



The
University
Of
Sheffield.

Finance and Commercial.

Staff Fees, Expenses and Benefits Procedures Manual

Version2004.8

November 2016

**COMPLIANCE WITH THESE REGULATIONS IS REQUIRED BY ALL
UNIVERSITY OF SHEFFIELD STAFF**

**STAFF SHOULD BE AWARE THAT SERIOUS BREACHES OF THESE
REGULATIONS MAY RESULT IN DISCIPLINARY ACTION AS APPROPRIATE,
AND MAY INVOLVE THE RISK OF PERSONAL LIABILITY**

The following document incorporates a number of changes to the previous edition of the Staff Fees, Expenses and Benefits Procedures Manual that was marked as Version 2004.7. The changes relate to the areas of Meetings, Hospitality, Entertaining and Gifts. The paragraphs that have been amended are:-

Paragraph 77 – Now clarifies the position for meals connected with Meetings that include University Staff and Students only.

Paragraph 78 – Provides more information on the position for Formal Staff Departmental Strategy Meetings.

Paragraphs 80-84 – Updated to provide greater clarity in the areas of Hospitality, Entertainment and Meetings with External Stakeholders. Also includes a link to the new version of the [Hospitality Form](#).

Paragraphs 85 and 86 – Updated to increase the permitted value of purchased Gifts.

Paragraphs 88 and 89 – Clarifies the position with respect to University Purchasing Cards and the new version of the [Hospitality Form](#).

Please note

A further review and update of this document is required in relation to changes to the University's Dispensation agreed with the Inland Revenue a number of years ago.

STAFF FEES, EXPENSES AND BENEFITS PROCEDURES MANUAL CONTENTS

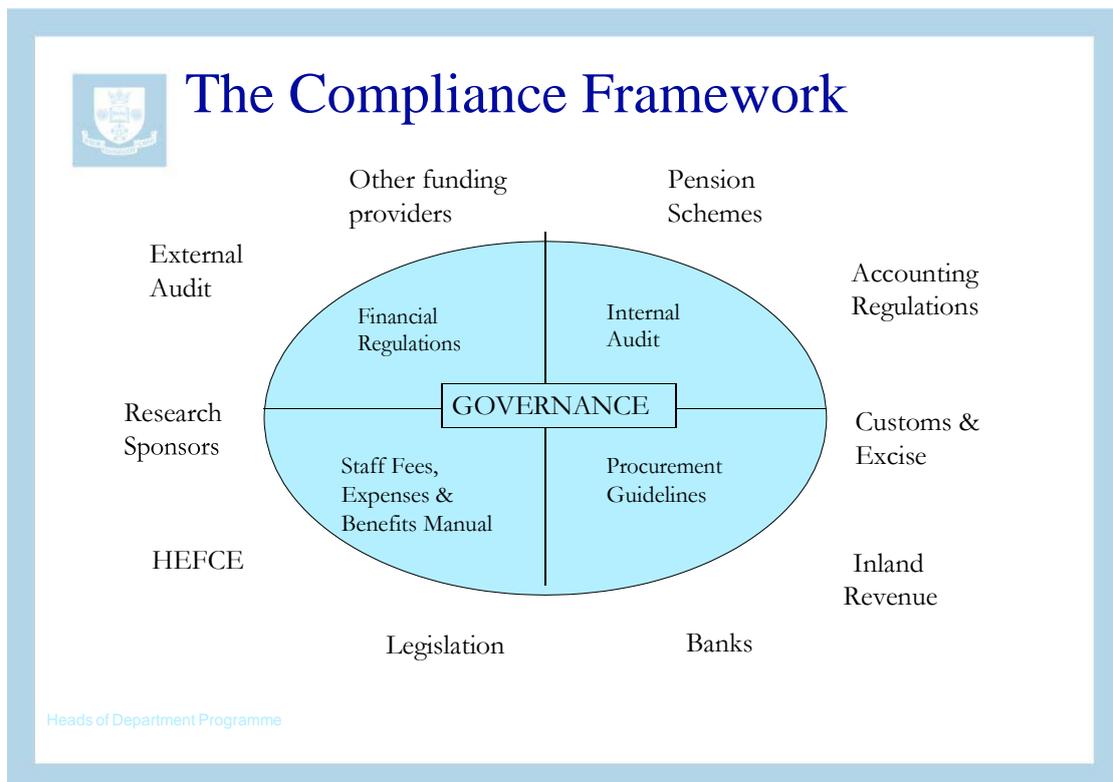
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THE NEED FOR THE FINANCIAL REGULATIONS

The University of Sheffield is one of the United Kingdom's most successful Universities, both in terms of academic success and in the growth of its student body. The University holds an outstanding reputation, both nationally and internationally and this is evidenced in the numerous awards and high grades it has received from the various bodies responsible for assessing the higher education sector.

The University's activities are supported by substantial public funds and as a publicly funded body, the University is accountable to its stakeholders in ensuring the most efficient and effective use of its resources in support of the University's [Mission and Vision](#).

This accountability places governance responsibilities on the University and necessitates that the institution operates within a compliance framework.



The Inland Revenue require Financial Regulations because they require the University to treat certain expenditure in particular ways. We can only vary from these if we have an agreed dispensation with the Inland Revenue. The Regulations in the Staff Fees, Expenses and Benefits Procedures Manual form part of the agreed dispensations. For example, if we do not keep receipts for expenses paid to members of staff, the Inland Revenue will take the view that there is no evidence that the expenditure was in respect of University business and therefore it should have been taxed on the member of staff as a benefit in kind. If we have not taxed it in that way, the University will then be liable for the tax not deducted and will be penalised for not deducting it.

Many of the detailed requirements in this Manual flow from the Inland Revenue's approach to monitoring compliance with the agreed dispensations.

INTRODUCTION

1. The information and instructions contained in this manual are an integral part of the University's Financial Regulations and are for the guidance of all staff/operational units in all Departments of the University. These procedural instructions will not apply to self-employed persons or non-University staff seeking reimbursement, for example, interview expenses except as otherwise stated. The policies have been prepared in the light of the Income Tax and National Insurance Contributions (NIC) regulations and in consultation with the University's [Tax Team](#) to meet Inland Revenue requirements and comply with taxation legislation.

