

Lawford Parish Council



LAWFORD PARISH COUNCIL EXPENSES POLICY

Purpose	2
General procedure	2
Homeworkers	3
Training	3
Travel	3
Overnight accommodation	4
Meals	4
Entertainment/gifts	5
Annual events	5
Expenses that will not be reimbursed	5
False claims	5

Purpose

This policy sets out the Council's rules on how employees can claim for expenses incurred in the performance of their duties for the Council. The purpose of this policy is to ensure that employees are properly reimbursed for legitimate business expenses and to ensure that these expenses are treated appropriately for tax purposes. It does not apply to councillors.

General procedure

The Council will reimburse employees for actual expenditure that is incurred wholly, necessarily and exclusively in connection with authorised duties that they undertake in the course of their employment. To claim for expenses, employees must use the Council's expenses claim forms and set out the reasons why the expense was incurred on the claim form. If an employee is unsure whether an expense can be claimed, they must seek prior written authorisation from the Chair.

Expenses will not be paid unless supporting evidence is provided, together with a completed expense claim form. This should include original receipts or invoices with the date and time of the transaction (unless the employee is claiming for mileage). When claiming for travel expenses on public transport, employees should enclose the tickets showing the departure point and destination of their journey, where possible. Credit and debit card statements will not be accepted. When submitting a VAT receipt, employees should set out:

- the name and VAT registration number of the retailer or service provider;
- the goods and services provided; and
- the amount of VAT payable.

Once completed and signed, employees should submit their expense claim form to the Clerk (or the Chair in the case of the Clerk) for approval. Once approved the claim form should be sent to the RFO for payment.

Expenses claims must be submitted within 60 days of the expense being incurred. If this is not practical, written approval for any extension will be required from the Chair. The Council reserves the right to withhold any payment where prior written approval has not been given.

The Council may return an expense claim form to the employee without payment if it is completed incorrectly or lacks supporting evidence.

The Council will pay claims for authorised expenses by BACS transfer into the same bank account into which the employee's salary is paid.

In general, expenses should not be incurred other than in the categories listed below. However, if an employee claims for expenditure other than for those categories listed below, they should seek written approval from the Chair before incurring the expense. The Council will accept email as written approval where it is required in this policy.

Any queries in relation to this policy should be directed to the Clerk (or the Chair in the case of the Clerk).

Homeworkers

If an employee is a Homeworker, their normal place of work as stated in their contract will be their home. The council will reimburse all reasonable expenses incurred by homeworkers in the course of their duties upon receipt of satisfactory claims.

The council will provide the following equipment necessary to enable homeworking employees to do their job.

- Desk with lockable drawer (or separate secure document store)
- Laptop or personal computer
- Printer

Alternatively, the council will agree with homeworkers a suitable sum to cover use of their own equipment.

The council will also pay the employee for the costs associated with heating, lighting, etc. HMRC rules allow for some of these expenses to be paid tax-free (see HMRC guidance: www.gov.uk/expenses-and-benefits-homeworking/whats-exempt).

Training

When attending training courses all employees will be able to claim travel expenses for the difference in the usual home to work costs. Where the training takes place outside contracted daily hours, part-time employees should be paid on the basis that time spent on training is working time.

Travel

Employees and managers should consider whether or not travel is necessary or if there are more appropriate means (for example tele-conferencing or video-conferencing).

Rail

Employees may claim for standard class rail fares only. Where possible, rail journeys should be booked well in advance to benefit from any discounts for early booking.

Use of an employee's own car

It may be appropriate and cost-effective for employees to use their own car when travelling on business, for example if travelling with other staff or councillors or, where there is limited public transport to their destination, or the journey time is significantly shorter than using public transport. Any use of an employee's own car on business is subject to them:

- holding a full UK driving licence;
- ensuring that their car is roadworthy and fully registered; and
- holding comprehensive motor insurance that provides for business use.

Prior authorisation should be sought from the Chair before an employee uses their own car on business. The Council accepts no liability for any accident, loss, damage or claim arising out of any journey that an employee makes on business. The Council will not pay for the cost of any insurance policy on an employee's own car.

