

Expenses Policy

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Document Amendment History

Version Number	Date	Amendment Summary	Approved by
1.1	April 2014	Amendments made in accordance to 2014 Dispensation Notice.	
2.1	March 2017	Abolition of HMRC Dispensation regime	
3.1	January 2020	Amendments made to specifically include corporate credit card use; selected other general review changes (not fundamental)	

The Expenses Policy has been revised to include:

1. The use of Corporate Credit cards
2. The recognition of contactless payments

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1. Expenses Principles

In the matter of reimbursement of legitimate business expenses Sightsavers aims to

- comply with the prevailing tax regulations of the UK
- minimise its transactions costs
- reduce unnecessary expenditure
- reduce unnecessary administration

The following guiding principles therefore apply in respect of our expenses policy

1. We must comply with prevailing UK tax law and HMRC guidance in respect of expenses
2. We must avoid the creation of income tax liabilities to staff and others
3. We must avoid the requirement to complete the P11D forms in respect of staff which would arise if the previous principles are not observed
4. We must keep transaction costs to a minimum therefore all claims must be submitted electronically.
5. We must ensure all expenditure is updated in the accounts system cost centres within 3 months of occurring, and that all material expenditures incurred are expensed in the financial year to which they relate.

2. Introduction and Purpose

The purpose of the expenses policy is to provide Sightsavers staff with clear guidance on the organisation's position on the validity of expenses, the procedures for making an expense claim, the controls around the process and the proper authorisation required. Sightsavers has a duty to its stakeholders (including donors and beneficiaries) to ensure that resources are used efficiently and effectively as set in the organisation's strategic framework.

A policy cannot contain examples of every instance where it may apply. Staff should consider the contents of the policy and apply the principles and examples therein to reach a conclusion. Where doubt exists they should consult the Group Finance Manager or Head of Treasury, before incurring any expense which may need to be reimbursed. This policy exists within a framework of other corporate policies, including the Travel Policy, the Procurement Policy, and the Global Financial Framework amongst others. Staff must make themselves familiar with all of these policies in order to apply the Expenses Policy correctly.

All expenses are, under UK tax law, taxable. However, automatic exemptions are now available from HMRC which means that as long as expenses comply with their rules we are not required to report individual expense payments via the production of P11D forms each year. Producing these P11D returns is a lengthy and complex piece of work which we wish to avoid. Other organisations that staff may have worked for before joining Sightsavers may have had different expenses policies. They must not assume that because something was an allowable expense with their previous employer it is an allowable expense here.

HMRC may audit our practices and procedures regarding expense payments at any time. The advice in this document should therefore be strictly adhered to.

3. Applicability and purpose

Based on UK tax law, Sightsavers will pay for actual costs of expenses which are incurred wholly, exclusively and necessarily in the performance of duties undertaken by staff in their employment at Sightsavers. Reimbursement will only be made once a claim has been successfully submitted through e-expenses, which must be accompanied by VAT receipts or invoices.

Claims made for expenses incurred more than three months from the date of the claim may not be submitted and if submitted will be rejected.

Whilst this policy refers to staff employed by Sightsavers in the UK, it also covers Trustees and volunteers who wish to claim for expenses incurred. This policy also provides the basis for expenses policies within Sightsavers outside the UK, alongside the principle of compliance with tax laws in countries where staff are based.

Expenditure may be incurred as shown below:

Method	Type of expenditure
HSBC Corporate credit card	These cards are only allocated to staff who undertake a regular amount of overseas travel, but is not for general expenses whilst not travelling. A monthly limit applies to each cardholder.
HSBC Virtual Corporate credit card	An approval based facility exists to create a virtual credit card for small value non-recurring purchases where the supplier will not raise an invoice for payment. Contact Treasury Operations.
Personal staff expense claim	To cover all out of pocket expenses incurred whilst working and travelling within the UK/Europe. Expenses will be reimbursed on a weekly basis.
Purchase orders through ProActis	For those items of expenditure not related to an out of pocket expense situation use the Purchase Order processing system (ProActis).

4. Expense payments and benefits

4.1 Directly business related

Staff must keep expenses incurred to a minimum and record, explain and justify such expenses properly. Expenses not directly attributed to the organisation's business purposes will not be reimbursed.

The following examples of expenditure will not be reimbursed:

- speeding and parking fines, penalty fares
- laundry costs on trips outside the UK of fewer than 7 days duration
- newspapers, films

- expenditure over and above the meal allowances as shown in Appendix 3
- taxis home from the office or your local railway station due to inclement weather
- teas, coffees, beverages or snacks taken in connection with rail travel to/from London or other UK destinations
- purchase of goods and services where alternative mechanisms, such as purchase via Purchase Order or virtual card, exist.
- Non-business entertainment of third parties or colleagues

This list is illustrative and not exhaustive.

4.2 Reasonable and necessary

Reimbursement of reasonable and necessary expenses are generally those actually incurred by an individual in the course of Sightsavers business in excess of the costs incurred in a normal working day at your normal place of work. Staff are expected to use their best judgement at all times, with the principle being that expenses incurred should not exceed what is reasonable.

