

KESGRAVE TOWN COUNCIL

Expenses Policy & Procedure



Purpose

This policy sets out Council's rules on how employees and Councillors can claim for reasonable expenses incurred in the performance of their duties for the Council. The purpose of this policy is to ensure that legitimate expenses are properly reimbursed and to ensure that these expenses are treated appropriately for tax purposes.

General procedure

Council will reimburse actual expenditure that is incurred wholly, necessarily and exclusively in connection with authorised duties undertaken in the course of Council business. To claim for expenses, Council's expenses claim forms must be used setting out the reasons why the expense was incurred on the claim form. (Refer to the appendix for the Councillors' claim form.)

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 claim is for mileage). When claiming for travel expenses on public transport, tickets should be enclosed showing the departure point and destination of the journey, where possible. Credit and debit card statements will not be accepted. VAT receipts 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, expense forms should be submitted to the Clerk for approval. Once approved the claim form should be sent to the RFO for payment.

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 Clerk. Council reserves the right to withhold any payment where prior written approval has not been given.

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

Council will pay claims for authorised expenses by BACS transfer into the individual's designated account or by cheque.

In general, expenses should not be incurred other than in the categories listed below. Any uncertainty on expenditure eligibility should be discussed in advance with the Clerk and confirmed in writing. Council will accept email as written approval where it is required in this policy.

Training

Attendees on training courses may claim travel expenses for the difference in their usual home to work costs, where applicable. 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

Individuals should consider whether or not travel is necessary or if there are less expensive means (for example digital-meeting/conferencing). For local meetings and events the first option to consider is making use of Council's own vehicle when it is available.

Rail

Only standard class rail fares will be reimbursed. Where possible, rail journeys should be arranged in advance to benefit from any discounts for early booking.

Use of own car

It may be appropriate and cost-effective for individuals to use their own car when travelling on Council business, for example where there is limited public transport to the destination, or the journey time is significantly shorter than using public transport. Any use of their own car on Council business is subject to the individual:

- holding a full UK driving licence;
- ensuring that their car is roadworthy and fully registered; and
- holding comprehensive motor insurance; for employees this must also provide cover for business use.

In the case of staff, prior authorisation should be sought from the Clerk (or the Chair in the case of the Clerk), before an individual should use their own car on business. Council accepts no liability for any accident, loss, damage or claim arising out of any journey made on Council business. Council will not pay for the cost of any insurance policy on an individual's own car (except insofar as the payable mileage rate is deemed to be inclusive).

Council will pay a mileage allowance of 45p per mile for mileage or such other rate as set out from time to time by HM Revenue and Customs. Council will pay for tolls, congestion charges and parking costs incurred, where applicable. If the claimant carries another employee or Councillor in their own car or van on a business journey, the passenger payment rate is 5p per mile.

Use of own bicycle or motorcycle

If use is approved, mileage allowances respectively of 20p and 24p per mile are claimable. Any use of an individual's own motorcycle on business is subject to the same requirements as a car (see above).

Taxis

Unless in the case of unexpected circumstances (for example failure of public transport), any use of taxis will require prior approval and will only be given 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 individuals travelling together on Council business; or
- where personal security and safety is an issue, for example taxis may be permitted after 9.30pm.

Receipts must be obtained with details of the date, place of departure and destination of the journey.

Joint travel

Where more than one member of staff and/or Councillor are attending the same event or otherwise travelling to the same destination in the undertaking of Council-related duties every effort should be made to share the means of transport where it is vehicular in order to minimise costs and adhere to Council's environmental objectives.

Overnight accommodation

As a guideline for travel on Council business accommodation should be booked equivalent to three-star hotel standard or less. A maximum of £120 per night in a major city and £100 elsewhere applies. It is the individual's responsibility to ensure that any hotel reservations are cancelled within the required cancellation period if they are no longer required.

Meals

Where required to be away from home on Council business, the individual 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.

Receipts/invoices should be supplied for all hotel and meal expenses.

Entertainment/gifts

Council has strict rules about offering or receiving both entertainment and gifts. Any gifts, rewards or entertainment offered 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

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 individuals remain responsible for any expenses incurred.

Expenses that will not be reimbursed

Council will not reimburse for:

- the cost of any employee travel between 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 a 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.

Individuals are required to pay for any travel costs incurred by their partner or spouse in the event that he or she accompanies them on Council business.

False claims

If Council considers that any expenditure claimed was not legitimately incurred on its behalf, it may request further details. 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 an employee's salary or seek reimbursement in the case of a Councillor.

Any abuse of 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 of hospitality and/or gifts from contacts that may be perceived to influence an individual's judgment.

Council may take disciplinary action in the case of an employee, and in all cases 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.

Last reviewed: 21 June 2021

Next review due: 21 June 2023 (unless the document below changes sooner)

[Based on the National Association of Local Councils (NALC) model dated December 2019.]

Councillor Expenses Claim Form for Councillor *(insert name)***(For guidance refer to the Kesgrave Town Council Expenses Policy & Procedure)****A: - Details of Mileage claim**

| <u>Event</u> | <u>Date</u> | <u>Return Mileage</u> (total miles) | <u>Total claim</u> (45p per mile/5p per passenger) |
|--------------|-------------|--|---|
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | Total A | £ |

B: -Details of other expenses

| <u>Event</u> | <u>Date</u> | <u>Expense detail</u> | <u>Total claim</u> £ | <u>Receipt</u> attached |
|--------------|-------------|-----------------------|-------------------------|----------------------------|
| | | | | |
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| | | | | |
| | | | | |
| | | | | |
| | | Total B | £ | |

| | |
|--------------------|---|
| Total A + B | £ |
|--------------------|---|

Payment preference:

Cheque:

☐

BACS:

☐**For expenses to be received via BACS payment – please complete.**

Account name

Sort Code Account number.....

Signed by Councillor**Date****Authorisation only:**

Authorised by (1)

Print name:

Authorised by (2)

Print name

Payment date by Cheque

BACS