

Expenses reimbursement Policy

April 2011

Policy agreed	
Corporate Management Board	15 June 2009
Joint Consultative Committee	17 June 2009
Corporate Management Board	Revised - 17 Feb 2011
Joint Consultative Committee	26 April 2011

Purpose

The purpose of the expenses policy is to reimburse all reasonable expenses employees properly incur while on London Councils business. The policy seeks to set the parameters of what London Councils considers reasonable. London Councils believes that no employee should profit, or lose money, because they are undertaking work for London Councils.

Responsibilities

It is the employee's responsibility to ensure that costs incurred are reasonable. London Councils reserve the right not to pay back expenses where employees have not complied with this policy. Any attempt knowingly or falsely to claim expenses in breach of the policy will result in disciplinary action.

It is the line manager's responsibility to authorise the claim. In doing so they take responsibility for agreeing all expenses were properly incurred on London Councils business and that the claim complies with the Expenses Policy.

Expenses that may be claimed and the procedures for claims, authorisation and reimbursement are set out here.

1. Travel

London Councils will pay the reasonable costs of necessary travel on London Councils business.

For this purpose, the following do not count as travel on business:

- Travel between home and permanent workplace. For the avoidance of doubt London Councils will normally only reimburse the excess travel costs which relate to trips beyond your ordinary commute
- Other travel which is primarily for private purposes
- Travel which is primarily for business purposes but which is substantially the same as travel between home and the permanent workplace.

You should travel to meetings and between offices by the most cost-effective mode of transport, taking into account journey time as well as monetary cost. You must state the start and end point of each journey and who you were visiting. This information is necessary for all modes of travel.

1.1 Public transport

You are expected to use public transport. We are signatories of the [Nottingham Declaration](#) and regard it as normal practice for you to use Buses, Underground, DLR and over-ground trains.

When claiming for travel when an Oyster card has been used for payment, full details of the reason for travel must be provided on the expenses form (see section 6), e.g. date, location of meeting, reason for attending, etc. Forms not detailing sufficient information will be returned.

1.2 Taxis

You may only use taxis where it is cost effective to do so. Exceptions include carrying heavy equipment or luggage, late night/out of hours (see 1.5) and emergency situations.

1.3 Trains

You must travel by standard class, unless there is a clear business reason to travel business class or first class. Before booking, your Programme/Corporate Director must specifically approve business or first class travel.

1.4 Air travel

Air travel should only be used when it is the most economical and practical method of travel. You must, whenever possible, book flights well in advance to get discounted rates. The most cost-effective ticketing arrangements must be used. All air travel on business should be by economy class. Under no circumstances will we meet the cost of first class air travel.

We will not normally reimburse flights through the expenses claim process, but when we do, you must support the claim with a valid boarding card or other evidence.

Travel by premium economy may be permitted where the flight time is in excess of 5 hours, depending on the price differential. Approval from the Chief Executive must be sought in every case.

1.5 Late Night Travel

There may be occasions where staff are required to attend evening meetings/functions on behalf of London Councils. Staff are expected to use their normal travel arrangements to get home for all or part of the journey.

However, there may be circumstances where it is necessary to use a taxi to complete a journey, e.g. personal safety, public transport not available, length of travel time, etc.

Where staff live outside London and require a taxi to complete their journey home, London Councils would normally reimburse up to the cost of a stay overnight in a hotel. Please see section 2 for further information.

Staff must obtain authorisation from their Director prior to the meeting/function if they envisage having to use a taxi or hotel accommodation.

Reimbursement will be through the usual expenses procedure and itemised receipts are required, credit card bills/receipts will not be accepted.

1.6 Motor car expenses

The expectation is that most business related journeys will be made by public transport (see Nottingham declaration above). However, where the appropriate director agrees that use of a car is cost effective, reimbursement will be in line with NJC casual car allowance rates

Rates from 1st April 2010

Casual Users	Car engine 451-999cc	Car engine 1000-1199cc	Car engine 1200cc - 1450cc
Per mile first 8,500 miles	46.9p	52.2p	65.0p
Per mile after 8,500 miles	13.7p	14.4p	16.4p

It is a condition of becoming and continuing to claim 'casual user' allowance that you have a valid motor insurance policy in place, before you commence your journey, which provides cover for driving on the London business. You may be asked to produce the policy if requested.