To claim for fuel expenditure, employees should set out the distance of the journey undertaken on the expenses claim form. The Council will pay employees a mileage allowance of [45p] per mile for mileage under 10,000 miles and [25p] per mile for mileage over 10,000 miles, or such other rate as set out from time to time by HM Revenue and Customs. The Council will pay for tolls, congestion charges and parking costs incurred, where applicable.

Use of bicycle or Motorcycle

If use of an employee's bicycle or motorcycle is approved, they can claim a mileage allowance of [20p] or [24p] per mile respectively. Any use of their own motorcycle on business is subject to the same requirements as a car (see above).

Taxis

Any use of taxis will require prior approval and only in limited circumstances. These are:

- where taking a taxi would result in a significantly shorter travel time than using public transport;
- where there are several employees travelling together; or
- where personal security and safety of employees is an issue, for example taxis may be permitted after 9.30pm.

Employees must obtain a receipt with details of the date, place of departure and destination of the journey.

Overnight accommodation

As a guideline for travel on council business employees should book accommodation equivalent to three-star standard or less. They may book hotel accommodation of up to [£120] maximum in a major city and [£100] elsewhere. It is their responsibility to ensure that any hotel reservations are cancelled within the required cancellation period if they are no longer required.

Meals

If employees are required to be away from home on council business, they may claim up to:

- £10 for breakfast (if this is not included in the hotel room rate);
- £15 for lunch;
- £20 for dinner; and
- a daily allowance of £5 per night for general incidental costs such as a newspaper or telephone calls.

The maximum amounts above are inclusive of drinks. Alcohol cannot be reclaimed under any circumstances.

Employees should supply receipts and invoices for all hotel and meal expenses other than for the daily allowance, where no receipt is required.

Entertainment/gifts

The Council has strict rules about offering or receiving both entertainment and gifts. Any gifts, rewards or entertainment offered to employees should be reported immediately to the Clerk (or the Chair in the case of the Clerk). As a general rule, small tokens of appreciation, for example flowers or a bottle of wine, may be retained by employees.

Annual events

The Council may decide to hold a staff event, such as a Christmas meal or other celebration. Except where agreed to the contrary, attendance is not compulsory, and employees will remain responsible for any expenses they incur.

Expenses that will not be reimbursed

The Council will not reimburse employees for any expenditure including but not limited to:

- the cost of any travel between their home and usual place of work (except in exceptional circumstances for early morning/late night transport as set out above);
- the cost of any travel undertaken for personal reasons;
- the cost of any travel for their partner or spouse;
- any fines or penalties incurred while on council business for whatever reason, including penalties for not paying for a rail ticket in advance of boarding the train and penalties or fines associated with motoring offences, including speeding or parking fines, clamping or vehicle recovery charges;
- alcohol; and
- cash advances or withdrawals from an ATM machine.

Employees are required to pay for any travel costs incurred by their partner or spouse in the event that he or she accompanies them on business. Their spouse or partner must have adequate travel insurance for that journey.

False claims

If the Council considers that any expenditure claimed was not legitimately incurred on behalf of the Council, it may request further details from the employee. The Council will thoroughly investigate and check any expenses claim as it sees fit. It may withhold payment where insufficient supporting documents have been provided. Where payment has been made prior to the discovery that the claim was not legitimate or correct, it may deduct the value of that claim from the employee's salary.

Any abuse of the Council's expenses policy will not be tolerated. This includes, but is not limited to:

- false expenses claims;
- claims for expenses that were not legitimately incurred;
- claims for personal gain;
- claims for hospitality and/or gifts without them having been declared; and
- receipt by an employee of hospitality and/or gifts from contacts that may be perceived to influence their judgment.

The Council will take disciplinary action where appropriate and, in certain circumstances, may treat a breach of this policy as gross misconduct, which may result in the employee's summary dismissal. In addition, the Council may report the matter to the police for investigation and criminal prosecution.

This is a non-contractual procedure which will be reviewed from time to time.

Date of policy: 3 July 2023

Approving committee: Administration Committee

Date of committee meeting: 3 July 2023 and Full Council 20 July 2023

Policy version reference:

Policy effective from: 3 July 2023

Date for next review: