

Travel and Expenses

1. Introduction

For the Agency to operate effectively, employees sometimes need to travel away from their normal work location to carry out the organisation’s business. The aim of this procedure is to explain:

- the considerations you should make when embarking on business travel; and
- how travel and expenses (T&E) costs will be reimbursed, including claiming and approval requirements.

There are a wide range of issues to cover within the subject of Travel and Expenses, therefore, to help you navigate through this procedure, the structure is as follows:

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This procedure supports HR Policy – Travel and Expenses, which confirms that expense payments only reimburse you for the necessary, additional and actual costs that you incur as a result of official business. The guiding principle governing the payment of T&E is that no reimbursement is appropriate unless extra expenditure is necessarily incurred. You should aim to keep total expenses to a minimum.

Many hotels and shops have incentive schemes that offer points which can be exchanged for goods. You must not collect points or sign up to any reward schemes for personal gains if you are incurring expenses that will be reimbursed by the Agency. If you travel regularly by air on Agency business, you may accrue air miles as long as you use them solely for Agency business travel. See [Section 2.3.2](#) for further details on air travel.

The policy still applies even if the cost of T&E may be recovered from fees or other charges if the Agency is contracted for services.

It is important to highlight that HM Treasury guidelines stipulate that T&E policies across the Civil Service must not cover every eventuality. Therefore, flexibility within boundaries is a feature of this procedure, requiring a degree of management discretion in certain circumstances.

2. Business Travel

Business travel means travel for the purpose of official business to a temporary workplace or between two permanent workplaces. This includes attending training courses, emergency callouts from home or any workplace to attend to forest fires or other similar emergencies. Although the Agency classes some travel to attend interviews, promotion boards and grievance hearings as business travel, these are not considered as business travel for HMRC travel tax purposes. Any reimbursement for these will be subject to tax and National Insurance Contributions (NIC) but the Agency will pay any tax and NICs due.

Travel between your home and your permanent workplace(s) is considered a ‘private journey’. Therefore, callouts from home to attend to alarm calls or emergencies at your permanent workplace(s) are not considered as business journeys. However you may be reimbursed for this if you are required to undertake this journey out with your normal working pattern. In this circumstance, reimbursement represents a taxable benefit, but the Agency will bear the tax and NIC. For more information, please refer to HR Guidance – Definition of Terms.

The normal means of business travel are:

- officially provided transport, i.e. Agency vehicles, self-drive hire cars and CAPES cars;
- public transport; and
- privately owned vehicles, i.e. cars, motor cycles and bicycles.

2.1 Business Travel Considerations

You should travel by the most economical route and means available, but also consider the impact on your health and wellbeing, the environment and organisational efficiency, when deciding the most appropriate method of travel.

2.1.1 Need to Travel

Always consider potential alternatives to travel in the first instance. For example, could telephone, email, Skype or video-conference facilities be used instead, with less cost and carbon impact?

2.1.2 Planning Travel

If travel is necessary, make best use of resources and minimise T&E expenditure by:

- limiting participants to those whose attendance is essential;
- making best use of time, e.g. working whilst travelling if possible and arranging additional work/meetings at the location you're travelling to in order to avoid separate trips;
- choosing the most cost effective venue for meetings, served by public transport wherever practical;
- planning an itinerary which follows the most effective geographical route;
- considering comparative costs of different travel options; and
- planning as early as possible to take advantage of cheaper fares.

Where possible, you should agree your business travel and likely T&E costs with your manager, to help them monitor T&E expenditure against their set budget. Whilst cost and the environment are important considerations when planning business travel, you must bear in mind your health and safety comes first. For example, if a meeting is going to finish very late, consider arranging an overnight stay to avoid travel fatigue, especially if you need to drive a long distance to get home.

2.2 Arranging Travel

The Business Services Admin Team (FLS)/Business Support Team (SF) can assist you with arranging travel and accommodation.

You should opt for e-tickets, whenever available, in order to reduce costs and promote sustainability.

2.2.1 Government Procurement Card (GPC)/Electronic Procurement Card

If you need to undertake regular business travel, you should use a GPC (FLS employees)/EPC (SF employees) to process expenses, wherever possible. Information on applying for a GPC/EPC can be found on Saltire.

