

Summary of the Expenses Policy for Senior Managers

Please note that this summary does not apply to BBC Studios and Post Production, BBC Worldwide or BBC Performing Groups.

Important principles and how to claim

1. The BBC's Expenses Policy applies to all staff including the Executive Board and Senior Managers. This summary sets out the relevant extracts and higher limits (where applicable) that are most likely to apply to staff grade SM1 and SM2 and above, but they should be considered in the context of the entire policy (please see <http://explore.gateway.bbc.co.uk/expensespolicy/expensespolicy.aspx>).
2. Staff can claim for all necessary expenditure reasonably incurred in the performance of their BBC duties. The basis of expense claims will be actual expenditure up to limits as specified in this policy; limits will be reviewed annually.
3. Staff must pay for their personal expenses and claim them back; accounts payable should only be used to settle the cost of group events (excluding business entertaining) which exceed £1,000.
4. *Failure to comply with this policy may be treated as a disciplinary matter.*
5. All claims should be on e-expenses and should:
 - Be supported by original receipts or invoices (not debit/credit card receipts); these should be valid VAT receipts (i.e. with VAT number and name and address) where VAT is claimed.
 - State the purpose of the expenditure.
 - Include the names and companies for external guests and staff numbers for BBC staff, where hospitality is claimed.
 - Be authorised by a more senior manager who is familiar with your work schedule.
6. Claims should be made within three months.
7. Senior Managers are not required to seek pre-approval from their authoriser unless they propose to exceed the policy limits or as explicitly stated below.

Services provided and paid directly by the BBC

8. The guidance on rates and eligibility below also apply to services, such as air travel, booked through preferred suppliers which are settled directly by the BBC.

Travel

9. First class rail travel is not permitted. The only exceptions are where the passenger has a contractual arrangement to travel first class, for example on air talent where it is included in their employment terms and conditions, in which case the travel must be authorised in writing by the appropriate Controller or to secure sole occupancy of a sleeping compartment.
10. BBC travellers should use the lowest cost means of travel and fare.
11. Upgraded air travel, i.e. above economy, is not appropriate for journeys of less than four hours. For longer journeys upgraded travel may be justified for business need and in very exceptional circumstances, on health grounds. Examples of business need where upgraded travel might be appropriate include:
 - The necessity to travel with a contributor who has a reservation in a higher class.
 - To take advantage of an additional baggage allowance so reducing the total cost of travel.
 - Where seats are not available in a lower class.
 - Where it is at no extra cost to the BBC.
 - Where the traveller is expected to work straight after a flight of four hours or more.

All requests on health grounds need to be approved by the BBC Travel Health Clinics (please see <http://home.gateway.bbc.co.uk/myrisks/main.asp?page=4664>).

12. Personal travel as part of a business trip is discouraged, and in any event only allowed where such travel actually reduces the cost of business travel to the BBC e.g. staying a Saturday night to take advantage of a lower cost airfare. Where additional costs are incurred, e.g. Saturday night in a hotel, these must be met by the individual employee. Adequate private travel insurance must be held. Weekend accommodation will be paid where the traveller is unable to return home as part of a longer business trip.
13. If a member of staff is accompanied by a spouse or partner who is not involved in BBC business, the traveller must bear the cost of their spouse/partner. It is not permitted to downgrade the travel or accommodation booked in order to fund travel costs for a companion. If there is a business reason for a spouse or partner to accompany the BBC member of staff, this should be pre-approved in writing by the Divisional Finance Director and any additional costs incurred by the BBC for the companion will be treated as a benefit in kind. Spouses/partners not engaged or employed by the BBC are not covered by BBC insurance.
14. When travelling on business shuttle buses should be used where available. Otherwise public transport should normally be used. Minicabs or taxis can be booked through the BBC's preferred supplier for business purposes if it is the most cost effective means of transport. A final destination must be specified for all bookings. Travel by minicab or taxi is not ordinarily appropriate for journeys over 40 miles; the cost of the element over 40 miles will be deducted from salary and can be reclaimed via expenses if there is a genuine business reason.
15. You are expected to meet the full cost of all journeys between your home and your normal place of work. The only exception is if you have no means of getting to and from work in the early morning (start or finish time before 06.30) or late at night (start or finish time after 22.45), the BBC can provide transport, within 40 actual miles from your normal place of employment. When attending business functions that end after 22.45, Executive Board may book overnight accommodation instead of travelling home; such accommodation is a taxable benefit which will be met by the BBC.
16. If you have a BBC car for business use, or you receive cash or pension instead of a car, you will only be able to reclaim the mileage costs at the BBC issue car rates below:

Engine size	Up to 1400	1401-2000	Over 2000
Petrol	12p	15p	21p
Diesel	11p	11p	16p
LPG	8p	10p	14p

17. Incidental expenses such as car parking costs, road and bridge tolls are claimable as is the London Congestion Charge where there is a genuine business need to travel into Central London (i.e. congestion charge incurred in travelling from home to work is not allowable).

