



## EXPENSES POLICY

APRIL 2024

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### 1 Introduction

- 1.1 This policy is designed to ensure that LPC Members, LPC Employees and designated persons appointed to represent the LPC are not penalised financially and do not lose employment income, when undertaking LPC activities.
- 1.2 LPCs and LPC members are subject to tax legislation and HMRC guidance, in particular, the Income Tax (Earnings and Pensions) Act 2003. LPC members' daily allowance claims must be paid by PAYE, unless paid direct to the LPC member's employer, or the contractor that the LPC member represents, **in accordance with HMRC rules for those in professional practice** <https://www.gov.uk/hmrc-internal-manuals/employment-income-manual/eim01125>
- 1.3 Any breach of this policy will be referred to the LPC for consideration.
- 1.4 This policy and any rates are reviewed annually at the first LPC meeting of the financial year.

### 2 Chargeable occasions

- 2.1 Chargeable occasions covered are
  - 2.1.1 The underlying principle is that expenses are payable for occasions where LPC Members are working on behalf of LPC and have been requested to do so by the LPC or Chief Officer.
  - 2.1.2 Claims are payable for the following events (face-to-face or virtual):
    - i. LPC and LPC subcommittee meetings
    - ii. LPC Conference
    - iii. Regional LPC meetings, whether organised by PSNC or established regional groups
  - 2.1.3 Claims for other meetings must be authorised in advance by the Chief Officer.
- 2.2 Members' requests to attend training/conferences on behalf of the LPC, or the need for accommodation while on LPC business, or authorisation for single items of expenditure above £500, must be approved in advance by a full meeting of the committee. If the schedule of meetings does not allow for this, applications must be approved by a panel comprising the Chair, Treasurer and Chief Officer. That approval must be reported back to the next meeting to be included in the minutes of the meeting.

### 3 Submission of claims

#### 3.1 Members are expected to:

- 3.1.1 Prior to submitting any claims, LPC members and designated persons appointed to represent the LPC must provide the necessary details of their employer or contractor, or relevant details, as appropriate, for claims to be paid, or assist the LPC to set up PAYE arrangements for claims to be paid. **Written assurances that daily allowance payments will be declared to HMRC as professional income may be required.**
- 3.1.2 Submit claims as soon as possible, within six months of the expenditure (unless otherwise agreed with the Committee or subcommittee comprising the Chair, Treasurer and Chief Officer) and within one month of the end of the financial year.
- 3.1.3 Provide original invoices, receipts or itemised bills, to support all expense claims or if scanned and submitted electronically, **original receipts should be retained** and the LPC reserves the right to inspect them.
- 3.1.4 If the expenses are paid by another person, for example, the employee's company, they may not be claimed by the individual.
- 3.1.5 Submit claims on the attached form in a manner that is clear, understandable and auditable and in a format that is acceptable to the Treasurer. A sample form is available in appendix 1.
- 3.1.6 The LPC reserves the right not to pay claims submitted outside these submission guidelines, or outside the terms of the policy.
- 3.1.7 The Business Support Officer is required to question claims which fall outside of the policy and seek additional consideration from the LPC.

### 4 Authorisation/Limits

- 4.1 Once the expense claim form is complete, the claimant must sign the declaration. Single items of expenditure or activity exceeding £500 must be approved in advance.

### 5 Payment process

- 5.1 Claims will be paid by BACS.
- 5.2 Claims will normally be processed for payment within 30 days.
- 5.3 Expense claims (genuine expenses incurred by the individual) may be paid direct to the individual LPC member and not through PAYE.
- 5.4 For LPC members who are:
  - 5.4.1 **Employees of a contractor member** - daily allowance claims **MUST** be paid by PAYE unless paid direct to the LPC member's employer or the contractor the LPC member represents.
  - 5.4.2 **Contractors (in professional practice – companies; partnerships and sole traders)** - daily allowance claims **MUST** be paid by PAYE unless paid direct to the contractor's retail pharmacy business.
  - 5.4.3 **Representatives of a contractor member and designated persons appointed to represent the LPC** - daily allowance claims **MUST** be paid by PAYE unless paid

direct to the contractor's retail pharmacy business. An exception is a locum in professional practice if the daily allowance is part of the professional income.

5.4.4 **Retired or non-working representatives of a contractor member** - must be paid by PAYE (because the payment is not for lost professional/employment income).

5.5 Any attempt to submit a false expense claim will be treated as a serious offence and will be dealt with in accordance with the LPC's Disciplinary Procedures and Rules for the Conduct of Committee members and employees.

## 6 Rates

6.1 Current rates for face-to-face meetings set at:

6.1.1 The current evening LPC meeting rate (for any meeting which commences after 6pm) is £40 per meeting. The rates are reviewed and agreed annually at the first meeting of the financial year.

6.1.2 For meetings or seminars attended on behalf of the LPC the member will either be paid for locum cover OR individual payment, at the following rates:

- i. LPC daytime meetings and meetings attended on behalf of the LPC will be paid at a rate of £35 per hour.
- ii. Standard locum rate, unless otherwise specified, will be up to £35 per hour for the exact hours normally worked up to a maximum of 10 hours per day.

