



Expense Policy

This policy applies to our current schools, ATAM, and The Khalsa Academy Wolverhampton, and any other schools we open.

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1. Introduction

The Trust Board is committed to ensuring that public funding and other resources entrusted to the school are used efficiently and adequately. That best value is achieved at all times. The Trustees recognise that the payment of expenses from public funds is a sensitive matter that must be handled appropriately. Every effort is made to keep the costs to a minimum.

2. Reimbursement of expenses

Expenses will only be reimbursed where:

- They have been wholly and necessarily incurred on behalf of the school.
- Amounts charged are incurred in accordance with this policy.
- Either:
 - Receipts from a supplier support them. Credit card slips do not constitute receipts from a supplier, and expenses incurred will not be reimbursed based on the submission of credit card slips alone.
- Or
- They are for mileage incurred on the school's business supported by a signed authorisation form, (appendix A), which includes a log of miles travelled and the reason for the travel.
- Another party has not reimbursed them, and the claimant has signed a claim form to state that this is the case.
- The claim forms have been authorised as follows:
 - In the case of a Member, Trustee, or Governor, claim forms will be submitted for approval to the Finance Committee's Chair of Trust or Chair to be presented to the Finance Committee for final approval.
 - In the case of employees, claim forms will be authorised by their Line Manager.

Claims delayed by more than **three months** after the expenditure was incurred will not be reimbursed.

In the case of Members, Trustees, and Governors, all claims will be subjected to independent audit. Any claim that appears excessive or inconsistent will be investigated by the Chair of Trust (or Chair of the FAR Committee regarding the LAB Chair). A report will then be produced for the FAR Committee to decide on the action to be taken.

Breaches of policy, abuse, and inappropriate claiming/authorisation of claims under this policy will be investigated and may lead to disciplinary action in the case of employees. In the event that the position regarding the reimbursement of expenses is unclear, further advice can be obtained from the Trust's finance office. Advice should be obtained before incurring the expenditure.

3. Expenditure that will not be paid out of school funds

The following types of expenditure will not be paid out of school funds:

- Alcohol purchases.
- Parties for employees.
- Comfort gifts (such as flowers) for employees.

4. Responsibilities of the person authorising claims

All claims for the reimbursement of expenses must be made on an official claim form and independently approved per the school's written scheme of delegation.

By authorising a claim, the authoriser confirms that:

- The expenses were wholly, necessarily, and exclusively incurred on behalf of the school.
- There is sufficient money in the budget to meet the costs involved.
- Due consideration has been given to achieving value for money.
- Valid fully itemised original receipts (which excludes photocopies or credit card transaction slips) to substantiate the claim have been provided by the claimant, and these do substantiate the claim.
- In the case of mileage, the finance office has checked the authorisation form for the log of mileage presented with the claim.
- The expense claim adds up correctly.

Expense claims that do not meet these requirements will be returned to the claimant, delaying or prohibiting payment.

5. Expenses for Members, Trustees, and Governors

The same rules apply to Members and Trustees as they apply to Governors.

Academies must comply with their Articles of Association. The DFE model articles of association include the following text: '**a Governor may at the discretion of the Governors be reimbursed from the property of the academy trust for reasonable expenses properly incurred by him or her when acting on behalf of the academy trust but excluding costs in connection with foreign travel**'.

Governors intending to claim expenses should ensure prior approval has been obtained. Once prior permission has been received, Governors wishing to make claims under these arrangements should complete a claim form (obtainable from the finance office) attaching receipts or a log of mileage incurred and return it to the school within four weeks of when the expenses were incurred.

Local Advisory Boards should make their own decisions on the nature and rate of expenses. All LAB Governors is allowed to vote on the nature and rates of expenses, irrespective of the rules on declaring direct and indirect financial interests. However, if an individual Governor's claim is

being considered or approved, that individual must withdraw from the meeting because he or she will have a financial interest in the outcome of the discussion. It is good practice for schools to set criteria for paying claims to ensure that costs do not escalate and limit the need for claims to be approved individually.

