official travel;
  - help develop a culture in which staff take account of the cost of travel and consider alternative ways of achieving their objectives;
  - ensure that travel is undertaken only when strictly necessary; and
  - provide staff and managers with help in making informed travel choices.
3. These guidelines apply to employees, Council and sub-committee members (members of the Institute). Job applicants who incur costs to attend interview may also use this policy. They are intended for everyone who:
  - has to decide whether to travel on official business;
  - makes travel arrangements, for themselves or for others;
  - is involved in the preparation of plans which include spending on T&S;
  - is involved in approving T&S claims; or
  - is responsible for managing a T&S budget.
4. This policy is primarily concerned with regulations for reclaiming expenditure. For travel arrangements costing £250 or more please follow the Purchasing Section's Travel Policy and Procedures as detailed at Annex 1.
5. This version replaces all previous IOE T&S policies.

## General principles

6. Members of the Institute are reminded that before they embark on an official journey, they should consider whether travel is actually necessary. The IOE has videoconferencing and teleconferencing facilities, which will provide a greener and more cost effective alternative to travel.
7. The Institute will only reimburse actual and reasonable expenses incurred wholly, exclusively and necessarily in the course of its business and in accordance with the maximum rates set out in these guidelines.
8. Expenses reimbursed or charged directly to the Institute within the limits set by these guidelines will not give rise to a tax and national insurance liability.

9. Transactions in a currency other than GBP will be reimbursed in GBP. The currency rate will be calculated as the rate applying on the date the expenditure was incurred if supporting documentation of exchange rate cannot be provided. In addition, the Institute will reimburse the commission charged for the currency exchange.
10. The Institute will not reimburse costs incurred for spouse, partner or any other family member. Members of the Institute that plan to be accompanied by a family member/partner whilst on IOE business must inform their Dean, Pro-Director: Strategy and Organisation or the Director of Finance and Estates. An agreement must be sought and given in advance of the actual travel.
11. Members of the Institute should be able to procure the majority of goods and services they require for the IOE business through the normal purchase and payments procedures. Travel costs under £250 can be reclaimed on expenses. However, where travel costs are likely to exceed £250, staff should follow procedures as detailed in Annex 1.
12. Normal commuting expenses between the home and permanent workplace will not be reimbursed.
13. All claims must be made within three months of the costs being incurred. This is to ensure that sufficient funds are available to meet the cost. Claims that are not made within three months may not be paid as the IOE cannot guarantee that there will be sufficient funds to meet the cost.

### **Value for money**

14. Members of the Institute are required to undertake all travel in the most economical and cost effective way, and this should be taken into account when selecting the mode of travel.
15. All air travel must be economy class and all rail travel, standard class. No first, business or premium economy class travel is permissible unless agreed in advance by the Director or the Faculty Dean and, in the case of externally funded projects; it is eligible under the terms and conditions of the funder. Anything other than standard or economy class travel is only allowable as an exception and in cases where they are financially advantageous or for health or reputational reasons. Decisions on travel other than economy or standard class will be made on a case by case basis.
16. Where the International Office is commissioning the travel, an upgraded class of travel is permitted by prior approval of the Pro-Director: Learning and International.
17. Pre-booking of tickets produces a significant discount. Members of the Institute shall plan journeys and have them booked as far ahead as possible to ensure that full

advantage can be taken of early booking discounts. {included above – para 4. PI delete this comment for the final}.

18. Open tickets are not permitted unless there are exceptional reasons. In the event an open ticket is required it must be approved by the budget holder before the actual travel.
15. Oyster prepay is one of the most effective ways to pay for individual journeys. Members of the Institute intending to make travel claims on their Oyster Card must register it so that receipts or a statement of journey history may be obtained. Claimants may be required to provide this as proof of expenditure.
16. A motorcar will usually be the cheapest option if it is shared with colleagues who would otherwise claim their own travel expenses.
17. A hired vehicle may be used for road journeys (especially for fieldwork in rural areas (UK or overseas) where this proves to be the most cost effective mode of travel. Ensure that you take the supplier's collision damage waiver as the Institute's insurance policy does not cover hired vehicles.

