

# **FERRYHILL TOWN COUNCIL**



## **POLICY**

# **Employee Expenses**

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## **1 Introduction**

- 1.1 All employees of the Council are entitled to the reimbursement of travelling costs and subsistence expenses when attending training courses, conferences or seminars in accordance with the provisions of this policy.

## **2 Claims and Payments**

- 2.1 Claim forms should be completed and forwarded to the Finance and Administration Manager, so as to be received no later than the 6<sup>th</sup> day of each month. If claims are not received by this date, payment will be made the following month.
- 2.2 Reimbursement of travelling costs and any subsistence expenses will be paid in arrears through the monthly payroll on the 15<sup>th</sup> day of the month, or the Friday preceding this date if it should fall on a weekend.
- 2.2 It is a condition of the payment of travelling costs and subsistence expenses that these have been approved by the Town Clerk prior to the course/conference/seminar. It is not possible to decide, after the event, that reimbursement should be paid.

## **3 Travelling Costs**

- 3.1 Employees are expected to travel by the cheapest form of public transport to venues **Outside of the Region** ie outside the boundaries of the counties of Durham, Tyne and Wear and Cleveland, where it is cheaper than the car allowance.

## **4 Travel By Rail**

- 4.1 Rail tickets should be requested from the Town Hall Office in advance of travel.
- 4.2 Standard Class rail travel is the approved class of travel, although first class rail can sometimes be the cheaper option dependent upon the time of booking.
- 4.3 Tickets can be booked up to 3 months in advance of date of travel and employees should make their requests as far in advance as possible in order to maximise savings.

## **5 Travel by car as an alternative to Rail**

- 5.1 As a general rule, journeys outside the locality should be undertaken by rail as this is usually the cheapest mode of travel for someone travelling alone.
- 5.2 The ability to get to a particular destination by rail needs to be taken into account. Where the venue for the meeting is some distance from the railway station, the advantages and disadvantages of alternative methods of travel should be considered.

- 5.3 Employees are expected to travel by the cheapest form of transport to venues outside of the region, where it is cheaper than the car allowance, however, if they so choose, employees may receive the quoted total travel cost for the whole journey plus 25% and make their own travel arrangements, providing any other employees attending the training course forfeit their travel allowance and travel in the aforesaid car.
- 5.4 If you choose to use your car for travel, the amount payable will be made in line with the Council's approved mileage rates, which are aligned to NJC Car Allowance Rates, as follows:

Car Capacity:	451 - 999cc	1100 - 1199cc	1200ccc and above
Rate per mile: first 8,500 miles	46.9 pence	52.2 pence	65.0 pence

The rate specified above may be increased in respect of the carriage of passengers (Council Members or employees), not exceeding four, to whom a travelling allowance would otherwise be payable, by 5.0p per mile.

- 5.5 The Government currently allows a standard tax allowance of 45p per mile for the first 10,000 miles therefore any additional payments above this rate, as shown above, are subject to tax. National Insurance Contributions may also be due, however this would depend on whether the aggregate amount of your salary and allowances paid in the same month reaches the monthly lower earnings limit as set by HMRC.
- 5.6 Employees who are state pension age or over are not liable to pay National Insurance contributions provided confirmation is provided of their age in the form of a birth certificate or passport (originals only), which should be sighted by the Finance & Administration Manager.
- 5.7 The Town Council will make an annual return to HMRC on behalf of employees detailing miles travelled and mileage allowance paid. HMRC will amend individual employee's tax codes accordingly, based upon this information. A certificate, known as a P9D or P11D, will be issued to each employee by 6th July of the following tax year, giving details of the amount of taxable mileage allowance paid.
- 5.8 Any expenditure incurred on tolls, ferries or parking fees, including overnight garaging will also be reimbursed, upon receipt of evidence of the charge.
- 5.9 The rate for travel by taxi-cab or cab shall not exceed:
- (a) in the case of urgency or where no public transport is reasonably available, the amount of the actual fare and any reasonable gratuity paid (receipts must be obtained)
  - (b) in any other case, the amount of the fare for travel by appropriate public transport.
- 5.10 The rate of travel by a hired motor vehicle other than a taxi, shall not exceed the rate which would have been applicable had the vehicle belonged to the employee who hired it.

## 6 Motor Vehicle Insurance

- 6.1 If you are using a car or other privately owned vehicle for a purpose relating to your activities as an employee of the Council, you must ensure that your insurance covers business use as well as for the usual social, domestic and pleasure categories.

## 7 Air Travel

- 7.1 The cost of travel by air shall not exceed the cost applicable to travel by appropriate alternative means of transport. Unless in circumstances where the saving in time is so substantial as to justify payment of the fare for travel by air.
- 7.2 However, with the prior approval of the Council, where it is considered that the saving in time is so substantial as to justify payment of the fare for travel by air, there may be paid an amount not exceeding:
- (a) the ordinary fare or any available cheap fare for travel by regular air service, or
  - (b) where no such service is available, or in case of urgency, the fare actually paid by the employee.

## 8 Overnight Accommodation and Subsistence

- 8.1 Where it is considered that an overnight stay is required, then accommodation will be organised in advance by the Town Hall Office.
- 8.2 Accommodation along with Breakfast and Evening meal, if required, and not provided at the conference/course/seminar, will be booked and paid for in advance. Employees should make their requests as far in advance as possible in order to achieve best prices and should you have any special requirements in relation to your booking you should advise the Office at the time of the request.
- 8.3 Reimbursement for any additional meals purchased up to the maximum amounts detailed below i.e. breakfast, lunch, tea or evening meal can be claimed retrospectively (less any meals provided) **on the production of receipts.**

Rates are set out below:

<b>Allowance</b>	<b>Minimum absence from home</b>	<b>Rate £</b>
Breakfast	2 hours which must be before 11.00am	6.75
Lunch	2 hours which must be between 12 noon and 2.00pm	9.27
Tea	3 hours which must include 3.00pm to 6.00pm	3.65
Evening Meal	3 hours which must be after 7.00pm	11.48

**NB.** No reimbursement for alcohol purchased will be made – should this be included on your receipt it will be deducted from the amount claimed.

## **9 Subsistence Allowance for Conferences/Seminars/Training Courses**

- 9.1 When attending a conference/seminar/training course, **not involving an absence overnight** from the usual place of residence, employees may claim up to the approved rates as follows, **on production of receipts. Meals provided at the conference/course/seminar may not be claimed.**

<b>Allowance</b>	<b>Minimum absence from home</b>	<b>Rate £</b>
Breakfast	2 hours which must be before 11.00am	6.75
Lunch	2 hours which must be between 12 noon and 2.00pm	9.27
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