

If you would like help to understand this document, or would like it in another format or language, please call the Employee Relations Team on 01432 383170 or e-mail [\\_Employee Relations](mailto:_Employee_Relations).

The purpose of this document is to provide employees and managers with clear guidance on how to make and authorise travel and subsistence claims in accordance with the Council's terms and conditions of employment.

### **General principles**

The Council recognises that employees may need to undertake business journeys or attend meetings on behalf of the Council and that they should be reimbursed for expenditure incurred.

In accordance with the Council's commitment to sustainable transport and its local travel plan, employees are encouraged to use public transport (for which approved costs will be reimbursed), car sharing and alternative methods of travel, other than by car, wherever possible. Further information is available <http://intranet/intranet/content/3357.asp>

Travel should be by the most cost-effective means, e.g. using a train instead of car. The route taken should also be the most cost-effective, unless there is a good reason for using an alternative, e.g. road traffic diversions. This route need not be the shortest as consideration should also be given to travel time.

Where journeys are undertaken by train, first class travel should be avoided other than in exceptional circumstances. Rail warrants are available from the Payments section.

When a journey from home to a third location (or vice versa) is appropriate, travel should be undertaken that way, i.e. not via the work base. Normal home to work mileage should be deducted from the total miles claimed.

Business mileage comprises travel in the course of the Council's business, such as delivering or collecting goods, visiting customers or attending meetings on behalf of the Council. Payment for journeys between home and normal work base will only be made where the employee would not normally have been expected to work e.g. call-outs, work on days outside the contractual week. This will be subject to tax and NI deductions.

### **Mileage rates**

Business and training car mileage will be reimbursed at HM Revenue & Customs rates. With effect from April 2008 these are:

Up to 10,000 miles per annum	40 pence per mile
Over 10,000 miles per annum	25 pence per mile

Employees will also be paid an additional 5p per mile if they carry passenger(s). The passenger must be an employee of Herefordshire Council in order to claim the additional 5p per mile.

In respect of motorbikes and mopeds	24 pence per mile
In respect of cycles	20 pence per mile

Lease car holders will be paid the HMRC advisory fuel rates for company cars. Current rates can be found on the HMRC website [www.hmrc.gov.uk/cars/fuel\\_company\\_cars.htm](http://www.hmrc.gov.uk/cars/fuel_company_cars.htm)

A VAT fuel receipt(s) must be supplied for mileage claims exceeding 250 miles. The receipt(s) must relate to the period of travel being claimed (see appendix 1 for further information).

Reasonable expenditure on car parking fees necessarily incurred in the course of business when away from normal place of work will be reimbursed. Receipts must be produced.

### **Subsistence Payments**

Reasonable subsistence will only be paid when travelling **outside** of Herefordshire. This will be a reimbursement of expenditure not an allowance so VAT receipts must be provided. To assist managers in determining 'reasonable subsistence' and to ensure consistent treatment of employees, an expenses framework is attached at appendix 2.

Claims for meals will not be accepted if the meal has been provided. An example is lunch provided at a seminar.

Claims for alcoholic beverages will not be reimbursed. Employees must also ensure that they comply with Council's Code of Conduct for Employees on the consumption of alcohol whilst representing the Council.

### **Overnight Accommodation**

Overnight stays must be agreed with the employee's line manager in advance of travel. Payment should not normally exceed the cost of 3 Star or equivalent accommodation (see appendix 2).

Overseas trips must be authorised by the Director in advance of travel, including confirmation of the allocated budget for expenses. The Director will also be required to sign the subsequent claim form. The appropriate Cabinet Member will be informed of all planned overseas trips.

Claims for overnight stays within Herefordshire must be accompanied by a signed memo from the manager, explaining the reason for approval.

### **Claiming Process**

All travel and subsistence expense claims must be submitted within one calendar month of the period to which they relate. Claims received after this period will only be paid in exceptional circumstances and with Head of Service and Director written authorisation.

Employees should ensure that all relevant sections of the claim form are completed as incomplete claims will not be paid. Claim forms must be signed and dated by the employee and manager.

Failure to comply with this guidance may lead to disciplinary action.

### **Further information**

For further advice contact Payroll or your Human Resources Officer. Forms are available on the intranet.

## TRAVELLING AND SUBSISTENCE CLAIMS GUIDANCE

A travel and subsistence expense claim form must be completed for each month and submitted within one calendar month of the period to which it relates. Any claims that are incomplete and/or in contravention of the council's policies will be rejected, unless all exceptions are individually certified by the relevant Head of Service and Director in writing.

### VAT fuel receipts required for mileage expense claims submitted

It is a requirement to retain VAT invoices for all mileage claims exceeding 250 miles representing the fuel element of the mileage rate paid (this may be different to the mileage amount paid to you as an expenses claim).

If you submit a mileage expense claim exceeding 250 miles you **MUST** attach a VAT receipt for at least the value of the fuel element of the claim per the table below. The receipt/s should be dated before the mileage is actually completed, not after e.g. mileage for 1-30 Sept a receipt dated 1st October is invalid. A receipt is not required where the claim is less than 250 miles.

Any claims over 250 miles without the correct supporting VAT receipt **will be rejected**.

### *Fuel element of all mileage claims, per mile*

<b>Engine Size</b>	<b>Petrol</b>	<b>Diesel</b>	<b>LPG</b>
1400cc or less	10p	10p	6p
1401cc to 2000cc	13p	10p	8p
Over 2000cc	18p	13p	10p

For example, if Mr Smith has a 2.2 litre diesel car and submits a mileage claim for 300 miles, he will need to provide VAT receipt(s) showing a total cost of diesel of at least £39.

### **Example: Minimum VAT receipt required for a 250 mile claim**

<b>Engine Size</b>	<b>Petrol</b>	<b>Diesel</b>	<b>LPG</b>
1400cc or less	£25.00	£25.00	£15.00
1401cc to 2000cc	£32.50	£25.00	£20.00
Over 2000cc	£45.00	£32.50	£25.00

Further information is available from Payroll.

## TRAVELLING AND SUBSISTENCE CLAIMS GUIDANCE - EXPENSES FRAMEWORK

### Subsistence Payments

Reasonable subsistence will only be paid when travelling **outside** of Herefordshire. This will be a reimbursement of expenditure not an allowance so VAT receipts must be provided.

Claims for meals will not be accepted if the meal has been provided. An example is lunch provided at a seminar.

To assist managers in determining 'reasonable subsistence' and to ensure consistent treatment of employees, an expenses framework is set out below. Subsistence payments should not normally exceed these maximum amounts, however it is accepted that there may be some occasions where they may need to be increased.

**Breakfast:** **£4.50**

Can be paid where an employee leaves home before 7.00 am

**Lunch:** **£6.50**

Can be paid where an employee is absent from his/her normal place of work for a period including the lunchtime 12 noon to 2.00 pm:

**Tea:** **£2.50**

Payable if the employee is absent from his/her normal place of work which includes the period 3.00 pm to 6.30 pm until 8.30 pm

**Evening Meal** **£10.00**

Payable if the employee arrives home after 8.30 pm or is staying overnight.

**Overnight Accommodation** (should not normally exceed 3\* accommodation)

Bed & Breakfast or hotel accommodation outside of London: **£75 per night**

Bed & Breakfast or hotel accommodation within London **£90 per night**