

Community Pharmacy Leicestershire and Rutland (CPL&R) Expenses & Daily Allowances Policy

1. Introduction

1.1 This policy is designed to ensure that CPL&R Members and designated persons appointed to represent the CPL&R are not penalised financially and do not lose employment income, when undertaking CPL&R activities.

1.2 CPL&Rs and CPL&R members are subject to tax legislation and HMRC guidance, in particular, the Income Tax (Earnings and Pensions) Act 2003. CPL&R members' daily allowance claims must be paid by PAYE, unless paid direct to the CPL&R member's employer, or the contractor that the CPL&R 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 CPL&R for consideration.

2. Chargeable occasions.

2.1 Chargeable occasions covered are:

- a) The underlying principle is that expenses are payable for occasions where CPL&R Members are working on behalf of CPL&R and have been requested to do so by the CPL&R or Chief Officer.
- b) Claims are payable for the following events (face-to-face or virtual):

- i. CPL&R and CPL&R subcommittee meetings
 - ii. CPL&R Conference (**This does not include AGM and the AGM is not a chargeable event*)
 - iii. Regional CPL&R meetings, whether organised by PSNC or established regional groups
- c) 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 CPL&R, or the need for accommodation while on CPL&R business, or authorisation for single items, 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:

- a) Prior to submitting any claims, CPL&R members and designated persons appointed to represent the CPL&R must provide the necessary details of their employer or contractor, or relevant details, as appropriate, for claims to be paid, or assist the CPL&R 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.**
- b) Submit claims as soon as possible, within one month 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.
- c) Provide original invoices, receipts or itemised bills, to support all expense claims or if scanned and submitted electronically, **original receipts should be retained**, and CPL&R reserves the right to inspect them.
- d) If the expenses are paid by another person, for example, the employee's company, they may not be claimed by the individual.
- e) 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.
- f) CPL&R reserves the right not to pay claims submitted outside these submission guidelines, or outside the terms of the policy.

3.2 Authorisation/ limits:

- a) Once the expense claim form is complete, the claimant must sign the declaration. Single items of expenditure or activity must be approved in advance. (*See point 2.2*)

3.3 Payment process:

- a) Claims will be paid by BACS.
- b) Claims will normally be processed for payment within 30 days.
- c) Expense claims (genuine expenses incurred by the individual) may be paid direct to the individual CPL&R member and not through PAYE.
- d) For CPL&R members who are:
 - i. **Employees of a contractor member** – daily allowance claims **MUST** be paid by PAYE unless paid direct to the CPL&R member’s employer or the contractor the CPL&R member represents.
 - ii. **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.
 - iii. **Representatives of a contractor member and designated persons appointed to represent the CPL&R** – 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.
 - iv. **Retired or non-working representatives of a contractor member** – must be paid by PAYE (because the payment is not for lost professional/employment income).

4. Rates

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

- a) Daily allowance = £300 and this equates to 10 hours (£150 for half day equates 5 hours).
- b) The daily and half day rate is equivalent to £30p/hour.
- c) The daily allowance is reviewed annually by the CPL&R considering prevailing locum rates.

4.2 Virtual meetings will be dealt with as follows:

- a) CPL&R meetings 100% of locum expense/daily allowance payable depending on the format, length and overall time commitment.

4.3 Travel/ Transport:

- a) As of April 2023, 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.
- b) Only reasonable mileage claims are paid, for example, within the CPL&R area or within the immediate area around the CPL&R area, subject to the discretion of the Committee.

- c) 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.

4.4 Parking and Tolls

- a) CPL&R 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 CPL&R will not pay any type of parking penalty notice or similar penalty.

4.5 Accommodation:

- a) Accommodation may be claimed if members are required to attend a location on CPL&R business and this location is sufficiently far away from home or normal place of work (and the CPL&R area) to make a return journey unreasonable.
- b) Accommodation must be approved in advance.
- c) If commitments require evening travel and/or accommodation, then a meal/breakfast/soft drinks up to a maximum value of £30 per person may be claimed if required. **Alcohol expenses will not be reimbursed.**
- d) All relevant receipts must be submitted with the expenses claim.

4.6 Business Calls:

- a) The cost of calls you make on CPL&R business can be reclaimed. You must provide details of the calls you have made by attaching an itemised bill with the business calls highlighted.

4.7 Miscellaneous:

- a) Other legitimate claims will be considered by the Committee.
- b) This policy does **not** apply to CPL&R staff (including Chief Officers). Refer to the CPL&R staff handbook for employees.
- c) This policy does not apply to CPL&R members where their time spent on CPL&R activities is more than 'insubstantial' compared to carrying on their professional practice.

5. Disclosure:

- a) Members expenses may be made available to contractors or disclosed in accordance with legal requirements, for example, in the CPL&R Annual Report.

6. Contact details of:



- a) Chief Officer (chiefofficer@leics-lpc.co.uk) in the CPL&R office to whom claims should be sent; treasurer@leics-lpc.co.uk of CPL&R Treasurer