2.3 Public Transport

You should plan your journey as far ahead as possible to maximise the opportunity to benefit from any special discounts for early booking. When booking you should check the flexibility of your ticket and be certain of your travel arrangements as many of the cheaper tickets or travel providers won't allow a refund or alteration.

All Agency employees are expected to travel 'standard' or 'economy' class. First class air travel is not permitted and first class travel by other forms of public transport (for example, rail travel) should only be used in exceptional circumstances. Where you believe your circumstances are exceptional, you must provide clear business reasons to justify the use of first class travel. This must be approved by a manager of at least pay band 2 level (FLS)/cost centre manager of at least pay band 2 level (SF), in your line management chain, before a booking is made. Examples of justifiable business reasons include:

- where there are no standard class facilities to accommodate employees requiring reasonable adjustments, for example, due to a disability or pregnancy;
- business necessity for "one-off" situations, for example, where you are required to prepare for a business critical meeting called at short notice and you can only do this by working in first class facilities; or
- unexpected emergencies, for example, where a planned flight / train journey is cancelled and no other form of standard or economy class travel is available.

2.3.1 Rail Travel

Travel by rail is one of the 'greenest' methods of travel and can be fairly economical when advance fares are used. If travelling overnight on official business is necessary, you may occupy a single sleeping compartment.

2.3.2 Air Travel

The use of air travel is allowed when:

- it is cheaper than other means of travel; or
- there is an advantage because of savings in overnight travel expense and/or official time; or
- when the urgency of the journey justifies any extra cost; or

- it is the most suitable method of travel for an individual (e.g. to avoid stress or fatigue arising from a long car journey or a long working day).

However business efficiency must also be balanced with the impact air travel has on the environment and you are expected to reduce your carbon footprint, as far as possible, when travelling on Agency business. Adding a supplement for carbon off-setting when booking an air fare is allowed and will be reimbursed alongside the cost of the ticket.

First class air travel is not allowed and where available you should try to use low cost air carriers. You should only book more expensive carriers when they are the only airline for a particular route or they provide more suitable flying times for you and allow you to return home at a more reasonable time.

You may claim the cost of baggage charges should these be separately charged by the airline. 'Speedy boarding' expense should only be incurred where this is essential to your travel requirements. Insurance cover offered by airlines is not required and shouldn't be purchased. Allocated seating costs should also be avoided unless essential.

Airline 'Club Cards' allow regular travellers to accrue 'air miles'. You must not use these for personal travel. Once sufficient air miles have accrued to cover the cost of a full fare they can be used for Agency business travel. Similarly, vouchers received in compensation for delayed services should be used for future business travel and not for personal use.

2.3.3 Bus/Coach

Whilst much of our travel is within rural areas, where coach and bus travel may not be available, this option may be viable in some situations e.g. where there are good direct intercity services.

2.4 Private Transport

2.4.1 Cars, Motorcycles and Vans

It is your responsibility to ensure the most cost effective and efficient method is being used. This need not involve 'costing' every journey, but by considering various information sources and agreeing with your line manager what will be the best method of travel.

The four methods of road travel in the Agency are:

- **Agency vehicles** – are provided to any employee requiring a car or van for daily travel. No allowances are paid and the service is managed by Mechanical Engineering Services (MES). The vehicle cannot be used for journeys that are not in the interest of the Crown (business interest of the Agency);
- **CAPES Car Leasing Scheme** – there is an annual mileage eligibility threshold of 5000 miles and Cost Centre Managers should only authorise a CAPES car when annual business is at or above this level. Private use is paid for as part of the charge;

- **Self-Drive Hire Cars** – generally the most cost effective method for journeys of 120 miles or more in one day;
- **Private Car/Motorcycle** – usually only more cost effective for shorter journeys. There are insurance requirements for claiming mileage and staff are required to maintain their vehicle to a good road-worthy standard, as well as having a valid driving licence and MOT certificate (where relevant).

If you use any of the above methods of travel for official business, please refer to Annex A of this procedure which provides further details you **MUST** be aware of, including rules for claiming mileage and insurance requirements.

Where frequent travel is a requirement of the job, your Cost Centre Manager will consider the CAPES option, or an Agency vehicle.

You should consider whether you could further reduce the cost to the Agency, and the environment, by sharing the vehicle with colleagues who are also travelling. If you carry official passengers who are travelling on business while using a private car on official business, you may claim an additional passenger supplement.