All payments to staff (including salary, expenses, severance and early retirement payments) should be made in accordance with Inland Revenue regulations.

2. All staff are required to abide by the terms and conditions of their appointment. This may include the requirement not to undertake any other paid work unless the permission of the Director of Human Resources or their Pro-Vice-Chancellor to do so, on terms and conditions approved for the particular undertaking in question, has been obtained. (Further guidance with regard to "Conflict of Interests" is included in the Paragraph 25 of the [Financial Regulations](#).)
3. These Regulations apply to all of the University's activities, regardless of the source of funding.
4. All payments of fees, expenses and benefits will be made by the Authorised Financial Officer (as defined in Paragraph 6.7 of the [Financial Regulations](#)).
5. The Authorised Financial Officer is responsible for ensuring that the University operates correctly the rules with regard to the taxation of benefits in kind. Staff should follow procedures issued relating to the use of University vehicles, mobile telephones and other relevant matters.
6. Provided claims are completed strictly in accordance with the terms of this manual, unless otherwise stated, no additional tax or National Insurance Contribution liability will arise in respect of expenses and benefits reimbursed either to the member of staff or to the University and staff need not report details in their tax returns. Fees will be subject to the appropriate rules of PAYE and National Insurance.
7. In the event that a fee, expense or benefit claim is contemplated in respect of any item not included in the manual, or a member of staff has a query relating to the payment of fees, expenses or benefits under this policy, the matter must be referred in the first instance to their Head of Department, who may thereafter need to refer to the [Expenses Team](#) in the Department of Finance for guidance. All contact with the Inland Revenue will be conducted by the [Tax Team](#) of the Finance Department. Under no circumstances should a member of staff contact the Inland Revenue directly.
8. At the end of each tax year, the University will prepare a statement in respect of each member of staff who has received taxable expenses and benefits, giving details of all such payments made in that year. A copy of this statement will be issued to each member of staff. A report (on form P11D or P9D as appropriate) will then be made to the Inland Revenue in order that the Inspector of Taxes may collect the tax due from the member of staff. It is important that the statement is retained as you may require it to complete yourself Assessment Return.

FEES AND EXPENSES REIMBURSEMENT PROCEDURE

Policy and General Claims Procedures

A FEES

9. Fees payable to University staff shall be claimed on the designated claim form ([Claim for Fees – Staff claimants](#)) and authorised under the procedures described below under “[Authorisation and Submission of Claims](#)”. The member of staff’s payroll number must be quoted on all claim forms.
10. Payments should not be made from one member of staff to another for work done and reimbursement then claimed at a later date through the expense claims procedure. Fees claimed will only be made by and for the person who has actually done the work.
11. Sums received by the University, from the sponsors of research or consultancy work or other outside agencies for payment to staff, will only be paid through the payroll and are subject to the rules of PAYE and National Insurance.
12. Where fees are payable to individuals employed by the University from external commercial organisations, in respect of University approved consultancies, University staff may waive all such fees in favour of the University in advance of payment as a donation for research and teaching. Where these fees are waived, the University will not treat these fees or funding as the taxable entitlement of individuals provided the following conditions are met:
 - a) All such fees are waived by the individual in advance of payment;
 - b) Payment is made by the external organization directly to the University of Sheffield;
 - c) The waived funds are actually used for the purposes of specific research and teaching; and Individual Heads of Department monitor these funds to ensure that the above conditions are met.

Where such fees or funding also include contributions towards travel and subsistence costs likely to be incurred by University staff, any claims made by University staff in respect of travel and subsistence must follow the rules set out in these Financial Regulations.

Income and expenditure in respect of non-University business, including private consultancies and fees for private practice, must not be processed through the University’s accounts.

13. Where self-employed individuals are engaged, this must be done in line with Human Resources [guidance on Contractual Relationships](#). Payment must not be in the form of benefits in kind, in order to avoid tax complications. All payments for the services of agency workers, including any business expenses incurred, must be paid by Purchase Order to the agency on receipt of invoices from the agency.
14. It should be noted that where a self-employed individual or an employment agency is registered for VAT, and VAT is chargeable on the services performed, VAT invoices must be obtained before the University can make payment.

Casual Workers

15. The Inland Revenue defines a “casual worker” as any individual undertaking a short term, regular employment with the University. It includes anyone who is not engaged on a permanent basis and will thus embrace external examiners, and those paid through the external payroll. All casual workers must be paid through the payroll under the guidance of the [Payroll and Expenses Team](#). **Under no circumstances must cash be given to casual workers from tills or through an expenses claim form.**

B EXPENSE CLAIMS

The University understands that from time to time circumstances may arise that are not covered by these procedures and which need further clarification before claims can be submitted. In these circumstances contact the [Expenses Team](#) in the Department of Finance for guidance.

Authorisation and Submission of Claims

High level information relating to expenses can be found in the Expenditure paragraphs of the [Financial Regulations](#).

16. Staff will be reimbursed the actual cost of expenses incurred wholly, necessarily and exclusively in the performance of the duties of their employment. Staff will be expected to both to minimise costs without impairing the efficiency of the University and to avoid any unnecessary costs to the University. In general reimbursement will only be made on the production of original receipts or invoices. However, in the limited instances described in paragraphs [74](#) and [76](#) below, certain expenses may be reimbursed without receipts.
17. Claimants should submit claims on a regular basis, at least monthly and no later than three months after the expenses have been incurred in order to assist budget managers in monitoring expenditure. If for any reason a claim is submitted later than three months a note should be provided setting out the reasons for the delay.
18. The [Expenses Claim Form for staff](#) must be used for claims for reimbursement of travel and subsistence expenses.
19. Claimants must complete all appropriate fields on the [Expenses Claim Form for Staff](#), i.e. name, address (staff should show their department address rather than their home address), payroll number, account codes and full details of the expenditure. Failure to complete all fields correctly may result in the form being returned to the department, which will delay the payment.
20. Forms signed by the claimant should indicate that the expenditure has been wholly, necessarily and exclusively incurred on behalf of University business and has not previously been claimed.
21. Claimants must not authorise their own claims and must arrange for the claim to be signed by an authorised signatory. Lists of authorised signatories are held by the [Payments Office](#). In authorising the claim the signatory is indicating their approval of the reasonableness of the expenditure.
22. If you are an authorised signatory claiming reimbursement of expenses you must have the claim counter-signed by another authorised signatory of the same seniority or higher. Claims by the Vice-Chancellor should be countersigned by the Chairman of Council or the Authorised Financial Officer.