## **Evidence**

18. Payment requests must be accompanied by adequate supporting documentation which will normally comprise original invoices, bills or receipts and must provide sufficient information for the Finance and Estates Department staff to ascertain whether the payment should be subject to taxation or should be paid at all.
19. Photocopies of supporting documentation, including receipts and invoices, will only be accepted by the Finance and Estates Department if there is a valid reason for the claimant retaining the original. All copies must be legible and certified as a "True Copy" of the original document by the claimant.
20. The Finance and Estates Department may exceptionally pay claims without receipts if the amount is less than £10 in total.

## **Expense claim and payment**

21. All claims must be for expenses that have been incurred on IOE business. A standard claim form must be completed and authorised in accordance with the Financial Regulations (Section 20.11), and submitted to the Finance and Estates Department.

## 22. Authorisation of Staff Expenses:

- Less than £250 Budget holder (if budget holder claiming on own budget, authorisation must be by line manager / HOD / faculty manager)
- Over £250 Goods and services in excess of £250 must not normally be purchased as reimbursable expenses

An individual cannot authorise his/her own claim.

23. Claims may be completed and submitted on paper, or where a Department has access to on-line submission, the claim must be made on-line using the facility provided by the Institute's Finance System. Authorising officers are required to ensure the expenditure has been incurred on IOE business and is in line with these guidelines.
24. Claims for reimbursement of expenses by individuals who are not employees and therefore do not have access to the Institute's Finance System may use the "Non Staff Expenses Claim Form" available on the Institute's intranet. [http://intranet.ioead/calendar/finance/Forms/NonStaff\\_Expenses\\_Claim\\_Form\\_GL\\_092008.pdf](http://intranet.ioead/calendar/finance/Forms/NonStaff_Expenses_Claim_Form_GL_092008.pdf)  
or  
[http://intranet.ioead/calendar/finance/Forms/NonStaff\\_Expenses\\_Claim\\_Form\\_RL092008.pdf](http://intranet.ioead/calendar/finance/Forms/NonStaff_Expenses_Claim_Form_RL092008.pdf)
25. Expense claims are processed weekly and paid by BACS. Consequently, for non-staff claims, the claimant's bank details must be provided on the claim form.
26. The Institute will not reimburse expenses by cheque.
27. The Finance and Estates Department staff will double check claims are correct, reasonable and in line with IOE policy. Therefore claims may be routinely questioned either with the claimants or their line manager.

## Mileage allowance

28. Members of the Institute can only use their private car on IOE business if and only if they have a full and comprehensive insurance cover that allows business use. Third party or third party fire and theft policy covers are not permitted for IOE business. Cost of the insurance cover is not claimable.
29. Staff must have a full UK driving licence.
30. Where members of the Institute use their own car, the lower of the mileage allowance claim and the cost of public transport will be reimbursed. The current

mileage allowance rates are set out in the table below and will be updated from time to time in line with HMRC rules:

### **Car Mileage Rates**

Business miles claimed in the tax year	Mileage rate
Up to 10,000	45p per mile
Over 10,000	25p per mile

### **Other Mileage Rates**

Business miles claimed in the tax year	Mileage rate
Motor cycles	24p per mile
Bicycles	20 per mile

31. Members of the Institute are required to keep a running total of the mileage travelled in the tax year (6 April to 5 April) in order to ensure that the correct allowance rate is applied.
32. It is important that members of the Institute keep records of their allowances and business mileage to complete their annual tax return and if appropriate to claim tax relief on business travel. The IOE will automatically notify the HM Revenue and Customs (via a P11D form) if a mileage rate is paid that gives rise to a tax liability (e.g. where the approved mileage allowance of 45p per mile is paid for more than 10,000 miles).
33. The Institute does not reimburse claims based on actual petrol receipts.

### **Toll, parking and congestion charges**

34. The IOE will pay toll, parking and congestion charges that have been incurred on Institute business and in accordance with this T&S policy.

### **Fines**

35. The IOE will not under any circumstance reimburse staff for cost incurred as a result of fines, penalties or parking offences.

## Subsistence

### 36. Meals:

- cost of meals are allowable only to the extent that it is not possible to have them at home or place of work; and
- claims will not be paid where a suitable meal has been offered or provided e.g. at an all day conference or included in the hotel rate e.g. members of the Institute will not be allowed to claim for breakfast if the stay was at a bed and breakfast accommodation.

