**Extract from NEC branch member expenses (including honoraria) scheme.**

***This extract is provided to branches while OLBA processes and procedures are being developed, tested and piloted. As soon as this is completed we will re-issue the scheme in full.***

**Expenses payments to members**

This scheme sets out all the expenses payments that can be made by a branch to its members. The published subsistence rates are applicable **to all members of the union** while wholly and exclusively on official and agreed union activities away from their normal place of work.

The full branch expenses scheme ensures compliance with all HM Revenue & Customs (HMRC) requirements to make expenses payments to its members

The National Executive Council has agreed that the HMRC requirements in respect of;

Real time information

Tax & National Insurance

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will be administered centrally through data recorded within the Online Branch Accounting System (OLBA) or UNISON’s membership system.

All expenses payments to members must be authorised by the branch committee or nominated officers.

Active members, particularly officers and stewards, are first and foremost volunteers who give freely of their own time and should not be expected to be out of pocket as a result. Therefore branches should reimburse expenses to ensure that no member is debarred or deterred from trade union activity because of financial considerations.

In deciding what expenses to pay, branches should ensure:

* They are in line with union rules and policies.
* There is a linkage between expenses and the achievement of UNISON’s aims, values and objectives.
* Expenses payments integrate with the wider financial strategy of UNISON.
* There is a transparent claims and approval process for fairness and consistency.
* The scheme contains the appropriate checks and balances to avoid inequitable and/or discriminatory payments.
* The scheme does not compromise the branch’s financial stability.
* There is no profit element in the amount paid

Expenses payments to members fall into three distinct groups;

1. **Subsistence expenses**, including conferences (reimbursement while involved in union work).
2. **Other expenses** (e.g. accommodation, travel (including mileage), postage. mobile phone)
3. **Branch expenses** (discretionary as agreed by the branch committee and/or branch membership).

No other branch and/or member expenses are permitted.

1. **Subsistence expenses**

**Which subsistence expenses should be reimbursed?**

All the following can be paid, the amounts for which are detailed in the next section:

**Subsistence expenses**

1. Daily rates payable when receipts are not required
2. Meals rates payable when receipts are provided
3. Overnight rates up to 24 hours
4. Overnight stay(s) more than 24 hours (which may include either meals rates or daily rates).

**What amount can be paid as subsistence expenses?**

Subsistence payments may be made to members of the union while they are wholly and exclusively on official and agreed union activities away from their normal place of work.

HMRC has very clear regulations about how much can be paid for subsistence. They will expect these regulations to be followed to the letter if UNISON is to avoid exposure to financial and legal risks. HMRC sets rates which put a ceiling on the amount that UNISON can pay to its members for subsistence.

The *maximum* amounts that UNISON (and thereby branches) can pay for subsistence depend on the answers to the following questions as shown on the page below:

* Has the member stayed away overnight?
* Was the overnight for more than 24 hours?
* Did the member produce receipts?

**Subsistence: which rates apply?**



1. **Daily rates**

The maximum amount that can be claimed by members who do not provide any receipts depends on the amount of time the claimant spends on union work. The following limits apply:

For periods away from home/work over 5 hours - £5 (non receipted)

For periods away from home/work over 10 hours - £10 (non receipted)

In addition to above if returning home after 8:30pm a dinner allowance of £15 (non receipted)

Also **only** up to 3 meal allowances can be claimed in any 24 hours.

1. **Receipted meal rates**

The member may claim the total amount for which appropriate receipts have been provided, but only up to the following limits:

Breakfast: when leaving home before 7.00am – up to £5.45

Lunch: where absence from their normal place of home / work is between 12:00pm and 2:00pm – up to £7.10

Dinner: when returning home after 8:30pm – up to £20.15 (excluding alcohol)

1. **Overnight rate up to 24 hours**

The overnight rate is £38 (net of tax). This is calculated as follows:

HMRC allows members who are away from their office overnight to initially claim £25. In addition, under HMRC a regulation there is a £5 allowance for out of pocket costs when away overnight, increasing this to £30.

UNISON currently pays a subsistence allowance of £40 for a 24 hour period including an overnight stay under the new agreement and the excess of £10 is taxable. If there is no overnight then the daily rates above apply (section A or B).

Therefore, the maximum amount that can be paid to a member for a 24 hour period that includes an overnight stay is £30 plus £10 less 20% basic rate tax, i.e. £38.

On the day after, when the member is returning home or to the office, additional subsistence may be paid for the period after the initial 24 hours has elapsed. This is paid in accordance with Section B above.

Please note, that where the claimant is attending a seminar or other such event where meals are centrally provided, £15 per dinner and £5 per lunch must be deducted from the amount claimed.

1. **Overnight stay(s) more than 24 hours**

For any period over and above the first 24 hours - expenses payable should be the daily or receipted rates above until the next 24 hour period is completed and so on. Tax is deducted for each payment of £40 for overnight allowances.

Therefore, a maximum of £38 (net of tax) is payable for each complete 24 hour period where an overnight stay in involved. Day or receipted rates in accordance with Section a) or b) above may then also be paid for the period in excess of 24 hours.

Again where the claimant is attending a seminar or other such event where meals are centrally provided, £5 per lunch and/or £15 per dinner must be deducted from the amount claimed.

***If you do have any questions regarding this extract please call one of the following help line numbers or the email address provided.***

**Help Line numbers (UNISON offices are open until 24th December and re-open 2nd January 2015).**

Bev Riches 0207 121 5235

Mark Hales  0207 121 5594

Jo Whelan 0207 121 5727

Paul Jackson 0207 121 5692

Or email [olba@unison.co.uk](mailto:olba@unison.co.uk)