



HEALTH SERVICE EXECUTIVE

NATIONAL FINANCIAL REGULATION

OTHER STAFF COSTS

NFR - 15

NFR – 15 Other Staff Costs

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15.1. Introduction

- 15.1.1.** The Health Service Executive (HSE) has responsibility for the stewardship and proper management of public funds granted to it for the provision of health and personal social services. Staff, in the performance of their duties, may incur expenses which can be reclaimed as an allowable expense from the HSE.
- 15.1.2.** Expense claims should be made on the standard claim form (Refer Appendix 1).
- 15.1.3.** Expense claims should be accompanied with the proper vouchers and receipts.
- 15.1.4.** It is expected that employees will keep the level of expenses to a minimum.
- 15.1.5.** This document should be read in conjunction with the following National Financial Regulations (NFRs):
- HSE NFR-05: Travel & Subsistence Regulation
 - HSE NFR-01: Purchase to Pay Regulation
- Refer to [HSE National Intranet - National Financial Regulations](#) for these related documents.

15.2. Purpose

- 15.2.1.** To document policies and procedures for the reimbursement of allowable expenses.
- 15.2.2.** To establish control procedures to ensure that only allowable expenses are paid.

15.3. Scope

- 15.3.1.** This regulation applies to allowable expenses incurred by HSE officers incurred wholly, exclusively and necessarily in the performance of the duties of their employment.

15.4. Assistance / Further Information

- 15.4.1.** Additional information regarding this regulation should be addressed to the Assistant Chief Financial Officer (ACFO) Finance Specialists.
- 15.4.2.** Requests for derogation from specified directives should be made in writing to the above ACFO, and may be implemented only after written authorisation is received.
- 15.4.3.** It is intended that this regulation will be regularly updated to reflect and incorporate new and additional legislative and other directives. Notifications will be issued on [HSE National Intranet - National Financial Regulations](#) and via email communications.

15.5. Effective Date

- 15.5.1.** This directive is effective immediately and supersedes all prior regulations issued relating to reimbursement / payment of other staff costs.

15.6. Allowable Expenses

- 15.6.1.** Subscriptions to professional, trade/ business publications or the purchase of books/periodicals are allowable at the discretion of the relevant Assistant National Director/equivalent salary grade where access to such information is seen as necessary for the discharge of ones duties. Purchase of books/periodicals should only be undertaken following consideration of local library services.
- 15.6.2.** Protective Clothing such as hard-hats, safety glasses, work gloves, steel-toed boots, etc. These should generally be paid through a purchase order. However in the event that they are paid through personal funds, they are a reimbursable expense. Prior approval from Line Manager is required to purchase such items through personal funds.
- 15.6.3.** Conference/Registration fees: Approved cost of attendance at courses and conferences, necessary for the performance of an employee's duties should generally be paid through a purchase order. However in the event they are paid through personal funds, they are a reimbursable expense. Prior approval by Line Manager to attend conferences must be attained in all such instances and a receipted bill or registration confirmation with the fee noted are required to substantiate the claim.
- 15.6.4.** eWorking is regarded as a method of working using information and communication technology in which the work that is carried out is not bound to any particular location. eWorking involves:
- Working at home on a full time or part time basis
 - Working some of the time at home and the remainder in the office
 - Working while on the move, with infrequent or occasional visits to the office.
 - Logging onto the employer's computer remotely
 - Sending and receiving email, data or files remotely
 - Developing ideas, products and services remotely.

The following are the allowable expenses to be reimbursed to the employee in eWorking situations:

- Generally the HSE will provide equipment, such as computers, printers, scanners, fax machines, etc. and software to enable the employee work from home.
- The provision of a telephone line purely for business use is an allowable expense.

In the event that some of these expenses are paid through personal funds, they are a reimbursable expense.

15.6.5. Home and personal mobile telephone calls

The HSE should not pay any part of line rental unless formal arrangements are deemed essential for emergency service requirements.

- Where line rental is deemed a requirement for business purposes then an amount equal to 50% of the cost of the line rental may be paid. Any payment in excess of this is subject to tax and should be processed through the employee's payroll area.

- Supporting documentation, such as a copy statement with the claimed calls highlighted, must be attached together with an explanation as to why the call was made and to whom.
- The HSE will not pay any part of broadband bundle costs, phone line rental or private call costs unless formal arrangements are deemed essential for emergency on call service requirements or under the arrangements outlined in the paragraph above.

15.6.6. Fax, photocopying, postage and email/internet charges for business purposes only, may be reclaimed when supported by receipts.