A simple test to determine if a claim is reasonable is to consider how a particular claim would be regarded from the perspective of the typical Sightsavers donor and to ask “Would I be comfortable for this claim to be displayed on Sightsavers website with my name against the entry?”

4.3 Safety of staff

Expenses will be deemed as necessary in cases where they were incurred to ensure the individual’s health and safety were genuinely not compromised.

4.4 Control and Accountability

All expenditure incurred through the expenses process must be properly authorised in accordance with mandatory authority limits. All staff are fully accountable to our donors and other stakeholders for the expenditure they incur on behalf of Sightsavers. Line managers are responsible for the expenditure they authorise. Persistent misuse of our expenses process, or authorisation of inappropriate claims will result in access to expenses reclaims and authorisation rights being withdrawn.

The expenses process must not be used to subvert our procurement policy and guidelines.

Expenses will only be reimbursed where they are supported by the inclusion of a digital image of a valid (VAT where appropriate) receipt or invoice. Items without receipt will not be reimbursed and a claim containing unreceipted items should be queried and validated by the authorising line manager.

4.4.1 Funded Projects

Sightsavers maintains expense claims electronically rather than in hard copy. This approach has proved acceptable to our UK statutory auditors and HMRC.

There is evidence that auditors for and projects funded by major institutions will still require the hard copy originals. To ensure compliance we are required to gather

together hard copy invoices and receipts for costs charged to those projects and send them to the project locations for storage in preparation for the audits.

We have set up a physical folder in the Haywards Heath programme finance office to collect these documents and would ask that, in addition to submitting your expense claim electronically, you deposit the hard copy receipts for any costs that you charge specifically to EC projects in it. When doing so, please mark the project name and number on the receipts.

5. Reducing Carbon Emissions

We expect staff to try to use the most “carbon efficient” ways of travelling given the circumstances of the particular journey. This means, if possible:

- using trains instead of planes
- using trains instead of cars for long journeys
- using bicycles instead of cars for shorter journeys
- using public transport instead of taxis
- multiple occupation of vehicles
- using tele-conferencing and video conferencing

Clearly there will always be exceptions, we know that often time constraints make some forms of travel more difficult but we encourage carbon friendly travel. Individual convenience does not outweigh this need.

6. Specific items of expenditure

6.1 Air Travel

6.1.1 Role of Corporate Services Team

The Corporate Services Team is committed to making your travel as smooth as possible. All International flights must be booked through the travel desk and they will advise you on the most appropriate and cost-effective journeys to take. Travel booking for our contract and grant consortium programmes must also be arranged through Corporate Services.

Any air flights claimed through personal expenses will not be reimbursed. For details concerning air and rail travel, please consult the Travel Policy.

6.1.2 Baggage – storage and overweight charges

Sightsavers will not reimburse costs incurred for excess baggage charges or storage costs at the airport which are personal or which are unrelated to Sightsavers business.

6.1.3 Travel club membership

The Corporate Services Team, via the Travel Policy, will advise on the very limited range of circumstances under which Sightsavers will reimburse costs incurred for travel club membership, which gives access to airport lounges, complimentary drinks, etc. Care must be taken to ensure that a tax liability is not created.

6.1.4 Extending trip for personal travel/holiday

Holidays commencing before or after business trips may take place. If taken, the costs of accommodation, subsistence and travel in excess of those incurred for the essential business element of the trip will not be reimbursed.

6.1.5 Airport car parking

Costs of car parking relating to travel to or from the airport of departure are reimbursable at the rate applicable to Long Term car parks upon presentation of a valid receipt. Parking in Short Term car parks will not be reimbursed beyond the long term cost if the long term parking cost is less.

6.2 Rail travel

Fares reimbursable are the fare actually paid by the employee to the destination with no deduction for the cost of the employee's normal journey to their normal place of work. Fares should be standard class. Cost of rail travel will be the most economical for the journey required. It is therefore important that staff plan their journeys well in advance so as to take advantage of reduced rate advance rail fares.

Where contactless payment methods are utilised evidence will need to be provided and verified.

6.2.1 Compensation

You must not seek to benefit personally from any financial compensation awarded for delayed or cancelled business journeys. You may accept vouchers, arrangements for refreshments, meals and accommodation during a disrupted journey.

6.3 Public Transport and Taxi

Costs of public transport and taxis incurred directly in the course of Sightsavers business, including travel to and from airports, may be reclaimed upon presentation of a valid receipt.

Taxis are a very expensive way to travel and should be avoided in favour of buses, trains and tubes/underground. Use of taxis is limited to absolutely essential need or when a taxi is taking enough people to make it more cost effective than other forms of transport. Please ensure you obtain prior approval from your line manager/director in writing via email before incurring taxi costs you intend to reclaim in expenses and attach this approval to your claim. In cases of doubt please refer to the Group Finance Manager / Treasury Manager for guidance.

Taxi fares for journeys between the office/home and Haywards Heath/local railway station may not normally be reimbursed. However, a taxi would be permissible to a local railway station if large and heavy items of luggage are being carried whilst travelling on business, or to accommodate a disability.