23. Both the claimant and authorised signatory should initial any amendments made to the claim form.
24. Claims cannot be authorised by a member of staff who is a close relative or partner, alternative authorisation must be arranged.
25. Once authorised a claim should not be returned to the claimant prior to payment.
26. Any attempt to submit a false claim will be treated as gross misconduct and as a serious disciplinary offence.
27. The Authorised Financial Officer has a responsibility to monitor all claims and may seek further information before making a payment. Any special circumstances relating to a claim should be stated by way of an explanatory note on the claim form.
28. All international travel, which is to be claimed should be authorised in advance in writing by the Head of Department or the holder of the budget against which the expenses are to be claimed. When Heads of Department or budget holders themselves propose to undertake such travel they should obtain the prior countersignature of an officer of equivalent or senior status to themselves.

Any request for authorisation for international travel should be set out in writing stating, briefly, the destination and the purpose of the travel, together with confirmation of the source of funding. The person approving the request should keep the documentation for future reference.
29. Claims for the purchase of travel tickets should be supported by receipts, downloaded confirmation in the case of tickets booked over the internet or receipted invoices (where a preferred University supplier is used - this is to avoid duplication of payment). See also [Notes60-63](#) in relation to Air Fares.
30. The cost of travel and subsistence will not be reimbursed for spouses and other persons, who may accompany members of staff. The University recognises that occasionally staff may travel with guests and in such circumstances all costs should be clearly shown for the individual claimant, together with confirmation that no cost has been incurred by the University in respect of the guest. Further guidance in relation to international travel and spouses can be found in the Financial Advice Note [here](#).

Payment of Expenses

31. Claimants, who have not previously submitted a claim should provide full bank details by completing page 2 of [Expenses Claim Form for Staff](#), (i.e. name of account, bank sort code and bank account number).
32. Approved claims will be paid for those staff paid on the monthly payroll, or those paid via the external payroll, all expenses claims will be paid with the following period's payslip and will be paid with salary or fee to the bank account held on the payroll record.

Evidence of Expenditure

33. The Inland Revenue requires full details of the nature and purpose of the expenditure to be provided on the claim form. Claims must be accompanied by original receipts and other supporting documentation (photocopies are not acceptable). Credit card and Debit card slips are NOT acceptable as receipts, because they are not recognised by the Inland Revenue.

34. Claim forms submitted without receipts or with insufficient detail may be returned. If receipts cannot be provided or a reason given for this, then only that part of the claim supported by receipts may be reimbursed.
35. Expenses claim forms should only be used to claim reimbursement of travel and subsistence costs, although the purchase of small items of equipment (up to a value of £100 per transaction) may be reimbursed in exceptional circumstances. This should not be seen as a way of avoiding the University's normal purchasing procedures, which are detailed in the [Financial Regulations \(SIA 16\)](#).

Some suppliers offer personal reward and incentive schemes for purchase of goods or services, examples being Air Miles, Nectar Points, Club Cards and Cash-back schemes. University staff must not use personal payment methods for business related expenditure simply in order to personally accrue such reward or incentive benefits. This is an unacceptable personal benefit from expenditure of public funds. Staff may be asked to demonstrate why a personal payment method was used (and subsequently an expenses claim submitted) where the business related expenditure could have been incurred directly by the University, utilising either a University Purchase Order or another University method of purchase.

VAT

36. In order to ensure that the University recovers the full amount of VAT to which it is entitled, claimants must accurately code VAT on claims and where applicable provide VAT invoices in support of their claim. To assist claimants in this respect further guidance is available on the [Finance web pages](#) or from the [Tax Team](#) within the Finance Department.

C CLAIM FOR EXPENSES IN ADVANCE OF EXPENDITURE

37. It is acknowledged that it may be necessary to [claim in advance of the expenditure](#) being incurred, although such requests should not be seen as an alternative to the normal procedure for requesting reimbursement. Wherever possible, hotel bills and travel tickets should be pre-booked by using one of the University's approved travel agents. (See [Procurement web site](#) for further details). Arrangements can then be made for the University to be invoiced directly.
38. Payment may be made in cash (most currencies) or Travellers Cheques (British Pounds, US dollars and Euros only) up to the value of £300.00. Requests to collect currency or travellers cheques take a minimum of three working days to process, requests to pay directly to a UK bank account take a minimum of five working days to process.
39. Requests should be made using a [Cash Advance Request Form](#), clearly indicating:
- (a) the name of the claimant and their department;
 - (b) the claimant's University payroll number and signature (to confirm acceptance of the Financial Regulations);
 - (c) the country to be visited, purpose of the trip and the dates of the visit;
 - (d) the preferred date of collection of the currency from the bank;
 - (e) the amounts required in each type of currency/travellers cheques. Note that only in exceptional circumstances may cash advances exceed £300; **AND**
 - (f) the account codes to be charged.
40. Claimants will need to retain all receipts to support each item of expenditure related to their cash advance (credit/debit card receipts cannot be accepted as they do not itemise goods and services purchased).

On return from their trip claimants will receive a letter from the Income Office asking them to return any unspent monies and to provide receipts and a breakdown of their expenditure. Everything requested should be returned to the Income Office within two weeks of the end of the trip. Failure to do so is a breach of the Financial Regulations and any future requests for advances will be refused.