15.6.7. Refund of Academic Fees - Please refer to the Human Resources (HR) Division for further details of the "Refund of Academic Fees Scheme".

15.6.8. Annual Membership Fees of a Professional Body

(a) For the tax years 2004 to 2010, Section 118(5E) Taxes Consolidation Act (TCA) 1997 provided that expenses incurred by an employer¹ on behalf of an employee in connection with the payment (or reimbursement) of annual membership fees of a professional body were exempt from tax where such membership was regarded as "relevant to the business" of the employer.

Following the enactment of Section 7 of the Finance Act 2011, this tax exemption is not available for the tax year 2011 and subsequent tax years. Accordingly, the deductions of tax, PRSI and the Universal Social Charge (USC) must, subject to the exceptions below, be made from pay in respect of the notional income amount of any payment or reimbursement by the HSE of membership fees of a professional body on behalf of an employee.

(b) Tax deductibility of employee expenses – Section 114 TCA 1997

In addition to expenses of travel, Section 114 TCA 1997 provides for a tax deduction in respect of expenses incurred wholly, exclusively and necessarily by an individual in the performance of the duties of his or her employment. In the context of annual membership fees of a professional body, whilst each case is examined on its own facts and circumstances, Revenue will operate in accordance with the following guidance for the tax year 2011 and subsequent years.

- Where there is a statutory requirement for membership of a professional body etc.

In some instances, individuals are required by statute to be registered members of a designated professional body, association, society, council, etc. before they can carry out the duties of their employment. A deduction under Section 114 TCA 1997 is allowed in respect of the annual registration or membership fees in such instances.

In other instances, a statutory provision may provide that an individual registered with, or a member of, a professional body, association, society, council, etc, has a right, by virtue of such registration or membership, to plead or be heard in representing a client of his or her employer before a court or

¹ Employer is the Health Service Executive.

tribunal. A deduction under Section 114 TCA 1997 is allowed in respect of the annual registration or membership fees in such instances provided the duties of the employment require the individual to appear and plead before a tribunal.

- Where there is a requirement for a practising certificate or licence

In some instances, outside of a specific statutory requirement, individuals are obliged to have a current practising certificate or licence issued by a professional body, association, society, council etc. before they can carry out the duties of their employment. An income tax deduction is allowed in respect of both the annual membership fees payable to such body, association, etc. and in respect of the cost of the practising certificate or licence where there is a requirement of that body, association, etc. that an individual must hold a current practising certificate or licence issued by it before that individual can carry out the duties of his/her employment in respect of which the certificate or licence refers.

- Other situations where membership fees of a professional body may be deductible

Apart from the foregoing, an income tax deduction under Section 114 TCA 1997 will be allowed in respect the annual membership fee payable by an employee to a professional body, association, society, council, etc. where -

1. the duties of the employee and the duties of the employment require the exercise or practice of the occupation or profession in respect of which the annual membership fee refers;
2. the employee so exercises or practices the occupation or profession in respect of which the annual membership fee refers; and
3. membership of the professional body is an indispensable condition of the tenure of the employment.

(c) Operation of payroll deduction

The effect of Section 7 Finance Act 2011 is that the deductions of tax, PRSI and the USC must now be made from pay in respect of the notional income amount of any payment of membership fee of a professional body paid by an HSE on behalf of an employee. However, for ease of administration and to avoid unnecessary claims under Section 114 TCA 1997, where –

- an employer pays or reimburses a membership fee to a professional body on behalf of an employee; and
- a deduction under Section 114 TCA 1997 would be available as outlined in paragraphs above,

deductions of tax, PRSI and USC need not be made from pay in respect of the notional income amount attributable to such annual membership or registration fee. Where such deductions are not made an employee is, of course, precluded from making a claim under Section 114 TCA 1997 in respect of such fees, etc.

15.7. Disallowable Expenses²

15.7.1. The following list disallowable expenses:

- Employee event costs.
- Spouses' / Partners' / Childrens' travel costs.
- Parking fines or Traffic violation fines (including clamping fees).
- Travel club membership – giving access to airport lounges, complimentary drinks etc.
- Gifts for employees such as Retirement / Leaving gifts.
- Miscellaneous hotel charges -. laundry, personal phone calls, meals, pay-per-view TV channels, alcoholic beverages.
- Floral gifts to employees and/or their family members
- Phone usage on airline unless business emergency

15.8. Procedure for Claiming Reimbursement

15.8.1. Expenses should be claimed on the standard claim form in Appendix 1 attached.³

15.8.2. All sections of the form should be fully completed.

15.8.3. Each expense should be clearly defined.

15.8.4. Claim forms must be signed by the claimant and authorised by their Line Manager.

15.8.5. Line managers under no circumstances should authorise a claim form that has not been fully completed.

15.8.6. All claims should have the required original supporting documentation.

15.8.7. Credit card or debit card vouchers/statements will not be accepted.

15.8.8. The claimant's refunds shall be processed through accounts payable/payroll systems.

15.9. Roles and Responsibilities

15.9.1. HSE Directorate Responsibilities

- Ensure it has suitable policies and practices in place to protect HSE from illegitimate expenditure and to ensure that monies are used appropriately and effectively.

