

1	<b>Policy Name</b>	<b>Expenses Policy</b>			
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# **Expenses Policy**

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## **1. Introduction**

**Travel is an integral part** of the work of many of CCG staff and expenses incurred in travelling should be reimbursed.

This policy and procedure applies to all employees on Agenda for Change terms and conditions.

Information on reimbursement of travel costs and subsistence allowances can be found in sections 17 and 18 of the NHS Agenda for Change handbook which is accessible via the following link:

<http://www.nhsemployers.org>

## **2. Purpose**

The purpose of this policy is to provide:

- A structured framework to claiming travel and other expenses (such as meals, and accommodation) relating to CCG work that has been approved by the CCG
- Practical guidance to staff and managers on process and procedure
- To ensure that travel expenses are claimed in a consistent, accurate and timely way.
- Guidance on mileage allowance

## **3. Principles**

- The rates and conditions are, where appropriate those set out in the relevant Terms and Conditions Handbooks, or otherwise agreed by the CCG.
- This policy and procedure also applies to all candidates invited for interview.
- Travel expenses can only be claimed for travel required exclusively for CCG work.
- Staff can only be reimbursed for travel costs/mileage travelled in excess in the performance of their duties for the CCG, which are in excess of the home to the agreed work base.
- The rates and conditions are, where appropriate those set out in the Agenda for Change Terms and Conditions Handbook.
- Any abuse or misuse of this policy will be investigated and may result in disciplinary action being taken.
- Travel and expenses claims are subject to Tax and National Insurance Liabilities as detailed in Appendix 1 .

## **4. Travel Expense Claims Relating to Public Transport**

Staff can be reimbursed for an excess cost incurred whilst travelling for work related purposes, on underground, over ground, rail and buses. All staff are required to seek the most cost effective option and can only claim the cost of a standard ticket.

Staff who purchase a travel card (e.g. daily, weekly, monthly and annual travel cards/tickets, including an oyster card) for home to their designated work base travel are not eligible to claim any additional CCG related business travel, which is undertaken within the zones covered by the home to work base travel card.

Staff who have to travel across zones or areas that are not covered by their home to work base travel card, can claim for the additional travel expense on the production of receipts and

completion of the travel expenses claim form. The cheapest option must be sought for example, in some cases the cheapest option may be to pay for a journey via a pay as you go oyster card.

Staff that wish to use an Oyster card to claim for CCG work related travel are required to register their Oyster card online and become an online account holder. Staff will then be able to print their journey history statement, which will include the cost of travel and submit this as their receipt with the completed travel expenses claim form. Where multiple journeys are listed on the statement, staff are required to highlight the journeys they are submitting a claim for.

Online Oyster journey statements are only available for 8 weeks therefore journeys must be regularly printed and claims made in a timely manner.

Staff that do not use an Oyster card must either purchase a ticket to produce a receipt for the receptive ticket which must be attached to the expenses claim form on Workforce or register their payment card with a Transport for London (TFL) account and download their TFL statement to attach to the expenses claim form on Workforce.

## **5. Travel Expense Claims Relating to Motorised Transport**

### 5.1 Eligible Miles

Staff will be reimbursed for miles travelled in the performance of their duties for the CCG which are in excess of the home to agreed work base return journey. Eligible miles are normally those travelled from the agreed work base and return. However when the journey starts at a location other than the agreed work base e.g. home or where the last work base is other than the agreed work base, the eligible miles will be as set out in set out in Appendix 2.

### 5.2 Car Mileage

All car mileage will be reimbursed at one of two Standard Rates for car drivers registered with the authority regardless of the vehicle size. The mileage rate is dependent on car usage (see Appendix 2)

### 5.3 Reserve rate

Any member of staff who does not register their vehicle with the CCG will be reimbursed at the Reserve Rate for any mileage claimed. The reserve rate is also implemented for specific reasons for travel such as – excess mileage due to NHS merger or organisational change, temporary moves or secondment attending training courses or for call out.

### 5.4 Lease Cars

For former NHS employer/organisation Lease Cars that transferred to the CCG on 1st April 2013 the mileage rate will be that at the point of transfer until the scheme expires.

The mileage rate for cars on the NHS England salary sacrifice scheme shall be that as set out in paragraph 5.2 of this policy.

### 5.5 Motorcycle Allowance

Members of staff using a motorcycle for official journeys will be reimbursed a mileage rate as set out in Appendix 2 Pedal Cycles Members of staff using a pedal cycle for official journeys will be reimbursed a mileage rate as set out in Appendix 2

### 5.6 Passenger Rate

When members of staff travel together on CCG business and separate claims would otherwise be made, the driver may claim a passenger allowance as set out in Appendix 2. The name and designation of all passengers must be shown on the claim form. Passenger allowance is not payable to lease car drivers.

