

1.0 INTRODUCTION AND PURPOSE

- 1.1 This document sets out Scottish Borders Housing Association's Policy on the reimbursement of expenses incurred in the ordinary course of business.
- 1.2 Use of the term 'reimbursement' infers that, in general terms, it is only the cost of expenses incurred which will be reimbursed, or a specific, agreed allowance for example, mileage.
- 1.3 The following groups will be the principal recipients of expense reimbursements:-
- Staff;
 - Board and Sub Committee Members including Co-optees (Governance Members);
 - Members of Scottish Borders Tenants Organisation or other Tenant Organisations.
- 1.4 This Policy will seek to ensure transparency and that, at all times, value for money is obtained by the Association.
- 1.5 This Policy will also seek to ensure that allowances are reviewed regularly against appropriate benchmarks.
- 1.6 The Policy is in line with current HMRC Legislation surrounding Expenses and Benefits, as detailed on www.hmrc.gov.uk

2.0 GENERAL

- 2.1 If employees and/or Governance Members are required to travel on behalf of the Association, they are entitled to claim travel and/or subsistence and/or out of pocket expenses subject to compliance with the Association's Policy and procedures. The types of expenses for which payments will be made are:-

Staff & Tenant Groups

- Travel and subsistence;
- Out of pocket expenses;
- Child minding and care expenses (for SBTO members where deemed reasonable by the budget holder).

Governance Members

- Travel and Subsistence;
- Out of pocket expenses;
- Child minding and care expenses;
- Training;
- Loss of earnings.
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- 2.2 Claimants are expected to keep travel and associated costs to a minimum by, for example, grouping appointments and sharing transport whenever reasonable and practical.

- 2.3 All expense claims should be submitted on the appropriate forms. Claims can be authorised as follows:
- Governance Members Chief Executive or Executive Team member;
 - Staff Direct Line Manager (subject to authorisation level);
 - Tenants (SBTO) Tenant & Community Engagement Facilitator (subject to authorisation level) or Chief Operating Officer
- 2.4 Claimants will only be reimbursed for actual expenditure, as evidenced by production of an original receipt. Photocopied receipts will not be eligible for reimbursement.
- 2.5 Governance Members are responsible for their own personal income tax disclosures. The Association will, however, on request, provide confirmation of funds paid.
- 2.6 The Association is restricted in the benefits it can give to Governing Members by the Entitlement to Payments and Benefits Policy, a requirement of the Scottish Housing Regulatory Standards. This includes former Board Members who have left the Association during the previous 12 months. It should be noted that the only exception to this is payment of expenses and costs covered under this Policy.
- 2.7 Any payment of other expenses or provision of goods by the Association to employees or a Governance/STBO Member not covered by this Policy requires to be considered as a possible benefit and MUST be dealt with under the Entitlement to Benefits and Payments Policy.
- 2.8 Further detail on reimbursement of the following types of expense is given as follows:
- Travel Appendix 1
 - Subsistence and Out of Pocket Appendix 2
 - Child minding and Care expenses Appendix 3
 - Training Appendix 3
 - Loss of earnings Appendix 3
 - Other expenses Appendix 3
 - Allowances Appendix 4
- 2.9 Mileage and subsistence rates will be reviewed as part of the Association's annual budget setting process or in the event of a significant underlying price fluctuation.

3.0 NOTIFIABLE EVENTS

- 3.1 A breach of this Policy or in the event of serious, significant or material incident relating to matters covered by the Policy, SBHA may be required to alert the Scottish Housing Regulator of the incident under Notifiable Events in accordance with the SHR's guidance.

4.0 POLICY REVIEW

- 4.1 This Policy will be subject to review every three years or earlier if required.