### 37. The maximum rates allowable for meals are:

Meals	Notes	Maximum Rate
Breakfast	When staying in “room only” overnight accommodation, the cost of breakfast at the hotel’s standard rate may be claimed.  The cost of breakfast will also be reimbursed where a member of the Institute commences a business journey before 07.00 hours.	As per hotel rate  £4.50
Lunch	The cost of lunch will be reimbursed where a member of staff is away for a full working day from their place of work.	£5.50
Evening meal	The cost of an evening meal will be reimbursed where a member of staff is staying in overnight accommodation.	£20 per meal, including alcohol. For overseas check <a href="http://www.hmrc.gov.uk/employers/wwsr-oct10.pdf">http://www.hmrc.gov.uk/employers/wwsr-oct10.pdf</a>

## Tips/gratuities

38. Discretionary payments are deemed to be personal choice and will not normally be reimbursed. However, staff may pay a gratuity of up to 12.5% of the cost of a meal if included in the bill. Where other levels of service charge or taxes are obligatory, these will be reimbursed.

## Accommodation

39. The Institute’s policy is that where members of the Institute need to stay away from home overnight in connection with official business, they should be accommodated

at a safe, clean, comfortable hotel within reasonable travelling distance of the office/venue they are visiting.

40. Hotel accommodation should normally be booked in advance through the requisitioning process. Where this is not possible, staff can book their own hotels and claim for reimbursement. For advance accommodation bookings see the Purchasing Section's Travel Policy and Procedures.
41. Guidance for overnight accommodation:

Area/ Region	Guide Rate per Night
London	£115
Rest of UK	£95
<sup>1</sup> Overseas	£100 or based on the published HMRC rates.

### **Staying with family and friends**

42. Where members of the Institute stay with a member of their family or friend (instead of hotel accommodation) whilst on IOE business, a gift or meal may be purchased as a "thank you" token. Receipts must be provided for reimbursement of up to £25 for one night. When staying for more nights, the amount allowed will be a maximum of 20% per night of the accommodation rate set out in paragraph 41 above.

### **Per diems**

43. Round sum payments of up to £5 per night for overnight stays in the UK and £10 for overseas can be made to members of the Institute to cover incidental expenses. These payments are normally made tax free, however, if a claim is in excess of the allowable daily rates, the full amount becomes taxable and must be processed through payroll.

### **Hospitality**

44. Subject to prior approval by the Dean of Faculty, or the equivalent for support departments, members of the Institute can claim reimbursement for the cost of business meals or other entertainment when a guest who is not an Institute member of staff is involved.
- spending on alcohol for hospitality should be kept to a maximum of £10 per head except in exceptional circumstance in which case advance approval by the Director of Finance and Estates is required;

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<sup>1</sup> An extensive list of overseas allowable rates can be found on the HMRC's website – please visit <http://www.hmrc.gov.uk/employers/wvsr-oct10.pdf>

- the maximum hospitality reimbursement allowable is £40 per person inclusive of alcohol beverages and a tip. Such expenses must be incurred wholly, exclusively and necessarily in the performance of the Institute's work; and
  - all alcoholic beverages required for functions provided in house to either staff or non-staff in relation to Institute business must be purchased from the Catering Department.
45. In given and receiving hospitality staff must fully adhere to the Institute's code of conduct and the anti-bribery and anti-corruption policy. It is particularly important for members of the Institute to avoid hospitality whilst contract negotiations are in progress.

## **Advances**

46. Occasionally the Finance and Estates Department will make advances to staff for overseas travel where costs are expected to be particularly high or where credit cards are not widely accepted.
47. Amounts advanced will be limited to the amount of the anticipated expenditure and it is the responsibility of the member of staff to ensure that receipts for such advances are provided to the Finance and Estates Department by the date agreed when the advance was originally requested and approved.
48. All advances are treated as loans. Failure to provide all or some receipts will result in the advance being recovered from the staff concerned.
49. Properly authorised advance requests should be submitted to the Finance and Estates Department at least seven working days in advance of the date on which the money is required to be available.
50. The request should state:
- the amount and currency requested;
  - what the money will be expended on;
  - the reasons for the request, i.e. why normal procedures are not being followed;
  - who is responsible for accounting for the money;
  - who at Faculty/ Academic or Support Department level has authorised the request; and
  - the date by which a final account will be submitted to the Finance and Estates Department, i.e. when all associated receipts for expenditure and any surplus cash are returned to the Institute (authorised at Faculty/ Academic Department level, as per above).
51. Advances must be completed, reconciled and submitted to the Finance Department within 21 days of return from the trip. No further advances will be made to an

employee until all due advances have been accounted for. If such advances remain unaccounted for after three months, they will be deducted from the employee's monthly salary.