6.3.1 Late night early morning transport (LNEMT)

If leaving home early (before 6 a.m.) in the morning to catch a flight or departing airport late evening (after 9 p.m.) then transport by taxi to / from airport or local railway station may be appropriate and should be agreed in advance with your line manager in writing and attached to your claim, to avoid submission of a claim that may be rejected.

At other times, specifically for departures from Heathrow Airport, staff should look to use the coach service that runs on a regular basis from Gatwick Airport. Tickets can be purchased online through National Express, although there are also other reputable coach companies that can be used.

6.4 Journey between home and work

You are expected to meet the full cost of all journeys between your home and your normal place of work. If you can demonstrate that your journey from home to a temporary base (or vice versa) incurs excess travel costs, you can claim the full amount of the cost of that journey to and from the temporary base.

6.5 Driving

6.5.1 Use of private cars

We do not encourage the use of private cars for business purposes. If overall efficiency in time or cost is improved significantly over public transport, or is necessary to accommodate a disability, then the standard mileage rate for private car usage may be claimed (see Appendix 3), regardless of the engine size or type of fuel. Prior approval should be sought from head of department for this usage. Hire cars can be made available on request via the Corporate Services Team.

For journeys in excess of 100 miles, individuals travelling alone may be required to use public transport. Travel by car to a local rail station is acceptable, including parking, but will only be reimbursed if the costs exceed that of a normal daily commute by car.

Before you use a personal motor vehicle for business purposes, you must notify the vehicle insurance provider that the vehicle is being used for business purposes and ensure that the appropriate cover is in place. A copy of your insurance certificate should be provided with your claim.

6.5.2 Car Parking

Costs of car parking for business purposes, other than at airports is reclaimable to the extent that such costs exceed the cost of a normal daily commute.

6.5.3 Calculating mileage

If you are based in Haywards Heath and use your own car for business purposes to travel to a location other than your normal place of work, then the normal costs of commuting from home to the office should be deducted from any expense claim, i.e. you should only claim for the additional mileage incurred over and above your normal commute.

To assist in working out distances covered, it is suggested that reference is made to the website www.theaa.com or similar local equivalent where the “route planner” facility can be used.

In addition to mileage the following related costs may be claimed, where incurred due to business needs and can be demonstrated they were completely unavoidable:

- Road and bridge tolls
- Congestion charges

Receipts for these should be attached to the claim, where contactless payment has been made, evidence should be made available and verified by the line manager.

6.6 Provision of company car / car allowance

A company car or car allowance may be awarded to certain members of staff where the nature of their job requires significant amounts of travel and/or transporting of materials.

This benefit will be taxable in the normal way and will provide or enable the following:

- Provision of a vehicle for the purposes of undertaking the job
- Road Tax at the appropriate level
- Car insurance providing sufficient cover to undertake the job
- Maintenance and running costs of the vehicle
- Repair costs

A reduced rate of mileage can be claimed by these staff, for journeys undertaken for Sightsavers business, designed to cover the cost of fuel. See Appendix 3 for current rates.

This also applies to staff who choose to take a car allowance in place of a company car.

6.7 Specific vehicle related expenses specifically excluded

- Speeding fines
- Parking tickets

7. Overnight accommodation

7.1 Accommodation

International accommodation outside Europe should be arranged in accordance with the Travel Policy. This may be through the host country office, who will take into account security protocols, local agreements and contacts thereby obtaining possible discounts available to them, or it may be booked centrally. For guidance you should contact the Corporate Services Team who will be able to assist you.

For hotel accommodation in Europe, including the UK, Italy and Ireland bookings must be made via the Corporate Services Team and within any price limits as set in Appendix 3. Costs incurred in excess of these limits will be at personal expense.

Sightsavers will not reimburse miscellaneous hotel charges, such as:

- Newspapers
- Mini bar drinks and snacks
- Laundry charges for short term trips
- Video / television charges for in room movies
- "no show" costs
- Health / leisure club fees / membership

This list is not exhaustive.

7.2 Meals

7.2.1 Meals overseas

Meals will be reimbursable and where appropriate should be contained within authorised limits used in the UK, subject to the presentation of a valid receipt.

Reimbursement will be limited to the rates as set out in Appendix 3.

7.2.2 Meals in UK Away from the Normal Place of Work

Meals when away from the normal place of work will be reimbursed only if they are additional to costs ordinarily incurred day to day at your normal place of work, i.e. where they are incurred as a result of having to be away from home more hours than when based at your normal place of work.

For example, costs of buying lunch or teas/coffees or other refreshments when travelling to London for a meeting will not be reimbursed but costs of buying a second meal late in the evening would be reimbursed.

7.2.3 Long Journeys

When an individual undertakes a long journey on Sightsavers business, perhaps during unsocial hours, reasonable costs of snacks and refreshments en route (e.g. bottles of water) will be reimbursed according to the rates set out in Appendix 3.