TRAVEL

Definition of travel and business travel

41. In order to identify those journeys that may be regarded as business journeys for these purposes, staff travel patterns will be categorised as follows:
- (a) All journeys between home and the normal work location are to be regarded as private (ordinary commuting) and the costs of these journeys cannot be claimed. The cost of travelling between a member of staff's home and normal place of work is not an expense incurred "in the performance" of the duties of employment. The cost of the travel merely puts a member of staff in a position to perform their duties and is not incurred in actually doing the job. All journeys away from the base campus on business may be regarded as business journeys. Where a journey begins or ends at home the member of staff may claim the whole cost of the journey provided that it was carried out for business purposes.
 - (b) Irrespective of whether a member of staff has to attend work outside normal hours, e.g. at the weekends, this is deemed to be a cost of ordinary commuting and cannot be claimed unless it is an Emergency Call Out in accordance with paragraphs [51](#) and [52](#) below.
 - (c) The University provides all the facilities necessary for work to be carried out on its premises. A member of staff may claim to be home based but in essence is working from home because it is convenient to them rather than a necessity of their employment and therefore does not qualify as home being the base rather than the appropriate University campus.

A member of staff may claim subsistence expenses incurred on journeys away from home and the normal place of work, under the rules described in the "[Subsistence](#)" section of this manual.

Inter Campus Travel

42. If a member of staff travels from the campus where they are normally based ("normally" means in excess of 40% of their time) to another campus this is deemed to be business mileage and qualifies for reimbursement of mileage free of tax. Where a member of staff travels direct to another campus directly from home this will also qualify for payment without the deduction of tax provided that there is clear necessity for them to visit that campus. A member of staff cannot turn what is really an ordinary commuting journey into a business journey simply by arranging a visit on the way to their normal base just to get tax relief. The Inland Revenue are very aware that there is an opportunity to gain advantage from this treatment by arranging an incidental visit to another campus rather than having a business reason for the trip; in such circumstances the University will not reimburse the individual as it is deemed to be private travel.

Mileage

43. Staff who wish to use their own private cars or cycles on University business shall seek prior authority to do so from their manager or Head of Department. Prior to making a journey staff shall ensure that:

- a) they have read and understood the University [Policy on Work Related Driving](#) issued by [Transport Services](#).
- b) their motor insurance cover extends to business use as the University does not provide insurance cover for private vehicles.
- c) their third party cycle insurance provides a minimum cover of £2 million and extends to business use.
- d) the vehicle is roadworthy and cars must be either less than three years old or have a valid MOT certificate.
- e) they hold a valid UK driving licence (not applicable to the use of cycles).
- f) there is no medical reason why they should not drive or cycle.

Cycles should be roadworthy and fitted with lights if cycling in dark conditions. Cyclists should at all times obey the Highway Code and are reminded of the benefits of wearing a helmet and clothing that improves your visibility.

The importance of complying with this Directive is stressed to all staff because driving without tax or insurance could result in the member of staff and/or the University incurring a high value liability.

44. Where car travel is essential a breakdown of each journey must be provided. A [Record of Mileage Form](#) should be submitted with the relevant claim and it will also be necessary for staff to maintain a cumulative record of mileage from 6 April each year. The University, mileage expenses incurred whilst on University business will be reimbursed at the following rates:

- The mileage rate for cars and vans is 40p per mile for the first 4,000 business miles and 25p per mile thereafter in each tax year (ending on 5 April).
- The mileage rate for motorcycles is 24p per mile.
- The mileage rate for cycles is 12p per mile.

45. Staff authorised to use their own cars or cycles on University business should confirm that they have appropriate insurance cover, and that they have read and understood the University [Policy on Work Related Driving](#) issued by [Transport Services](#).

Car Parking

46. Parking costs incurred in the course of travelling away from home and the normal place of work in the performance of University business are allowable but parking and any other driving related fines or penalties are not. Parking charges or fines at the normal place of work, including on campus are not reclaimable.

Purchase of Motor Vehicles for use by Individual Members of Staff

47. The University will only permit the provision of motor vehicles for individual members of staff in exceptional circumstances. The case for the provision of a vehicle must include essential use for the job and a full cost/benefit analysis must be provided to the Authorised Financial Officer. Final approval must be authorised by the Vice-Chancellor. The charges to the departmental account will not only include the full purchase/lease and running costs of the vehicle, but also any additional costs arising from the resulting benefit-in-kind e.g.: employers NIC incurred by the University.

Vans

48. Some staff are provided with the use of University vans for the purpose of carrying out their duties. Where such vans are provided, the member of staff is not permitted to use the van for personal purposes. Any use of the van other than for business travel as defined under "[Definition of Business Travel](#)" will be regarded as a serious disciplinary offence and would in addition render the member of staff liable to income tax on a deemed benefit.
49. Except as stated in paragraph 48 above, and provided that payments for expenses do not exceed the actual expense incurred on business, there will be no tax or NIC liability in respect of the use of vans in accordance with these regulations.

Car and Van Hire

50. Cost economies often arise through the use of car hire instead of travel by rail or private car. Advantageous rates of hire have been negotiated by the Head of Procurement, who will be pleased to supply details on request. For journeys of more than 100 miles per day, car hire, using the special arrangements, is cheaper than travel using a private car.
- a) Users of Hire Vehicles (cars, light goods and passengers carrying up to 8 passenger seats) must first check [Transport Services](#) vehicle availability before using outside companies.
 - b) Users of vehicles containing more than 8 passenger seats must be authorised to do so by Transport Services.
 - c) The maximum weight Goods Vehicle that can be legally operated by the University is 3500kg GVM. To operate vehicles over this weight requires the University to hold a Large Goods Vehicle Operators Licence. Please contact the [Transport Manager](#) for further clarification.

Emergency Call Out

51. Staff sometimes have to travel to a permanent workplace unexpectedly or in an emergency. Where the cost of that journey would not normally be paid free of tax, it does not automatically qualify for tax relief because it is made in response to an emergency. It makes no difference if the journey takes place outside normal working hours or if the member of staff is returning to the workplace having completed their normal duties there.
52. Exceptionally, where a member of staff is obliged to perform duties at home and whilst travelling to an emergency at their permanent workplace, the travel may be regarded as business travel between two workplaces. In such circumstances the cost of travel will qualify for tax relief. But to get the relief, all of the following conditions must be satisfied:
- a) The member of staff has to give advice on handling the emergency on receipt of a telephone call and before starting the journey.
 - b) Assume full responsibility for those aspects appropriate to the member of staff's duties from that time.
 - c) The member of staff has a continuing responsibility for the emergency whilst travelling to the workplace and will take charge of all appropriate arrangements on arrival.

