

TRAVEL AND SUBSISTENCE POLICY

1. Purpose and Scope

This policy applies to National Joint Council for Local Government Service employees to ensure consistent and fair treatment of staff required to travel on behalf of the council. The policy also sets out guidance for reimbursement for subsistence expenses.

2. General Principles

- 2.1 The policy is designed to save cost by reducing mileage across the council and also by travelling less, with the council saving expenditure and reducing carbon emissions.
- 2.3 Employees who have carried out authorised journeys in the course of their duties may be eligible to make a claim in respect of expenditure incurred e.g. mileage, public transport fares and car parking, where claimable, and subsistence in accordance with the provisions of this policy and according to the employee's designated car user status, i.e. lower mileage rate user or higher mileage rate user
- 2.4 All business travel, including travel to/from touch down points, training venues, between sites and other work locations and necessary visits en route to/from work, should be planned using the shortest, most cost effective and/or time-efficient routes. Where at all possible, colleagues should arrange to travel together if they are attending the same event.
- 2.5 Managers are responsible for checking and formally certifying that the business travel has been necessary, is reasonable in the circumstances, reflects service requirements and complies with the council's commitment to reduce carbon emissions.
- 2.6 The policy will be jointly reviewed:
 - a) Every 3 years in regard to scheme terms and conditions
 - b) Every 3 years with regard to the individuals classification as lower mileage rate user or higher mileage rate user
 - c) Every year in respect of travel rates
 - d) A year after an employee has started in a new position (and where there is no comparative post) or when duties to a role change, mileage will be reviewed and circulated to the travel review group to decide if the employee qualifies as an higher mileage rate user. The employee will start as a lower mileage rate user.
- 2.7 The review will be carried out jointly by a panel comprising of 3 management representatives, 2 staff representatives (1 lower mileage rate user, 1 higher mileage rate user) and 2 trade union representatives. The objective will be to conclude the review by 30

October so as to co-ordinate with the council's budget setting timetable.

3. Travel rates

- 3.1 The payment of £850 per annum will be payable to a higher mileage rate user irrespective of the engine size of the vehicle/ motorbike. A flat rate of 45p per business mile will be paid for lower mileage rate user and 25p per mile for higher mileage rate users. This is in line with the HMRC rate of 45p per mile and therefore not liable to income tax and NI deductions.
- 3.2 The mileage rate claimable by employees who use a bicycle for council business travel is 25p per mile.

4. Lower mileage rate user status

- 4.1 A lower mileage rate user is someone who undertakes authorised work related journeys on an infrequent basis and whose post is not pre-designated higher mileage rate user
- 4.2 Managers may authorise an employee to use his/her own car on official council business on a lower mileage rate user basis when travel by public transport would be inefficient in terms of time, cost or convenience.

5. Higher Mileage rate user status

- 5.1 Higher mileage rate user status is not an automatic right although many key posts may be designated a higher mileage rate user for business reasons. Higher mileage rate user status is a contractual entitlement for that employee in relation to that particular post only; that is to say that higher mileage rate user status is attached to the post and not the person. Therefore, if an employee voluntarily accepts another post which does not already attract higher mileage rate user status, s/he will become a lower mileage rate user under the terms attached to the new post.
- 5.2 **Criteria**

*To qualify as an higher mileage rate user an employee must incur **business mileage (excluding training mileage) greater than 900 miles per annum** and satisfy at least one of the criteria set out below:*

- (i) Undertaking regular visits to customers, premises or sites or attendance at meetings to represent the council or*
- (ii) Undertaking travel on demand to multiple work bases within the same working day*
- (iii) Call out when on standby to attend customers or council*

Employees will not qualify for higher mileage rate user status when a council vehicle is available for use