Accommodation

18. If you have to stay away from base overnight, the BBC will pay for the cost of a standard single room with bathroom facilities. The cost of the room should not exceed £75 (excluding VAT) per night for room only, or £85 (excluding VAT) where breakfast is included. Where exceptionally for some sporting events or conferences, the rate exceeds £105 (excluding VAT), you must settle the cost on departure and claim the cost back via expenses; the business reason for exceeding the limit must be provided. *Please note the main Expenses Policy requires authorisation by Divisional Finance Director or designate for rates over £105 (excluding VAT).*
19. The actual cost of incidentals such as reasonable personal telephone calls, or laundry after seven nights away from home can be claimed; if the total exceeds £5 per night in the

UK or £10 per night abroad, it will be a taxable benefit. Items such as mini bars, bar bills, newspapers, hotel videos and gym fees are personal, cannot be claimed as business expenses and must be deducted from hotel bills, together with any associated service and taxes.

Meals whilst working away from base

20. The actual cost of meals is claimable when working away from your normal place of employment for a period of 24 hours including an overnight stay. The limits (including VAT and service) are:

Meal	Limit
Breakfast	£6
Lunch	£6
Dinner	£16

Where appropriate, staff may dine in the hotel and claim the actual cost of a reasonable meal. If certain meals have been provided for you, such as breakfast being included in the accommodation charge or location catering provided for lunch, only the other meals may be claimed.

21. No meals will be reimbursed while you are at any BBC site.

Business phone calls

22. If you have your own mobile phone you can claim for the cost of business calls from your home or mobile phone, on production of an itemised bill. No rental charges will be paid by the BBC, irrespective of whether these include a certain amount of free call time. HM Revenue & Customs will only allow the BBC to reimburse the business call costs. If the BBC provides you with a mobile phone you are not required to account for any reasonable personal use provided that it is incidental to the cost of business calls, but neither may you claim for any calls from your home phone.

Please note the main Expenses Policy allows for the claiming of business calls made on home phones, even if the BBC has provided the claimant with a mobile phone; however, holders of a BBC issued mobile phone who are not SMs are required to account for personal use.

Hospitality - business entertainment

23. *Hospitality for meetings* - Refreshments should only be provided for meetings where the meeting needs to be for two hours or longer or when entertaining a person or organisation from outside the BBC. Additionally, food can only be provided when it is necessary to hold a meeting during a normal meal time. If it is necessary to use external caterers these must be selected from the list of preferred suppliers (please see <http://explore.gateway.bbc.co.uk/buybookorder/bbo/catering.aspx>).
24. *Business entertainment* - The cost of hospitality should be met by the most senior person in attendance and their expense claims must always be authorised by someone who did not attend the hospitality event. The hospitality should be appropriate and never include champagne. Accounts payable should not be used to settle the cost of business entertaining, even when the cost exceeds £1,000.
25. *Entertaining business contacts* - The BBC recognises that it may be necessary to provide hospitality to business contacts from external organisations or the BBC's subsidiaries. The level should be appropriate and not exceed £65 per head (including VAT and service); claims above this level will require authorisation from the Director General or Chief Financial Officer and will only be granted in exceptional circumstances. The number of BBC staff should be no more than the number of business contacts. The cost should be met by the most senior person in attendance and claimed back via expenses. *Please note the rate for the main Expenses Policy is £50 per head (including VAT and service).*

26. *Entertaining key talent* - Where it is necessary to hold negotiations with key talent off premises the level of expenditure should not exceed £65 per head (including VAT and service) and the business purpose should be stated on the claim. Claims above this level will require authorisation from the Director General or Chief Financial Officer and will only be granted in exceptional circumstances
Please note the main Expenses Policy does not include entertaining key talent.
27. *BBC hosted event* - A BBC hosted corporate entertaining event (including boxes at sporting events and the Proms) requires Divisional Director approval in advance in writing for the type of event, its cost and the proposed guest list (including nature of relationship). Such events should be predominantly for external guests and not BBC staff and their partners. The BBC will not ordinarily host corporate entertaining events at charitable functions.
28. *Award ceremony* - Attendance at an award ceremony requires Divisional Director approval in advance in writing for the type of event and its cost. The BBC would not expect to pay for the hire of clothing required to attend an event (e.g. a dinner suit).

Hospitality - staff entertainment

29. The cost should be met by the most senior person in attendance and claimed back via expenses. The names of those entertained and their staff numbers must be included on the expense claim. The expense claim must always be authorised by someone who did not attend the hospitality. The entertaining should be appropriate and never include champagne. Staff are responsible for the cost of getting to and from such events. Accounts payable can only be used for staff events costing more than £1,000; the notification of taxable benefit form must be submitted.
30. *Christmas parties and annual events* - It is recognised that at certain times of the year a social occasion for all staff to mix informally may be appropriate. It is usual for you to make a contribution towards the cost of such an occasion, but where your contribution does not cover the actual cost, the business unit may meet the difference, with the approval of your authorising manager. However, it has been decided that the BBC will not contribute to Christmas events in 2010. A cumulative total of costs per person during the tax year is kept, and provided the BBC's contribution to such annual events is within the limits set by HM Revenue and Customs no tax liability would arise.
31. *Leaving parties* - The BBC will only contribute to leaving parties/drinks when someone leaves the BBC after a period of service of at least five years and then only with the prior approval of the appropriate Divisional Finance Director. The BBC's contribution to such events should be modest and never exceed £5 per head (including VAT and service) for a drinks event or £20 per head (including VAT and service) for an event with food, e.g. lunch. A tax liability arises on all staff attendees where leaving events are arranged on non-BBC premises; the BBC will not meet this tax liability nor pay for transport to or from the event.
32. *Other staff entertaining* - Any other staff entertaining should be for an appropriate business purpose and not exceed £25 (including VAT and service) per head. Examples of appropriate business purpose may include drinks after a major contract win, an end of series party or ad hoc team drinks to reward exceptional effort. Occasional team building events might be considered appropriate. A tax liability arises on all staff attendees.