SBHA EXPENSES POLICY – TRAVEL EXPENSES

1.0 GENERAL STATEMENTS

- If employees, Governance and/or SBTO Members are required to travel on behalf of the Association, they will be entitled to claim travel expenses subject to compliance with the Association's Policy and procedures.
- In general, all Association employees travel to and from their home and their normal place of work in their own time and at their own expense. In exceptional cases however, travel from home to base will be compensated e.g. where an employee is required to attend to an alarm call.
- Where a claim is made in respect of a journey beginning or ending at the employee's home address, then Travel expenses can only be claimed for the incremental mileage travelled solely for business purposes.
- In exceptional circumstances e.g. extreme weather conditions or other emergency, and with the permission of their line manager, an Association employee who uses an Association vehicle may use their own vehicle and be compensated for business mileage travelled. An Association employee who uses their vehicle to transport colleagues to and from work (i.e. a 4x4 owner), will be compensated for mileage travelled. The appropriate insurance cover for business use must be in place before business travel is undertaken in a private vehicle.
- Where possible, claimants are expected to use the most cost effective form of travel. Exceptions may arise where, for example, public transport is unreliable, inconvenient or inaccessible. The Association is also keen to ensure the personal safety of employees, Governance and Tenants' Organisation Members and would not wish people to feel unsafe whilst travelling.
- Payments for work travel are in line with the allowances set out in **Appendix 4**. These are reviewed and will be compared for reasonableness to the AA cost of motoring table as near to the beginning of the Financial Year as possible.

2.0 TRAVEL EXPENSES

2.1 Travel Classification

Work Travel

Relates to travel costs incurred in the normal course of the Association's business.

Training Rate

A specific mileage rate is applicable to travel to ongoing further educational courses

2.2 Method of Travel

When SBHA employees are required to travel, the Association requires the employee to determine the most cost-effective method of transport including car hire. If employees wish to use their own car, they must demonstrate that it is the most cost-effective method of travel, receive permission in advance, and ensure compliance with insurance provisions in 2.3.

2.3 Insurance

Any claimant who uses his or her own car on Association business, is required to have in place the adequate business and private use insurance cover.

The Association reserves the right to view the Insurance Certificate and Drivers Licence, given reasonable notice, at any time. It is the claimant's responsibility to ensure that at all times they have adequate insurance for business use of their vehicle.

The Association will not be responsible for damage to any claimant's car or for injury to the occupants or third party while the car is being used on business purposes.

2.4 Travel to/from Seminars, Conferences, Courses & Meetings

Where an employee travels direct from home to a seminar, conference, course or meeting and/or returns direct, the claim(s) made must only cover the lesser of:

- the distance actually travelled; or
- the distance that would have been travelled if the employee had started or ended the journey at the normal place of work.

2.5 Other Transport

All Claims of this nature should be claimed as an out of pocket expense and submitted accordingly.

Taxis may be used and reimbursement claimed on production of a receipt; however their use should be kept to a minimum.

The Association recognises that taxis are appropriate where:

- A cheaper and/or more convenient means of transport is not available.
- When the use of a taxi allows more efficient use of staff time, generally where there is some urgency in travel or in the case of an emergency.
- When visiting a place totally unknown and when it is not possible to organise a lift to the destination.
- When travelling home late or after dark on Association business.

Rail travel and/or Air where used will be reimbursed at the economy rate and on the production of a receipt.

2.6 Claims & Payment

Claimants for work travel expenses are required to adhere to the detailed Travel Procedures.

Parking charges incurred on Association business will be reimbursed via a claim on an out of pockets expenses form, see **Appendix 2**. A receipt should be obtained. The Association will not normally consider the reimbursement of parking fines incurred while on Association business unless there are exceptional circumstances.

SBHA EXPENSES POLICY – SUBSISTENCE AND OUT OF POCKET EXPENSES

1.0 SUBSISTENCE

- 1.1 It is recognised that, on occasion, expenses may be incurred due to inability to follow normal meal break routines because of official duties, training activities or if attending business meetings away from the normal place of work either during the day or in the evening.
- 1.2 The Association will reimburse the costs of meals incurred whilst on Association business in line with annually agreed rates. The costs to be reimbursed will exclude gratuities paid at the claimant's discretion and choice.
- 1.3 The reimbursement of costs relating to the consumption of alcohol is at the discretion of the relevant Director. The costs of hot beverages and/or soft drinks consumed with meals are eligible for reimbursement.
- 1.4 Original receipts must be attached to the claim form in respect of all costs claimed.
- 1.5 Allowances out with the stated meal allowances will be considered on an exceptional basis.