Additional passenger supplement claims for non-Agency employees will be subject to tax and NIC's. You should therefore correctly enter the number of non-Agency employees in your claim on Employee Expenses Management System (EEMS) in order for tax to be properly applied.

Under no circumstances should any passenger, irrespective of whether they are an Agency employee or not, be carried in an Agency vehicle or hire car, unless their presence is considered to be an authorised journey on Agency business or in the business interests of the Agency.

2.4.2 Pedal Cycles

Cycling is the greenest form of transport and mileage rates are available for both options – taking a pedal cycle or motorcycle for official journeys. An advance of salary to assist with the purchase of a pedal cycle is available. For further information see HR Procedure - Pay or contact the HR Operational Support Team.

You may also be interested in the Agency's 'Cycle to Work' scheme, however, you are not permitted to claim the mileage allowance if you are using a pedal cycle under this scheme.

2.4.3 Taxi

Taxi or mini-cab fares will be reimbursed only in the following circumstances:

- when it is the most cost effective option of travel e.g. to save on parking fees;
- for journeys for which there is no other suitable method of transport;
- when heavy luggage has to be transported;
- where a real saving of official time is important and can be demonstrated;
- where there are clear safety issues e.g. travelling alone, particularly at night;

- where the onward journey would be otherwise disrupted e.g. a missed flight; and
- you have justifiable special requirements.

All claims for fares must state clearly the reason for the taxi journey and receipts must be provided, otherwise your claim may be disallowed. You may also claim reimbursement of discretionary gratuities paid to taxi drivers up to 10% of the cost of the fare. Again, these amounts must be included on the taxi fare receipt.

Taxi fares should not be claimed for private journeys (home to permanent workplace). However there may be exceptional circumstances where this might be claimed where prior approval is granted by your line manager, for example, where you are required to attend your workplace quickly to deal with an emergency outside of your normal working hours. Reimbursements for taxi fares between home and permanent workplace(s) will normally attract tax and NIC liability but the Agency will pay any tax and NIC due. See Section 2.5 for circumstances where this reimbursement will be tax and NIC exempt.

2.4.4 Parking Charges, Garage Expenses, Tolls, Ferries, etc.

If you use a private car on official business you can be reimbursed for the cost of parking fees, garage expenses, tolls and ferry charges, as appropriate. If you are away from home on official business and have to garage your private car, you may be reimbursed the extra garaging costs, provided your manager is satisfied the arrangement is justified.

2.5 Home to Workplace Journeys

The cost of travel between your home and your permanent workplace(s) is your own responsibility and made at your own expense. Only exceptionally can you be reimbursed for this journey, for example when you are required to attend on a day you're not contracted to work. However, such payments are subject to tax and NIC and must be paid through salary; therefore you should not claim through EEMs but instead send a C180 to the HR Operational Support Team. The only journeys between home and normal place of work that are tax and NIC exempt are:

- a taxi home after occasional and irregular late-night working (needs to be later than usual and after 9pm, plus either public transport has ceased or if using public transport would be unreasonable in the circumstances);
- a taxi home if a car-sharing system is unavailable due to unforeseen circumstances; and
- transport between home and work where public transport has been disrupted by industrial action.

If you are travelling from home to a temporary workplace, the full cost of your journey can be claimed (irrespective of how you are travelling). However, if you stop off and perform duties at your normal permanent workplace on the way to the temporary workplace then you should deduct your normal commuting mileage from your claim. If you don't stop at the permanent

workplace then the cost of the whole journey can be claimed, and will not be subject to tax and NICs.

Information on the use of official vehicles for home to permanent workplace journeys is given at Annex A.

2.6 Recall from Annual Leave

The cost of travel incurred by you if you are recalled from annual leave is 'official business travel' and the normal rules will apply. If your approved annual leave is later cancelled or postponed, any unavoidable and uninsured expense such as holiday cancellation fees may be reimbursed. This reimbursement would attract a tax and NIC liability and the payment must be made via payroll, therefore claims must be submitted on a C180 and sent to the HR Operational Support Team, rather than submitted via EEMS. The Agency will pay any employee tax and NIC due and this will be shown on your payslip.

If you wish to combine annual leave and business travel, e.g. spend a weekend in the same area before or after the official business, you may be allowed the full return fare for the distance which would have been travelled for the official business alone.

