Expenses Policy - Externals

London Campus

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1. Introduction

ESCP Europe Business School will reimburse reasonable expenses incurred by Externals. Expenses will be paid in accordance with the principles set out in this Expenses Policy.

Externals are (list not exhaustive):

- Visiting Lecturers;
- Guest Speakers;
- Invigilators;
- External Examiners;
- Research Assistants.

Travel accounts for a significant proportion of the School's running costs, and we are required to ensure that this money is disbursed in accordance with a policy and procedures aimed at fairness and good value for money.

We also need to demonstrate to HM Revenue & Customs that adequate controls are in place to ensure compliance with tax and NIC obligations.

Externals must present original receipts clearly showing:

- The purpose of the business expense
- Details of the business expense (date, location, etc.);
- The amount paid or reimbursed for the journey.

Credit card statements aren't considered valid proof of purchase for business expenses. These types of records don't contain enough information to be accepted by the Tax Authorities.

Failure to comply with these arrangements could result in an expense not being authorised.

2. Policy

Externals must adhere to this Policy when incurring travel and associated expenditures on behalf of the School.

Externals will be reimbursed for the actual travel and associated expenses incurred solely and necessarily in performing their duties. Expenditure should be reasonable, necessary, and represent value for money.

Claims for reimbursement should be made as soon as possible, and **no later than 4 months after the expenditure is incurred**.

Expenses should be submitted using the Expenses Claim Form.

Expense claims are subject to audit by government agencies, internal and External auditors and other sponsors. Thorough documentation and expense accounting are essential.

Failure to comply with this Policy may result in reimbursement being delayed or declined. It is expected that this Policy will provide External stakeholders with the necessary guidance to make properly prepared and authorised claims. Following the Policy should help avoid delays in reimbursement and minimise the possibility of further enquiries from Finance, Auditors or HMRC.

Submitting or attempting to submit a false claim will be treated as a serious disciplinary offence.

The School is committed to the highest standards of openness and accountability and is committed to carrying out its academic and business functions in an honest and ethical manner.

The School is committed to the prevention of Bribery and to observing the provisions of the Bribery Act 2010, and will not tolerate bribery or other improper conduct, both within the UK and abroad, by Externals or other individuals or organisations which perform services for or on behalf of the School.

3. Procedures

Definition of Business Travel

The following rules apply in determining which journeys may be regarded as business travel:

A business journey is one that an External necessarily undertakes to carry out his or her duties for the School.

Expenses incurred during a business journey may be reclaimed from the School, subject to the rules and limits set out in these Procedures. The claimed amounts generally do not attract tax liability.

Travel Bookings

All travel should be booked directly by the External. Where possible, Externals should plan trips to take advantage of reduced fare opportunities, including but not limited to:

- Excursion fares;
- Promotional fares; and
- Fares with restrictions, which can be accepted for the planned trip.

Use of Personal Vehicles: Use of a personal vehicle is permitted within the UK when no other transport options are available. Externals who use their own vehicles on School business must ensure they hold a valid driver’s license, maintain insurance for business use, and that their vehicle is roadworthy. Mileage reimbursement will be calculated in accordance with HMRC regulations using recognised route planners and will not require receipts for petrol. All mileage rates are compliant with HM Revenue & Customs. The School will not be responsible for any traffic offence violations, speeding or parking fines, or other costs incurred whilst on School business.

Claims for Actual Expenditure

All claims for business travel and expenses must be submitted on an expense claim form, relate to the actual expenditure incurred, and be supported by original receipts. All expense claims will be monitored by the Finance Department to ensure they remain within acceptable limits. However, the mileage rates for use of a personal vehicle are those agreed with HM Revenue & Customs and will be paid per mile in full, without the need for supporting receipts (e.g. for petrol). Mileage will be checked using a recognised route-planner website, such as the AA's, but allowance will be made for journeys taken on the motorway where a longer mileage is incurred for convenience or speed.

List of acceptable receipts – not exhaustive:

- Restaurant bill
- Hotel invoice
- Taxi receipt
- Supplier invoice
- Public transport:
    - In London: Oyster card top-up is not acceptable; you must print out your travel history from the Oyster website and you will only be reimbursed the amount actually spent;
    - Other cities: If single tickets are purchased, tickets will need to be kept.

Expense Reimbursement Process

Reimbursement of expenses will be processed via payroll or on an invoice:

- Payroll: Claims should be submitted via our dedicated form.
- Invoice: Claims should be submitted via our dedicated form, with a line added to the related invoice for services. **Please note that a PO reference will be provided by the PO office and should be added to the invoice.**

4.Travel

Air Travel

This policy outlines the guidelines for booking flights related to School travel. The aim is to ensure that External parties book cost-effective flights that meet the business's needs.

Maximum Allowable Expense:

- The maximum allowable expense for any single round-trip flight is **£1,500**.
- This cap includes all associated costs, such as base fare, taxes, and mandatory fees.

Booking Guidelines:

- External should book flights as early as possible to secure the best rates;
- Economy class should be the default booking class;
- Premium Economy will be accepted for flights above 7 hours. However, when a flight is intercontinental, the School may request that the journey be made in economy with a stopover rather than in premium economy;

Train

Class of Travel by Train (Domestic)

Standard class should be used in all normal circumstances. Should travel time be less than 3 hours, train must be taken unless plane option is cheaper.

