

# **Oxfordshire County Council**

## ***Travel expenses manual for employees***

November 2015

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## **1 Introduction**

- 1.1 The Council's Constitution sets a framework for all Council operations.
- 1.2 The Constitution requires the Chief Finance Officer to issue Financial Regulations to ensure proper administration of the Council's financial administration. Members, officers and agents of the Council are required to follow these Regulations.
- 1.3 This manual forms part of Financial Regulations, and sets out the rules for travel and subsistence claims.
- 1.4 The rules do two main things:
- they protect the Council from loss through error, theft and fraud;
  - they protect Council employees from false accusations of stealing.
- 1.5 The same rules do both of these things. Please follow the rules carefully and exactly, to safeguard yourself, your colleagues, and your employer.
- 1.6 Please note that it is a disciplinary matter to break the rules, even if there is no theft or fraud. Stealing from the Council is a criminal matter, and the Council will deal with it as such, whether it involves staff, councillors, or members of the public.
- 1.7 These rules replace all previous instructions and guidance. They apply to all Oxfordshire County Council transactions, and may not be varied without written permission from the Chief Finance Officer.
- 1.8 Please follow the rules, to make sure that you claim the right amount, and get paid quickly.
- 1.9 The Council will pay you travelling expenses which you necessarily incur in doing your job. Please use public transport wherever this is practical, and car-share as much as possible.

## **2 General Matters**

- 2.1 All claims will be made using the IBC self-service tool. The only exception will be where employees do not have access to ESS or the total claim is over £850, when the IBC travel and expenses claim form will need to be completed (which can be downloaded from the IBC Help pages see <http://www3.hants.gov.uk/occ/portal-help/hr/salaryexpensesbenefits/ibc-help-travelclaims-guide.htm> (click on 'paper form' link) or obtained from your manager).
- 2.2 Appendix 1 shows the current rates for mileage and meals.
- 2.3 Please note that deliberate falsification of claims will result in disciplinary action, which could lead to dismissal.
- 2.4 The specific responsibilities for employees and authorising managers are set out in separate sections in this guidance.

### **3 Employee responsibilities**

- 3.1 You must claim travel expenses following the rules in this manual.
- 3.2 All claims must be made within two months of the journey/expense being made. Claims submitted outside of this period will be rejected unless exceptional circumstances apply and these are agreed with your manager. These claims will have to be submitted on a paper form and once authorised by your manager posted to the IBC.
- 3.3 In addition to the rules about what and how to claim, you should make sure that you familiarise yourself with the Council's Driving at Work Policy <https://intranet.oxfordshire.gov.uk/cms/sites/default/files/documents/drivingatworkpolicy.pdf> and that your vehicle is:
- Insured for business use
  - Safe and roadworthy, with a current MOT test certificate if it is more than three years old
- 3.4 You must keep, or scan and submit any receipts that show you have paid for your travel expenses and fuel, as specified in Section 5.

### **4 Completing a claim via IBC Self-Service**

- 4.1 Before you can make a travel or expense claim you will need to set up 'Vehicle Details' in the 'Employee' folder in the 'My Information' tile.
- 4.2 To make a claim select the 'Employee' folder and then 'My Expenses' tile
- 4.3 Detailed instructions for entering a claim can be found at <http://www3.hants.gov.uk/occ/portal-help/hr/salaryexpensesbenefits/howtoclaim.htm>
- 4.4 You need to make sure that you change the cost centre of your claim if it is not to be coded to your home cost centre.

### **5 Receipts**

- 5.1 Employees must retain (either in hard copy, or by scanning and saving electronically) all travel, expenses and fuel receipts for a period of 4 years plus the current year for audit and VAT purposes – employees can be asked to produce these at any time. When an employee leaves the Council's employment they will be required to pass any saved receipts to their line manager before their last working day.
- 5.2 You should keep enough petrol or diesel receipts (hard copy or scanned) to cover the mileage that you have claimed for. The Council is able to reclaim the VAT on mileage claims from HMRC and we will need your receipts as evidence to justify that the expense has been made.

## 6 Special types of claims

6.1 Claiming mileage from home.

**The Council only pays home-to-work mileage in a small number of circumstances. Your line manager and HR can explain what these are.**

If you drive from home to a site that is not your normal place of work, or vice versa, and additional mileage is incurred, you can claim the distance you actually travel minus normal home to work mileage.

6.2 You can claim tax relief on the business miles driven but not reimbursed. The claim is made direct to the Council's tax office at the end of the tax year either by letter or using HMRC claim form P87 "Tax relief for expenses of employment". See HM Revenue & Customs factsheet "using your own vehicle for work"  
<http://www.hmrc.gov.uk/mileage/employee-factsheet.pdf>

6.3 Almost all journeys between your normal place of work and home are taxable and NICable through payroll. This includes (for example) returning to work at night and weekends.

## 7 Office relocation

7.1 If the Council changes your workplace through re-organisation, it will pay a relocation allowance if you have to travel further.

7.2 For permanent relocation, this covers the difference between the cost of travelling from home to your old place of work and your new workplace for up to one year. This is subject to the claim being more than £4.50 per week pro rata for part-timers (90p per working day) in accordance with the Council's policy.

7.3 If you move house or voluntarily change your job within a year, this will normally end the relocation allowance.

7.4 If the Council changes your place of work temporarily it will pay for the difference in travel costs in the same way.