2.7 Overseas Travel

The principles of HR Policy – Travel and Expenses also apply to overseas travel.

If you intend to embark on overseas travel you must apply for advance approval from your cost centre manager regarding the purpose and anticipated costs. Final approval rests with the appropriate Senior Civil Servant for your business area.

3. Expenses

3.1 Expense Rates and Limits

The Agency will reimburse employees for necessary and additional expense incurred when away from home on official business. 'Home' means the place where you normally live. You will only be reimbursed for expenses which you actually incur and have receipts for.

The Agency's rates and limits for reimbursement are detailed in Staff Notice – Travel and Expenses Rates and Limits, and are regularly reviewed and subject to change. The Staff Notice explains the categories of expenses that can be reimbursed and also gives direction on what factors must be considered before expenses are claimed.

If there are exceptional circumstances and you find that you have incurred costs above the Agency's expense limits, you should discuss this with your line manager. If your manager feels that your claim is appropriate and exceptional, they can authorise reimbursement. You must submit your full reasons in writing, along with all receipts.

An example of an exceptional circumstance might be where you are in the company of external business associates who choose to dine at a restaurant which is more expensive than the limit for dinner and you need to accompany them as part of your official duties.

3.2 Detached Duty

Detached duty means a period of duty at a new workplace(s) of less than 3 years and therefore is not a 'permanent transfer'. Further information on the T&E provisions and process for claiming detached duty expenses is provided in HR Procedure – Detached Duty.

3.3 Caring Expenses

If you have child or other caring responsibilities you can claim for additional childcare or wider caring expenses over and above any regular expense incurred whilst at work. The additional costs must have been incurred whilst undertaking official business outside your normal working hours/pattern including attending work-related training, or time spent on business travel. You should claim for these expenses via EEMs (Childcare/Caring – Excess Costs and/or Childcare/Caring – Travel Costs). Expenditure should be receipted and show clearly the deduction made for routine childcare or other caring costs. If no routine childcare/other caring cost has been deducted, this should be stated. You should indicate the reason for the reimbursement of childcare/other caring costs on your expense claim, stating whether the costs were incurred because of work-related training, business travel, or other official business. Reimbursement will be made in the usual way by BACS.

There is no tax liability if the costs are incurred due to work-related training. In other circumstances, reimbursement represents a taxable benefit but the Agency will pay the tax and this will show on your payslip.

3.4 Travel and Expenses for a Spouse/Partner

If you are attending an official function accompanied by your spouse/partner, any expenses incurred due to their attendance cannot generally be reimbursed from public funds. However, if an invitation to a function includes a spouse/partner, their expenses may be reimbursed if:

- prior approval has been obtained from a manager of at least pay band 2 level (FLS)/cost centre manager of at least pay band 2 level (SF); and
- you are attending the function in a strictly representational capacity; or
- it is expected that the majority of other guests will also be accompanied; or
- it would cause offence or embarrassment if the invitation were to be refused; or
- it would be unreasonable, because of the frequency of such invitations, to expect you to meet your spouse/partner's expenses.

Examples of functions which might qualify are receptions and dinners given by industry and trade associations. The head of your business area will closely control the use of this provision.

This reimbursement would attract a tax and NIC liability and the payment must be made via payroll, therefore claims must be submitted on a C180 and sent to the HR Operational Support Team, rather than submitted via EEMS. The Agency will pay any employee tax and NIC due and this will be shown on your payslip.

3.5 Travel and Expenses of Non-Agency Employees

There may be exceptional circumstances where it is appropriate to pay for the T&E of non-Agency employees, for example, paying for tea/coffee for external auditors who are undertaking Agency work in Agency premises. In these circumstances, the Agency T&E rates and limits will apply. You should obtain approval from your manager before incurring these costs. Any reimbursement of T&E claims for non-Agency employees is regarded as hospitality for tax purposes and VAT cannot be recovered unless the non-Agency employees are overseas visitors.

3.6 Overseas Travel Expenses

HMRC supply the Worldwide Subsistence Rates. Rates vary depending on the location visited and the type of accommodation. Rates should be regarded as 'expense limits' – only actual expenditure will be reimbursed. If you choose to stay with family or friends you can claim the allowance for this, detailed in Staff Notice – Travel and Expenses Rates and Limits.