It is worth noting that the vast majority of school LAB's vote to waive their right to claim expenses, or they confine payment to extraordinary costs incurred by a Governor at the behest of the LAB, for example, attendance at a course for which there are a fee or subsistence expenses.

What Governors can claim

- Governors must not be paid an allowance to attend meetings.
- Governors must not be reimbursed for loss of earnings.
- Governors must make maximum use of the most efficient means of the travel options available wherever possible, for example, off-peak train times, car-sharing.
- Governors can claim the actual costs they incur in carrying out their duties as a Governor or representative of the school. Claims may be made for:
 - Childcare or babysitting expenses when attending Governors' meetings.
 - Care arrangements for an elderly or dependent relative when attending Governors' meetings.
 - They incur extra costs in performing their duties either because they have special needs or because English is not their first language.
 - The cost of traveling to meetings/training courses, at a rate agreed annually at the first meeting in September, does not exceed the specified rates for school personnel unless these costs can be claimed from the local authority (LA) or any other source. The Governor's responsibility is to ensure an appropriate level of insurance on the private vehicle to be used, for example, on the use in connection with business and associated passengers.
 - Telephone charges, photocopying, stationery, postage, etc.
 - Telephone rental and broadband subscription, so long as these are split to reflect the percentage of time relating to usage on behalf of the school.
 - Subsistence (that is, reimbursement for meals purchased that would not have otherwise been bought) does not exceed the specified rates for school personnel.
 - Reasonable overnight accommodation and subsistence (including any essential care costs) do not exceed the specified rates for school personnel while attending important events such as voluntary sector conferences or specialist training courses.
 - Training materials and publications relevant to being a Governor.

Governors may claim expenses for attendance on approved duties. The scheme will apply equally to all Governors, but it is open to any individual to choose whether not to claim. The expenses that may be claimed are in six categories: travel, subsistence, childcare, specific needs, other needs, miscellaneous.

The following are recommended as approved duties.

- properly convened full Local Advisory Board meetings
- properly convened Committee meetings of the LAB
- other duties designated by the LAB, e.g., acting as a member of a panel approved by the Local Advisory Board for long/shortlisting/interviewing candidates for a staff appointment.
- Governors' formal visits to the school will qualify.
- Casual visits to the school should not qualify.

TRAVEL EXPENSES

Travel expenses may be claimed where the distance between the Governor's home and the school is greater than 3 miles and does not exceed 20 miles. The Headteacher and any Governor employed at the school will not be eligible to claim unless an additional return journey has been made to attend.

All payments are on the basis that the journey was undertaken, and if Governors share transport, only the provider can claim.

Governors may claim:

- mileage allowance at HMRC rates
- the actual cost of public transport (including bus and train fares) and tolls for
- bridges or ferries
- the cost of car parking
- Taxi fares

SUBSISTENCE ALLOWANCES

Subsistence allowances are not attendance allowances, the payment of which would be unlawful. Governors may claim subsistence for attendance on the following approved duties (see above) per the scale for employees. An approved duty must exceed four hours to qualify, and the Governor must incur out-of-pocket expenses.

Some LAB's have refreshments provided on a group basis. This is not affected, but no subsistence may be claimed where refreshments are offered free (i.e., when the Governors do not contribute to the cost).

6. Expenses for employees

Reimbursement of claims made in connection with expenses will be made through the school's monthly payroll system. Employees wishing to make claims under these arrangements should complete a claim form (obtainable from the finance office), attaching receipts or travel authorisation for where applicable, and return it to the school within **four weeks** of when the expenses were incurred.