Class of Travel by Train (Eurostar)

For Eurostar travel, Standard class is the default and approved class.

General Reimbursement Rule (All Transport Types) - Higher Class Bookings

Travel must be booked in the approved class of travel as defined in this Policy.

Tickets booked in a class **higher than the approved class of travel will not be reimbursed**, except in the following circumstances:

Cheaper Fare Exception

If the traveller can demonstrate that a higher class of travel was cheaper than the approved class at the time of booking, reimbursement may be considered.

Evidence must include a clear screenshot showing:

- date and exact time of the search
- journey details
- prices for both the approved class and the higher class

Personal Preference

Where a higher class of travel is chosen for personal preference, reimbursement will be limited to the cost of the approved class of travel, provided that a clear screenshot is supplied showing the approved class fare available at the same time of booking (see evidence listed above).

<u>Any cost above the approved class of travel fare will be borne by the individual.</u>

Public Transport Expenses

Public transport should be used in all normal circumstances.

Taxis

Taxis are only to be used exceptionally (e.g. when travelling before 07.00am or after 7.00pm, when transporting heavy luggage or equipment, where public transport abroad is excessively complex/unfamiliar/lengthy or where the time involved is excessive). In London (see below) and Paris, taxis should not normally be required except during early/late hours as stipulated.
All taxi receipts must state the departure location and time as well as the arrival location and time. Receipts without sufficient information will not be reimbursed.

Travel to Heathrow from central London: Taxi is allowed if travelling with colleagues. When travelling alone, Externals should take the underground or a tube to Paddington and thereafter, the Heathrow Express, or Heathrow Connect to LHR. The only exception to this is prior to 7 am and after 7 pm.

Travel to Gatwick from central London: Taxi is allowed if travelling with colleagues. When travelling alone, Externals should use the Thameslink rail service from the School or take a tube to Victoria and thereafter, the Gatwick Express to LWG. The only exception to this is prior to 7 am and after 7 pm.

Should an External choose to use taxis to reach a specific destination in lieu of public transport, it is the individual's responsibility to provide evidence of the relative cost of the trip compared to public transport. The excess will be charged to the individual.

5. Accommodation

Hotel accommodation will be offered to External who would otherwise be required to depart from their home address prior to 6:00 am, in order to arrive at the School at the agreed time. Estimated journey times will be based upon the use of public transport. Hotel accommodation will normally be arranged and paid directly by the School. Accommodation costs may only be claimed on the expenses form in exceptional circumstances.

The School does not encourage the use of AirBnB as it cannot guarantee meeting its duty of care requirements to ensure the Traveller's safety for this type of accommodation.

Hotel accommodation varies per location and is demand-driven. Therefore, the figures quoted are stated as a maximum value, and all Externals are expected to book the more cost-effective accommodation. If a person on School business is required to stay away overnight and chooses to stay somewhere other than a hotel or equivalent (e.g. with friends or colleagues), the School will not reimburse any notional accommodation costs.

- Allowance for hotels are as follows:
    - National: £130 maximum
    - Continental Europe: £175 maximum
    - Rest of the world: HMRC benchmark will apply – see full list here
- Minibars, newspapers, pay TV, coffee breaks/snacks/drinks aside from meals will not be accepted as business-related expenditures. Parking charges will be accepted

6. Meals

Maximum Allowable Expense:

- **Breakfast:** max £15 per person for an overnight stay or departure before 6.00 am (train or flight), unlessthe hotel breakfast charge is higher.
- **Lunches:** max £25 per person.
- **Dinner:** max £40 per person if leaving after 8.00 pm or if staying overnight.
- Card payment slips alone (e.g. VISA or Mastercard receipts) are not acceptable without an itemised restaurant or hotel receipt.

7. Telecommunication & Incidental Expenses

Telecommunication

Within EU Zone Externals can claim mobile roaming and data charges up to their mobile provider's maximum daily amount. Externals are expected to choose the most cost-effective plan or option available from their provider. The total amount claimable for mobile roaming and data expenses is capped at £45 per calendar month per External. External must submit detailed receipts or itemised bills from their mobile provider showing the charges incurred for business-related mobile roaming and data usage.

Phone calls or internet use **outside of the EU Zone** may be claimed up to a maximum of £10 per day, subject to the provision of detailed, itemised receipts – the use of free Wi-Fi connections should be used whenever possible to make such expenses increasingly unnecessary.

Incidental Expenses

Externals can claim reasonable incidental expenses incurred while travelling for business purposes up to:

- UK - £5 per 24-hour period
- Overseas - £10 per 24-hour period

Reasonable incidental expenses include:

- Business-related phone calls;
- Internet use outside of the EU zone; and
- Laundry costs (to be claimed if necessary and/or the cost is reasonable and appropriate).

All claims should be supported with detailed receipts.

8. Travel Insurance

The School's insurance policy covers consultants, External examiners and other non-employee service providers travelling on School business – note that this does not cover personal cars when used or insurance (which is the responsibility of the External).
Income Tax Liability on Travel and Incidental Expenses.