Where a member of staff is on stand-by and can be called out at short notice this does not satisfy the above and this is deemed to be private mileage.

Taxis for working late

53. When a member of staff is required to work late the University will reimburse the cost of the taxi fare homewhere:-
- a) The member of staff is occasionally required to work late (that is, until after 10.00pm or later) but those occasions are neither regular nor frequent; **AND**
 - b) By the time the member of staff can go home, either public transport between the member of staff's place of work and home has ceased or it would not be reasonable in the circumstances for the member of staff to be expected to use it.
54. For these purposes, late working will be regarded as frequent if it occurs on more than 60 occasions in a tax year, and regular means a predictable pattern, for example if late night working occurs every Friday.
55. Only University staff may claim reimbursement of the cost of taxis under the rules applicable to business expense reimbursements. Agency staff may not.

Travelling expenses (Other than mileage)

56. Except as otherwise provided below, staff may claim only the costs of necessary business travel. Wherever possible, staff should arrange rail, air and other journeys through one of the approved travel agents (see [Procurement web site](#) for further details).

Details of any rail or flight costs for which reimbursement is sought should be reported on the [Expenses Claim Form for Staff](#).

Rail Fares

57. Tickets should be bought through one of the University's approved travel agents (see [Procurement web site](#) for further details).
58. The University's normal practice is that staff should ensure that the most economical class of travel is used. In general this will be a standard class period return, although staff are expected to investigate the possibility that day return tickets or savers may be available at lower cost.
59. Staff may travel First Class at the discretion of the budget holder, subject to funds being available within the relevant budget.

Air Fares

60. Tickets should be bought through one of the University's approved travel agents (see [Procurement web site](#) for further details).
61. Staff who need to travel by air should travel at tourist or economy class, taking advantage wherever possible of any reduced rates, for example APEX, except in the following circumstances:

Where a member of staff's flight will exceed six hours they may travel club or business class, subject to funds being available within the relevant budget.

62. First class travel by air is not allowed.
63. Members of staff, their family or other contacts must not accrue any form of personal benefit as a result of business air travel being incurred:-

'Trading down' of travel tickets, ie travelling by a lower class in order to claim an extra ticket for a guest of the member of staff, will not be permitted.

Regular travellers may qualify for one of the major airlines personal reward and incentive schemes for the purchase of goods or services, examples being Air Miles, Nectar Points, Club Cards and Cash-back. However, individuals should not benefit personally from accumulating such benefits but should instead use them to offset the costs of future University journeys. The use of air mile credits for private travel is an unacceptable personal benefit from expenditure of public funds.

For clarity, this means that staff must not purchase air travel tickets for University business using their own credit card/funds simply in order to accumulate air miles that could then be used for a future personal journey. Air tickets for University business travel should be procured either using a University Purchase Order or another University method of purchase unless specific evidence of better value for money can be demonstrated.

Further guidance on international travel is available in a Finance Advice Note found [here](#).

Currency Conversion

64. Reimbursement of expense claims requesting payment in any currency other than pounds sterling will be exchanged at the spot rate in force (as obtained from the Financial Times), at the time the expenditure was incurred. Unless proof of conversion is provided by claimant.

OTHER EXPENSES AND BENEFITS

The following expenses and benefits are shown in order of expenses most frequently claimed.

Hotel Accommodation

65. Staff travelling on business should book accommodation in a reasonable quality hotel. Hotel bookings should whenever possible be made through one of the University's approved travel agents. See [Procurement web site](#) for further details. Whenever possible the University will pay the hotel direct. The preferred alternative for staff who frequently travel on University business is to use a University Purchasing Card (contact the Payments Section for further details). Reimbursement will be made for the cost of the room, evening meal, breakfast and one reasonable private telephone call per night. Where meals are not taken in the hotel, separate restaurant receipts should be obtained, or alternatively staff may claim subsistence allowances under the rules described in paragraph [70-74](#) below.
66. Staff should note that items of a personal nature such as mini-bar drinks or video hire will not be reimbursed by the University. Where these items are included on a bill, which is to be settled directly by the member of staff, the costs should be deducted by the claimant prior to the submission of the claim for reimbursement. Where the bill is paid by the University direct (as on certain overseas bookings) the cost of prepaid items will be covered (accommodation and food) and the member of staff must settle all other costs incurred on checking out.

Courses and Conferences

67. Staff may need to attend courses and conferences in order to perform their duties effectively. The University organises training courses in-house and the cost of these courses is borne by the University. Where it is necessary for staff to travel in order to

attend these courses, any travel and subsistence expenses incurred may be claimed as business expenses under the rules indicated in the "[Travelling expenses](#)" and "[Subsistence](#)" sections of this manual.

68. Additionally, at its discretion, the University may bear the cost of external training courses. The University may agree to meet the cost of courses where the training leads to the acquisition of knowledge or skills, which are necessary for the duties of their employment or directly related to increasing effectiveness in the performance of the member of staff's present or prospective duties. Where either of these conditions is met the University may agree to bear the cost of the course fees. Any such courses must be approved in advance by the member of staff's Head of Department, whose department will generally have to meet the cost, in whole or in part, from the Department's budget, and, if appropriate, by the Head of the [Staff Development Unit](#). Heads of Department should normally have their course etc., approved by another member of their department who is a professorial grade (or equivalent) or by the Dean or Pro-Vice-Chancellor (or equivalent) responsible for the department.

Subsistence (including meetings and entertainment)

Daily Subsistence Allowance

69. Staff required to travel in the course of their work are entitled to claim the additional cost of meals taken on route. Only the costs of meals taken in the course of business journeys as defined under "Definition of Business Travel" (paragraph 41) will be paid by the University. Staff may claim either the actual, reasonable costs of food and drink taken en route supported by receipts or, as an alternative, scale subsistence expenses as follows. The payments should be claimed on the [Expenses Claim Form](#).

