



East Herts Council

Expenses Policy

Policy Statement

Policy Statement No 37 (Issue No 1)

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1.0 Introduction

- 1.1 East Herts Council must ensure that the reimbursement of expenses is carried out in a fair and consistent manner across the Authority, based on business need. This is important to enable East Herts Council to comply fully with Equal Pay legislation. The Council must deduct tax and national insurance when required by statute.
- 1.2 Expenses are a combination of both nationally and locally agreed rates which are published on the intranet and attached as Appendix A and C
- 1.3 The reimbursement of expenses applies to all Employees covered by the National Joint Council for Local Government Services (Green Book) and Chief Officers.

2.0 What you may claim

- Business Mileage
- Motorcycle Mileage
- Bicycle Mileage
- Passenger Rate
- Fares (including rail, tube, parking, taxi, air)
- Subsistence
- Accommodation
- Taxi
- Air Travel
- Overnight Accommodation
- Reimbursement of Telephone Calls
- Petty Cash

3.0 Business mileage

The allowance that applies to you is quoted in your contract of employment.

3.1 Essential user

Criteria:

- Any employee who completes over 2000 business miles per annum (pro rata for part-time employees with the lump sum allowance being pro rated on the basis of annual hours worked).

- In exceptional circumstances, staff travelling less than 2000 miles per annum may be offered an essential user allowance where it can be shown to be the only means of meeting unavoidable travel needs.
- Membership of the scheme reviewed annually.
- These criteria will apply from the date of implementation of the proposed changes to terms and conditions.

3.1.1 The annual lump sum allowance is payable on a monthly basis.

3.1.2 It should be noted that the annual lump sum allowance is not taxed at source, but reported by the Council to HMRC at year end on a P11D form. In addition, the mileage rate paid exceeds HMRC's recommended rate. This results in a profit which is also returned at year end on a P11D form. HMRC will then collect the tax due on this profit by reducing your tax code accordingly. **National Insurance is deducted at source on the lump sums.**

3.1.3 Please refer to Appendix A for current mileage rates and lump sum allowances.

3.2 **Casual user**

3.2.1 Any Employee who is not designated an Essential User and uses his or her car on Council business is classified as a casual user.

3.2.2 It should be noted that the mileage rate paid exceeds HMRC's recommended rate. This results in a profit which is returned at year end on a P11D form. HMRC will then collect the tax due on this profit by reducing your tax code accordingly.

3.2.3 Please refer to Appendix A for current mileage rates.

3.3 **Lease user**

3.3.1 Any Employee who has an approved lease vehicle or is in receipt of the cash alternative scheme is classified as a Lease user.

3.3.2 Please refer to Appendix A for current mileage rates.

3.4 **Motorcycle user**

3.4.1 Any Employee who uses a Motorcycle for travel on official business will be entitled to reimbursement.

3.4.2 Please refer to Appendix A for current mileage rates

3.5 **Bicycle user**

3.5.1 Any Employee who uses a Bicycle for travel on official business will be entitled to reimbursement.

3.5.2 Please refer to Appendix A for current mileage rates

4.0 **Guidelines for claiming mileage**

4.1 Blank claim forms can be found on the intranet under car mileage claim form and attached as Appendix B.

Home to normal place of work

You may claim for business journeys that you have to make in the performance of your duties and journeys you have to make to or from a place you have to attend in the performance of your duties but NOT journeys which are ordinary commuting or private travel. This also applies if you are a home worker, for guidance see 15.2 of the 'Home Working Policy'.

'Ordinary commuting or private travel' does not include additional journeys from home to normal place of work and back where those journeys would not have been expected to have been made. For example callouts on a non-working day or requiring a repeat journey on a work day will be payable. However, payments in these cases will be subject to tax and national insurance.