### 5.7 Other Allowances

Staff will be reimbursed the reasonable parking, garage, toll and ferry costs when on CCG Business on production of a valid parking receipt.

### 5.8 Call Out

Any member of staff called out to return to work following the normal completion of their shift will be paid at the Reserve Rate.

### 5.9 Training Courses, Conferences & Events

All employees attending manager approved training courses, conferences or events are eligible to claim mileage over and above home to work mileage on the Standard Rate. Course trainers providing training at a base other than their normal work base will claim mileage over and above home to work mileage on the rate that they are registered to receive.

### 5.10 Excess Mileage

Where there is a compulsory requirement for an employee to change their base of work on a temporary or permanent basis e.g. a merger of NHS employers, acceptance of another post as an alternative to redundancy, change of work base, the employee may be reimbursed their extra daily travelling expenses for a period of four years from the date of transfer. Mileage will be reimbursed at the reserve rate or through the submission of receipts, the cost of public transport. Excess mileage should be claimed through the Workforce system. Further details are in Section 9 of this policy.

If a member of staff who is claiming excess travel subsequently moves home the new mileage may be calculated and adjusted accordingly

### 5.11 Bulky Equipment

Where, at the requirement of the CCG, an employee carries heavy or bulky equipment in a private car, an allowance at the rate specified in Appendix 3 for journeys on which the equipment is carried. (The equipment must be either of a weight that is unreasonable to be carried or alter the seating capacity of the vehicle).

### 5.12 Public Transport

If an employee uses public transport for business purposes the cost of bus/underground fares and standard rail fares will be reimbursed. For staff that are using Oyster Cards a printout can be obtained via the TFL website (following Oyster Card online registration).

Expenses will not be paid if an employee uses their travel card unless an additional cost has been incurred, such as travelling to additional zones not covered by the pass or travel card.

### 5.13 Journeys by Taxi

Taxis should only be used in exceptional circumstances. Bookings for taxis should only be made via the central support team.

Hailing taxis in the street and paying by cash should only happen in exceptional circumstances.

Taxis will only be permissible where no other form of transport is available e.g. Christmas Day and Boxing Day, or when it is not reasonably feasible to get to a location by public transport. All taxi usage must be approved in advance by line managers.

## **6. Subsistence Expenses**

Any member of staff who is required to be away from home for business purposes may claim for additional costs that are incurred, up to the limits set by the CCG.

The purpose of this Section is to reimburse staff for the necessary extra costs of meals, accommodation and travel arising as a result of official duties away from home. Business expenses which may arise, such as the cost of a fax or official telephone calls, may be reimbursed with certificated proof of expenditure. Night subsistence

Appendix 4 details the subsistence allowance limits.

Claims will be reimbursed on the basis of original receipts that must be attached to all claims. Copy receipts are acceptable if agreed by the manager but these payments will be subject to income tax deductions. The CCG will not pay for the cost of any alcoholic beverages.

### 6.1 Short overnight stays in hotels, guesthouses and commercial accommodation

When an employee stays overnight in a hotel, guesthouse, or other commercial accommodation with the agreement of the employer, the overnight costs will be reimbursed as follows:

- the actual, receipted cost of bed and breakfast, up to the normal maximum limit set out in Appendix 4; plus
- a meals allowance, to cover the cost of a main evening meal and one other day-time meal, at the rate set out in Appendix 4.

Where the maximum limit is exceeded for genuine business reasons (e.g. the choice of hotel was not within the employee's control or cheaper hotels were fully booked) additional assistance may be granted at the discretion of the employer.

### 6.2 Short overnight stays in non-commercial accommodation

Where an employee stays for short overnight periods with friends or relatives or in a caravan or other non-commercial accommodation, the flat rate sum set out in Appendix 4 is payable. This includes an allowance for meals. No receipts will be required.

Employees staying in accommodation provided by the employer or host organisation shall be entitled to an allowance to cover meals which are not provided free of charge, up to the total set out in Appendix 4.

Where accommodation and meals are provided without charge to employees, e.g. on residential training courses, an incidental expenses allowance at the rate set out in Appendix

4 will be payable. All payments of this allowance are subject to the deductions of appropriate tax and National Insurance contributions via the payroll system.

### 6.3 Travelling overnight in a sleeping berth (rail or boat)

The cost of a sleeping berth (rail or boat) and meals, excluding alcoholic drinks, will be reimbursed subject to the production of vouchers.

