



TRAVEL & EXPENSE POLICY

VERSION: 3.0

DOCUMENT NUMBER: CORP-POL-006

Effective: 24 February 2022 (approval date)

Policy Summary

Background	<p>The Travel & Expense Policy has been substantially re-written. It reflects the practices followed during the last six years and more closely aligns with the Travel & Expense policies of organisations such as CDC and PIDG. Much of the detail has been moved from the Policy to the Travel & Expense Procedures. The main changes relate to the cost of hotels (there is no longer differentiation between particular countries or cities), to the inclusion of alcohol in certain cases as an allowable claim (it was formerly proscribed), and to a simplified method of approving travel in premium economy/business class in certain circumstances.</p> <p>The policy communicates overriding principles that govern travel and reimbursement of reasonable expenses incurred by Board Directors, staff and consultants in the course of their duties. The policy is supplemented by the Travel & Expense Procedures document that provides detail around various processes and which is approved by the CEO.</p>	
Related policies	<ul style="list-style-type: none"> • Credit Card Policy • Finance Manual • HR Manual • Code of Conduct 	
Policy Reviewers	Operations Manager	Yes
	ExCo	Yes
	FCDO	Yes
Policy Approvers	DCS	Yes
	CEO	Yes
	FARC	Yes

Document Control

Ownership

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Storage location:	OneDrive: 11. Programme management -P&P- Final P&Ps-
Distribution:	Extenal

Approval History

Version:	3.0
Approved date:	February 2022
Previous version approved:	June 2017
Next review date:	February 2023 (normally three years but in light of the changes proposed we intend to review after one year)
Approver:	FARC
Description of changes from previous version:	<ul style="list-style-type: none"> • Section 3.1 - Air travel Provision for flights to or from Africa and longer than 5 hours to be Premium Economy or Business Class. • Section 4.2 - Accommodation

	<p>Removal of specific hotel rates for particular countries, replaced with a general guideline not to exceed £200 per night, although the expectation remains always to seek cheaper AirBnB or Booking.com options.</p> <ul style="list-style-type: none">• Business related food & drink <p>There used to be strict prohibition of alcohol as a reclaimable expense. This has been removed from the policy. Instead, there is guidance in the Travel & Expense procedures (5.2) which emphasises that while some expenditure on alcohol may be permissible, it should be modest, measured, appropriate and defensible.</p>
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1. POLICY STATEMENT

Recognising that the definition of a “reasonable” expense can be subjective, the aim of this policy is to achieve, wherever possible, clarity and consistency, so that it can be easily interpreted and implemented.

The policy is applicable to all FSD Africa staff, Board and Committee members of FSD Africa and FSD Africa (Investments) Ltd, including contractors and consultants (together, “all personnel”).

It is the responsibility of all personnel to ensure that travel and expenses are both reasonable and necessary for the conduct of FSD Africa’s business and to comply with the provisions of this policy. All expenses must be appropriate in the context of FSD Africa’s pro-poor mission and being mindful that FSD Africa invests and spends taxpayers’ money. All personnel are expected to seek the best value wherever they can and to avoid extravagance. However, FSD Africa strives to ensure the proper welfare and security of its staff.

At the heart of this policy is the understanding that FSD Africa seeks to minimise its carbon footprint wherever possible and to demonstrate its ‘green’ credentials and commitments - not only in the projects and programmes it sponsors but in the way it conducts its business. All personnel should ‘walk the talk’ and constantly ask themselves whether their journey is strictly necessary, to limit the amount of travel undertaken by air.

2. OPERATING PRINCIPLES & PRACTICE

The information included in this policy is to help all personnel employed or engaged by FSD Africa to reduce emissions where possible. We monitor and manage business travel activities and focus keenly on the environmental cost and impact of travel. Our air travel CO2 data is monitored closely and we keep records to provide an audit trail of our CO2 calculations.

However, we understand that it will sometimes be necessary for some members of staff to travel. Further, such travel may need to be across time zones and/or overnight, working long hours without recovery time. Staff often work on complicated transactions and in challenging environments on arrival. Notwithstanding the requirement to ‘walk the talk’, the ability to travel in comfort on longer plane trips and on overnight flights is therefore built into this Policy.

Moreover, work is often undertaken in difficult and unsecure locations. A reasonable standard of accommodation and transport is also therefore built into this Policy.

In summary, this Policy deliberately attempts to balance FSD Africa’s responsibility to its staff, to the UK taxpayer and to its commitment to reduce CO2 emissions, so that it can fulfil its mission over time.

In keeping with these principles, the practice applicable to travel and expenses is as follows:

- a) Experience during the Covid pandemic has shown that virtual conferencing can easily be used to best effect. Such alternatives must therefore always be considered before any physical travel is approved.
- b) All travellers should make travel arrangements consistent with these policy guidelines. If travellers choose to upgrade or book facilities of a higher class or cost than those permitted by the policy, only expenses incurred in line with the policy will be reimbursed. Any additional costs must be paid by the traveller.