Home to temporary place of work

Mileage to a temporary workplace can be claimed LESS your ordinary home to workplace mileage. Examples of this as follows:

- If your workplace is Wallfields and your home is Cheshunt and you travel from home to Buntingford and return on a business journey which is 19 miles but your normal return journey from home to Wallfields is 18 miles you can only claim the difference of 1 mile.
- If your normal workplace is The Causeway and your home is Saffron Walden and you travel from home to Hertford and return on a business journey which is 56 miles but your normal return journey from home to The Causeway is 24 miles you can only claim the difference of 32 miles.

If the journey is less than your normal home to permanent workplace then no claim is permitted.

Where the home to temporary place of work is additional to normal commuting this will be paid without deduction. For example where the journey is a call out on a non-working day or is a call out after reaching home at the end of the working day.

As a general rule reimbursement should only be for 'out of pocket' expenses.

- 4.2 An 'Out of District' rate is paid where the return journey exceeds 50 miles. The first 50 miles of such a journey is paid at your normal rate and the balance paid at the current 'out of district' rate (refer to Appendix A). A journey broken by an overnight stay is classed as one journey for the purpose of calculating 'out of district' miles.
- 4.3 Please note, if you accrue more than 50 miles within the district on the same day for site visits, inspections etc. you are entitled to all mileage at normal rate as outlined in section 4.1.
- 4.4 If you carry passengers you may claim an amount per passenger per mile. Please refer to Appendix A for current rates.
- 4.5 Complete the front of the form with your relevant details. **Claims will not be accepted where information is missing as all fields are critical in determining the mileage rate to be reimbursed.**
- 4.6 Ensure that you satisfy the conditions stated.
- 4.7 Detail your journeys on the reverse of the form as follows:

Date	=	Date of journey
From	=	Start location
To	=	End location
Purpose of journey	=	Reason for the journey
Start Meter reading	=	Record your start meter reading
Finish Meter reading	=	Record your finish meter reading
In district miles	=	Sum of miles for journeys totalling less than 50 miles on a single occasion
Out of district miles	=	Sum of miles for journeys totalling more than 50 miles on a single occasion. (The first 50 miles should be classed as 'in district miles').
Total	=	Total miles claimed

Passenger = Name of passenger

- 4.8 An original fuel VAT receipt that pre dates the journeys must be stapled to the back of the claim.
- 4.9 At the end of the calendar month calculate the total miles claimed.
- 4.10 The arithmetic must be checked and initialled by a colleague before being signed by your authorised line manager.

5.0 Expenses

5.1 Travel by public transport

A rail warrant application form should be completed and authorised prior to travel which is exchanged for a ticket at the station. Blank forms can be found on the intranet and attached as Appendix 'E'

- 5.1.1 If a rail warrant has not been obtained you may claim reimbursement for any travel expense incurred on Council business. You are entitled to claim standard class train fares, London Underground, and bus fares. All claims must be supported by valid receipts stapled to the back of the claim form.
- 5.1.2 Managers should ensure that the most cost-effective method of transport is used.

5.2 Travel by taxi

- 5.2.1 You may only claim in exceptional circumstances where no other form of travel is reasonably available. All claims must be supported by valid receipts stapled to the back of the claim form.

5.3 Car parking charges

- 5.3.1 You may claim for reimbursement of car parking charges incurred on Council business. You may not claim for office locations where free car parking is available e.g. Grange Paddocks and Wallfields.

5.4 Air travel

- 5.4.1 You may only claim in exceptional circumstances where no other form of travel is reasonably available. Economy class fare only is allowed, using the most cost effective airline and supported by proof of 3 quotations. All claims must be supported by valid receipts stapled to the back of the claim form.

5.5 **Subsistence**

- 5.5.1 You may claim reimbursement only for the additional expense incurred for meals taken whilst on official Council business away from your normal base. The local agreement on subsistence rates and meal times is detailed in Appendix 'C'.

5.6 **Accommodation**

- 5.6.1 You may claim if you are staying away from home on business for your accommodation and meals if not included in the hotel costs or conference fees. The local agreement on subsistence rates is detailed in Appendix 'C'.

5.7 **Miscellaneous**

- 5.7.1 You may claim for reimbursement of business telephone calls made from your own mobile or home telephone if a company telephone or mobile phone is not available. You will need to provide your Manager with a copy of the bill.