7.2.4 In house training / Team meetings

Where staff hold internal team meetings and training sessions where there are no external visitors attending, Sightsavers will not reimburse the cost of providing sandwiches, snacks, cakes etc., via expenses. Catering arrangements must be considered carefully to avoid a tax liability for the attendees and any such arrangements must be made through the Corporate Services Team.

7.2.5 Off site Team meetings

Where line managers decide to hold off site team meetings instead of making use of in-house meeting room facilities, Sightsavers will not reimburse the cost of providing drinks, sandwiches, snacks, cakes etc.

Catering charges must not be substituted in lieu of room hire charges.

7.2.6 Informal meetings

From time-to-time senior staff may wish to reward their teams, or individuals, for a job well done typically with some drinks or a meal. This cannot be reimbursed via expenses as it almost certainly creates a tax liability for the staff receiving the hospitality and that would require the completion of a P11D. Senior staff must bear the costs of any such cost themselves.

7.3 Group and Business entertaining

7.3.1 Group meals

- In the first instance, the most senior member of staff should pay the bill.
- Where the bill is paid on behalf of other members of staff, details of the reason and location and the names and staff numbers must be shown on the expenses claim. Claiming shares of joint expenses is not permitted under any circumstances.

- Claims cannot exceed the number of staff multiplied by the relevant per head cost for the type of meal.
- Claims for restaurant meals will not be accepted where an all-inclusive hotel deal has been negotiated which includes breakfast, lunch and evening meal.

7.3.2 Entertaining donors, suppliers or other business connections

- The cost of entertaining donors or potential donors, suppliers or other genuine business connections at genuine business occasions can be claimed back on presentation of a receipt, subject to reasonableness.
- The following can usually be regarded as reasonable and genuine business occasions
 - Campaign/fundraising launches
 - Campaign/fundraising events
 - Lunches and similar events for donors or potential donors or business connections at which business is discussed
- Claims for entertaining expenses must be supported with records/receipts for the amount spent on each occasion, the nature of the entertainment, the names of the persons entertained and their organisation if applicable and the reasons for the entertainment.

7.4 Telephone

Only telephone calls and internet charges for business use are regarded as legitimate costs and may be reimbursed:

Personal telephone calls: where staff are required to be away from home, the cost of calls home will be covered at rates contained in Appendix 3. Staff should use office landlines and non-hotel telephones where possible. Different arrangements may be put in place for specific events or training programs in which case those arrangements take precedence over this policy.

Internet access for business use only, Sightsavers will not reimburse the cost of personal home internet access.

7.5 Mobile phones

Sightsavers mobile phones must only be used for business purposes, particularly since most staff have their own personal mobile phone these days. However, in exceptional circumstances, the Sightsavers mobile phone may be used for personal calls in an emergency. Should this happen any personal calls must be detailed and the employee must refund the full costs, inclusive of an element of VAT.

7.6 Accessing work email on your smartphone

If you choose to download work email in the UK then you do so at your own expense and should not expect to claim back any associated costs from Sightsavers. When travelling overseas for business please be aware that if you do configure your personal smartphone to download email, you may incur significant costs. Permission to reclaim such costs, on an exceptional basis, must be agreed in advance with your line manager and Finance.

8. Other considerations

8.1 “Thank you” Gifts in lieu of Accommodation and Breakfast

As an alternative to arranging accommodation and breakfast at a hotel, individuals may choose to stay overnight with friends or relatives and wish to purchase them a gift voucher, flowers or meal out etc. by way of thank you. Provided receipts are kept and the expenditure is reasonable these costs can be claimed on expenses. Only the actual expenditure as shown on the receipt can be claimed and this amount must not exceed the cost of accommodation/breakfast.

8.2 Non-Official Formal / Informal Gifts etc.

The costs of refreshments etc. at any formal / informal staff event or leaving gifts / flowers / presents should be personally borne by the originating head of department or through a staff collection, as these items are not considered to be true charitable expenditure and could affect Sightsavers favourable tax position.

The cost of flowers and cards for birthdays, anniversaries, new baby celebrations, illness, bereavements and other occasions will not be reimbursed, but should be funded through staff collections and personal contributions.

8.3 Receiving gifts

Gifts from organisations or individuals with whom you have, or might have, business dealings on behalf of Sightsavers should not be accepted. These can include goods and services in kind at preferential rates or cash.

Such gifts should either be returned to the sender or instead be donated to the annual Sightsavers Christmas raffle, where tickets sold will ultimately go towards funding our projects and programmes overseas.

9. Interests, card charges and fees

Sightsavers will not reimburse any interest, card charges or fees incurred on staff personal credit cards. Expense claims should be submitted in a timely manner to avoid incurring such costs.

Valid expense claims will be reimbursed on a weekly basis by BACS payment, directly into staff bank accounts.

Where expense claims involve items in foreign currency converted to GBP £, you may wish to wait until you receive your monthly statement before submitting a claim, unless you can access your credit card account on-line to determine the exact GBP £ amount for the transaction.

10. Payments on behalf of Sightsavers

10.1 Procurement policy and expenses

Sightsavers expects staff to buy goods and services through the approved procurement channels, details of which can be found in the procurement policy and guidelines.

