

Employee and Volunteer Expenses Policy

Castlefields Church, CIO, Charity No: 1192197

Purpose

To ensure compliance with the Charity Commission / HMRC guidelines on employee and volunteer expenses.

The principle behind the payment of expenses is that expenses should be reimbursed to recompense employees & volunteers for any additional expenditure incurred carrying out their duties.

The objectives of the policy are to ensure that:

- No employee / volunteer will be out of pocket
- No employee / volunteer is to benefit in respect of authorised costs incurred carrying out their duties;
- There is proper authorisation of expenditure
- Inland Revenue (HMRC) rules and legal obligations are satisfied.

Note where the employee is a Trustee, this policy overrides the Trustee Expenses Policy.

Tax and Legal Requirements

The principal area of law relates to Income Tax.

Expenses incurred during the normal course of charity activities will be reimbursed as long as they meet the HMRC criteria. It is very important that the procedures contained in this policy are followed.

Extent

HMRC / Charity Commission approved types of expense may include:

- Business travel – train fares (Standard class), bus fares, mileage allowance, parking costs and taxi fares (where other transport is inappropriate).
- Subsistence – meals and accommodation costs during a period of business travel
- Conferences and training – fees, travel accommodation and subsistence on work related conferences or external training events.
- Business telephone calls using either a home or non-church mobile telephone where the cost of calls is additionally incurred (that is not where they are made within an inclusive package) providing that the telephone contract permits business use.

Non allowable employee expenses:

- Travel from home to the normal workplace;
- Travel from home to a temporary workplace which is en-route to the normal workplace or which is less distance than the normal workplace;
- Entertainment that is not related to, or necessary to business;
- Home telephone line rental costs unless a separate business-only line is installed which is billed directly to the church (see note below);
- Any costs related to internet connectivity at home unless a separate business-only line is installed and billed directly
- Any traffic related fines or penalties incurred on business travel.

Travel Expenses – mileage

Travel expenses are reimbursed to individuals only where an additional cost is incurred.

Where an employee is expected to use their own car for travel on business, the church will pay the Inland Revenue approved mileage rates.

Note: The church will expect an employee owning a car to ensure that their insurance policy

covers business use and that their vehicle has a current Vehicle Excise Licence, is roadworthy and has, where necessary, a current Test Certificate entitling them to drive the vehicle. Copies of all relevant documents must be provided to the Treasurer upon request.

The agreed rate will be paid for all travel; however due regard should be given to economy - for example, travel by public transport should be considered for longer journeys if this would result in a lower cost to the church.

The church reserves the right to limit large mileage claims for long journeys to the cost of public transport where the cost is significantly less, and the use of a private car cannot be justified on other grounds.

Purchase of work-related items

(including computer software, books, materials, office furniture, resources & equipment)

An Employee will be permitted to purchase and reclaim the cost of work-related items. This will form part of the Employment Contract or must be sanctioned by the Trustees. Such items whether computer software/hardware, telephones, office furniture or equipment remain the property of the church and should be effectively maintained and securely stored.

Volunteers' Travel Expenses

In view of the voluntary nature of the charity being a church, where time and resources are freely donated, the church needs to keep an accurate record of the costs of its operations. Volunteers should therefore be encouraged to claim expenses under the same circumstances as employees.

Maximum single expenditure:

Without approval by the full Trustee board, the level of any single expenditure to an employee or volunteer must not exceed £100

Evidence & Process

The Treasurer will only reimburse expenses on production of a valid receipt for the expenditure. If a payment is requested prior to actual expenditure the request must be made in writing to the Treasurer and a receipt provided immediately after the expense is incurred.

All claims must be submitted within one month of the expenditure being incurred. Any submissions after this period will not be reimbursed.

Any single items over £100 must be accompanied by written evidence that this has been sanctioned by the full board of Trustees.

Reimbursement will be paid by direct bank transfer to the Employee / volunteer's Bank account.

Policy Approved by Trustees Meeting & recorded in Minutes

Date: 11/06/24

Next Review to be undertaken:

Date: (max 12 months from above date)