3.7 Dog Expenses

If you are operationally required to own a working dog, you may be eligible to claim for expenses. The Agency's rates and limits of reimbursement for dogs are detailed in Staff Notice – Dog Rates and Limits.

4. Claiming

4.1 Completing and Approving Claims

Claims for reimbursement of expenses are made electronically via the Employee Expenses Management System (EEMS), unless an alternative method is specified such as C180 through payroll, as soon as possible after travel. EEMS is a web-based application that you can access via your SCOTS laptop, through the Citrix application.

If you don't have access to a SCOTS laptop, you can continue to complete a C180 form and pass it to a 'proxy user', who will be authorised to input the claim for you. Proxy users will be the exception and must only be used where there's a clear, practical reason why you cannot input your own claim. Regardless of whether you or a proxy user inputs your claim, you, as the claimant, are responsible for the claim content and the sums claimed.

You are responsible for being familiar with Staff Notice – Travel and Expenses Rates and Limits and seeking advice if you are unsure of what you can claim. You are also responsible for the

accuracy, validity and justification of your claim. If you are in any doubt about T&E rates and limits, please seek advice from your line manager, or your HR Advisor/HR Business Partner.

In making claims for expenses, you should note the following points:

- Claims must be supported by receipts – see 4.1.3
- All expense items relating to one business trip should be input as one claim, i.e. don't split one trip into two separate claims (however, more than one trip can go on a single claim)
- Claims for unusual items of expenditure should be supported by an explanatory note
- Claims should be supported by full details of expenses incurred, including information such as the route taken, the accommodation name and address, places visited, times of arrival and departure, etc. This will avoid the need for additional enquiries
- While you may wish to have a colleague check your claim for accuracy, you retain sole responsibility.

Line Managers should support employees completing a T&E claim for the first time.

You should submit your claims at least monthly to ensure they are included in the appropriate accounting period and assists in budget monitoring and management reporting.

It will also ensure that the monthly business sustainability travel CO2 monitoring reports provide accurate information. Late claims are difficult to validate and lead to problems in financial control and VAT reclamation. Claims that are submitted more than three months after costs are incurred will normally be rejected, except where there are mitigating circumstances that prevented you from submitting it earlier.

4.1.1 Self Approval up to £300

You are permitted to self-authorise T&E claims up to the value of £300. You should keep a record of email/discussions where you had to obtain prior approval from your manager (e.g. not using standard or economy public transport, or exceeding the T&E limit). EEMS will automatically include the claim in the next payment run in e-Financials and a remittance advice email will be sent to you.

Since all expenses relating to one business trip are submitted as one claim, the £300 limit applies to the sum of all expenses for the trip.

The exemptions to 'self-approval' are:

- all new recruits will have all their claims approved during their probationary period whilst they become acquainted with the T&E system;
- new claimants (without recent experience of claiming for T&E) may also have their claims approved for a similar period as the 8 month probation period for new recruits;

- people employed on short-term temporary appointments (i.e. of less than 1 year) will have their claims approved;
- anyone under investigation for fraud or involving any type of dishonesty will have their ability to 'self-approve' removed pending the outcome of the disciplinary case. The disciplining authority will decide if and when this is reinstated; and
- all relocation expenses, which will be routed to your HR Advisor for approval.

4.1.2 Approval of Claims over £300

Claims which reach a threshold of £300 will be automatically routed for approval to your line manager or someone else in an 'approved group' for payment to be authorised. An 'approved group' has been agreed with each business area and will be maintained by the Finance Team.

Those with responsibility for approving claims must be satisfied that:

- the expenses were necessarily incurred on official business or are costs that can be properly charged to the Agency;
- expenses comply with the Agency rules detailed in this procedure, including cost effectiveness requirements. Before passing a claim, the approver will be asked to confirm this in the system.

If you travel every week and have single trip claims that usually exceed £300, you may apply for an increased threshold limit from your Cost Centre Manager. This is discretionary and you will have no right to retain this, for example, if you move job or your travel decreases.

When approval is required for your claim it will be approved by either your line manager or someone your line manager delegates to do this (e.g. an Office Manager), who must satisfy themselves that what they are approving is in accordance with the provisions set out within HR Policy – Travel and Expenses and this procedure.