Staff who purchase a meal while away from both home and their normal place of work, being more than 4 miles away from both, may claim either:

- (a) Day Subsistence Allowance (lunch) - £6.00 providing they are absent from base for more than 5 hours, spanning one normal mealtime.
 - (b) Day Subsistence Allowance (lunch and dinner) - £10.00 providing they are absent for more than 10 hours, spanning two normal mealtimes.
 - (c) Day Subsistence Allowance (breakfast, lunch and dinner) - £15.40 providing they begin their journey before 7 am and take breakfast en route and they complete their journey home or to their normal place of work after 7 pm; and are absent from each for more than 12 hours spanning 3 normal meal times.
70. Subsistence claims that do not satisfy the 4 mile/minimum 5 hour absence rule will not be reimbursed.
71. Subsistence allowances may not be claimed by staff whose normal place of work is on campus, but are visiting the other University sites. Neither may subsistence allowances be claimed in respect of conferences or visits where meals are provided as part of the conference or visit.
72. Where the costs of research work, and associated subsistence costs etc. are funded by external organisations, any claims made by University staff in respect of travelling and subsistence expenditure must follow the procedures set out in these Regulations. However, if specific per diem rates are proposed by the sponsor in the contract the University will reimburse these rates provided that the [Expenses Team](#) are provided with the following:

- a) copy of the agreement stating that the rates paid are within Inland Revenue Guidelines,
AND
- b) a copy of the agreement forwarded to the [Expenses Team](#).

73. University staff in receipt of such sponsorship should request the sponsor to reimburse the University directly. If however the sponsor reimburses the member of staff directly, that member of staff should pay the funds to the University without delay.

Incidental Expenses

74. The University pays [daily subsistence allowances](#). These are paid tax-free providing the qualifying criteria are met (paragraph no.69-73). Where a lesser sum is actually incurred, the member of staff may claim the actual cost incurred without the requirement for receipts, providing the qualifying criteria are met.

Foreign Visitors

75. Claims for the payment of a subsistence allowance to foreign visitors must be accompanied by a statement indicating the period it covers and how it is intended the money is to be spent. In the event that the visitor is unable to collect and sign for the money in person, a receipt signed by the visitor must be forwarded to the Finance Department.

Out of Pocket Expenses

76. The University will meet the cost of reasonable out of pocket business expenses as described under "Incidental Expenses" – paragraph 74 above for which it is not possible to obtain receipts. Examples of such expenses are parking costs (but not parking or other driving related fines), tube, tram and bus fares and telephone calls. Claims must be limited to the actual amount of expense incurred. All items claimed should be on the [Expenses Claim Form for staff](#). Whenever possible receipts should be obtained.

Meetings – University Staff and Students only

77. With the exception of the circumstances described in paragraph 78 and 82 below, where meals are taken exclusively with other staff or students of the University, the University will not reimburse the costs incurred.

78. It is recognised that occasionally Heads of Department may need to arrange formal meetings with colleagues in their department to discuss items of strategic importance to the department. For such meetings to be treated as an exception to paragraph 77 above, it will be necessary for all of the following criteria to apply:

- a) the meetings must relate to the strategic operation of the Department and/or the University.
- b) the meetings must be of a formal nature and have a specific agenda including tactical, development and management issues which need to be discussed in detail.
- c) the number of such meetings must be limited to no more than twelve a year.
- d) a record must be kept of the nature of the meeting and those attending, justifying its special and exceptional nature and thus allowing the exception.
- e) the meetings must, for bona fide reasons, continue before, during and after lunch, and/or an evening meal.
- f) the meals must be provided by the University's [Accommodation and Commercial Services](#).
- g) expenses incurred where such meetings take place other than on University premises, such as a restaurant, will not be reimbursed. The costs are regarded as

personal costs to be paid by those individuals attending. If a meal is included in a package provided by an external supplier/venue host for a formal meeting/"Away Day" then this is an allowable element of the overall cost.

79. Light refreshments (tea, coffee and biscuits) provided by the University's [Accommodation and Commercial Services](#) during a meeting are an acceptable expense and the costs may be reimbursed accordingly.

Hospitality, Entertainment and Meetings with External Stakeholders

80. It is recognised that University staff will be involved in business meetings, hospitality and entertainment with external stakeholders and this may include incurring cost of food and drink to be funded by the University.
- (a) Necessary and reasonable University costs (including gratuities) in respect of such events with external stakeholders/visitors/business contacts will be reimbursed via expenses or accepted as legitimate costs charged to a University Purchasing Card on the production/submission or retention in the Department of original VAT receipts providing robust evidence for the expenditure.
 - (b) For this purpose, business contacts and external stakeholders do not include other staff of the University or any associated organisation.
 - (c) In all cases and regardless of whether the costs are subject to an expenses claim or have been charged to a University Purchasing Card or paid via normal supplier invoice, the following information must be shown on a [Hospitality form](#).
 - (i) The name(s) of all attendee(s);
 - (ii) The organisation(s) which they represent; and
 - (iii) The purpose of the meeting, hospitality or entertainment (for example, "negotiation of contract").
 - (iv) Full details must be provided irrespective of the payment method, including the University paying the restaurant/supplier directly via invoice.

The ratio of staff to external stakeholders/business contacts/visitors must not exceed 6:1 provided that the people present are directly relevant to the occasion or meeting. In exceptional cases, events where the ratio would be greater than 6:1 must be notified to the Tax Office within the Department of Finance with a written explanation.

Failure to provide the details required and to complete the list of attendees, indicating whether they are staff, students or external stakeholders/business contacts/visitors, will result in the costs incurred being treated as personal costs and outside these Financial Regulations.