Away days and conferences

33. Away days should be held on BBC premises or other venues at nil cost, e.g. those of business partners. Where it is necessary to hold business discussions at venues for which there is a charge, Divisional Finance Director approval must be obtained in writing in advance. The daily delegate rate for meeting facilities, including refreshments and lunch, should not exceed £50 per head (excluding VAT) outside London or £75 per head (excluding VAT) in London. Where more than one day is required, the 24 hour rate, to include overnight accommodation, breakfast, lunch and dinner, should not exceed £150 per head (excluding VAT). When staying overnight, the most senior person may pay for

and claim back the cost of a drink before dinner and half a bottle of house wine per person with dinner. Any other alcoholic refreshments are at the delegates' own cost. For larger events (ordinarily more than 50 attendees), such as conferences, the 24 hour rate should not exceed £230 per head (excluding VAT).

Gifts

34. *Corporate gifts* - BBC promotional merchandise items are ordinarily the only gifts that should be made by BBC staff to contacts in the course of business.
35. *Gifts for staff* - The BBC will not pay for leaving presents. A department will usually arrange for a collection for an employee who is leaving the BBC (or moving to a new department). The BBC will not pay for gifts such as champagne, cakes, flowers and fruit for personal events such as birthdays, anniversaries, new baby celebrations, illness and bereavements. Managers may occasionally reward exceptional performance with a gift; the manager must follow the procedures set out in the Recognition Policy, which requires the completion of an authorisation form, allowing the BBC to record and meet any tax liability accrued as a result of the individual receiving the gift. No claims for gifts purchased will be reimbursed through expenses. Gifts may be given in the case of long service awards where staff have completed 40 years' service; for 36-39 years' service the value of the gift will be reduced. Such a gift must be in line with the Agreed Statement D6a long service awards (please see <http://home.gateway.bbc.co.uk/peoplepolicies/main.asp?page=268>).
36. *Gifts for artists and contributors* – If there is a valid business reason, gifts such as flowers (but not champagne) may be given to talent and the cost must be reclaimed through expenses.

Receiving hospitality or gifts from organisations or individuals

37. Whilst modest hospitality is an accepted courtesy of a business relationship, the recipient should not allow a position to be reached whereby its acceptance might be deemed by others to have influenced a decision or lead to potential allegations of conflict of interest. Invitations to modest corporate entertainment events may be accepted if there is clear benefit to the BBC e.g. to build supplier relationships or to network with other customers / contacts. Invitations should not be accepted if the event is overseas or includes an overnight stay. Invitations which include partners may be accepted, with line manager approval, and provided they meet the above criteria, if there is no cost to the BBC.
38. Gifts (for you or your immediate family) from organisations or individuals with whom you have, or might have, business dealings on behalf of the BBC should not be accepted. This can include goods and services in kind, at preferential rates or cash. Gifts should be returned to the sender or donated to charity. Modest gifts e.g. flowers or a bottle of wine, of less than £50 in value, may be occasionally accepted.

Working from home

39. The BBC will not provide for broadband or equipment at home. The only exceptions are if the BBC decides that you should be able to work from home either as a teleworker or for business continuity reasons, in which case the use of any equipment provided by the BBC must be restricted to business. For these exceptions an authorising manager can agree the provision of business equipment; the BBC will not provide such equipment where the member of staff has equivalent equipment in a BBC building. All equipment loaned to you remains the property of the BBC and must be returned when you leave. Provided this is complied with, it will not result in a taxable benefit. If the BBC considers it necessary as part of these arrangements, it may agree to the installation of a separate business telephone line with broadband service solely for business use. Installation must be arranged by the BBC and the BBC will pay all charges direct.
40. The BBC will neither provide nor reimburse the cost of audio and visual equipment or subscriptions for Sky or cable for an employee's home.

Professional subscriptions

41. The BBC will not meet the costs for an employee to be a member of any professional organisation, including the RTS and the RAM. The only exceptions are necessary practising certificates for medical and legal staff.

Exceptional events

42. Expenses arising from exceptional events (e.g. for business continuity or cancellation of holiday travel plans for business reasons) must be approved by the Chief Financial Officer. In some circumstances such payments may give rise to a taxable benefit which may be met by the BBC.
Please note the main Expenses Policy does not allow for such payments to be made.