Essential Users *	Car engine 451-999cc	Car engine 1000-1199cc	Car engine 1200cc - 1450cc
Lump sum	£846	£963	£1, 239
Per mile up to first 8,500 miles	36.9p	40.9p	50.5p
per mile after 8,500	13.7p	14.4p	16.4p

* Senior enforcement officers only

London Congestion Charge

The actual cost incurred of a congestion charge incurred by an employee, on a business journey will be reimbursed. Except senior enforcement officers on official business whose congestion charge will be paid directly by London Councils.

Any and all fines levied in connection with late or non-payment of the congestion charge, parking and or speeding will not be reimbursed under any circumstances.

1.7 Motorcycle allowance

You may claim 40p per mile for use of your motorcycle on official business. You should have a valid motor insurance policy in place, before you commence your journey, which provides cover for driving on the London business. You may be asked to produce the policy if requested.

1.8 Cycle allowance

You may claim 20p per mile for use of your cycle on official business

2. Overnight Stays/Conferences

2.1 Hotels

There may be occasions where it is necessary for staff to stay overnight in a hotel. London Councils will reimburse you for a single occupancy room. Cost per night should not normally exceed £100 excluding VAT. London Councils will not pay for your 'guests'. Itemised receipts are required - credit card bills/receipts will not be accepted.

Pay as you view" film/satellite/TV subscriptions should not be claimed.

For longer stays, reasonable expenses for telephone, laundry, dry cleaning and pressing will be reimbursed where these are billed separately.

London Councils recognises that at some conferences the cost of room's increases and it would be to the organisations detriment for senior managers to be some distance away. Where reasonable attempts have been made to obtain rooms well in advance, the upper limit for claims can be varied

2.2 Breakfast

If it is not included in the room rate, you may claim the cost of a modest breakfast subject to the overall limit below.

2.3 Subsistence while away over night

The maximum claim for Breakfast Lunch and Dinner on one 24 period is £28 - this does not include bar/alcohol bills*

* Unless entertaining on London Councils business

3. Subsistence - where no overnight stay

The costs of meals are normally met by employees. London Councils recognises there may be situations where the requirement to be on official London Councils business means that employees will incur additional costs.

Employees are only entitled to claim subsistence allowances if;

- Their duties prevent them from following their normal meal arrangements (e.g. early starts and late meetings) and
- They have to incur expenditure which is additional to their normal outlay

Or, and this applies to the Enforcement Officers only,

- In exceptional circumstances, they work beyond their normal shift at the request of management.

Under such circumstances, the maximum allowance is as follows:

Breakfast £5.50

Lunch £7.50

Evening meal £10.00

In all cases receipts showing actual expenditure must be provided and reimbursement will be based on the actual expenditure or above rates whichever is lower. No claims will be paid unless they are supported by a receipt.

Subsistence may not be payable in respect of positions where regular travel is an intrinsic part of the job (e.g. where employees are rarely able to return to their base for lunch). Where applicable, this will be specified in individual contracts of employment.

4. Hospitality - Lunch and Dinner

Subject to the provisions of the Code of Conduct, reasonable meal expenses for entertaining contacts may be claimed. The Hospitality Form should be completed and normally prior approval from the appropriate Director sought, after consultation and authorisation by the Director of Corporate Resources.

The expectation is that all employees will normally endeavour to seek approval and complete hospitality form in advance. However London Councils also recognises that there will be limited occasions when there is a legitimate business need, in the interests of promoting London's case, to offer hospitality without first completing the hospitality form and /or seeking prior approval.

The hospitality form must detail all persons attending and accepting hospitality from London Councils. In all cases a fully itemised bill must be provided to validate claims - debit and credit card receipts are not sufficient.

- The limit for Lunch is £20 per head inclusive of drinks
- The Limit for Dinner is £40 per head inclusive of drinks

The cost of entertaining other London Councils staff is not normally reimbursable. Reimbursement may only be claimed where exceptional business purposes justify the expense and prior line manager approval is given.

5. Professional subscriptions

You may claim the cost of an annual subscription (one) to any professional bodies which are approved by HMRC (See [approved list](#)) and are directly relevant to your duties.

6. Method of Claiming

Claims forms are available from Human Resources. Apart from exceptional circumstances, employees must produce itemised receipts where appropriate. All car mileage and public transport claims must be accompanied by a breakdown of journeys undertaken. All claims will be processed through the payroll.

Completed and authorised claims received by payroll by the 15th of the month and payable for the previous month will be paid directly into your bank/building society account at the same time as your next monthly salary.