- (a) Expenses claims submitted without the full information will not be reimbursed;
 - (b) If the expenses have been charged to a Purchasing Card the staff member will be asked to repay the relevant amounts to the University;
 - (c) If costs have been reimbursed the staff member making the expenses claim or charging the cost to their Purchasing Card will be treated as receiving the benefit of those expenses and will incur a personal charge to tax and National Insurance Contributions for the total expenditure.
81. Similarly, where business contacts are provided with food and/or drink at meetings, hospitality or entertainment in the University's dining rooms or other University catering facilities, the host employee must enter details as at (c)(i) to (iv) in paragraph 80 above, on the internal trade purchase order within uBASE.

82. Departments may occasionally “entertain” their students/relatives of students provided that the expenditure arising will be modest:
- (a) The cost must not be greater than £10 per person; and
 - (b) Wherever possible the food and refreshments will be provided by the University’s [Accommodation and Commercial Services](#).
 - (c) Examples of such events are; Introduction or Open Day meetings and Graduation meetings. On such occasions it will be sufficient to indicate the number of students/relatives of students together with the names of all staff that attend.

83. Hospitality and Entertainment may only involve University staff exclusively in the following circumstances:

Annual department events

- (a) A department may consider social events for staff a worthwhile motivational exercise and the University will allow Heads of Department to arrange to entertain the staff in their department. The requirements are that:
 - (i) the events must be regular, annual events open to all department staff to attend; and
 - (ii) the cost is no greater than £50 per person; and
 - (iii) this can be met from within the department’s existing budget allocation.
- (b) In order to give greater flexibility departments may hold more than one event per year, provided all the conditions above are met for each event and the overall cost limit of £50 per person per year for all such events is not exceeded and operational needs are not compromised.
- (c) The Authorised Financial Officer should be informed if and when such an event is arranged so that it can be duly recorded to ensure that no tax or NIC liabilities arise. Guidance is available [here](#).

Retirement events

- (a) The University will allow Heads of Department, at their discretion, to provide refreshments in respect of presentation ceremonies held to mark the retirement, departure or long service of individual staff in their department provided that the cost is no greater than £10 per person and it can be met from within the department’s budget. Guidance is available [here](#).

In all other circumstances non-University people must be present in accordance with paragraph [80](#) above.

84. It should be noted that costs that are incidental to business entertainment costs, for example, the cost of a taxi to a restaurant where a guest is to be entertained, should be categorised as business entertainment.

Gifts

85. Flowers and gifts for members of staff or retiring members of staff should not be purchased from University funds. The only exceptions should be long service awards (meeting Inland Revenue rules) and flowers or charitable donations in respect of the funeral of a (former) member of staff.

86. Small Gifts or token gestures of the University's gratitude may be made to external stakeholders/business contacts/visitors at the discretion of the Head of Department, providing that:
- (a) the cost is no more than £50.00 per person (Including VAT);
 - (b) the item is **NOT** food or drink; **AND**
 - (c) the item purchased shows the University logo or is clearly connected to the City or Region. E.G. "Made in Sheffield" type gifts.

If these conditions are satisfied no tax implications will be incurred by either party.

Petty Cash

87. Petty Cash Vouchers are to be used only for small items of actual departmental expenditure (not individual expenses). The maximum amount that may be claimed in respect of any single item through the petty cash system is £35.00. Any item claimed on a Petty Cash Voucher must be fully described and a receipt attached, wherever the supplier can reasonably be expected to provide a receipt. Guidance on petty cash is available [here](#).

All other expenses must be claimed on the [Expenses Claim Form for staff](#)

University Purchasing Cards

88. The University will, at its discretion, arrange for a [University Purchasing Card](#) to be provided for each member of staff for whom it is considered such a facility would be useful. Application forms for a University Purchasing Card are available from the [Purchasing Card team](#) and will need to be appropriately authorised.
- (a) Where such a card is provided it is to be used only for the purchase of goods or services in connection with authorised University business, and against budgets for which they have authority to make purchases.
 - (b) Full details of the nature and purpose of each item charged to the Purchasing card, together with original receipts (not photocopies or credit card slips) or other supporting documentation should be provided to the departmental administration team.
 - (c) Wherever possible, University Purchasing Card holders should use this method of payment in preference to submitting an expenses claim. University Purchasing Card holders who submit expenses claim forms must include an explanation of why the University Purchasing Card was not used on that occasion (e.g. taxi fares where payment by card is not accepted).
89. These Financial Regulations and expense claim procedures described above must be followed in respect of all Purchasing card expenditure.
- (a) The Head of Department is responsible for authorising or delegating authority for expenses claims; and
 - (b) Must ensure that a similar process of authorisation or delegated authority is in place for Purchasing Card transactions.
 - (c) Supporting evidence to validate the expenditure must be present and, where the costs relate to Hospitality, Entertainment or Meetings with external stakeholders, a [Hospitality form - FIN/HOS/1](#) must be completed and retained with the VAT invoices/receipts.

Professional Subscriptions

90. The University will bear the cost of annual professional membership subscriptions approved by the Head of Department. These should be approved membership subscriptions that are in furtherance of the University's teaching and research activities.

Club membership subscriptions shall not be reimbursed.

Purchase of Publications

91. The University will make available to staff publications that in the view of the person authorising invoices are necessarily used in the performance of the member of staff's duties. All subscriptions to academic and other journals must be paid through the Purchase Ledger Section on the production of an invoice. If a journal subscription is, either only available to a member of a body, or evidence is provided indicating that a personal subscription is cheaper, such costs may be reimbursed.

Social Events and Sports Clubs

92. The University has an established sports centre for the benefit of students and staff, details of membership can be obtained from [Sport Sheffield](#). All staff have access to these and other subsidised social facilities. Information concerning the activities of the clubs is issued to staff from time to time by the clubs' organisers. No taxable benefit arises from the provision of these facilities.

Mobile Telephones

93. Where it is necessary for business purposes to provide car phones or mobile telephones to staff for the proper performance of their duties of employment, the University will make arrangements for the acquisition and installation of the equipment and will pay all costs, including call costs. All purchases of mobile phones, including both "Pay as you go" and regular contract mobile phones, should be carried out via the [Procurement Office](#), and shall not be purchased or arranged directly by the Department.
94. It is University policy that no private use is made of this equipment except in emergencies. Where emergency private use is made of the equipment, the member of staff will refund to the University the cost of all private calls.
95. The University will not reimburse staff for hiring, leasing or purchasing such equipment of their own, irrespective of whether the equipment is installed in a University vehicle or in a member of staff's private car, or neither. The University will meet the cost of business calls incurred by staff using such equipment, provided detailed evidence of the costs is supplied with the claim form.
96. No tax or NIC liability arises in respect of mobile telephones where the rules are followed.

