



Compliance Group **Expense and Travel Policy**

Electrical

Fire

Water

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Compliance Group Limited is registered in England and Wales with company number 12351374 and registered address at 85 Great Portland Street, London, England, W1W 7LT

Approval

The signatures below verify that this policy has been reviewed and accepted and demonstrates that the signatories are aware of all the requirements contained herein and are committed to ensuring their provision.

	Name	Position	Date
Prepared by	Phillipa Clark	HR Advisor	10/05/2023
Approved by	Cally Hickman	Group HR Director	29/06/2023

Amendment Record

This policy is reviewed to ensure its continuing relevance to the systems and process that it describes.

Revision	Document Reference	Changes made	Date
0	Whole document	New document. Document issued at Rev 0.	14/04/2023

The electronic version of this policy is the latest revision. It is the responsibility of the individual to ensure that any paper material is the current revision. The printed version(s) of this document is uncontrolled.

1. Introduction

This policy applies to all employees employed by Compliance Group Limited.

CGL's policy is to only reimburse employees for reasonable, approved expenses incurred wholly, exclusively, and necessarily for business purposes. Employees should exercise good judgement when incurring expenditure, taking all reasonable steps to minimise or mitigate the expenditure.

CGL's intention is that employees should not lose or gain financially during their employment duties. CGL will not reimburse any personal expenses.

The over-arching principle applies that whilst CGL understands that employees need to incur expenditure during the course of their employment this needs to be sensible, proportionate and kept to a minimum.

This policy is not designed to be complete or exhaustive. Any items not specifically referred to are deemed to be out of scope and should in the first instance be referred for divisional management approval before incurring the expense. They may in turn decide to escalate to Director and/or CEO who, in most cases, will have the final say.

Expenses must be claimed by the employee who has incurred the expenditure and in accordance with the procedures detailed herein. Where multiple employees are present the most senior person present is required to settle the bill in all cases.

This edition of the policy is effective from 10th May 2023 and supersedes any earlier editions. The Company reserves the right to make periodic changes to this policy as required and amendments will be published at the time.

The Bribery Act 2010 poses significant risks and due consideration must be given where gifts are given/received or entertainment is provided, especially where they could be perceived to unduly influence third parties or obtain an unfair advantage.

Under no circumstances should a gift or entertainment be either provided or received if there is the possibility that it might unduly influence or be perceived to unduly influence the recipient's performance or a business decision. If in doubt speak to your line manager in the first instance.

2. General Procedural Guidelines

2.1 Receipts

Receipts for expense claims must be retained and submitted to support each expense claim, detailing VAT as appropriate. Failure to provide a receipt may prevent reimbursement.

Employees need only attach copies of receipts to their electronic claim. There is no need to submit paper receipts – however employees should retain these for their own records until their expenses claim has been approved, or, where under self-assessment, HMRC require records to be retained for a period of 22 months from the end of the relevant tax year which runs from 6 April to 5 April.

2.2 Expense Claim Submission

All expenses must be submitted through the Electronic Platform 1 month of being incurred. Any claims for any items over 1 month old will not be reimbursed and outstanding credit card items deducted from salary.

2.3 Approval and Payment of Claims

The claimant must ensure that valid receipts are attached for each expense item. Before any payment can be made, the authoriser must review the items, reject any that fall outside the scope of policy and challenge any that exceed an agreed policy limit. It is the responsibility of the authoriser to ensure that all expense claims represent valid, claimable items, which are within policy. Authorisers are required to authorise or reject expense claims within 7 working days of receiving the expense claim.

2.4 UK Taxation- Benefits in Kind

Any expense incurred wholly, exclusively, and necessarily in the course of employment duties should not give rise to an income tax charge. Additionally, no National Insurance Contribution (NIC) liability should be incurred in respect of these expenses.

The Company has a dispensation from HMRC not to report on P11D forms certain business expenses claimed in accordance with this policy on the basis that the expenses do not give rise to tax or NIC liabilities. Employees do not need to report expenses properly claimed in accordance with this policy on a tax return should an employee be required to submit one.