- 5.3 The job description will be used when carrying out the review along with any additional evidence requested by the group.
- 5.4 To determine miles per annum, average miles (excluding miles relating to training) over a three-year period will be reviewed. For part time staff 900 miles will be pro-rated equivalent to the contractual hours. For new posts or where there has been an interruption in attendance due to maternity leave or longer term sickness absence, a comparative post (where it exists and is substantially equivalent) will be used as a reference.
- 5.5 Where a manager needs to oversee officers or also attend the visit, it is expected that the manager will car share with an higher mileage rate user.
- 5.6 Higher mileage rate user status applies to all employees who meet the criteria set at 5.2.
- 5.7 When employees are on call out/ standby all mileage can be claimed from home to the destination (not from the boundary)

6. Review of higher mileage rate user status

- 6.1 In the event of an employee's status reverting from a higher mileage rate user to lower mileage rate user status, the employee will receive three months notice to cease payment of the higher mileage rate lump sum allowance.
- 6.2 All employees who revert from higher mileage rate user to lower mileage rate user will be entitled to appeal against this decision. If an employee wishes to do this HR will require the appeal in writing no later than 10 working days from when the employee is informed of the decision. The appeal will be heard as soon as reasonably practicable by a Union representative, COB member and HR representative. The appeal should set out the reason(s) for appeal.
- 6.3 If the employee has an outstanding car loan at the time of removal of higher mileage rate user status the employee may continue with the current loan term until the loan is repaid in full.

7. Other higher mileage rate user conditions

- 7.1 The council car loans may be available to higher mileage rate users. The interest rate applicable to the council's car loan scheme is currently 2% above the bank's base rate per annum in respect of new loans. Please refer to the Car Loan Scheme for full details.

7.2 Higher mileage rate users qualify for a car permit.

8. Long Term Absences

8.1 Maternity Leave

Employees who are higher mileage rate car users will continue to receive the lump sum payment during the whole of their maternity leave (up to a maximum of 52 weeks).

8.2 Sickness Absence

An employee will continue to receive the full lump sum payment during the month in which he/she falls sick and for the ensuing 3 months. During the following 3 months the employee will receive half of the lump sum. If sickness absence continues after this period, lump sum payments will cease.

8.3 Secondment

If the seconded role (either within the Council or to another organisation) is a higher mileage rate user then the payment will continue to the new employee. The lump sum payment ceases for the full period of the secondment if the post the employee moves to no longer attracts higher mileage rate user status. If the seconded role is not designated as a higher mileage rate user, any official mileage undertaken during this period will be paid at the appropriate lower mileage rate user rate.

9. Tax Implications of Higher Mileage Rate Status

9.1 When an employee is designated an higher mileage rate the allowance paid may result in a taxable benefit to the employee and this is based on the difference between the mileage rate paid, including the annual lump sum, by the council and the HM Revenue and Customs authorised mileage rates.

9.2 At the end of the tax year you will receive a profit statement showing any taxable benefits you have received as a result of mileage and allowances paid. This may result in having a tax coding adjustment for the following year to recover tax for previous tax year.

10. All vehicle users

10.1 Vehicle insurance

Employees using their vehicles for work purposes must ensure that they are covered on their insurance policy for appropriate business

use. When submitting a travel claim the individual is confirming that 'the insurance policy covers use on business and indemnifies the council against third party claims'. Car users are required to present their relevant driving licence, insurance certificate, MOT and vehicle registration document (if required) for inspection when requested for audit purposes.

10.2 Claiming mileage – the 'lesser of' rule

10.2.1 Irrespective of your contractual work base, journeys to and from work cannot normally be claimed, an exception is that a claim can be submitted in respect of a call out. Under the HMRC Tax rules, employees cannot claim mileage for the normal commute journey between home and the regular workplace.

Employees who attend an alternative work location or client's home etc. for official business reasons en route to/from the normal workplace may claim mileage which is over and above their normal commuting miles. This must not exceed the miles which would have been travelled had the employee made the journey from the normal work base/place of work.

10.2.2 Employees with one contractual workplace

Employees are entitled to claim mileage for the full costs of business journeys between workplaces.

10.2.3 Employees with more than one work base

Employees can claim mileage if required to travel between multiple work bases **during the working day** (subject to the lesser of rule).

10.2.4 Flexible workers

If you are a permanent home, mixed location or mobile worker where your contract of employment has been changed to show your home as your usual base for work, mileage can be claimed from home except where the home base is outside the council's boundaries (in this case a designated location will be agreed from which business mileage can be claimed e.g. the touchdown centres or the main offices or the council boundary).

