



East Herts Council

Disturbance Allowance Scheme

Policy Statement

Policy Statement No 23 (Issue No 2)

July 2011

Contents

| | | |
|-----|--|---|
| 1.0 | Introduction | 3 |
| 2.0 | Excess travelling expenses | 3 |
| 3.0 | Excess travelling time | 5 |
| 4.0 | Changes affecting the excess travelling expenses & time allowances | 6 |
| 5.0 | Review | 7 |

1.0 Introduction

- 1.1 The Council is not responsible for an employee's normal home to work mileage or fares. However, where an employee's contractual office base is changed for business reasons beyond their control or they are transferred to a new contractual office base, the additional travelling expenses can be claimed in accordance with this policy. If an employee's contractual base(s) already includes the new location they cannot claim disturbance allowance.
- 1.2 The repayment of excess travelling costs is divided into two parts, expenses and time. Both are subject to tax and NI. The allowances will be paid to the employee on a monthly basis in arrears, for a period of four years for Excess Travel and three years for Excess Time.

2.0 Excess Travelling Expenses

- 2.1 The expenses are paid to all Council employees whose place of work is changed for business reasons or they are transferred to a new contractual office base, **where the new base is a minimum of 5 miles further from their home than their original work base.**
- 2.2 The expenses are based on the total difference between the costs of travelling from:
- I. Home to the new contractual office base and
 - II. Home to the old contractual office base
- 2.3 The difference between the two journeys will be calculated using a route map website, using the **shortest route**, and selecting an interactive map. The difference in mileage will be calculated by HR using this formula and communicated to employees on the claim form. Should employees not agree with the mileage calculated then they should inform HR at the earliest opportunity.
- 2.4 These are paid for the days expenses occur. Expenses cannot be claimed during:
- Annual leave
 - Statutory and extra statutory holidays
 - Sickness Absence
 - When working from home
 - Maternity/ Paternity and Adoption Leave
 - If claiming for travel expenses for training course/seminar attendance

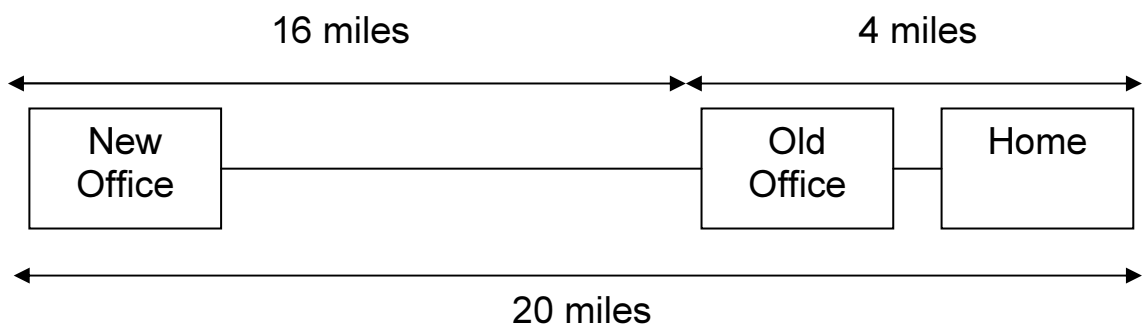
- Any other situation whereby the employee has not occurred excess travel expenditure

2.5 By public transport

- 2.5.1 The Council would like to encourage all staff to use public transport where possible.
- 2.5.2 Employees who live near a suitable public transport route will be entitled to the difference between the cost of standard class ticket to the new contractual office base and the old contractual office base.
- 2.5.3 When purchasing tickets employees must take into account the criteria set out in 2.3 -2.4. If an employee purchases a season ticket which spans a period of absence from their contractual office base (home working, annual leave, statutory holidays etc) costs will be reimbursed on a pro-rata basis according to the days the employee attended the office, claimed monthly.
- 2.5.4 Ticket reimbursements are not subject to tax and NI.
- 2.5.5 Reimbursements should be claimed on a monthly basis.

2.6 By car

- 2.6.1 If an employee is a Car User or public transport is not feasible they may claim the mileage allowance. The rate of reimbursement will be based on the mid point of the Essential Car User Rates. Employees with lease cars will be reimbursed at the lease car rate.
- 2.6.2 The allowance is based on the total distance from home to the new contractual office base less the total distance from home to the old contractual office base.
- 2.6.3 Example 1 – Employee travelling from home to work

