

EXPENSES POLICY – Updated January 2020

PURPOSE

To provide a policy whereby LPC members will be reimbursed for actual expenditure incurred wholly, exclusively and necessarily in the course of LPC business activities, travel, meetings and entertainment provided that such expenses were approved in accordance with the requirements of the policy.

1. INTRODUCTION

This document sets out in detail the Cambridgeshire and Peterborough LPC expense policy that is to be applied from the 1st of the month following its' introduction and will be reviewed annually at the start of each financial year or before if the need arises. The LPC will reimburse members and employees for reasonable business expenses incurred on the LPC's behalf whilst they are engaged in authorised business or training activities, provided they fall within the limits set by this policy. It is our intention that members should neither gain nor lose financially as a result of incurring expenses on LPC business. LPC members are subject to Inland Revenue rules and guidelines as to what is allowable as a business expense. It is therefore important that all claims adhere strictly to the policy.

Expenses defined as 'reasonable' are those that are the most cost effective when compared against the purpose of the business activity. Where possible all expenditure requests/bookings should be made through the LPC Secretary. Where this is not the case members (who do not hold an authorised LPC credit card) are responsible for the settlement of any business expense incurred and for re-claiming the costs through the process set out in this document. Any breach of this policy will be referred to the Committee for consideration.

LPC members are reminded that if using their own vehicles whilst on LPC business they should ensure that they have "business cover" included in their vehicle insurance policy. Whilst we acknowledge that there may be an increase in the insurance premium the cost of this is offset in the mileage allowance paid by the LPC for the journey made.

2. ATTENDANCE AT CONFERENCES/TRAINING ON BEHALF OF THE LPC

Any members' requests to attend training/conferences on behalf of the LPC must be approved in advance by a meeting of the full committee. If the meeting schedule does not allow for this, applications must be approved (by a majority decision of the Strategy Group members) or by the LPC Chairperson or authorised deputy. That approval must be reported to the next meeting of the committee and be noted in the minutes of the meeting.

If a booking has been made and paid for to allow an LPC member to attend a conference or seminar on behalf of the LPC then that member must make every effort to attend. However, exceptional circumstances may arise which prevent them from so doing. If such circumstances arise the member must inform the LPC

Secretary as soon as it is “reasonably possible” so as to facilitate a replacement to attend instead or allow cancellation of the booking and a refund of costs reclaimed. If reasonable notice is not given and the LPC is not able to send a replacement or obtain a refund then the cost incurred to the LPC may be charged to the non-attending member via a deduction of the charges from the next ‘locum claim’.

3. SUBMISSION OF CLAIMS FOR REIMBURSEMENT

3.1 Members are expected to:

- obtain bills /invoices from the contractor as they must not come from the member personally. The contractor issues an invoice to the LPC for the locum costs incurred for sending that member to the meeting. It is not a personal claim for time.
- All claims should be submitted within one month of the expenditure. Any claims received three months or more after the expenditure will not be paid unless in exceptional circumstances and at the discretion of the Chair and Treasurer. All claims in any one financial year should be submitted within one month of that year end.
- provide original invoices, receipts or itemised bills to support all claims.
- Submit claims on forms which are clear, understandable, auditable and in a format which is acceptable to the Treasurer and auditors.

3.2 Authorisation/ limits:

- the limit for all claims must be reviewed by the Committee via the (Strategy Group/Finance sub-group) on an annual basis
- single items of expenditure or activity exceeding the maximum £250 limit MUST be authorised by the Committee.

3.3 Payment:

- Will be paid via BACS or cheque. No payment will by cash.
- Claims will normally be processed for payment within 28 days.

It is the sole responsibility of each contractor to make sure they receive appropriate payment for invoices submitted. If they believe that payment has not been received they should make a request **in writing** to the LPC Treasurer for payment. The LPC Treasurer will then re-issue payment on a one-off basis. If

this means a cheque has to be cancelled at the bank any charge incurred by the LPC will be deducted from the payment. In addition a request from the LPC to the contractor to switch from payment by cheque to payment by BACS will be made. If any further activity is required on the part of the LPC an administration charge of £50 will be levied on the contractor.

4. EXPENSES CLAIM ALLOWED

4.1 Locum Expenses:

If a locum has been employed to cover for an LPC member whilst he/she is attending an event on behalf of the LPC, the fee for employing this locum can be reclaimed from the LPC upon the submission of an invoice to the Treasurer. There will be no personal tax implications for situations such as these.

If the LPC member is attending an event on behalf of the LPC (in their own time) then they are entitled to claim payment from the LPC for that day – at a rate of up to £25 per hour and up to a maximum of £250 per day (or up to a maximum of £25 per hour if the attendance is less than 8 hours). Any claims for a sum greater than this must be authorised by the Chair or Treasurer in advance and accompanied by an invoice from the locum to prove hourly rate paid. All such payments must be made payable to the employers. However, any such payments will be classed as income and regarded as work done for the LPC. As such, the LPC member must provide an invoice for these services. The invoice must contain the pharmacist's full name and address and the fee claimed.

The LPC will pay to the pharmacist the gross fee; it is the individual responsibility of the pharmacist to declare this income on his/her personal tax return forms.

In relation to remuneration for time spent on LPC work other than meetings and events, for example determination of contract application responses. If the time spent on LPC activity takes members away from their normal work then the employer should be paid for the locum needed to cover the time and should submit an invoice.

If a meeting that a Committee member was due to attend on behalf of the LPC (either internal or external) is cancelled, then that member (or their company/employer) will not be entitled to claim for the cost of the locum, providing a notice period of at least 7 days has been given.

4.2 Travel/ Transport:

The use of a private vehicle: the rate of reimbursement will be in line with HMRC guidelines. The LPC will currently reimburse at 45 ppm for the first 100 miles of any journey in a given day. Any mileage above this threshold will be reimbursed at 15 ppm. (HMRC rules limit the reimbursement at 45ppm to 10000 miles in any financial year). If the HMRC changes the guidelines then the LPC reserve the right to amend the rates they pay accordingly before the annual review of the LPC Expense policy takes place. If a journey will exceed 100 miles a day the LPC member can request the use of a hire car. The cost of the hire and for the fuel used will be met by the LPC. If the cost is equal to or less than their claim for using their own personal car then this will be authorised. Any other travel should utilise the most cost-efficient means available e.g. standard class rail fares. If an LPC member chooses to use their own car when the cost of travel by second class rail fare is more cost efficient then they can do but they should claim the cost of the rail fare in lieu of mileage.

4.3 Parking and Tolls:

The LPC will reimburse the cost of parking and road tolls incurred on LPC business. If parking in a city centre the most cost-effective option must be used. This may involve the use of a Park and Ride scheme if available. Parking fines, towing away charges or fines for other traffic violations are the responsibility of the individual and will not be reimbursed.

4.4 Accommodation:

Accommodation may be claimed if members are required to attend any event on LPC business where the location is sufficiently far away from their home or normal place of work to make a return journey unreasonable.

All requests for overnight accommodation must be made to the LPC Secretary for authorisation. Once authorised the booking will then be made by the LPC Secretary. A maximum of £180 per night dinner, bed and breakfast can be claimed if within the M25 and £150 per night if outside the M25.

4.5 Business Calls:

Telephone calls made on LPC business can be reclaimed. You will need to provide details of the call/s made by attaching an itemised bill with the business calls highlighted.

4.6 Miscellaneous:

Other legitimate expense claims will be considered by the Committee.

5. CONTACT DETAILS

If you have any queries regarding any expense item/ claim please contact the Treasurer by email via secretary@cambslpc.org.uk