4.1.3 Obtaining and Keeping Receipts

When claiming the reimbursement of actual costs you must be able to support your claim with valid receipts. Receipts must also be obtained if using a GPC/EPC. VISA receipts for purchases paid for with GPC/EPC, or any other credit cards, are not acceptable. The receipt should set out the goods and/or services purchased and you should attach this to a printed copy of your electronic claim (or C180) and pass this to the person within your office responsible for collating records of T&E expense claims.

In exceptional circumstances where it is not possible to obtain a receipt or it is lost and you are unable to obtain a copy, you can still submit an expense claim, but you'll need to record the explanation on your claim. You should aim to provide the best evidence available which validates the claim. For monitoring purposes, Cost Centre Managers will receive periodic reports that show claims unsupported by receipts.

If you do not submit receipts to support your claim, or provide reasons for an unsupported claim, your claim could be disallowed or your GPC/EPC withdrawn.

If you pay a bill on behalf of yourself and other Agency employees, using personal monies or GPC/EPC, then your claim/procurement card record must detail the names of the employees for whom you paid. If you are paying a bill on behalf of non-Agency employees, you should bear in mind the provisions of HR Policy and Procedure – Gifts and Hospitality).

You should print a copy of your claim using the Print option on EEMS (each claim will have a unique number) and attach your receipts. Printed claims and receipts must be held at the relevant administrative section for each Cost Centre.

These are required for inspection and are not to be held by you as the claimant. If you will be using a proxy user to input your claim to the system, you should pass your completed C180 and receipts to them.

To enable the Agency to reclaim the appropriate amount of VAT paid on expenses we need to have an accurate record of VAT charges via a VAT receipt (this is a receipt that has the value of VAT or the company's VAT registration number shown). EEMS will ask you whether VAT has been paid, will default a VAT value that you will be asked to confirm and you will have to note in the system that a receipt has been obtained. You cannot input a VAT claim unless you have a VAT receipt – the Agency cannot reclaim the VAT unless the receipt is obtained.

4.1.4 Advance of Expenses

If you don't travel and/or incur expenses regularly enough to have a GPC/EPC card and you need an advance of money to fund forthcoming T&E expenses, you can apply for an advance via EEMS. You should agree with your manager the need for the advance before putting the claim in the system.

Repayment should be made by deduction of the advance from the amount claimed via EEMS/C180 following the travel. If an advance is not actually used for the intended purpose, it must be repaid immediately. No further advances can be made whilst a prior advance remains outstanding.

4.1.5 Overseas Travel and Expense Claims

You can claim overseas travel expenses in EEMS, however, the claim needs to be entered in sterling. You must obtain the exchange rates that were applicable at the time you made your journey and calculate the sterling equivalent. Evidence of exchange rates applied should be retained for audits/management checks.

4.2 Auditing Claims

4.2.1 Audit Process

Cost Centre Managers receive details of T&E claims within their business area on a monthly basis and monitor and review this accordingly. Cost Centre Managers are also responsible for a local audit process, involving a minimum 10% check, and may arrange for further checks to be carried out within their area. Staff responsible for local checking will raise any issues of non-compliance directly with the employee, seeking support from a manager or the Cost Centre Manager if they feel this is required.

All employees are expected to support the audit process by providing explanations or receipts, as required. Additionally, Auditors and Accounting Inspectors may carry out inspections of T&E claims.

4.2.2 Retention of Travel and Expense Claims

T&E claim forms and receipts should be retained for the previous 6 years, as well as the current financial year, for tax and audit purposes (although a longer retention period may be required for expenses associated with externally funded projects).

4.2.3 False Claims

Fraudulent claims will be regarded as gross misconduct for which dismissal is the usual penalty. Acceptance of a payment to which you know you are not entitled to is also fraud.

If you suspect irregularities by another member of staff, you are required to report it to a more senior manager, who will follow HR Policy and HR Procedure - Discipline.