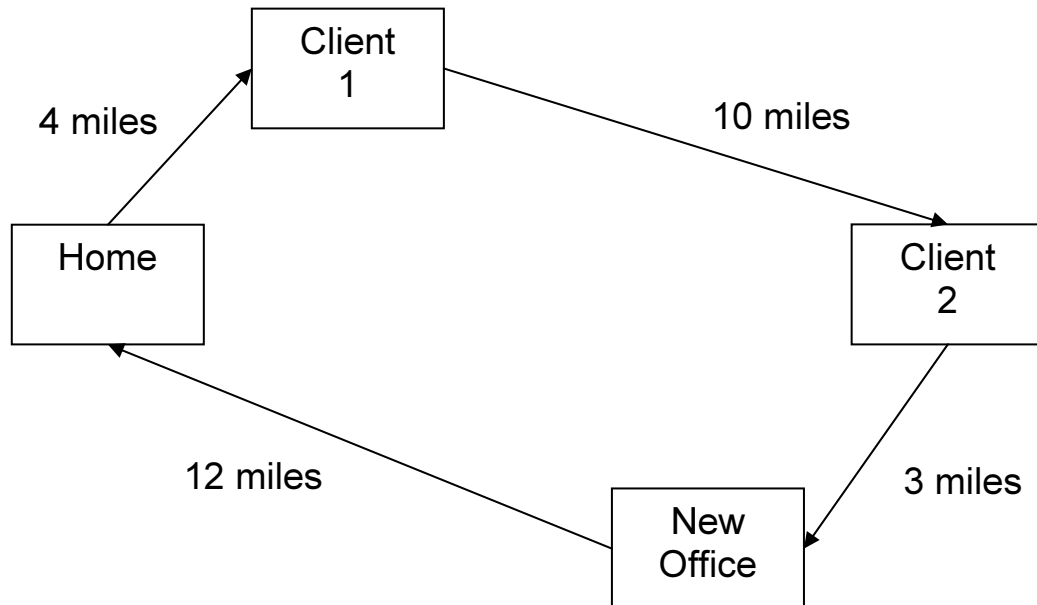


Home to New Office Location – Home to Old Office Location =
Mileage Allowance

In this example: 20 miles – 4 miles = 16 miles

Therefore the mileage allowance per working day would be 32 miles

2.6.4 Example 2 – Employee travelling from home to clients and then on to work



In this example the employee's journey from their home to their old office was 4 miles and the distance from home to the new office is 12 miles. As in example 1 the difference between the two is used for calculating disturbance allowance. This employee can claim 16 miles per round trip from home to the new office base as disturbance allowance (as 8 miles must be discounted).

In this scenario the employee visits two clients before they arrive at the new office and their total mileage for the day is 29 miles.

As 8 miles must be discounted the employee is entitled to claim for 21 miles. The first 16 miles can be claimed as disturbance allowance and the remaining 5 miles as business mileage (using the Council's usual mileage claim form).

2.6.5 Example 3 – Home workers

Home workers who are contractually entitled to disturbance allowance may claim for journeys into the office, in accordance with the home working policy.

2.6.6 All excess mileage reimbursements are subject to tax and NI.

2.6.7 Mileage allowance should be claimed on a monthly basis (see point 2.3).

3.0 Excess Travelling Time

3.1 The Excess Travelling Time allowance is awarded in respect of the additional time spent travelling when an employee is transferred to a new contractual office base. This allowance varies according to the additional mileage travelled.

3.2 The Excess Travelling Time allowance is based on the Regional Joint Council Scheme. The East of England Regional Assembly negotiates rates for Essex and Hertfordshire.

3.3 The allowance is payable in accordance with the rates set out below.

| Excess Travel Allowance* | Allowances (1 st April 2009) | | | | | |
|--------------------------|---|-------|----------------------|-------|----------------------|-------|
| | 1 st Year | | 2 nd Year | | 3 rd Year | |
| | Annual | Daily | Annual | Daily | Annual | Daily |
| 5-19 miles | £410 | £1.58 | £318 | £1.22 | £237 | £0.91 |
| 20-29 miles | £658 | £2.53 | £582 | £2.24 | £499 | £1.92 |
| 30-39 miles | £890 | £3.42 | £782 | £3.01 | £706 | £2.76 |
| 40 miles and above | £1108 | £4.26 | £1025 | £3.94 | £948 | £3.65 |

*Mileage based on the return journey

3.4 The total distance from home to new office less the total distance from home to old office (see point 2.3).

3.5 These are paid for the days the employee incurs excess travel time. Expenses cannot be claimed during:

- Annual leave
- Statutory and extra statutory holidays
- Sickness absence
- When working from home
- Maternity/ Paternity and Adoption Leave
- If claiming for travel expenses for training course/seminar attendance
- Any other situation whereby the employee has not incurred excess travel expenditure

3.6 This allowance is subject to tax and NI.

3.7 Excess travel time allowance should be claimed on a monthly basis (see point 2.3).

4.0 Changes affecting the Excess Travelling Expenses and Time Allowances

4.1 Second or subsequent relocations of the same office

4.1.1 If an employee's contractual office base is transferred again during the period where an excess travelling allowance was granted, the excess mileage should be re-calculated from the original contractual office base to the new contractual office base and the revised allowance paid for the remainder of the original agreed period.

4.2 Employee Voluntarily Moving Home

4.2.1 If an employee moves house during the period of entitlement to either excess travelling expenses or excess travelling time the allowances should be adjusted downwards if the distance travelled is reduced but should remain unchanged if the distance travelled is greater.

4.3 Changes to the Employee's job

4.3.1 The excess travelling expenses and time allowances should **remain** for the agreed period if:

- The employee's post is re-graded.

4.3.2 The excess travelling expenses and time allowances should **cease** if:

- The employee applies for and accepts a new job at a different location.

4.4 Changes to the Employee's circumstances

4.4.1 It is the employee's responsibility to inform HR of any change in circumstance that may affect their allowances within one month of that change. Any overpayments to an employee will be recouped in accordance with the Council's procedures.

5.0 Review

- 5.1 The scheme will be reviewed in six months to benchmark against other Councils in Hertfordshire or sooner if there are any changes in legislation or best practice requiring amendments to be made.