52. Foreign currency may be requested 10 working days in advance. Any unused currency should be returned to the Finance and Estates Department. Please contact the Payroll Section in the Finance Department for further information.
53. All advances are to be approved by the Director of Finance and Estates. The advance request form can be found on the Finance department website <http://intranet.ioead/calendar/finance/Forms/Request%20for%20Advance%20Exps%20Form.pdf>

## **Other Expenditure**

### **Staff parties**

54. The Institute does not fund staff Christmas parties other than the Director's Christmas party to which all members of the Institute are invited. Similarly the only summer or end of year party funded by the Institute is that hosted by the Director.

### **Mobile phones**

55. Mobile phones for business use must be obtained through the Computing Department. The Institute will not under any circumstances reimburse individuals through the expenses system for the purchase, lease, line rental or any other use of mobile communications. The exception to this is when staff are overseas and hiring or buying a local mobile phone maybe more cost effective. In such cases the Institute will reimburse the full cost.
56. Staff will normally be responsible for reimbursing the Institute for any private use of Institute mobile phones unless use is incidental and the cost is minimal.

### **Computer software, hardware and equipment**

57. All purchases must be made through the requisitioning process and must be added to the department's asset inventory.
58. Where the item to be purchased cannot be obtained from an approved or preferred supplier, advice should be sought from the Purchasing section.
59. All computer software, hardware and equipment purchased, regardless of the source of funding or method of payment, is the property of the Institute and not the department or individual member of staff.

## IT consumables and stationery

60. The Institute will not reimburse the costs of 3G cards or any other internet access which requires hardware to be connected to Institute laptops.
61. All stationery requirements must go through the requisitioning process. The Institute will not reimburse the costs of, printer cartridges or other IT consumables. There are exceptional cases, for example, where working off-site forms part of the contract of employment.

## Subscriptions

62. The Institute will not under any circumstances reimburse staff or pay on their behalf for annual subscription to a professional body in connection with their duties.
63. Allowable subscriptions or memberships are those entered into under the name of the Institute of Education.
64. If you require further information on this policy, please contact:

Post	Post Holder	Telephone	Email
Payroll Section	Dawid Juzaszek	020 7911 5389	<a href="mailto:d.juzaszek@ioe.ac.uk">d.juzaszek@ioe.ac.uk</a>
Payroll Section	Brendan Pearce	020 7612 6030	<a href="mailto:b.pearce@ioe.ac.uk">b.pearce@ioe.ac.uk</a>
Payments Section	Bharat Patel	020 7911 5389	<a href="mailto:b.patel@ioe.ac.uk">b.patel@ioe.ac.uk</a>

65. Responsibility for updating and administering this policy rests with the Management Accountant.

**Any false claim can lead to disciplinary action and/or criminal prosecution.**



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## **Travel and Accommodation Arrangement Procedures**

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## **Contents**

1. Introduction
2. Air Travel
3. Flight Arrangements
4. Business Class Travel
5. QM Route Deals to Asia
6. Rail Travel
7. Hotels and Accommodation
8. Visa Applications
9. Travel management companies contact details

## **1. Introduction**

- 1.1 This Travel Policy & Procedures document focuses on travel and accommodation booked and paid for in advance of travel. Such arrangements can be made either through the IOE Purchasing Section, or locally within department.
- 1.2 This Policy should be read in conjunction with the Institute's Travel, Subsistence and Expenses Policy which details the regulations for reclaiming travel-related expenditure, including mileage and subsistence allowance.

## **2. Air Travel**

- 2.1. One of the key aims of this Travel Policy and Procedures is to further streamline our systems for the purchase of air travel, allowing greater control by budget holders, whilst implementing simple controls to ensure value for money and probity.
- 2.2 The policy also counters specific previous occurrences of bad practice, for example:
  - staff procuring from travel agencies; and
  - staff purchasing flights through expenses;

## **3. Flight Arrangements**

- 3.1 The Institute has established agreements with two Travel Management Companies (TMCs); Ian Allan Travel and Key Travel who specialise in flight arrangements.

Both travel companies are listed as London Universities Purchasing Consortium (LUPC) preferred suppliers following a European Tender exercise. Thus Institute staff can book all flights directly through Ian Allan Travel or Key Travel in the knowledge that EU Directives are being complied with and that further quotations will not be required.