Annex A

Car Travel

1. Agency Official Vehicles

If you are provided with a self-drive official vehicle you should note that:

- the exemption of Crown Vehicles from the compulsory insurance requirements of Part IV of the Road Traffic Act 1988, depends on the purpose for which the vehicle is used, not on the ownership of the vehicle. It applies only when the vehicle is being used for the public service of the Crown. If an official vehicle is used for any private purpose – and this includes home to workplace journeys other than those deemed to be in the public interest – the driver may be guilty of an offence under Section 143(1) and (2) of the Road Traffic Act 1988;
- you are responsible for seeing that the vehicle is properly locked before being left unattended;
- official vehicles may not be garaged at your home, or in the vicinity of your home, overnight for your own convenience;
- you may garage the vehicle at your home, or in the vicinity of your home, overnight if:
 - you are a homemaker because of an objective business requirement;
 - you are geographically based and your home is within the geographical area you cover; or
 - your Cost Centre manager considers it to be in the interest of the Crown for you to garage the vehicle there overnight and the business area keeps records and pays the appropriate tax scale charge;

Specific authority is required for this;

- an official vehicle may not be used for social or domestic purposes. Official vehicles are exempt from Vehicle Excise Duty as well as insurance. It is therefore illegal to use any Crown Exempt vehicle for social or domestic purposes. Journeys to and from your accommodation for the purpose of vehicle refuelling, maintenance or to purchase an evening meal are all regarded as business journeys, when away from the permanent workplace;
- a journey between home and the permanent workplace(s) is regarded as private travel for tax purposes. As a result use of an official vehicle for a journey between home and the workplace is only permitted in the following circumstances:
 - You are a homemaker as an objective business requirement or you are geographically based and your home is within the geographical area you cover.
 - When you are detained by official duties until after public transport services have ceased to run (but not engaged on a regular tour of duty ending at a late hour).

- During periods of fire danger if you are authorised to take an official vehicle home in order to respond to call out on an emergency, particularly where staff or equipment have to be transported.
- If you are to undertake a journey on the following day which would, if you had commenced at your normal workplace, give rise to a greater mileage than if the journey had commenced from home.
- Where a manager requests you to take an official vehicle home for safe keeping when there is no secure garaging facility at or near the normal workplace.

2. Self-Drive Hire Vehicles

For practical purposes, a hire vehicle should be regarded as an official vehicle. The Agency 'self-insures' hire vehicles using the agreed hire car provider and therefore separate insurance isn't necessary unless the vehicle isn't being used for official business. No mileage allowance is payable, although actual receipted fuel costs will be reimbursed. Hire cars should be booked through the Agency's booking agent for this, who provide discounted rates (their rates are not available for staff wishing to hire cars for personal use). You may use an alternative provider if you can demonstrate that it is cheaper. The Business Services Admin Team (FLS)/Business Support Team (SF) can assist you with arranging car hire.

In an emergency (e.g. if your private vehicle breaks down while on official business), any expenses necessarily incurred in hiring a vehicle to complete official business travel will be met, even where you were unable to obtain prior approval. If you propose to hire your own self-drive vehicle for business travel you must ensure that you have essential insurance cover as defined later in this annex. However, extra cover beyond the standard cover offered by the hire company (e.g. personal accident cover, full damage cover, collision damage cover) should not be taken out unless the hire company refuses to hire on this basis or a calculation shows this to be no more expensive.

A self-drive hire vehicle may not be used for social or domestic purposes. Journeys to and from accommodation for the purpose of vehicle refuelling or maintenance or to purchase an evening meal are all regarded as official journeys when away from your normal Agency workplace.

A journey between home and your permanent workplace is regarded as private travel for tax purposes. As a result, use of a self-drive hire car vehicle for such journeys whether authorised or not may give rise to a tax liability.

Particular points to note in connection with hire cars:

- Generally speaking the higher the mileage the more cost effective it is to hire a car. However, using your own car may be more cost effective than using a hire car if your mileage for the journey is low.
- Avoid booking a hire car for days on which the car will not be used for official business (e.g. when attending a residential course) unless there are clear cost advantages overall.

- Try to keep within the 24 hour charge cycle if possible when considering hire start/end times.
- Include fuel, as well as the daily hire charges, in estimating the cost of the journey.
- Delivery and collection charges can be substantial – if it is more expensive to have your car delivered to/collected from your home, consider whether the benefits outweigh the costs.

Worked example

The cost to travel by hire car from Edinburgh to Inverness, and return in one day, would be about £60 - £70 (Enterprise one day rate for class C £14 + home delivery and collection, which is £5 within 10 miles of car hire depot + fuel £40 approx.). Using your own car would cost the Agency about £80 at PTR rate (25p x 324 miles) or £145 at standard rate of 45p per mile.

In order to avoid incurring the provider's charge of 20p per litre of fuel required (in addition to the pump price), you should refuel the hire car prior to returning it wherever possible. The cost of refuelling can be charged to your GPC/EPC (if applicable) or reclaimed via the procedure outlined at 4.1 above.

