



# ECCLESFIELD PARISH COUNCIL

*Serving your Community Since 1894*

## **EXPENSES POLICY** **(COUNCILLORS AND EMPLOYEES)**

### **Purpose**

This policy sets out the Council's rules on how councillors and employees can claim for expenses incurred in the performance of approved duties for Ecclesfield Parish Council ('the Council'). The purpose of this policy is to ensure that councillors and employees are properly reimbursed for legitimate business expenses and to ensure that these expenses are treated appropriately for tax purposes. The Council believes that no councillor or employee should be financially disadvantaged when representing the Council.

### **General procedure**

To claim for expenses, a councillor or employer must use the Council's expenses claim form and set out the reasons why the expense was incurred on the claim form. If they are unsure whether an expense can be claimed, they should seek advice beforehand from the Clerk and in their absence (or where it relates to the Clerk) the Administration and Finance Officer.

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, the tickets showing the departure point and destination of the journey should be provided, where possible. Credit and debit card statements will not be accepted. Where submitting a VAT receipt, the following should set out:

- the name and VAT registration number of the retailer or service provider;
- the goods and services provided;
- the amount of VAT payable.

Once completed and signed, the expenses claim form should be submitted to the Clerk for approval (except where it relates to the Clerk where it should be submitted to the Administration and Finance Officer). Once approved, the claim form should be sent to the Administration and Financial Officer for payment.

Expenses claims should be submitted usually within 30 days of the expense being incurred. If this is not practical, written approval for any extension should be sought from the Clerk or the Chair of the Finance, Premises and Staffing Committee (where the Clerk is not available, or it relates to the Clerk). The Council reserves the right to withhold any payment where prior written approval has not been given.

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

The Council will pay claims for authorised expenses by BACS transfer into the same bank account into which salary is paid into for employees and normally by BACS for councillors.

In general, councillors and employees should not incur expenses other than in the categories listed below. However, in very special circumstances, claims for expenditure other than for those categories listed below, may be permitted but only where it has prior approval by the Finance, Premises and Staffing Committee.

Any queries in relation to this policy should be directed to the Clerk in the first instance.

## **Training**

When attending approved training courses all councillors and employees can claim travel expenses in accordance with this policy.

## **Travel**

Councillors and employees should consider whether or not travel is necessary or if there are more appropriate means (for example tele or videoconferencing).

### Rail

Claims should be for standard class rail fares only. Where possible, rail journeys should be booked well in advance to benefit from any discounts for early booking.

### Use of own car

It may be appropriate and cost-effective for employees and councillors to use own car when travelling on Council business, for example, when travelling with other staff or councillors or, where there is limited public transport to the destination, or the journey time is significantly shorter than using public transport. Any use of a personal car on official Council business is subject to:

- holding a full UK driving licence;
- the car is roadworthy and fully registered;
- holding comprehensive motor insurance that provides for business use.

The Council will pay a mileage allowance of 45p per mile for mileage under 10,000 miles and 25p per mile for mileage over 10,000 miles, or such other rate as set out from time to time by HM Revenue and Customs. The Council will pay for tolls, congestion charges and parking costs incurred, where applicable.

Where possible employees and councillors will use their vehicle odometer and if this is not possible, will use a reputable electronic mileage calculator to determine the miles travelled.

Employees may not claim mileage for travel to work, i.e. to the Council Offices.

Mileage may be claimed by employees for travel to deliver agendas, minutes and post notices.

The Council accepts no liability for any accident, loss, damage or claim arising out of any journey that it make on business. The Council will not pay for the cost of any insurance policy on a vehicle used for Council business.

#### Use of bicycle or motorcycle

If a bicycle or motorcycle is used, the mileage allowance is 20p or 24p per mile respectively. Any use of a motorcycle on business is subject to the same requirements as a car (see above).

#### Taxis

Any use of taxis will require prior approval by either the Clerk and/or the Chair of the Finance, Premises and Staffing Committee and only 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 employees or councillors travelling together;
- where personal security and safety of employees or councillors is an issue, for example taxis may be permitted after 9.30pm.

Any claim must be supported with a receipt showing the date, place of departure and destination of the journey.

## **Overnight accommodation**

As a guideline for travel on Council business, accommodation equivalent to three-star standard or less should be booked up to £200 maximum in a major city and £150 elsewhere. It is responsibility of the councillor or employee who requested or booked the overnight accommodation to ensure that any hotel reservations are cancelled within the required cancellation period if they are no longer required.

## **Meals**

If a councillor or employee is required to be away from home on Council business, they may claim up to:

- £10 for breakfast (if this is not included in the hotel room rate);
- £15 for lunch;
- £20 for dinner;
- 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.

A claim must be supported by receipts and invoices for all hotel and meal expenses other than for the daily allowance, where no receipt is required.

## **Entertainment/Gifts**

The Council has strict rules about offering or receiving both entertainment and gifts.

Any gifts, rewards or entertainment offered to a councillor or employee should be reported immediately to the Clerk (or the Chair of the Finance, Premises and Staffing Committee in the case of the Clerk or a councillor). Generally, small tokens of appreciation, for example flowers, chocolates or a bottle of wine, may be retained by employees and councillors up to a value of £25.00.

## **Annual events**

The 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 councillors and employees will remain responsible for any expenses they incur.

## **Home working (gas, electricity usage etc.)**

Rather than an employee making a claim to HMRC, the Council may pay a 'homeworking allowance' to employees without giving rise to a tax/NIC liability.

Unlike the tax relief claim, the exemption conditions for the payment of the allowance are less restrictive and so only two tests need to be met:

- there must be homeworking arrangements between the employer and the employee; and
- the employee must work at home regularly under those arrangements.

The arrangements should be part of the employee's contract, and do not need to apply to all employees who may have a home base but work in a hybrid manner.

Where these conditions are met, the Council may pay up to £26 per month (or £6 per week) to employees without any tax/NIC being due. Higher figures than this can be paid, but anything above the £26 will be treated as earnings for tax/NIC purposes.

If an employee has multiple employers, each employer would be treated separately and so they could each pay the £26 per month.

### **Telephone and broadband expenses**

The Council will reimburse the full cost of telephone calls made from an employee's home phone in the course of their duties (except where they have been issued with a Council mobile phone).

An itemised bill will be presented to the Council with a monthly claim.

### **Expenses that will not be reimbursed**

The Council will not reimburse for:

- 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;
- cash advances or withdrawals from an ATM machine.

If a partner or spouse accompanies someone on business, adequate travel insurance for that journey must be in place by the concerned employee or councillor.

### **False claims**

If the Council considers that any expenditure claimed was not legitimately incurred on behalf of the Council, it may request further details from the councillor or employee making the claim. The 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 to an employee or councillor 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 any future claim by a councillor.

Any abuse of the 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 a Councillors or employees judgment.

The Council will take disciplinary action where appropriate and, in certain circumstances, may treat a breach of this policy as gross misconduct where it relates to an employee or a breach of Members' Code of Conduct where it relates to a councillor. In addition, the Council may report the matter to the police for investigation and criminal prosecution.

**Approved by Council: May 2025**

**Review Date: May 2027**