- c) Premium Economy/Business class air travel is permitted on long flights as defined in section 3.1 of this policy. Even in cases where premium economy/business class is permitted by this policy, staff may choose a lower class of travel at their own discretion, always being mindful of the requirement to reduce emissions wherever possible.
- d) Hotel selections should be safe and comfortable, but luxurious chains should be avoided.
- e) Personal expenses incurred are expected to be minimal and consistent with FSD Africa's responsible use of public money.
- f) The CEO (or, in cases where exceptions relate to the CEO, the Board Chairman) retains the authority to approve exceptions where absolutely necessary.

3. TRANSPORTATION

3.1. Air Travel

The default class of travel for all flights is Economy.

Flights are to be booked via FSD Africa's selected travel services provider and be based on the principle of the lowest cost direct flight consistent with this policy (where direct flights are readily available).

Fully flexible tickets are permitted only in exceptional circumstances and only with approval from the DCS and CFO in advance of booking.

While the expectation is for economy travel, the table below sets out the maximum permitted classes of travel for flights. It should be understood that approval of a higher class of travel will depend on the time of flights being taken and the activities being undertaken on arrival.

Destination	Maximum permitted class of travel
Within Africa or flight time of less than 5 hours	Economy
All other flights	Premium Economy (if available)/Business

Where there is any doubt as to whether to book a particular class of travel or hotel etc., all personnel must consult with the DCS in advance. Exceptions to the classes of travel described above will need to be approved by the CEO.

3.2. Rail Travel

Standard class of travel (or the equivalent of Premium Economy, if FSD Africa work needs to be done) is the rule unless sleeping overnight on a train and a berth is required.

For the purpose of travel paid for using a SmartCard (e.g. Oyster card, Gautrain card etc.), a single flat rate claim of GBP 20 per country visit will be reimbursed, or, where significant usage of the SmartCard is expected, Board Directors, staff and consultants should register online and claim the full cost of journeys undertaken using the itemised statement that can be downloaded.

3.3. Taxi/Car Travel

Public transport should be used where available and safe to do so. In London, for example, public transport is the normally accepted means of travelling to and from meetings.

Although taxis can be used if it is impractical or not viable to use public transport, or if it is better value for money to use an Uber or similar service or for several people to travel together, the use of taxis is strongly discouraged in the following circumstances:

- Travelling across London or in other European cities, except where services are very infrequent e.g. late at night (after 9pm) or very early in the morning (before 7am)
- Airport transfers from UK, European or US airports, except where services are very infrequent e.g. late at night or very early in the morning.

In our other areas of operation, car services are permitted. In Kenya, a list of preferred car service providers is available through the Office Administrator.

FSD Africa will reimburse the cost of taxis taken home by employees when they need to work after 8pm. It is not expected that employees should routinely work this late.

Vehicles may be rented for business purposes where it is cost effective and when public transportation and taxis are impractical or not available.

4. ACCOMMODATION

4.1. General

Reservations should be made in hotels which are safe and comfortable, but not luxurious. Hotel accommodation is expected to be in normal, mid-range business hotels and Board Directors, staff and consultants should also take the time to explore cost effective alternatives such as good quality bed and breakfasts or Airbnb, while considering any legal implications or liabilities while booking such accommodation. “Bundled” flight and hotel packages from the likes of Expedia or Booking.com may also offer good value for money.

FSD Africa has a database with favourable rates for local hotel accommodation and conference facilities and is sometimes able to access discounted rates for hotels in particular destinations through FCDO or other FSD offices. Board Directors, staff or consultants should check with the Office Administrator before booking.

FSD Africa takes the safety and well-being of its staff seriously and does not expect its Board Directors or staff to have to put up with accommodation that is manifestly sub-standard.

Effort should be made to use FSD Africa preferred suppliers with whom we have negotiated advantageous rates. If these are unavailable, bookings at alternatives with a guideline rate of £200 per night are permitted, exclusive of VAT. If a suitable comparable alternative cannot be identified, approval should be sought prior to making a booking. Exceptions can be approved by the DCS and CFO where there is a need to do otherwise (e.g. remote locations with only one decent hotel, location of conference, etc).

4.2. Accommodation in London and other major cities

In most major cities, accommodation should be sought through sites such as Booking.com or through recommendations that provide best value for money. In any event, the cost should not exceed £200 per night for bed and breakfast, exclusive of VAT. No more than £200/night will be reimbursed without the DCS and CFO’s authorisation prior to booking.

5. EXPENSES

FSD Africa will reimburse employees, contractors and Board or Committee members for incidental, business-related expenses incurred on official business. All personnel are encouraged to keep their expenses to the minimum necessary in order to effect the business they are undertaking. Receipts will be required for all claims and can be submitted electronically or in paper form.

5.1. Hotel costs

FSD Africa will reimburse the individual travelling for all reasonable hotel expenses incurred, including the following:

- Laundry and dry-cleaning costs
- Costs for access to fitness centres or pool facilities if available

5.2. Subsistence

FSD Africa will reimburse reasonable costs incurred for meals while travelling, up to limits described in the Travel & Expenses Procedures. A detailed receipt must be provided with the expense claim.

