

Expenses Policy for Suppliers

The departmental expenses policy for staff shall be used as the benchmark for agreeing any expenses due to the Supplier. Any Supplier expenses being claimed must be agreed by the contract manager prior to the cost being committed.

Any deviations from the policy will only be considered on an exceptional basis. In this case the Supplier will need to provide strong evidence that this delivers value for money for the project, limits the potential for misuse or fraud, allows for efficient payment to contractors, and meets transparency and audit requirements.

The key principles of the Expenses Policy for Suppliers are:

1. The Department does not intend for Suppliers to be out of pocket because of contractual business requirements. Compliance with this policy should mean that Suppliers are reimbursed for the costs that they have reasonably incurred in line with the contract.
2. Suppliers should understand that when they are incurring costs, they are spending public money. All that they do must be guided by ensuring that we deliver value for money in line with the obligations under [Managing Public Money](#). Suppliers have a responsibility to support the department which is open to scrutiny and needs to be accountable for spend.
3. When incurring costs the Supplier must consider the reputational impact of our spend, as well as the financial impact. Suppliers are responsible for obtaining pre-approval of commitment to spend and ensuring the correct process is followed to claim reimbursement from the contract manager, so they can ensure there are funds available and to provide an audit trail of assurance.

All expenses must be within the agreed rates given in the table below and be supported by receipts.

Summary Table of Rates (updated from 1 April 2024)		
Section	Description	Relevant Rates
Accommodation	Hotel rates	£166 London and International
Accommodation	Hotel rates	£118 outside London in UK
Accommodation	Incidental expenses	Up to £5 per day in UK; Up to £10 per day Overseas;
Air Travel	Economy class	Up to 3.5 hrs flight time
Air Travel	Premium class	3.5 hrs to 5.5 hrs flight time
Air Travel	Business class	Over 5.5 hrs flight time – requires director sign-off
Rail Travel	Advance open return	Standard class flexible ticket
Subsistence	Breakfast (early start) costs receipted	£6 benchmark (UK and Overseas exc Europe and North America) £18 benchmark (Europe and North America)
Subsistence	Lunch costs receipted	£6 benchmark (UK and Overseas exc Europe and North America) £18 benchmark (Europe and North America)
Subsistence	Dinner costs receipted	£18 benchmark (UK and Overseas exc Europe and North America) £30 benchmark (Europe and North America)
Subsistence	Staying with friends and family	£6 Lunch and £18 Dinner (£24 limit per 24 hrs) – requires contract manager approval
Car Travel	Journeys under 10,000 miles	45p per mile