5.8 **Petty cash**

- 5.8.1 You may be requested to purchase an item for the Council which is not available from the e-market place system. Audit authority has to be obtained if the reimbursement exceeds 20% of the value of the float that is held by your Customer Service Team. Blank forms can be found on the intranet under Payroll forms and attached as Appendix 'F'. Receipts must be stapled to the back as proof of purchase.

Expenses as detailed in this policy may not be reimbursed from Petty cash.

6.0 **Process for claiming expenses**

- 6.1 Blank forms can be found on the intranet under expenses claim form and attached as Appendix 'D'. Please refer to the Homeworking Policy in relation to what expenses are covered as a homeworker

6.2 **Travel**

- 6.2.1 Complete with details and staple supporting receipts to back of form.

6.3 **Subsistence**

6.3.1 Complete with details and staple supporting receipts to back of form.

6.4 **Accommodation**

6.4.1 Complete with details and staple supporting receipts to back of form.

6.4.2 Indicate a cost centre override if necessary.

6.5 **Miscellaneous**

6.5.1 Complete with details and staple supporting receipts to back of form.

6.6 Sign form and pass to your authorised line manager for verification and signature before passing to Payroll for processing.

7.0 **Promptness for claims**

7.1 As stated in our Financial Regulations, certified claims will be forwarded to the Payroll Section within five working days following the end of the month to which the claim relates.

7.2 Claims for expenses older than three months should not be authorised as they will not be paid.

7.3 Payroll will only process claims that are fully completed, a fuel VAT receipt attached where applicable and properly authorised. Incomplete forms will be returned to the claimant.

8.0 **Policy Review and Amendment**

8.1 This Policy shall be reviewed after two years or sooner in line with legislation and best practice to reflect the best possible level of support and management.



**NATIONAL JOINT COUNCIL FOR LOCAL GOVERNMENT
SERVICES MILEAGE RATES
Effective from 1st April, 2010**

Essential User Rates	451 - 999cc	1000 - 1199cc	1200 & Above
Lump sum per annum (Monthly payment pro rata)	£846 £70.50	£963 £80.25	£1,239 £103.25
Per mile - first 8,500 miles (Monthly mileage pro rata)	36.9p	40.9p	50.5p
Per mile - after 8,500 miles	13.7p	14.4p	16.4p
Amount of VAT per mile in Petrol element	1.400p	1.543p	1.681p

Casual User Rates			
Per mile - first 8,500 miles (Monthly mileage pro rata)	46.9p	52.2p	65.0p
Per mile - after 8,500 miles	13.7p	14.4p	16.4p
Amount of VAT per mile in Petrol element	1.400p	1.543p	1.681p

Leased Vehicle Rates			
451 - 999cc	1000 - 1199cc	1200 – 1449cc	1450 & Above
13.0p	14.0p	16.0p	18.0p

Motorcycle Rates			
	Up to 125cc	Over 125cc	
	21.44p	33.56p	

Bicycle Rate
20p per mile

Passenger Rate	Out of District Rate
5p per passenger per mile	18.0p per mile



CAR MILEAGE CLAIM FORM

Refer to Expenses Policy for guidance notes

Please complete **all sections**, failure to do so may delay payment. Please ensure completed forms are received by Payroll by the 6th of the month and valid VAT receipts to the back of this form.

Employee Details
(failure to complete all sections will delay payment) (RL32)

Name: _____ Payroll No: _____
 Claim Period: _____ Date Submitted: _____
 Casual Essential Lease Car Registration: _____
 Fuel Type: _____ Engine Size (cc.): _____
 Make & Model of Car: _____ Approved CO₂ Emission (g/km): _____

Claim Details
(a single journey is the sum of 'to' and 'from' destination) (RL40)

Mileage **IN** District: Sum of journeys of less than 50 miles on each occasion.

Mileage **OUT** of District: Sum of journeys totalling more than 50 miles for a single journey (the first 50 miles should be separated & added to the 'IN District' total).
(A651)

Total mileage claimed: Sum of all mileage claimed.