10.2 Capital purchases

Capital items (eg. computer equipment, cameras, furniture etc.) should only be purchased via centrally approved Sightsavers channels. Any personal purchase of such

items will not be reimbursed unless prior arrangements have been made with the appropriate line director and relevant functional director.

10.3 Working at home

No expenses may be claimed for working at home for office based employees.

10.4 Eye tests & spectacles

Sightsavers will only reimburse the cost of eye tests and spectacles, specifically prescribed for computer use, for those staff who are able to demonstrate that they habitually use a computer screen (DSE) as a significant part of their normal day to day work. See Appendix 3.

10.5 Professional Subscriptions

Reimbursement through expenses of the costs of professional fees and subscriptions may be made where these are regarded as an essential requirement or included in the job profile for a particular post, subject to qualifying with HMRC rules and guidelines.

Only professional subscriptions and fees of specific organisations approved by HMRC may be claimed.

Staff may wish to explore obtaining corporate membership of certain professional bodies for Sightsavers as an organisation rather for themselves as individuals. Corporate subscriptions should be purchased and paid for in the way we normally procure goods and services and not via expenses.

11. Overseas travel related expenses

11.1 Passport / visa

Where a passport renewal or a second passport are required due to the frequency of work related travel or fast track charges are incurred when required urgently for business travel, these costs will be covered by Sightsavers upon presentation of a valid receipt.

Visa application costs required for a country visit will be covered including the cost of photographs. Other passport related costs are not reimbursable.

11.2 Insurance

For information regarding Sightsavers travel insurance, please refer to the Global Travel Policy.

11.3 Immunisations/ medication

For information regarding immunisations, anti-malarials or travel medical examinations, please refer to the Global Travel Policy.

11.4 Laundry

Reasonable laundry costs on trips over seven days will be reimbursed. Laundry claims made should be for basic items and not for dry cleaning suits, jackets or top clothing. Claims for purchases of clothes and toiletries will not be accepted.

11.5 Gratuities/ tipping

Sightsavers will reimburse reasonable tips given for services provided in restaurants, airports, hotels, etc. Service charges will also be covered in hotels and restaurants.

11.6 Gifts

Gifts purchased by a staff member when visiting a country office or programme will not be reimbursed.

11.7 Foreign currency expenses

The expenses system allows expenses incurred in a foreign currency to be repaid in sterling at the relevant exchange rate.

Therefore, if you are travelling abroad on business, you may incur out-of-pocket expenses under this policy with foreign currency you obtain yourself and claim for repayment in sterling via the expenses process.

12. Travel Advances

Sightsavers will not provide travel advances to European staff travelling overseas or for UK travel. Staff that have a Sightsavers Corporate Card may access cash through an ATM or Bureau de Change. All cash withdrawn must be accounted for upon their return to the office in the UK. Please contact a member of the Treasury Operations Team if you need assistance in this matter.

For staff visiting Sightsavers country offices, a small travel advance may be obtained from the local office on arrival if sufficient advance notice is given. Do not bring any unused foreign currency back to the UK. We cannot use it or bank it in the UK. Any amount unaccounted for will be deducted from your salary.

13. ICT expenditure

Improper or inappropriate IT purchasing can present a real and serious risk to business critical Sightsavers systems.

In accordance with the IT Usage Policy, no IT hardware or software should be obtained / purchased / installed by anyone at any time without the prior consent of the IT Infrastructure Manager which can be obtained via the Service desk.

Any such items will not be reimbursed unless previous arrangements have been made in writing by the IT Infrastructure Manager.

14. HR related expenditure

14.1 Training

Booking for training courses should always be made in liaison with the HR Operations team, who will arrange for payment to be made. Sightsavers will not reimburse personal expenses incurred in booking training courses without the knowledge of HR.

Booking of conferences and seminars necessary for the performance of an employee's duties should be made by themselves (once they have received their line managers approval) and claimed back on ProActis using the expenses procedure. Or the Corporate Services team will be able to manage this for you by submitting a request

through the Service Desk.

14.2 Relocation

Please refer to the HR Operations team for details of the policy in respect of claiming costs of relocating. Any relocation expenses must be approved by the relevant Director.

14.3 Interview expenses

Sightsavers does not reimburse interview expenses

14.4 Childcare

Sightsavers operates a childcare voucher policy through the salary sacrifice scheme. Contact a member of the HR Operations Team for further information. Childcare costs cannot be claimed via expenses.

15. Loans & advances

15.1 Travel season tickets

Loans are available for travel season tickets only. Contact a member of the HR Operations Team for further information. No long term season ticket purchases for normal commuting will be reimbursed via expenses.

15.2 Advances on salary

Sightsavers will not pay an advance of salary to a member of staff.

16. Corporate credit cards

Sightsavers can provide a corporate credit card if you need to travel and incur business expenditure on a regular basis.