5.3. Phone Calls

Wherever possible, international calls should be made using Internet Protocol applications, such as WhatsApp or Google Meets. If this is not possible, the individual travelling should seek alternative telephones and only in exceptional circumstances use hotel phones. The cost of calls will be reimbursed up to the limits described in the Travel & Expenses Procedures.

5.4. Foreign Currency

Employees are responsible for obtaining their own foreign currency.

FSD Africa will reimburse employees for reasonable costs in obtaining foreign currency for use in the course of business travel, such as the cost of withdrawing cash from an ATM with a debit card or fees at an airport currency converter.

FSD Africa will not reimburse employees for fees involved in withdrawing cash with a credit card, late fees or penalties.

5.5. Passports

When members of staff need to renew their passports because the pages are full, FSD Africa will reimburse the expense of obtaining the renewed passport. FSD Africa does not reimburse the expense of renewing staff passports that expire naturally.

5.6. Non-Reimbursable Expenses

Expenses that will not be reimbursed by FSD Africa include but are not limited to:

- Hotel room mini-bar items except water or soft drinks
- Spa treatments or video film hire
- Cash advances on company credit card
- Fees or dues for airline VIP clubs and hotel loyalty or frequent-stayer programmes
- Airline upgrades outside FSD Africa policy
- Non-business travel expenses
- Costs for personal guests
- Costs for items already made available by FSD Africa (such as stationery).

A full list of non-reimbursable expenses is laid out in the Travel & Expenses Procedures.

5.7. Business Hospitality

FSD Africa generally does not provide business hospitality beyond business meals. All FSD Africa staff, Board and Committee members are expected to keep entertainment expenses to a minimal level, keeping in mind our use of tax-payers money.

Entertainment received in connection with employment should be declared (see FSD Africa's Code of Conduct for further details).

5.8. Staff Entertainment

All Board and FSD Africa staff entertainment will normally use appropriate internal arrangements, on a modest scale.

FSD Africa sets aside a small budget each year for activities related to team building and morale, which is assigned on a per-head basis and tracked and monitored by the Corporate Services and Finance teams.

6. TRAVELLER SAFETY AND SECURITY

FSD Africa takes the security and well-being of its employees very seriously.

Employees should make accommodation and meeting / travel arrangements with their safety and well-being foremost in their minds. Up-to-date travel security and medical advice is available from International SOS (www.internationalsos.com) and travel guidance is available from the FCDO (<https://www.gov.uk/foreign-travel-advice>).

All personnel should read the guidance relating to business travel during the Covid pandemic at Annex three.

6.1. Emergencies

In emergencies, the normal travel policies are waived as it is accepted that, in extreme circumstances, staff may need to travel in whatever manner is possible. Extreme circumstances may include, but not be limited to, severe environmental difficulties, war and civil disruption, acts of terrorism or any incident that has the potential to affect the safety or well-being of a member of staff.

In these instances, staff members are expected to make reasonable arrangements to return home as quickly as possible while acting with integrity. If the situation allows, staff should request manager permission or, for personal matters, permission from the Director HR. However, it is recognised that circumstances may not allow for permission to be sought.

6.2. Group Travel

FSD Africa is mindful of the risks to continuity of business associated with large groups of staff travelling together. Where possible, no more than three members of FSD Africa's Executive Committee or Board should travel together on the same flight.

6.3. Passports, Visas & Medical expenses

Staff members are responsible for ensuring that their passports are valid for their trip, noting that many countries require a minimum validity of 6 months remaining on the passport.

Where business visas are required, FSD Africa will assist with arrangements and will cover the cost of obtaining the visa.

Where regular travel to one location is anticipated, staff should consider whether a multiple entry visa would be more cost-effective.

6.4. Health and Safety While Travelling

Employees of FSD Africa are covered under the Company's travel insurance while away on business travel. FSD Africa will reimburse Directors their travel insurance costs against proof of payment.

FSD Africa will reimburse the cost of vaccinations, anti-malarial etc. against proof of payment where travel advice has deemed this cost to have been necessary.

All staff travelling on company business must ensure that the required vaccinations are valid for any particular country / region, and it is the individual's responsibility to ensure that their vaccinations are kept up to date.

7. CARBON FOOTPRINT STATEMENT

In the five quarters preceding the Covid pandemic lockdown in March 2020, Board directors, management and partners flew an average of 75 return trips per quarter, amounting to some 340,000 air miles, mostly flown in Economy class. This equated to a carbon ‘footprint’ of some 30 tonnes of CO2 emissions per month.

Given the nature of its business, it is unlikely that FSD Africa will ever achieve net-zero emissions. However, all personnel should seek to minimise their carbon footprint wherever possible and to demonstrate FSD Africa’s green credentials and commitment - not only in the projects and programmes we sponsor but in the way we conduct our business. All personnel should constantly ask themselves whether their journey is strictly necessary and aim to limit the amount of travel undertaken by air.

By closely monitoring the travel that all personnel make, FSD Africa will strive to reduce and offset its carbon footprint as much as it can. Annexed in the Travel & Expenses procedures document is more information about the carbon footprint created by air miles flown on typical business trips. All personnel should carefully review these before any decision to travel is taken.