However, in certain circumstances a taxable benefit can arise on the employee for some expenses, and this will result in the expense being reported on the P11D form.

3. Travel

Employees should aim to ensure the most cost-effective method of travel is obtained whilst minimising inconvenience.

3.1 Definition of Business Travel

Business travel is defined as a journey necessarily undertaken by an employee to carry out their duties, such as a client or supplier meeting, or other work-related purpose. Travel between the Permanent Place of Work (PPW) and a temporary or secondary workplace is also considered business travel.

- Employees are not permitted to claim the cost of travel to their PPW from home.
- PPW is generally as specified in the employment contract.
- Should an employee spend an excessive amount of time travelling to a second place of work for an extended period, CGL may wish to amend / negotiate certain terms in the employment contract.

3.2 Air Travel

As a general principle, air travel should be booked as far in advance as possible to provide the greatest number of options and the lowest flight prices.

3.3 Rail Travel

When travelling by railway or London Underground, all employees are required to travel standard class, booking as far in advance to obtain the best value ticket. Employees may personally pay for an upgrade if they choose.

Employees using an oyster card or a company credit card for business journeys, must either fund top-ups and/or register the card with Transport for London. Employees can obtain statements of usage from Transport for London which can be used to support expenses claim for business journeys.

Business journeys should be clearly highlighted on the statement.

3.4 Business Travel by Car

3.4.1 Business Mileage Allowance Using Car Allowance or Private Vehicles

All employees who are in receipt of a car allowance or use their private vehicles on business are required to hold fully comprehensive insurance with the appropriate level of cover for the business purpose for which it will be used.

Suitable evidence of insurance documents and driving licenses may be required when submitting your claim to the expense team before any claim can be processed.

3.4.2 Business Journey Mileage Measurement

We adopt the HMRC approved method of "lessor off" to calculate business mileage. The over-arching premise of;

- An employee cannot claim for the journey from home to work and
- Cannot claim more miles than were actually incurred; applies in both cases.
- The "Lessor off" means that business mileage is the lower of the destination from an employee's home or their PPW to the destination

Any reimbursed payments which exceed these mileage rates may be liable to tax and NIC and will be reported on employees' forms P11D.

1.1 Fines, Parking, Congestion and Toll Charges

Under no circumstances will parking or speeding fines be reimbursed to or met on behalf of the employee.

The cost of parking at an employee's normal workplace will not be reimbursed or met on behalf of employees unless agreed in advance. Parking incurred on-site visits and for other business purposes will be paid by the company if the colleague makes the business aware.

The standard daily congestion and/or toll charge will be pre-paid when the colleague informs the business, they will incur a toll and or charge. This does not include home-to-work travel.

2. Subsistence

Employees who are required to work in the office after 9pm or away from their normal place of work may claim for subsistence.

2.1 Cost of Meals

Where employees are required to be away from their normal place of work breakfast or dinner, and drinks may be claimed if they are not provided up to a maximum of:

- o Breakfast - £15, provided the employee has a need to travel earlier than usual time.
- o Dinner - £35, including drink.

Receipts need to be provided for all subsistence costs incurred. Please note that subsistence expenses cannot be claimed when employees are working at their normal workplace before 9 pm or at home or when meals are provided.

2.2 Accommodation

Where employees are required to stay away from home or their normal place of work, Where practical the room tariff per night should not exceed £150 outside of London or £250 GBP if staying in London. Employees must obtain prior agreement from their Director/CEO if these limits are to be exceeded.

3. Entertainment

3.1 Employee Entertainment, Team Lunch & Staff Events

Employee entertaining is defined as ad hoc expenditure incurred on entertainment to "reward, motivate or incentivise employees". The following events are examples of employee entertainment:

- o Drinks/meals (for example employees leaving or joining the Company);
- o Team reward (for example a manager buys a meal on the conclusion of a project);
- o Working lunches
- o An annual function, such as a Christmas Party that is open to all employees.

Annual functions organised by the Company which are available to all employees and do not exceed £150 (inclusive of VAT) on aggregate per employee, such as a Christmas party or summer barbecue, will not attract a tax charge.