The key requirements are:

- the card is issued to you personally under the Sightsavers credit card scheme, you must not share the card or card details with any unauthorised person
- the card is for business use – you may use the card to pay for your own expenses under this policy or the expenses of colleagues who do not have a corporate card (generally a more junior colleague). If you pay for a colleague's expenses you must allocate the expense to that colleague within the expenses system.
- you are personally liable for personal expenses incurred and any expenses incurred which are not approved (i.e. which are not valid claims under this policy)

Any personal or unauthorised expenditure on your card allocated within the system will be reclaimed by Sightsavers through the monthly payroll process.

16.1 Cash withdrawals

All currency spent must be allocated to the correct business expense and not currency charges. For unspent currency, you can either:

- retain the money and allocate the amount of the transaction to personal spend – this means funds are then taken from the cardholder's salary in the following month
- if withdrawn via a foreign exchange provider, any unspent currency can be returned to a foreign exchange provider and allocated back to the same credit

card

It is important when returning funds to a foreign exchange provider that the unspent amounts are allocated to personal spend, at the same time as the withdrawal, this will ensure funds are not taken from the cardholder's salary.

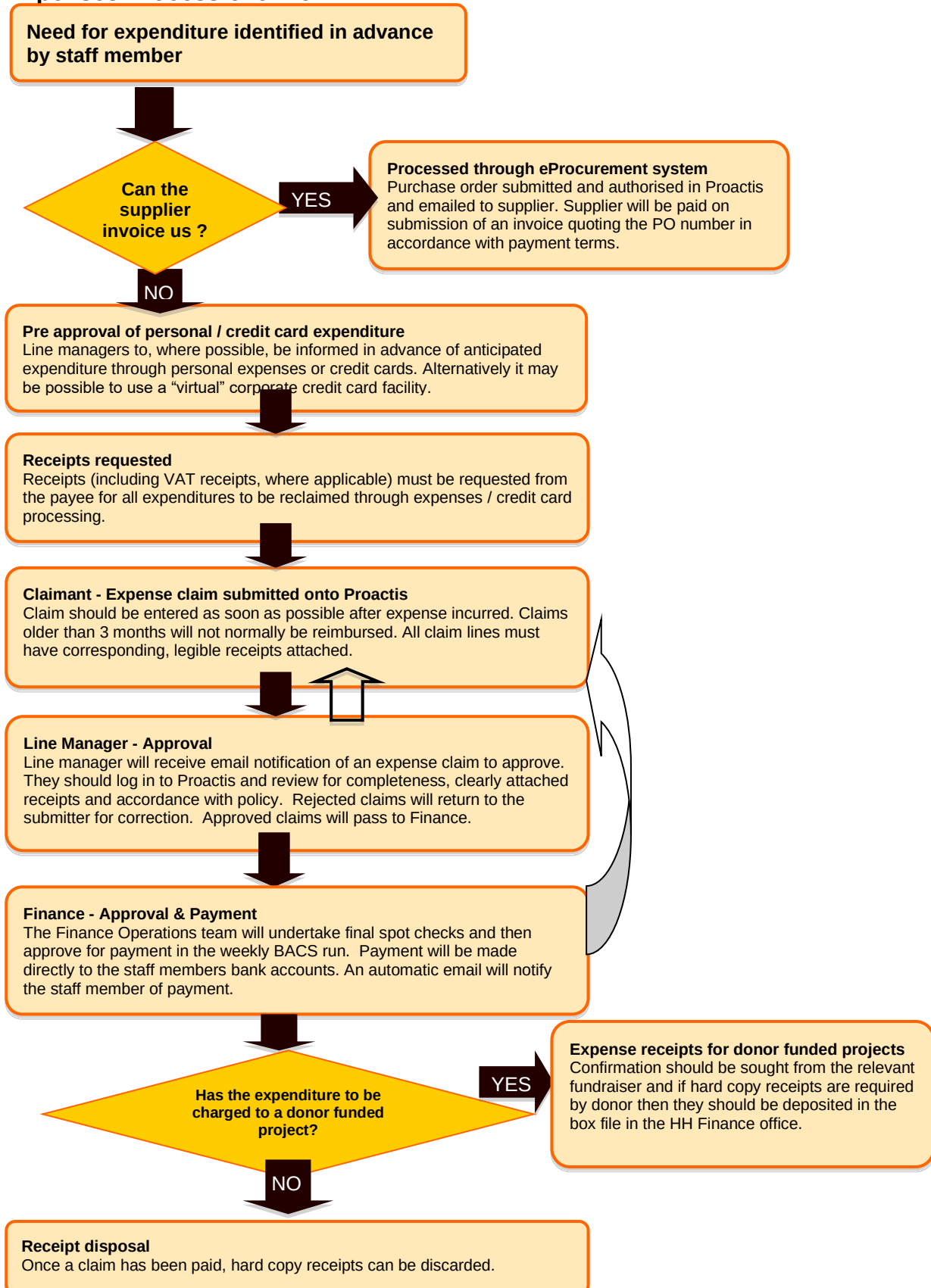
Any foreign exchange transaction fees incurred can be allocated to currency charges, ensuring you are not out of pocket.

See also further below.