Travel – value for money

- Employees should seek to avoid travelling if possible. If travelling is essential, employees must ensure that journeys are undertaken using the most economical method, for example, off-peak train times, car-sharing.
- In general, arrangements for travel by public transport, for example by rail, should be made through the school's finance office. Independent bookings may be made where the employee can achieve improved value for money or, in exceptional circumstances, in an emergency. This arrangement should be discussed with the school's finance office in advance of the booking wherever possible. All receipts associated with the booking must be retained and submitted with the claim for reimbursement.
- The purchasing decision shall not be influenced by any promotional incentives such as personal cash, credit card discounts, or rebates.
- Employees must not benefit personally from these incentives but should use them to offset the cost of the current or future business journeys.
- The school will not reimburse the cost of speeding tickets, parking fines, congestion charge penalties, library fines, interest or late payment penalties on a credit card, or any other avoidable surcharge. Fines, interest, and penalties will be treated as personal expenses.

If you have had an accident or have a disability that necessitates reasonable adjustments for travelling arrangements, please discuss your needs with the Headteacher before committing any expenditure.

Rail travel

- Employees are expected to book rail travel as far in advance as possible to reduce costs.
- Travel by rail must always be by standard class, and preferably at off-peak times. The school recognises that off-peak travel may not always be possible due to arrive at meetings and other events at specific times.
- An open ticket may only be purchased if it is impossible to know the finishing time of a meeting or event. In this event, the booking of a restricted ticket for the outward journey should be possible.
- First-class travel is possible only in exceptional circumstances, and prior agreement must be sought from the Headteacher. For example:
 - Where standard class facilities are not available to the person travelling, for example, if the individual has special requirements.
 - The overall cost of the first-class ticket option is cheaper than the overall cost of the standard class. In this event, the evidence must be retained by the school's finance office for audit purposes.

Private cars

It is the employee's responsibility to ensure an appropriate level of insurance on the private car to be used, for example, on the use in connection with business and associated passengers. Any expense associated with a change to a personal insurance policy will not be reimbursed. It is also the individual's responsibility to ensure s/he holds a valid driving license, and that the vehicle is roadworthy.

Private cars should be used only under the following conditions:

- It is approved in advance.
- The shortest appropriate route makes the journey. However, the travel time should also be considered because there may be situations where it would be significantly quicker to take a route of greater distance, e.g., if the longer route involves motorway travel rather than travelling on a small country road.
- Two or more school people travel together so that the combined cost of their journey by public transport would exceed that calculated using the mileage rates provided by the school.
- The traveller is disabled or is assisting a disabled person.
- Where bulky equipment is being carried.
- Where the destination is not accessible by public transport.

The mileage allowance of 45 pence per mile covers the total cost of using a private car and includes fuel. Note: the school should choose a rate per mile – 45 pence are the maximum rate that can be paid for the first 10,000 miles in a tax year without deduction of tax under HMRC guidance. A tax year runs from 6 April in one year to 5 April in the following year. This rate has been calculated to cover fuel, depreciation, wear, and tear of the vehicle, and business use insurance. It is not anticipated that employees will claim mileage totalling anywhere near 10,000 miles in a tax year as they are expected to minimize travel by car.

Where the use of a private car is approved, standard parking charges, congestion charges, may be reclaimed. Toll fees will only be reimbursed should there be a valid reason for use. For example, congestion which will make you late for a meeting. Toll fees will not be paid if used for general travel.

The payment of any penalties, fines, and other charges is the driver's responsibility, and the school will not make reimbursement for these. Nor will the school accept liability for loss or damage to an employee's vehicle or any part thereof.

Home to work travel

Employees are responsible for the costs associated with daily travel between their home and workplace, typically the school. Travelling costs between home and the regular place of work can never be claimed.

Taxis

Taxi fares may be claimed where suitable public transport is unavailable, where there are personal safety or welfare issues, or in other exceptional circumstances. The Headteacher must approve such arrangements in advance of the travel unless travel in an emergency proves necessary. Evidence of this approval must be attached to the expense claim form.