Home Telephone Costs

97. Staff who are required to make business calls using their home telephone should claim reimbursement of such call costs by entering the amount to be claimed on the . The University will not bear the cost of any part of the rental of a home telephone nor of any private calls. Such costs must be deducted from the total of each bill and only the net amount, representing only business calls (and the VAT thereon), should be included on the [Expenses Claim Form for staff](#).

98. Where individuals have the prior agreement of their Head of Department to have a dedicated line installed for business purposes only, in order to allow PC connection to the University network, provided that no private use is made of such a line, then it is deemed to be non taxable and will not be reported as a benefit at the tax year end.
99. The University will pay the telephone rental of members of staff who are on standby for emergency call outs where a threat to life may exist. The individual will reimburse the University the cost of any private telephone calls made. At the end of each tax year the total bills paid and contributions made by individuals will be reported to the Inland Revenue.

Employers' Liability Insurance

100. The University provides insurance cover for its staff against claims that may be made by third parties for personal costs and financial losses arising from their employment duties, including those for actual or alleged breach of trust, neglect or error in carrying out their work. Losses and costs arising from actions outside the scope of employment duties, such as actions that give rise to convictions for fraud, dishonesty or malicious conduct are not covered. The Certificate of Insurance is available [here](#).
101. No tax or NIC liability arises in respect of the premium paid by the University in providing this insurance. Similarly, no tax or NIC liability arises in respect of any payment made to the member of staff either by way of proceeds of a claim made under the policy or by way of direct reimbursement by the University under its Charter.

Relocation Expenses

102. A contribution towards the costs of relocation may be offered to newly appointed staff taking up an open ended contract at University Grade 7 or above. Confirmation of the amount of any contribution to relocation costs will be provided by [Human Resources](#) with the letter of offer. Detailed guidance on reimbursement of the costs of relocation, and repayment terms, is available [here](#).

In the event of an individual leaving employment earlier than anticipated [Human Resources](#) will seek repayment of relocation costs previously reimbursed to the employee.

Where an employee leaves the University early they are required to contact Human Resources to arrange reimbursement to the University of the relevant proportion of relocation costs they have claimed.

Previously reimbursed costs must be repaid to the University by the employee before leaving the University's employment as follows:

Date of departure	% of relocation costs to be reimbursed to the University of Sheffield
Departure during first year	100%
Departure during second year	75%
Departure during third year	50%

Reimbursement of Eye-Test and Spectacle Costs

103. Details of the University's policy on DSE Eyesight Tests and Corrective lenses are provided on the [University Staff Occupational Health web pages](#). Claims for eyesight test and/or corrective lenses which fall within this policy should be made on the [Expenses Claim Form for staff](#) signed by an authorised signatory.

The University will contribute to the value of £50 for the eyesight test and corrective lenses provided solely for DSE use. The University is not required to reimburse members of staff for the cost of corrective lenses for any other eye defect. If a member of staff wishes to incorporate lenses for DSE work into other prescriptions, costs associated with this will not be reimbursed.

Uniforms/Protective Clothing

104. The University will provide uniforms at an annual cost, which must not exceed £200 per annum, for the following categories of staff. The University will arrange this provision of clothing and details are as follows:

Porters/security staff

- A “police style” uniform consisting of jacket, trousers, shirt overcoat etc.

Receptionists

- 1 jacket and skirt/trousers per annum
- 3 shirts/blouses per annum

Catering managers, hall managers, housekeepers

- 1 jacket and skirt/trousers per annum
- 3 shirts/blouses per annum

All of the clothing referred to above shall carry a visible permanent University logo.

Protective Clothing for Other Staff

105. The University is obliged to make risk assessments for all jobs and to provide equipment necessary for health and safety. Provision of protective clothing for departmental staff, laboratory technicians, assistants etc., includes the following:

- safety helmets where required;
- goggles/ reinforced spectacles where necessary;
- overalls;
- ear protection;
- respirators/ breathing equipment where necessary;
- heat resistant clothing including heavy duty and/or heat resistant gloves; and protective footwear.

106. The provision of protective clothing referred to above is geared to work undertaken by relevant staff, which can also include management and administrative staff in circumstances where they are required, in the performance of their respective employment, to visit laboratories or other University premises where for health and/or safety reasons they will be required to wear protective clothing.

University Assets (Equipment)

107. University equipment may only be removed from the University’s premises, or used for non-University purposes, with the written authority of the Head of Department and within a specified time scale. All equipment should be returned to the University in accordance with this time scale or prior to the last day of employment of staff who terminate their employment.
108. University equipment will only have insurance cover in the homes of staff (or students) if arrangements have been made with the [Insurance Office](#) by the department concerned for the equipment to be insured under the Permanent All Risks Policy. This University

insurance cover is available for laptop computers but not for standard personal computers, for which insurance cover should be arranged under an individual's household policy.

109. All assets that are purchased with funds from an external sponsor are owned either by the University or by the sponsor, according to the terms of the contract, and not by the member of staff who obtains the funding.
110. No member of staff may borrow money from the University, except in special circumstances approved by the Vice-Chancellor and the Authorised Financial Officer.

Need help or more information? Who to contact

For further guidance on this manual get in touch with the [Expenses Team](#) or the named Finance Managers or Procurement Officers for your [Academic](#) or [Professional Services](#) Department.

Or, if you have general topic related queries, then please contact:

- [Cash Office](#)
- [Purchasing Card Team](#)
- [Expenses Team](#)
- [Insurance Office](#)
- [Tax Team](#)

Feedback

If you have any feedback about this document, the University's Financial Regulations or suggestions for topics to be covered by new Financial Advice Notes, please use the feedback form available from:-

<http://www.sheffield.ac.uk/finance/regulations/feedback>