Appendices

Appendix 1 A Summary of the process

Expenses Process overview



Exceptional expense authorisation workflow

Proactis expenses authorisation is set up by the system when an employee requests to claim expenses. In normal circumstances where an employee is claiming expenses which they have incurred relating to themselves then their line manager will receive the claim for approval.

In the following circumstances, however, a different approver may correctly receive the claim:

1. If an approver has set another manager to be their stand-in authoriser in Proactis then all claims by the manager's direct reports will go to the stand in.
2. In the exceptional case that an expense claim exceeds £1,000, then a 2nd approval is required from the line manager's manager. This reflects the fact that expenses claims involve payments to staff bank accounts and are as such a fraud risk.
3. If a claimant has incurred personal expenditure on behalf of another staff member, for example a shared meal cost, then they can change the employee code on this line. The claim will then go to both employees' line managers for approval. Note an approver can identify which lines they are approving as they are highlighted yellow. Only when both managers have approved will the claim go to Finance.
4. If in the case of 3, a line manager is incurring expenses and charging these to a direct report's employee code then the system will reject the authorisation because, in effect, the line manager would be approving their own personal expenses. In this case the claimant must request that a member of the Finance Systems team reallocate the claim to the claimant's manager in the Proactis system.

Any questions in relation to these notes should be submitted to the Service Desk for the attention of the Treasury Operations Team.

To summarise how we expect expenditure to be incurred:

Method	Type of expenditure
HSBC Corporate credit card *	These cards are only be allocated to staff who undertake a regular amount of overseas travel, they are not for general expenses when not travelling. A monthly limit applies to each cardholder.
HSBC Virtual Corporate credit cards	An approval based facility exists to create a virtual credit card for small value non-recurring purchases where the supplier will not raise an invoice for payment. Contact Treasury Operations.
Personal staff expense claim	To cover all out of pocket expenses incurred whilst working and travelling within the UK / Europe. Expenses will be reimbursed on a weekly basis.
Purchase orders through ProActis	For those items of expenditure not related to any expenses related items, using the purchase order processing system (ProActis)

What about travel advances when I travel overseas?

* Corporate credit cards will have the facility to draw cash to assist in undertaking overseas travel. You will be able to obtain cash from either an ATM or travel exchange bureau:

- GBP£, US\$ or Euro € from the departing airport (to purchase local currency on arrival in country), or
- Local currency from either the departing or destination airport

Cash travel advances for international travel will no longer be made available to staff at head office.

Appendix 2(a) Expense claim procedures for claimants

All expense claims must be submitted through e-Expenses via ProActis, a system designed to capture all the relevant information to enable the claim to be processed first time. Claims submitted by other means should not reach Finance where they will be rejected.

Reimbursement will be made for actual costs incurred wholly, exclusively and necessarily in the performance of duties undertaken by staff in their employment at Sightsavers.

The accompanied VAT receipt or invoice or, in the case of travel tickets, the ticket itself, must be scanned and included as an attachment to the claim. Credit card vouchers or slips and statements will not be accepted as evidence of expenditure. The VAT receipt or invoice must show the name and address of the retailer, their VAT registration number, the date of purchase and the VAT inclusive amount of the goods or services. Failure to provide the appropriate VAT receipt or invoice should result in the claim being rejected.

All receipts should be numbered and match the information shown on your expense claim. Receipts related to personal expenditure must be initialled before they are scanned. Once your claim has been paid, you may usually be able to discard the originals as the scanned images will be sufficient for our records.

However, where those claims that have been submitted relate to projects that are funded by such donors as the EC, then the original documentation must be kept in order to comply with their audit requirements. Best practise in the sector is to retain ALL boarding passes for flights and staff are encouraged to adopt this.

Appropriate and sufficient detail must be shown in the claim to explain the nature and purpose of the expenditure. Failure to report sufficient detail may result in the claim being rejected. The default item descriptions in ProActis can be changed by the claimant for each line item to provide more specific detail when submitting a claim.

Expense claims should be submitted in accordance with Principle 5 on page 2 of the policy. An expense claim that is more than three months old or relates to a previous accounting period will only be reimbursed in exceptional circumstances, with the additional approval from the Financial Controller. An expense claim submitted beyond 6

months from the date the expense was incurred must be approved in writing by the CEO.

Should any assistance be required in completing an expense claim, a request for support should be directed to the Treasury Operations Team via the Service Helpdesk.

Any attempt to falsify an expense claim will be treated as a serious disciplinary offence.

Appendix 2(b) Expense claim procedures for authorisers

As an authorised signatory you are responsible for ensuring that all expense claims are made in accordance with Sightsavers policy and for ensuring that inappropriate or incomplete claims do not reach the Treasury Operations team. You must be familiar with the requirements of this policy so that you may assist the staff that you manage in respect of queries relating to expense claims. If in doubt, please contact the Treasury Operations Team via the Service Desk.

In order for the system to work effectively and for Sightsavers to maintain compliance with HMRC exemptions in respect of expense payments, it is important that the correct procedures are followed.

Has sufficient detail been recorded in respect of the expenditure?