6.1.3 The LPC will meet the costs incurred by any members if an external company (ie NHSE) cancels a meeting at short notice, with the following conditions:

- i. If the meeting is cancelled more than 5 working days before then no payment will be made.
- ii. If locum cover has been booked, the members should make all reasonable attempts to cancel the booking and the appropriate evidence should be forwarded to the LPC office.
- iii. The LPC may request the cancelling party to meet the costs incurred.

6.1.4 The daily allowance is reviewed annually by the LPC considering prevailing locum rates.

6.2 Travel/Transport

6.2.1 As of April 2011, the rate is £0.45/mile for the first 10,000 miles and £0.25 per mile thereafter irrespective of engine size. The mileage rate is determined by HMRC.

6.2.2 Only reasonable mileage claims are paid, for example, within the LPC area or within the immediate area around the LPC area; subject to the discretion of the Committee.

6.2.3 Any other travel should be by the most cost-efficient means, for example, second-class advance rail fares; only in exceptional cases will open fares be considered reasonable expenses.

6.2.4 Travelling committee members and employees should avoid the use of taxis unless alternatives are not available or are impractical. The use of cost-effective public transport or hotel courtesy buses is encouraged whenever possible. Where alternatives are not available, the cost of taxis may be claimed on an

expenses claim. Claims must be supported by receipts.

### 6.3 Parking and Tolls

6.3.1 The LPC will reimburse parking and toll costs for business travel away from home and Committee members' normal place of work when supported by a receipt/ticket. The LPC will not pay any type of parking penalty notice or similar penalty.

### 6.4 Accommodation

6.4.1 Accommodation may be claimed if members are required to attend a location on LPC business and this location is sufficiently far away from home or normal place of work (and the LPC area) to make a return journey unreasonable. This must be authorised in advance.

6.4.2 Without prior authorisation, daily limits for overnight accommodation are up to £190 per room per night for a single standard room with en-suite facilities to include breakfast.

6.4.3 If commitments require evening travel and/or accommodation, then a meal/breakfast/soft drinks up to a maximum value of £30 may be claimed if required. Alcohol expenses will not be reimbursed.

6.4.4 All relevant receipts must be submitted with the expenses claim

## 7 Preparation Time

7.1 It is recognised that part of the role of the LPC members is to read documents and prepare for meetings. The LPC Officers may consider paying for preparation time when a member has been asked to undertake specific projects on behalf of the LPC.

NOTE: The aim for payable preparation time allowance is when the LPC asks a member or a group of members to read through a large document and respond/present on behalf of the LPC. The committee or its officers, at the time of request, will make the decision as to the merits of this allowance. The allowance will be based on reasonable time to produce the expected outcome.

## 8 Miscellaneous

8.1 Expenses defined as 'reasonable' are those that are cost effective when weighed against the purpose of the business activity. Members are responsible for the settlement of any business expenses incurred and for reclaiming these costs through the process set out in this document. Any breach of this policy will be referred to the Committee for consideration.

8.2 When incurring business expenses, committee members and employees are expected to

8.2.1 minimise costs without impairing the efficiency of the LPC; and

8.2.2 avoid unnecessary cost

8.3 In general, reimbursement of allowable business expenses will only be made on the production of receipts or invoices.

8.4 Other legitimate claims will be considered by the Committee.

8.5 This policy does not apply to LPC members where their time spent on LPC activities is more than 'insubstantial' compared to carrying on their professional practice.

## 9 Non-Allowable Expenditure

9.1 Non-allowable expenditure, as detailed below may not be claimed, charged to the LPC or reimbursed to committee members and employees in any circumstances\* or by any method. This includes by purchase order, direct invoice, expenses claim or petty cash.

9.1.1 Travel club membership – giving access to lounges, complimentary drinks etc.

9.1.2 Alcoholic drinks – other than when part of the reasonable cost of food and drink detailed above

9.1.3 Leisure club treatments

9.1.4 Miscellaneous hotel charges

9.1.5 Mini bar alcoholic drinks and snacks

9.1.6 Video/TV charges

9.1.7 'no show' costs

9.1.8 Spouses'/Partners'/Children's' travel costs

9.1.9 Parking fines

9.1.10 Floral gifts – other than on the death or serious illness of an employee and committee members and employees partner or child\*

9.1.11 Confectionery

9.1.12 Gifts of a personal nature

9.1.13 Retirement/leaving gifts\*

9.1.14 Personal subscriptions to Professional Bodies\*

9.1.15 Personal items – including toiletries, clothing, luggage, books, videos, CDs, magazines etc.

\*except by prior approval of the Committee

## 10 Disclosure

10.1 Members expenses may be made available to contractors or disclosed in accordance with legal requirements, for example, in the LPC Annual Report.

## 11 Contact Details

11.1 Claims should be sent to Alison Williams, Business Support Officer, [alison@cpcw.org.uk](mailto:alison@cpcw.org.uk).

11.2 The LPC Treasurer is Ian Cubbin, [iancubbin@hotmail.co.uk](mailto:iancubbin@hotmail.co.uk).

Date approved 24 April 2024

Review date LPC meeting in April 2025