For Mixed location workers the right to claim expenses from home on the days designated for home based working. Normal commuting to work on the office based days will not be paid.

10.2.5 Exceptions (refers to flexible workers only):

Mileage cannot be claimed for attendance at normal progress meetings in the designated administrative office which occur not more regularly than once a week.

If an employee attends the office upon the requests of their manager for other reasons such as:

- Performance review meetings
- Training
- In emergency situations (to provide office cover)

Then this is not regarded as commuting and therefore mileage can be claimed.

When an employee is asked to work in the office base as part of a disciplinary process then mileage to the office will be deemed as commuting mileage and will not be accepted a legitimate travel expenses.

Please refer to the Flexible Working Policy for further guidance.

11. Training

11.1 Mileage incurred when attending training courses will be paid at your applicable mileage rate. Training mileage should be recorded separately when claiming. Wherever possible, employees attending the same event as other colleagues should travel together in the interests of the environment, alleviating parking problems and minimising travel costs.

11.2 Travel time

The actual time spent on the training or development activity may be recorded as normal work time (at plain time) together with time incurred whilst travelling to and from the event, in excess of your normal commute to work time.

This means that if the event is some distance away and you are 'at work' for more than your normal working hours, the extra time may now be counted. (Please note, however, that it is not intended that all hours should be claimed where an overnight stay is involved – please discuss with your manager what is appropriate.)

12. Public Transport

- 12.1 Tickets and VAT receipts must be saved, stapled to a paper copy of your claim and submitted to your manager for validation and then forwarded to the Finance Team for processing.
- 12.2 Rail travel tickets (at standard class) should be obtained in advance of the journey as soon as possible to try and ensure the cheapest travel cost. It should not normally be necessary for employees to pay at the counter. Use of taxis should be agreed in advance with your manager.
- 12.3 Should you need to book train tickets, please advise Jo McLaren as early as you possibly can as they rise substantially in price as the journey date becomes closer. Also, please check that you choose the cheapest (reasonably-timed) option. You will need to provide Jo with details of your destination (from where to where) and date and time of travel – and provide her with a purchase order made out to 'HSBC Credit Card creditor no. 00255101'. If the travel is in relation to training, please advise HR, who will raise the PO on your behalf

13. Subsistence

- 13.1 The council does not reimburse employees for expenditure incurred in respect of meals when on training courses. Exceptionally, where attendance at a full day seminar or similar does not include the provision of meals, reimbursement of reasonable expenses may be paid subject to submission of VAT receipts and prior approval of the relevant line manager. No reimbursement of expenditure is payable for employees attending post entry training courses.
- 13.2 The current procedures for overnight stays are such that the seminar/course should provide you with a list of locally recommended hotels. An official council requisition should be made and the invoice will be processed via the purchasing system. However, should the hotel not want to comply with this and decline the payment when you leave, the council will reimburse any personal expenditure incurred once the bill has been presented for payment. There is no agreed rate for overnight accommodation due to the varying costs of accommodation in the different locations around the country. Your accommodation must be authorised by your line manager in advance and it will be charged to your service area's budget.
- 13.3 Every endeavour should be made to keep meal costs to a minimum. It is recommended that where overnight accommodation has been arranged that employees keep to reasonably priced or set menus. No reimbursement will be made in respect of alcohol.

13.4 In all instances vat receipts must be saved, stapled to a paper copy of your claim and submitted to your manager for validation and then forwarded to the Finance Team for processing.

14. Car Parking

14.1 Payment for car parking will be made to car users on official council business if costs are incurred whilst at a location which is not an employee's normal place of work.

14.2 Claims for parking must be accompanied by a VAT receipt which should be stapled to a paper copy of your claim sent to your manager for validation and then forwarded to the Finance Team for processing.

15. VAT Receipts

15.1 Users are required to provide a VAT receipt with a claim for fuel consumed in a claim and this should be marked with the claim identity number and submitted to HR when requested.