Subsistence expenses

In circumstances where the employee is representing the school away from the school's premises, subsistence expenses may be claimed on an actual cost basis (i.e., only the actual cost can be claimed if this is less than the allowable amount) within the following limits:

- More than 8 hours and no official food provided – lunch £10.00.
- More than 12 hours and no official food provided – dinner £30.00.

- Breakfast where the start of the official journey is before 6.00 am – £10.00.
- Late working in the school, after 7.00 pm (directed time only) – £10.00 unless catering is arranged through the school. Provision of staff meals through catering services before specific evening events such as parents' evenings and open evenings is a permitted school expense. Where catering provision is arranged, personal costs as indicated will not be reimbursed.

There will be no reimbursement for the purchase of alcohol as part of subsistence. The purchase of any alcohol will be at the individual's expense.

Overnight accommodation

The cost of overnight accommodation is considered a legitimate expense where an employee cannot reasonably be expected to make the return journey to and from a meeting or event on the same day. All bookings for overnight accommodation should be authorised form, Appendix A, by Headteacher / CEO's Office. Unauthorised bookings made by individuals will not be reimbursed.

The maximum amounts claimable for meals are as follows, and receipts must support the expense claim. If a lower cost is incurred, the amount which can be claimed from the school is restricted to that cost.

- Breakfast £10.00
- Lunch £10.00
- Evening meal £30.00

Entertaining and hospitality

Business entertaining

- It is recognised that there is a legitimate business need, on occasions, for representatives of the school to entertain or provide hospitality to official visitors to the school.
- When entertaining official visitors, the representation from the school should not be disproportionate to those being entertained, there should be more external guests than school employees at any event, and only essential employees should attend.
- Water, teas, coffees, and other refreshments, including light lunches or a modest dinner, are an allowable expense when providing hospitality to external visitors to the school or candidates for interview. In-house catering provision will be used wherever possible.
- Hospitality costs must be authorised by the Headteacher in advance, who should record why they feel this provides value for money to the school. The costs should be kept to a minimum and paid for through private/unrestricted funds.
- The following information must be provided to support the expense claim:
 - The names of the attendees.
 - The organisation which they represent.
 - The purpose of the entertainment.
 - The reason why the Headteacher believes this provides value for money to the school.

Staff entertaining

School funds must not be used:

- To provide hospitality or meals for staff except where training is being undertaken.
- To purchase food or beverages at restaurants or hotels for school staff and/or their families except where training is being undertaken.

Where school staff is on residential training courses, personal expenditure incurred during an overnight stay such as alcohol, newspapers, private telephone calls, etc., must be paid for before departure by the employee and cannot be reclaimed from the school.

Expenditure on gifts

The purchase of gifts using school funds is not permitted. These must be covered by private collections made by employees and Governors.

Home telephone/broadband/personal mobile phone costs

The school will not reimburse personal mobile phone rental costs, home broadband, or home telephone rental costs. However, the school will refund the costs of business calls made from a home telephone or personal mobile phones where these are incremental costs over and above fixed rental costs. Itemised telephone bills should support all claims. (For home working / hybrid working please refer to home working policy)

The provision of 'work tools'

iPad is provided to certain members of staff. These are provided for work on school business only, and private apps are not allowed.

Work tools are not provided to Members, Trustees, or Governors other than Governors employed by the school, i.e., the Headteacher and Staff Governors if their employment requires this.

7. Monitoring and Review

The school's finance office is responsible for ensuring all payments are processed per the agreed rules and limits in this policy. Any other claims are brought immediately to the attention of the Headteacher.

This policy will be monitored throughout the year and evaluated every two years by the Finance Committee to consider any changes that need to be made on the advice of auditors or to reflect decisions made on any excessive or inconsistent claims that may have arisen during the year.

Further information

This policy should be read in conjunction with the following guidance:

- The School Governance (Roles, Procedures, and Allowances) (England) Regulations 2013 SI 2013/1624.
- HMRC guidance on employee expenses.