2.0 OUT OF POCKET EXPENSES

- 2.1 The Association will reimburse all reasonable costs incurred in respect of Association business. Claims should be made on the appropriate form to which original receipts must be attached.

3.0 CLAIMS & PAYMENTS

- 3.1 Individuals making claims for Subsistence and Out of Pocket expenses are required to:
 - Keep an accurate record of all claim details and receipts for all expenses.
 - Submit claims with original receipts on a calendar month basis to the Finance Section on the appropriate forms authorised as appropriate. Such claims will normally be paid either by BACS transfer or by cheque. For processing of payments on the last Thursday of the month, authorised claims should be with the Finance section on the preceding Tuesday at the latest.
 - All payments will be paid monthly. If the amount claimed is less than £10 then, subject to availability, the claim may be paid by petty cash at the Association's Head Office.

SBHA EXPENSES POLICY – OTHER COSTS

1.0 LOSS OF EARNINGS – MEMBERS OF BOARD OF MANAGEMENT ONLY

1.1 The Association will reimburse Board Members for loss of earnings or loss of holidays caused by their attendance at Association business. This will be done only under the following circumstances, determined in advance of the event:

- Where the meeting or event at which the Governance Member's attendance is required is deemed to be extraordinary;
- Where no alternative arrangements could be made;
- Where attendance was authorised by the Board;
- Where no alternative Governance Member could attend.

1.2 All such claims must be accompanied by a letter of confirmation from the Governance Member's employer.

**2.0 CARE OF CHILDREN AND OTHER DEPENDANTS
– MEMBERS OF BOARD OF MANAGEMENT AND TENANT ORGANISATIONS**

2.1 If a Governance Member/Tenant Representative incurs costs in relation to child minding or babysitting in order to attend Association business, then reasonable costs will be reimbursed. Similarly, where a Governance Member/Tenant Representative is required to pay for care expenses in order to attend Association business, reasonable costs will be reimbursed. Permission for these types of claim should be sought from the Chair, Chief Executive or Budget Holder before the expenditure is incurred.

Claims should be made using the out of Pocket expenses form and original receipts must be attached.

Payments to members of the claimant's household will not be eligible for reimbursement.

2.1 In certain circumstances, child care/babysitting costs may be payable to part-time and job share employees who are required to attend a compulsory training course on a fixed date. Any such arrangements should be authorised in advance by the relevant Line Manager.

3.0 TRAINING COSTS

3.1 The Association will meet all reasonable costs incurred in providing training to Governance Members as identified in an individual Member's Development and Training Plan or as specifically approved by the Chair and/or Chief Executive. This will include the cost of the course, the cost of travel to and from the course and subsistence expenses incurred in line with Appendix 2 of this Policy.

4.0 OTHER COSTS

4.1 Costs incurred in connection with Association business other than those specified elsewhere in this Policy will be reimbursed if permission has been granted by the Chair and/or Chief Executive prior to the expenditure being incurred.

SBHA EXPENSES POLICY – DRAFT TRAVEL & SUBSISTENCE ALLOWANCES 2022-23

1.0 MILEAGE RATES	SBHA
Base Rate*	
First 8,500** miles	54.69p
8,501 miles and above	18.84p
Training	18.84p

* Benchmarked to the AA cost of motoring @ 31st March 2022.

** The mileage thresholds above are calculated on the mileage paid for in any Financial Year, not when the mileage was incurred.

2.0 SUBSISTENCE

- 2.1 Payment will be made to employees who make a claim for a meal that they have purchased as a result of being away from their normal place of work, and who incur extra expenses as a result of this. A daily allowance of up to £45 is claimable, with the production of valid receipts. When only one meal is being claimed, the reasonableness of this is at the discretion of the relevant Director. Please note that where a receipt is missing, no payment will be made.

In exceptional circumstances, allowances outwith will be considered.

3.0 MISCELLANEOUS EXPENSES

- 3.1 Payment will be made to any employee who makes a claim for parking, bridge tolls etc. as a result of being away from their normal place of work, subject to receipts being provided for all claims.