

West Sussex Local Pharmaceutical Committee

LPC expenses/daily allowance policy

1. Introduction

- 1.1 This policy is designed to ensure that LPC Members 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.

2. Chargeable occasions.

- 2.1 Chargeable occasions covered are:
 - a) 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.
 - b) 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
 - 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 LPC, or the need for accommodation while on LPC business, or authorisation for single items of expenditure above £350.00, 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, 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.**
 - b) Submit claims as soon as possible, within three 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.
 - 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 the LPC 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) The LPC 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 exceeding £350.00 must be approved in advance.

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 LPC member and not through PAYE.
- d) For LPC members who are:
 - i. **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.
 - 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 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.
 - 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 = £280.00 (£140.00 for half day).
- b) The daily allowance is reviewed annually by the LPC in light of prevailing locum rates.

4.2 Virtual meetings will be dealt with as follows:

- a) LPC meetings 25% - 100% of locum expense/daily allowance payable depending on the format, length and overall time commitment.

4.2 Travel/ Transport:

- a) As of April, 2021, 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 LPC area or from the members usual place of work; 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.

4.3 Parking and Tolls

- a) 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.

4.4 Accommodation:

- a) 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.
- 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 £30.00 may be claimed if required. Alcohol expenses will not be reimbursed.
- d) All relevant receipts must be submitted with the expenses claim

4.5 Business Calls:

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

4.6 Miscellaneous:

- a) Other legitimate claims will be considered by the Committee.
- b) This policy does **not** apply to LPC staff (including Chief Officers). Refer to the LPC staff handbook for employees.
- c) 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.

5. **Disclosure:**

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

6. **Contact details of:**

- a) Send claims to the LPC Treasurer, Alan Salter.

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West Sussex Local Pharmaceutical Committee

LPC Member Expense Claim Form

Name	
Address	
Telephone no	
Email address	

Locum Expenses/Daily Allowance

Date	Full or Half Day	£280.00 or £140.00 Rate	Total

Travel Expenses

(Car mileage 45p per mile)

Mileage	Total Claim

Sundry Expenses

Date	Details of Expenses	Amount	Total

Total Claim

£	
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Details for BACs Payment

Payee Name (as it appears on the bank account)	
Bank Sort Code	
Bank Account Number	

Declaration

These expenses have been incurred in accordance with the LPC Expenses Policy. I will declare any personal income to HMRC for tax purposes.

Signature	Date
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Please submit completed forms, together with all available receipts to the Treasurer, with all available receipts within 3 months of the expenses occurring to LPC Treasurer, Alan Salter

For office use	Paid
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