- 3.2 There have been occasions when budget holders have sourced flights at a lower cost than those available through the TMCs. As a consequence, the Travel Policy has been made more flexible, allowing staff to obtain three quotations for flights, including one quote from each of the TMCs. The supplier quoting the cheapest flight may then be used. If staff do not wish to obtain three quotes they must use Ian Allen or Key Travel.
- 3.3 If a supplier other than one of the TMCs is used, staff must arrange the purchase outside of the T1F Purchasing System and then claim back the expenses. This will prevent large number of potential one-off suppliers being added to the system.

- 3.4 Notwithstanding the added flexibility set out at paragraph 3.2 above, the IOE urges staff to use one of the TMCs wherever possible and particularly where the cost differential is not significant. Placing all bookings through the TMCs brings a number of business benefits that negate the extra cost - including detailed and comprehensive management report, details of our carbon footprint and a duty of care relating to the Corporate Manslaughter Act. The contact details for the IOE's dedicated Teams at the TMCs are annexed to this document.
- 3.5 For flights costing £250 or less, the procurement mechanisms set out in paragraph 3.2 above may not be administratively cost effective. Staff may therefore purchase low cost flights directly and claim back on expenses. In such cases, staff will be expected to ensure that reputable suppliers are used.
- 3.6 The procedures at 3.5 will apply to all flight purchases when staff are off site and need to make changes to their planned itinerary without access to the normal procurement routes.

#### **4. Business Class Travel**

- 4.1 All air travel must be economy class and all rail travel, standard class. No first, business or premium economy class travel is permissible unless agreed in advance by the Director or the Faculty Dean and, in the case of externally funded projects, it is eligible under the terms and conditions of the funder. Anything other than standard or economy class travel is only allowable as an exception and will be assessed on a case by case basis. First class business travel may be allowed when:
- the length of the travel from London to the destination exceeds ten hours;
  - there is a medical reason, properly authenticated;
  - travelling with the Director or Chair of the Council;
  - reputational reasons; or
  - a third party is reimbursing the cost of travel.
- 4.2 Where the International Office is commissioning the travel, an upgraded class of travel is permitted by prior approval of the Pro-Director: Learning and International.

#### **5 QM Route Deals to Asia**

- 5.1 Queen Mary's College have negotiated a number of 'route deals' to Asia on behalf of the Bloomsbury Colleges. Consequently, IOE staff can take advantage of those deals. The details are held by both TMCs and when appropriate these deals should be automatically offered to staff by the TMC. However, for the avoidance of doubt, we recommend that staff specifically request details of any available QM Route Deals.

## **6. Rail Travel**

- 6.1 Where possible, rail tickets should be booked in advance through the Purchasing Section in the Finance and Estates Department. The IOE has an account with the operator 'Trainline' through which bookings can be placed.
- 6.2 There is a booking fee associated with Trainline. However, the business benefits of having all bookings placed through one operator mirrors those described in Paragraph 3.4.
- 6.3 In line with 3.6, when staff are off-site and need to make changes to their planned itinerary without access to the normal procurement routes, they may purchase tickets and claim back on expenses.

## **7. Hotels and Accommodation**

- 7.1 Hotel and Accommodation arrangements should be made in accordance with per diem allowance detailed in the Institute's Travel, Subsistence and Expenses Policy.
- 7.2 Due to the varying nature of accommodation requirements and associated sensitivity and subjectivity, the IOE does not promote a prescriptive policy regarding choice of accommodation, other than to limit costs.
- 7.3 Both at home and abroad, it is recognised that staff primarily require accommodation which is conveniently located for the business in hand. Consequently the on-line booking agents 'bookings.com' and 'hotels.com' are recommended as being best placed to source this requirement.
- 7.4. For National requirements and where appropriate, the Purchasing Section holds an account with the low-cost hotels. There may also be opportunities to utilise rooms within John Adams Hall which additionally provides income for the IOE.

## **8. Visa Applications**

- 8.1 Visa Applications can be dealt with through either of the TMCs.

## **9. Travel management companies contact details:**

Ian Allan Travel [unitravel@ianallan.co.uk](mailto:unitravel@ianallan.co.uk), 0845 872 6037

Key Travel [gold@keytravel.com](mailto:gold@keytravel.com), 0845 122 0106

theTrainline.com. For bookings please contact [Requisitions@ioe.ac.uk](mailto:Requisitions@ioe.ac.uk), x 5139