### 6.4 Short-term temporary absence travel costs

Travel costs between the hotel and temporary place of work will be separately reimbursed on an actual cost basis.

### 6.5 Long-term overnight stays

After the first 30 nights' stay in the same location the entitlement to night subsistence shall be reduced to the maximum rates set out in Appendix 4. Meals allowances are not payable to these employees. Those who continue to stay in non-commercial accommodation will continue to be entitled to the rate set out in Appendix 4.

### 6.6 Day subsistence

A meal allowance is payable when an employee is necessarily absent from home on official business and more than five miles from their base, by the shortest practicable route, on official business. Day meals allowance rates are set out in Appendix 4. These allowances are not paid where meals are provided free at the temporary place of work.

A day meals allowance is payable only when an employee necessarily spends more on a meal/meals than would have been spent at their place of work. An employee shall certify accordingly, on each occasion for which day meals allowance is claimed but a receipt is not required.

Normally, an employee claiming a lunch meal allowance would be expected to be away from his/her base for a period of more than five hours and covering the normal lunch time period of 12:00 pm to 2:00 pm.

To claim an evening meals allowance an employee would normally be expected to be away from base for more than ten hours and unable to return to base or home before 7:00 pm and as a result of the late return is required to have an evening meal. Employees may qualify for both lunch and evening meal allowance in some circumstances.

### 6.7 Other Subsistence Expenses

There will be occasions where, due to the time of departure, there will be the necessity to take a meal but the conditions relating to the time absent from the base are not met. This, and any other exceptions to the rules, may be allowed at the discretion of the CCG.

The scope and level of any other payments will be determined by the CCG, according to local needs, on a vouched basis.

### 6.8 Late Night Duties Allowance

An employee who is required to work late at night, in addition to a day duty, may be paid an evening meal allowance at the rate set out in Appendix 4. It will be for the employer to determine who will be entitled and in what circumstances.

Late night duties allowance will be subject to deduction of appropriate tax and National Insurance contributions, via the payroll system.

## **7. Expenses for Candidates during the Recruitment Process**

Agreement to pay candidates interview expenses must be approved with the Recruiting Manager/budget holder. Expenses will normally only be paid where interviews are cancelled at short notice and where the candidates has made arrangement to attend the interview e.g. booked train tickets. The Recruiting Manager is responsible for informing candidates of the process and handling the associated internal administration. Candidates must produce a receipt in order to facilitate payment, these will be passed to finance to arrange payment, normally in the form of a cheque.

Payments for such expenses should not be made by cash.

Reimbursement of expenses shall not be made to employees who withdraw their application or refuse an offer of appointment.

## **8. Reimbursement of Sundry Expenses**

In exceptional circumstances it may be necessary for a member of staff to purchase sundry items which may be required in order to carry out their duties. The budget manager must give prior approval for all such expenditure and original receipts must accompany the claim for reimbursement. The CCG would not expect sundry items to be purchased if they could be obtained through the normal purchasing procedure.

## **9. Travel & Expenses Claim Procedure**

### 9.1 Expense Claim Submissions

Expenses payments will only be authorised if the correct information and documentation to support the expense claim is provided at the time the expense claim is submitted.

All travel expenses should be claimed via the Workforce system.

It is the manager's/budget holder's responsibility to ensure that staff are made aware of the correct procedure to follow for the claiming of expenses.

All claims should be made within 3 months of the expense taking place. Failure to do so may result in the claim being forfeited. The Chief Finance Officer will make a decision based on the facts available and their decision shall be final.

In exceptional cases, there may be occasions when staff need to claim travel expenses outside of the 3 month deadline for example in cases of long term sick leave etc. In such cases, the date they are claiming for should not be amended. In such cases, the member of staff and their manager need to complete an Establishment Control Process (ECP) form (Form C). The completed form then needs to be submitted through the ECP approval process.

For payments which cannot be supported by normal physical receipts (for example, a Dart Charge payment for the Dartford crossing or where an automated machine is broken) the expense is to be evidenced by bank or credit card statement along with email confirmations, where possible.

## 9.2 Employees using their own Vehicles

All employees required to use their own vehicle for business purposes will have to provide the following documentation which will be copied and added to the employee's personal file. The documents must be kept up to date at all times.

- Driving Licence (paper and photo card)
- Car Insurance – including business
- Car Tax
- MOT
- Completed registration form

A checklist and recording is available in Appendix 5.