For all other employee entertaining events, employees should obtain prior approval from their Director/CEO. When making an expense claim the following details should be included: -

- The details of the Company employees present; and
- A thorough explanation of why the entertaining occurred.

This information is required so that full disclosure may be provided to HMRC. The Company will, generally, pay any tax and NIC that arises on the employee's entertainment cost but if insufficient detail is provided with the cost or the entertaining falls outside of this policy it may be included on the employee's form P11D and the employee will be liable for the tax arising.

4. Other Expenses

4.1 Company Mobile Equipment

If an employee uses a Company mobile phone (where the Company pay for the call charges) then a reasonable amount of personal usage for both calls and text messages is accepted. We reserve the right to recover excessive use from employees.

Important considerations

Employees are personally liable for any non-business-related charges.

Video and background phone processes (i.e., email, and app updates) can consume large amounts of data.

4.2 Medical Examinations

Medical examinations required by the Company will be arranged by the Company with a medical practitioner. Any costs will be met directly by the Company and should not be expensed.

4.3 Eye Care Vouchers

The company will cover the cost of an eye test once per year to the value of £30, the colleague will need to provide a receipt and proof of test.

4.4 Gifts to Employees

Gifts to an employee to mark personal occasions such as marriage, a new child, retirement, a significant birthday, long-term sickness/operation etc. can only be claimed with the prior approval of your Director and/or CEO. The cost of the gift should not be excessive and any claim should detail the employee concerned and the occasion. In order to avoid a taxable benefit arising, the following criteria need to be met:

- The gift is not in the form of money, vouchers or tokens
- The total value of the gift does not exceed £100; and
- The gift is not frequently given.

Examples of trivial gifts include seasonal gifts, a reasonably priced bottle of wine or a box of chocolates at Christmas. Where trivial gifts are found to be taxable, any tax and NIC on the gift will be met by the Company.

4.5 Gifts provided to and/or received from Clients

It is recognised that in the normal course of fulfilling Company duties, an employee may be offered or provided with corporate merchandise such as umbrellas, stationery and the like whilst attending events, seminars or relationship building and these are acceptable providing the value does not exceed £100 GBP per person. Gifts, including corporate merchandise, with a value in excess of £100 GBP may only be purchased if pre-approved by the Divisional Head representing the business unit and must be in compliance with the relevant policies and appropriate rationale provided (where for cultural reasons the absence of a gift would be an affront for example). Details of the pre-approval must be documented on the Conflicts of Interest, Remuneration & Gifts & Hospitality databases where applicable.

Gifts or vouchers offered by clients that are likely to be in excess of £100 GBP per person should be returned advising them of the Company policy relating to gifts and a request that this is respected, there is no offence intended.

No gift or voucher of any kind may be made, promised or offered to a government official, political candidate, or employee of a government owned entity.

No gifts of cash are permitted in any circumstances.

5. Corporate Credit Cards

Employees provided with a corporate credit card or charge card should note the following:

- Only one corporate credit card is permissible.
- Cards must be used solely for business purposes.
- Should the card be inadvertently used for personal expenses the employee will be required to reimburse the Company in full immediately either by cheque or BACS transfer at the same time as expenses are submitted.
- If the card is frequently used for personal expenses, we reserve the right to suspend or withdraw the card.
- Where cards are used to purchase goods and services on behalf of the Company, prior authorisation should be obtained from your Divisional Head/CEO. If authorisation is not obtained, these purchases will be subject to tax and NIC through the payroll.
- Corporate credit card expense claims should be submitted within 1 month of the credit card statement date and, in any event, within 1 month of the expense being incurred. In the event of the debt exceeds three months and the expense has not been submitted via the appropriate channels the card will be suspended.
- When submitting a claim, VAT receipts must be provided. The credit card statement alone is not sufficient.

6. Breaching the Policy

The Company takes the matter of adherence to the expenses policy by all employees seriously. All employees are required to confirm they have read the policy and failure to do so will result in deferment of reimbursement of expenses.

Any employee within the Company who is found to have breached the provisions of this policy may be subject to action under the Company's disciplinary procedure, on the grounds of misconduct which may include dismissal.



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