Arithmetic check: Initial by a team member.

I certify that

- I held a full & current UK driving licence through the period claimed. I am not disqualified & no prosecutions are pending. I have no medical conditions that prevent me from driving.
- My motor insurance policy is extended to include business use. (You must indemnify the Council against third party claims whilst travelling on business, which may include attending courses, and working at or visiting another site. If transporting goods, your Insurer may require separate notification).
- My vehicle is roadworthy. If over three years old, it is covered by a valid MOT certificate.
- My vehicle has valid road fund licence.
- The mileage shown below (as detailed overleaf) was run on approved Council business in accordance with the conditions laid down by the NJC and the rules of East Herts Council.

Managers must check insurance certificates, driving licences and MOT certificates at least annually; retain photocopy evidence & record dates of checks.

Signed: _____ (Employee) Date: _____
 Signed: _____ (Authorised Officer) Date: _____
 Print Name: _____ (Authorised Officer)



SUBSISTENCE RATES
Effective from 1st January 2008

East Herts subsistence rates are determined by Local Agreement guided by East of England notification.

The maximum claim for meals is as follows:

Breakfast	Before 7am	£6.45
Lunch	Between 12 noon & 2.30pm	£8.91
Tea	Between 2.30pm & 7pm	£3.52
Evening Meal	After 7pm	£11.03

Evening meal allowance cannot be claimed with a tea allowance.

All claims must be supported by a valid VAT receipt stapled to the back of the claim form.



EXPENSES CLAIM FORM

Please refer to the Expenses Policy for guidance notes. Completed forms must be received by payroll by the 6th of the month. Please attach all receipts to the back of this form.

Personal Details	
Name: _____	Payroll No: _____
Team: _____	Date Submitted: _____

Travel & Parking Details (PD06)

Date	Purpose	Time Away From : To	Cost Incurred
Total: (A560)			

Subsistence Details (PD06)

Date	Breakfast (Before 7am)	Lunch (Between 12 & 2:30pm)	Tea (Between 2:30 & 7pm)	Evening Meal (After 7pm)	Cost Incurred
Total: (A545)					

Accommodation Details (PD06)

Date	Purpose (Cost centre override if applicable)	Cost Incurred
Total: (A545) (VAT A655)		

Miscellaneous Details (PD06)

Date	Item (Cost centre override is applicable)	Cost Incurred
Total: (A545) (VAT A655)		

I declare that I have necessarily incurred additional expenditure on travel and/or subsistence for the above purpose and that the amounts claimed are in accordance with the rates and conditions as set out in the Expenses Policy. All supporting receipts are genuine and are stapled to the back of this form.

Signed: _____ Date: _____

Signed: _____ (Authorised Officer)



PETTY CASH CLAIM FORM

Please refer to the expenses policy for guidance on how to claim.

Name: _____

Department: _____

Quantity	Item Description	Unit Cost		Total Cost	
		£	.	£	.
Total				£	

Expenditure Code	Amount	
	£	.
/		
/		
/		
/		
/		
/		
/		
/		
/		
/		

Voucher No: PC

Date: _____

Claim prepared by: _____

Print: _____

Claim certified by: _____

Print: _____

Cash received by: _____

Print: _____

Coding checked: _____

Print: _____

Audit checked: _____



APPLICATION FOR RAIL TRAVEL WARRANT

To be completed by employee

<u>Applicant Details</u>	
Name: _____	Department: _____
Site: _____	Cost code: _____

<u>Journey Details</u>	
Starting From: _____	
Destination: _____	
Via: _____	
Start date & time: Date: _____	Time: _____ ...
Return date & time: Date: _____	Time: _____ ...
Reason for travel: _____	

Signed: _____	Date: _____
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To be completed by authorised signatory

The above application has been approved for the purpose stated	
Signed: _____	Date: _____
Name: _____	(Please Print)

To be completed by the issuing officer

Warrant number: _____
Date of Issue: _____
Warrant type: _____
Issued by: _____