7.5 In either case, the allowance will be based on either:

- Second class train and/or bus fares, or
- Mileage allowance paid at the HMRC 'all car' rate for the additional distance actually travelled

7.6 Your line manager and HR contact will agree the payments with you before the relocation, and will document them.

7.7 Payments for office relocation mileage and expenses are subject to tax and National Insurance deductions. Relocation expenses are not paid to new employees who were made aware that an office move was being considered before they commenced employment.

## **8 Employees based at home**

- 8.1 If you are based at home you will be allocated an administrative base to use for the purpose of claiming mileage.
- 8.2 Travel expenses to the admin/team base will not be payable. All other business travel expenses can be claimed calculating the miles travelled either from home or from the team base whichever is the lesser amount. See Agile Working Policy <https://intranet.oxfordshire.gov.uk/cms/content/agile-working-policy>

## **9 Subsistence & other expenses**

- 9.1 If you incur additional expense for travel, meals or overnight accommodation in the course of your work, the Council will reimburse expenses. You must provide evidence of what you have spent (e.g. receipts, bus tickets etc).
- 9.2 If you aren't sure whether the Council will pay expenses on a particular occasion, please check with your manager in advance what you will be able to claim.
- 9.3 You can claim for breakfast if the Council requires you start work before 7.00am, tea if you finish after 6.30pm and dinner if you work after 8.30pm. You can't normally claim for tea and dinner on the same day. You can only claim for lunch in exceptional circumstances, with the prior agreement of your service manager.
- 9.4 If you incur expenditure above the current rates (see Appendix 1), you can claim tax relief on the excess from the HM Revenue & Customs at the end of the tax year.
- 9.5 If the Council pays your telephone line rental, this is subject to tax and National Insurance deductions.

## **10 Training – travel and expenses**

- 10.1 You can claim public transport fares or a reduced mileage rate for attending a training event.
- 10.2 You should claim training expenses via self-service and select the appropriate options.
- 10.3 The same rule of deducting the normal home to work mileage applies to training mileage as to ordinary work journeys – see para 4.6.
- 10.4 You can claim subsistence and other expenses, in accordance with para 9 above, unless the training is at your normal work location.
- 10.5 If you do qualification training, the Council may assist you with the cost of textbooks etc. Please ask HR for more information.

## **11 Manager Responsibilities**

- 11.1 Once a claim has been submitted you will not be required to authorise and it will be paid on the next available pay run.
- 11.2 . Any expenses claimed by your staff will appear on your budget monitoring information and a detailed breakdown is available within the Travel and Expense

Report located within the Finance tab on the IBC portal. You must check these details and satisfy yourself that the expenses claimed were necessary and accurate. Any queries must be raised with the individual claimant promptly and appropriate steps taken should it be found that there are discrepancies with the claim.

- 11.3 A monthly compliance check will be carried out whereby the IBC will run a report which will identify a random 8-10% of all travel and expense claims in OCC made in a month.

The IBC will email the manager identifying the claim to be verified – the manager will confirm that they have seen the evidence (including receipts) of the claim from the employee

In cases where there has not been a response from the manager a follow up email will be sent after a month, if there is still no response from the manager another email will be sent after 10 days, after this period of time if the manager has still not responded, the employee's expense tile may be locked

11.4

- 11.5 Any home to work mileage has been deducted and that there was no effective alternative to travel (e.g. audio or video conferencing, telephone, e-mail, fax, letter etc). Where transport is provided by the Council to a destination (eg shuttle bus to Unipart) then personal reimbursement must not be certified unless there are exceptional circumstances.

- 11.6 When employees leave, Managers must collect and retain any travel and expenses receipts for audit purposes.

## Appendix 1 - Mileage and Meal rates

### Introduction

These rates were last updated on 1 April 2013.

All new employees will be reimbursed for work travel based on the HM Revenue & Customs all-car rate, which has the advantage of not attracting tax or National Insurance liability.

Some staff appointed before 1 October 1998 are paid protected casual/essential car user rates, which may be subject to tax liability depending on the number of miles travelled. If this is the case, the County Council will declare the profit element of the allowances paid to the HM Revenue & Customs at the end of the financial year.

The travel allowances payable are as follows.

### HM Revenue & Customs all-car rate

First 10,000 miles	-	45p per mile
Over 10,000 miles	-	25p per mile

### Training events rate

20p per mile plus an additional 5p per mile for each passenger.

### Protected casual car user allowance

	451 – 999cc	1000 –1199cc	1200-1450cc
First 8,500 miles per mile	32p	35.7p	44.1p
Over 8,500 miles per mile	10.9p	11.9p	13.3p

### Protected essential car user allowance

	451 – 999cc	1000 –1199cc	1200-1450cc
Lump sum per annum	£537	£606	£783
First 8,500 miles per mile	25.7p	28.6p	34.9p
Over 8,500 miles per mile	10.9p	11.9p	13.3p
VAT per mile	0.979p	1.070p	1.210p

### Motor cycle allowances

Motorcycles may be used by employees for use for official journeys provided that the line manager is satisfied that it is appropriate from a health and safety point of view (i.e. when carrying equipment to sites etc). The same claim form is used as for cars but the rate is 24p per mile.

### Bicycle allowances

In the interests of protecting the environment, the County Council encourages the use of bicycles for official work journeys, wherever practicable. The rate is 20p per mile and may be claimed through self-service.

### Meals allowances

The nationally-agreed rates are:

Breakfast	£6.88
Lunch	£9.50
Tea	£3.76
Evening meal	£11.76

**Excess Travelling Expenses for office relocation    £4.50 per week (90p per day)**

[Expenses may be claimed where the additional weekly cost is over this amount, pro rata for part-timers.]