² This list is not conclusive and all queries can be directed to Line Management. In all cases reference should be made to the directive in 15.1.1.

³ These forms may be amended to acquire compatibility with the relevant systems, while ensuring that the details on the standard forms constitute the minimum data to be captured for the process.

- Ensure that it communicates its policies and procedures to employees in a formal policy statement.

15.9.2. The Director General (DG) of the HSE carries overall responsibility for:

- The appropriate spending of the Vote.
- Is liable to be called to account before the Board of the Oireachtas (via The Public Accounts Committee (PAC)).

15.9.3. The line manger is responsible for approving the reimbursement of expenses and should ensure that:

- Claims have prior approval, where appropriate.
- The expenditure is reasonable and for legitimate business purposes.
- Expenses are properly vouched.
- Claims are submitted in a timely manner.

15.9.4. Every employee has the responsibility to ensure that their expense claims conform to this procedure.

Employee claim forms must be submitted in a timely manner. In normal circumstances forms should be submitted immediately following a transaction. Claim forms that have not been completed in full or correctly by the employee or certified for payment by the line manager will be returned to the employee/Line Manager for completion. The delay caused by returning a claim form may result in failure to meet the intended payment deadline.

15.9.5. Relevant payroll or accounts payable processing officers will check that:

- Each claim has valid supporting receipts/vouchers.
- The claim is accurate.
- Claims are properly signed and certified.

15.10. Segregation of Duties

15.10.1. It is the responsibility of each line manager or equivalent grade or officers designate to ensure appropriate segregation of duties to eliminate possibility of collaboration.

15.11. Reporting of Irregularities

15.11.1. Any member of staff who considers that there may have been an irregularity that could lead to misappropriation of funds or an instance of fraud must communicate the facts surrounding this instance in writing to their Line Manager immediately. The Manager to whom the matter has been reported must inform their line manager or equivalent, the relevant Assistant National Director of Finance, National Director Internal Audit for appropriate action. For further information please refer to HSE Policies, Procedures Guidelines and in particular to the HSE Protected Disclosures of Information Policy at [HSENet - HSE National Intranet - Policies, Procedures & Guidelines](#)

15.12. Audit

15.12.1. The external and internal auditors of the HSE have the right to unrestricted access to all premises, vouchers, documents, books of account, and computer data and to any other information which they consider relevant to their enquiries and which is necessary to fulfil their responsibilities. Both internal and external auditors also have the right to verify assets and the right of direct access to any employee or person responsible for the administration

or management of HSE funds with whom it is felt necessary to raise and discuss such matters.

- 15.12.2.** Sample checks by auditors may take place at regular intervals in each financial year.
- 15.12.3.** Every officer shall attend at such place and at such time as may be appointed by the auditor and shall submit his/her records, books and accounts for examination and checking.
- 15.12.4.** Where any irregularities are disclosed at the checking of the accounts of an officer, the internal/external auditor shall report such irregularities to the Chief Financial Officer (CFO), who shall cause a full investigation to be made and shall take all necessary action.

15.13. Appendix 1 – Claim Form

REIMBURSEMENT OF OTHER STAFF COSTS

Complete all green sections

Name:	Grade	Personnel No.	Cost Centre

Date	Allowable Expense	Receipts Attached	Amounts	Cost Element Code	Summary of duties carried out
		Y/N	€		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
			€0.00		
	Total claimed €		€0.00		

Certification

I certify that the expenses charged have been actually and necessarily disbursed solely in relation to the public service on which I am engaged, and the particulars furnished herein are in all respects true.

Signed:..... **Date:**...../...../.....
Claimant

I hereby certify that I have examined this claim for expenses; I am satisfied that the expenses set out were necessarily performed in the discharge of the officer's duties and that the amounts shown are correct.

Signed: **Date:**...../...../.....
Certifying Officer

Please submit to relevant Processing division

To Be Completed by relevant processing division

CHECKED BY PROCESSING OFFICER:..... **Date:**...../...../.....

AUTHORISED BY:..... **Date:**...../...../.....