## 9.3 Authorisation

Only submissions via the Workforce System that are approved by the authorising manager will be accepted for payment. If the expense claim submission is not approved by the authorising manager, the expense claim request will not be processed by the HR Payroll team.

## 9.4 Methods of Payment

Expenses payments will be made monthly with salary payments.

Payment will be delayed if the necessary documentation is not completed and appropriate procedures followed.

## **10. Exemptions**

The CCG will not reimburse the following expenses:

- Parking fines
- Speeding fines
- a contribution towards vehicle running costs or additional personal motoring costs, (the mileage allowance is set at a level to include this)
- Road Traffic Offence tickets, including fines relating to the use of mobile phones whilst driving.

The CCG forbids the use of handheld mobile phones whilst driving.

## **11. Equality Statement**

In applying this policy, the CCG will have due regard for the need to eliminate unlawful discrimination, promote equality of opportunity, and provide for good relations between people of diverse groups, in particular on the grounds of the following characteristics protected by the Equality Act (2010); age, disability, gender, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, and sexual orientation, in addition to offending background, trade union membership, or any other personal characteristic.

The Equality Impact Assessment for this policy has been carried out, and is available on request from HR.

## **12. Monitoring & Review**

This Policy and Procedure is subject to frequent review in line with Agenda for Change NHS Terms and Conditions of Service in line with the publication of the AA Guides indicating motoring costs. Amendments to mileage allowances will only take place if rates increase or decrease by 5%.

In addition the policy and procedure will be reviewed every 3 years by Human Resources in conjunction with operational managers and Trade Union representatives. Where review is necessary due to legislative change, this will happen immediately.

## **13. Breach of Policy**

Unauthorised absence and/or the misuse of this policy & procedure will be managed under the Disciplinary Policy.

## **14. Associated Policies and Procedures**

- Disciplinary Policy
- Agenda for Change Handbook

## **15. GDPR**

In applying this policy, the Organisation will have due regard for the Data Protection Act 2018 and the General Data Protection Regulation (GDPR). Personal Confidential Data of data subjects will be processed fairly and lawfully and in accordance with the six data protection principles. Data Subject's Rights and freedoms will be respected and measures will be in place to enable employees (data subjects) to exercise those rights. Appropriate technical and organisational measures will be designed and implemented to ensure an appropriate level of security is applied to the processing of personal confidential data. Employees will have access to the CCG's Data Protection Officer for advice in relation to the processing of their personal confidential data and data protection issues.

## Appendix 1: Tax and National Insurance Liabilities [from 2011 onwards]

For details of HM Revenue and Customs guide to personal Taxable Allowances and Rates

[www.hmrc.gov.uk](http://www.hmrc.gov.uk)

Mileage reimbursement is a 'payment' from your employer that can be subject to tax and national insurance deductions on the whole amount. However if the payment is clearly for costs incurred in the performance of an employee's duties then tax relief can be obtained.

If you are reimbursed for travel that is not considered to have been undertaken in the course of an employee's duties, then there will be no tax relief available and the full amount will be considered as income and subject to tax and national insurance accordingly.

HMRC operate an Approved Mileage Allowance Payment (AMAP) which enables tax free reimbursement. Table 1 below provides information for the tax year 2011 onwards as an example for guidance only as these may be revised at any time dependent on government policy.

The total miles travelled, regardless of the rate at which they are reimbursed, will be reported to the Inland Revenue at the end of the financial year in order that taxable benefit can be calculated. The taxable benefit will feature on each employee's P11D if you are not covered under the taxed at source arrangement.

Table 1: AMAP rates

Type of vehicle	Tax year
Cars up to 10,000 miles	45p per mile
Cars over 10,000 miles	25p per mile
Motorcycle	24p per mile
Bicycle	20p per mile

Any queries relating to your tax position should be directed to your local tax office

Table 2: Outline of Tax/National Insurance Liabilities on Expenses Payments

Type of payment	Tax liability	National liability	Insurance
Business Miles	The tax free allowance is deducted from the amount paid and tax is due on the balance, this is reported on the P11d or Taxed at Source (TAS) in-line with the individual arrangement for your CCG.	Deducted	on profit element of mileage
Reserve Rate	The tax free allowance is deducted from the amount paid and tax is due on the balance, this is reported on the P11d or Taxed at Source (TAS) in-line with the individual arrangement for your CCG.	Deducted	on profit element of mileage
Excess travel	If the change of base is permanent there is a liability for tax which will be deducted from pay.  There is no liability if the change is temporary for less than 24 months.	As with tax	
Passengers	The tax free allowance is deducted from the amount paid and tax is due on the balance, this is reported on the P11d or Taxed at Source (TAS) in-line with the individual arrangement for your CCG.	No liability	
Pedal Cycles	The tax free allowance is deducted from the amount paid and tax is due on the balance, this is reported on the P11d or Taxed at Source (TAS) in-line with the individual arrangement for your CCG.	No liability	
Course/Study Travel (now Reserve Rate)	The tax free allowance is deducted from the amount paid and tax is due on the balance, this is reported on the P11d or Taxed at Source (TAS) in-line with the individual arrangement for your CCG.	No liability	