This is particularly important with regard to business entertainment, where details of “who” and “purpose” must be recorded. The purpose must satisfy the “incurred wholly, exclusively and necessarily in the performance of duties undertaken by staff in their employment at Sightsavers” test.

Have proper receipts or invoices been attached to support the claim?

Receipts must be attached to all claims and care must be taken when authorising to ensure appropriate receipts are attached.

Has the claim been submitted within the three month time limit?

If not, the claim should be rejected. You should encourage your staff to submit regular and frequent claims.

Is the expense claim in accordance with the policy?

If not, the claim should be rejected. Line Managers should ensure their staff are familiar with the contents of this policy.

Once you are satisfied that a claim has been made in accordance with this policy you should approve the claim to indicate that it has been checked and the attached receipts or invoices have been reviewed. If you are not satisfied, the claim should be discussed with the originator and rejected, with a note explaining why it has been rejected.

In the event that an expense claim exceeds your signing limit as authoriser, then the claim will automatically pass up to the next level of authorisation.

Expense claims will not be reimbursed until all appropriate authorisations are in place. If you are away from work without access to e-mails, you should assign a stand in member of staff to cover for you. This would normally be your Line Manager.

Any attempt to falsify an expense claim will be treated as a serious disciplinary offence.

Before reimbursement is made, random final review checks may be undertaken by the Treasury Operations Team to ensure that this policy has been followed. As this stage, the claim may still be rejected. It should be noted that, in cases where claims have been approved by a Line Manager which are subsequently being rejected by the Treasury Operations Team, the matter will be reported to the Financial Controller who may want to discuss this with you.

Appendix 3 Reimbursement rates (established April 2018)

Mileage rate for cars	- use of personal car	First 10,000 p.a. 45 p / mile After 10,000 p.a. 25 p/ mile
	- company car / car allowance	15 p/ mile
Mileage rate for motor cycles	All	24 p / mile
Mileage rate for bicycles		20 p / mile

(Please note staff in possession of a Sightsavers owned bicycle under a cycle-to-work scheme are not eligible to claim mileage for bicycle use under current HMRC rules)

London hotel accommodation is to be booked via Corporate Services and not claimed on expenses

Maximum amounts that may be claimed in respect of:

UK hotel accommodation (rate includes breakfast)	- in cities excluding London	£ 125 per night
	- outside cities	£ 95 per night

The amounts have been calculated based on a charity average taking into consideration the rates achieved by Sightsavers in the recent past – these rates will be reviewed on a regular basis.

Meals	- breakfast *	£ 5
	- lunch	£ 5
	- evening meal	£ 15

*employee leaves home earlier than usual and before 6am

Minimum journey time	Maximum amount of meal allowance
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5 hours	£5
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10 hours	£10
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15 hours (and ongoing at 8pm)	£25
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Meals when away from the normal place of work will be reimbursed only if they are additional to costs ordinarily incurred day to day at your normal place of work, i.e. where they are incurred as a result of having to be away from home more hours than when based at your normal place of work. These rates are determined by HMRC not Sightsavers.

Telephone calls home	- UK to UK	£2.50 / day
	- Overseas to UK / Overseas	£5.00 / day

^ evidence must be provided in respect of the calls made.

These rates represent the maximum that can be claimed, any cost incurred in excess of these amounts will be at personal cost.

Annual eye test	£25
Spectacles solely for VDU use	£65

All rates are inclusive of VAT.

Appendix 4a HMRC guidance on exemptions and dispensation

<https://www.gov.uk/employer-reporting-expenses-benefits/dispensations>

You don't have to report some routine employee expenses to HM Revenue and Customs (HMRC). This is called an 'exemption'.

Exemptions have replaced dispensations. You can't apply for a dispensation any more.

Expenses covered by an exemption

You don't have to report certain business expenses and benefits like:

- business travel
- phone bills
- business entertainment expenses
- uniform and tools for work

To qualify for an exemption, you must be either be:

- paying a flat rate to your employee as part of their earnings - this must be either a benchmark rate or a special ('bespoke') rate approved by HMRC
- paying back the employee's actual costs

You must deduct and pay tax and National Insurance on all other expenses and benefits you give to your employees, and report them to HMRC as normal.

Apply for an exemption

You don't need to apply for an exemption if you're paying HMRC's benchmark rates for allowable expenses.

You only need to apply for an exemption if you want to pay bespoke rates to your employees. You'll have to give HMRC evidence that the rates you're suggesting are based on your employees' actual expenses.

If you had a dispensation from HMRC

Your dispensation won't apply after 5 April 2016, but the expenses covered by it should also be covered by the exemption.

If you agreed bespoke rates with HMRC between 6 April 2011 and 5 April 2016 as part of your dispensation, you can apply to carry on using them.

You can only use the bespoke rates for up to 5 years from the date they were agreed.

Checking expenses

You must have a system in place to check payments you make at benchmark or bespoke rates.

Your employees aren't allowed to check their own expenses, so someone else within your company needs to do this to make sure they're legitimate.

Tell your employees to keep proof of their expenses, for example receipts or bills, in case you need to check them.