Home to base travel	There is a liability for tax which will be deducted from pay.	As with tax
Other travelling expenses eg parking, toll charges	Provided that these are supported by receipts there is no tax liability	As with tax
Subsistence and other reimbursements	Provided that the expense is receipted and is a reimbursement of amounts actually paid, there is no tax liability	As with tax

## Appendix 2: Eligible Mileage

Staff will be reimbursed for miles travelled in the performance of their duties for the CCG which are in excess of the home to agreed work base return journey. Eligible miles are normally those travelled from the agreed work base and return. However when the journey starts at a location other than the agreed work base e.g. home, the eligible miles will be as set out below:

Eligible mileage – illustrative example		
In this example the distance from the employee's home to the agreed base is 15 miles		
<b>Journey (outward)</b>	<b>Distance</b>	<b>Eligible miles</b>
Home to base	15 miles	None
Home to first call	Less than 15 miles	Eligible mileage starts after 15 miles have been travelled
Home to first call	More than 15 miles	Eligible mileage starts from home, less 15 miles
<b>Journey (return)</b>		
Last call to base		Eligible mileage ends at base
Last call to home	Less than 15 miles	Eligible mileage ends 15 miles from home
Last call to home	More than 15 miles	Eligible mileage ends 15 miles from home

### Appendix 3: Mileage Allowances

The following table summarises the mileage allowances, which apply to business journeys made on and after 01 July 2014 (amendment 33).

<b>Type of vehicle/allowance</b>	<b>Annual mileage up to 3,500 miles (standard rate)</b>	<b>Annual mileage over 3,500 miles (standard rate)</b>	<b>All eligible miles travelled (see paragraph 17.15 and Table 8)</b>
Car (all types of fuel)	56 pence per mile	20 pence per mile	
Motor cycle			28 pence per mile
Pedal cycle			20 pence per mile
Passenger allowance			5 pence per mile
Reserve rate			28 pence per mile
Carrying heavy or bulky equipment			3 pence per mile

The rates of reimbursement are reviewed every May and November, using information in the AA's general guide to car running costs to ensure rates move up or down, in line with business motoring costs.

#### Appendix 4: Subsistence Allowances

The following table outlines subsistence allowances in line with the NHS Agenda for Change Handbook [Annex N]:

<b>Allowance</b>	<b>Maximum Provision</b>
Night Allowance [first 30 nights]	£55
Night Allowances [after first 30 nights]	£35
Night Allowances in non-commercial Accommodation [per 24 hour period]	£25
Meals Allowance [per 24 hour period]	£20
Lunch Allowance [more than 5 hours away from base, including lunch time period between 12pm to 2pm]	£5
Evening Meal Allowance [more than 10 hours away from base and return after 7pm]	£15
Incidental Expenses Allowance [subject to tax liability and per 24 hour period]	£4.20
Late Night Duties Allowance [subject to tax liability and per 24 hour period]	£3.25

## Appendix 5: Registration Form Checklist

The Agenda for Change Handbook requires the following documentation/checks when staff use their own vehicles in their performance of their duties:

- When using their vehicles in the performance of their duties employees must ensure they possess a valid driving licence, Ministry of Transport test (MOT) certificate” and motor insurance which covers business travel, that he or she is fit to drive and drives safely and that they obey the relevant laws e.g. speed limits. The employee must inform the employer if there is a change in status.
- When authorising the use of a vehicle, the employer must ensure that the driver has a valid driving licence and MOT certificate and has motor insurance which covers business travel.

The employee shall produce documents for the line manager to scrutinise and record the relevant details. A new form shall be completed as documents are renewed e.g. insurance

<b>Documentation Required</b>	<b>Effective date and expiry date (where applicable)</b>	<b>Name of Manager verifying the documents</b>	<b>Date</b>
<b>Driving Licence (paper and photo card)</b>			
<b>Car Insurance - including business</b>			
<b>Car Tax</b>			
<b>MOT</b>			

The completed form and copies of documents shall be stored in the employee’s personal file