2.1 Pre-rental Inspection

When a vehicle is delivered you will be provided with a pre-rental inspection form or vehicle condition report indicating any areas of current vehicle damage. You should inspect the vehicle thoroughly to agree any damage indicated, preferably with the hire company driver present. You should not accept vehicles with any other damage than that stated and agreed.

If you are not available to take delivery of the hire vehicle you must inspect the vehicle and report any damage by telephoning the supplier prior to using the vehicle. The supplier will acknowledge this by issuing a new reference number by telephone.

The hire company will inspect the vehicle again on collection and any additional damage will be notified before the vehicle is removed.

2.2 Vehicle Size and Use

Choosing the lowest engine size reasonably possible for your journey will significantly reduce carbon dioxide emissions. Choosing a small car (up to 1.4L engine) rather than a medium car (1.4-2.1L) will reduce the carbon dioxide emissions from your journey by up to 14%. A large car (above 2.1L) increases emissions by up to 38%.

2.3 Damage to Hire Cars

In the event of an accident the damage should be reported to the hire car company on 0845 600 5923, as soon as it is safe to do so and, as a minimum, within 24 hours of the accident. If the vehicle is not drivable, you should contact the local branch, where a vehicle change can be

organised. The accident must be reported in AIRS systems. Please refer to the Road Traffic Accidents Guidance.

2.4 Parking Fines and Speeding Tickets

The payment of any fines incurred during the hire of the vehicle is the personal responsibility of the driver. Any parking fines must be paid by the hirer within the timescales shown on the Fixed Penalty Notice. Enterprise will impose an administration charge for any contravention of the law involving fines. This charge will also be the personal responsibility of the driver.

3. Private Car and Motorcycle

You may use a private car for official business if:

- you can show that its use would be cost-effective –but note that a long journey is likely to be more cost effective in a hire car; or
- there are clear overall advantages to you using your own car, e.g. you travel on a daily basis, but much of your travel starts and ends at home (and you don't qualify for a CAPES car). Discuss and agree this approach with your manager.

Use of your private motor vehicle should be limited to shorter journeys. You should not use your private motor vehicle for official business if you do not satisfy the insurance requirements set out below.

For the purpose of payment of motor mileage allowances under the rules set out in this section, the following may be regarded as your private vehicle:

- a vehicle owned or being bought on credit and which is registered in your name;
- a vehicle hired by you;
- a vehicle registered in your spouse/partner's name provided that:
 - the insurance requirements are fulfilled and the insurance policy specifically covers the use of the vehicle, by you, on Agency business; and
 - the vehicle is available for use by you on official business, and to carry official passengers.

The rules for the purpose of payment of motor mileage allowances apply similarly, in the following circumstances:

- when you travel on official business in a vehicle which you own but which, on that occasion, is being driven by another person; or
- when your vehicle is being used on official business but is being driven by another person with your approval because you are not present (e.g. when the vehicle is used to take staff to or from an airport).

You are deemed to be 'in the course of duty' for the purposes of the injury benefit provisions of the Civil Service pension scheme arrangements, when using a private motor vehicle on official business, or when travelling as an official passenger in another member of staff's car.

3.1 Mileage Rates – Standard and Public Transport

The overriding consideration is that you must use the most efficient and economic means of travel. Official vehicles, public transport and hire cars should be used where available and more cost effective.

If you use your own vehicle for official business you are entitled to claim a mileage rate. The Agency has two rates, Standard Rate (SR) and Public Transport Rate (PTR) which are detailed in Staff Notice – Travel and Expenses Rates and Limits. Mileage rates are intended to provide a contribution to a number of costs associated with owning and running a vehicle, namely:

- fuel;
- oil;
- tyres, servicing, repairs and replacement;
- insurance - Standard Rate only;
- depreciation - Standard Rate only; and
- motoring organisation subscriptions - Standard Rate only.

The rate you can claim is based on a number of factors:

- **Standard Rate** – is the higher rate intended to cover all costs associated with running a vehicle (see above). It can be claimed when no other forms of transport are available and appropriate (e.g. public transport or hire car) and you meet the insurance conditions set out at 3.4 of this annex, including a valid driving licence and MOT certificate.
- **Public Transport Rate** – is the lower rate intended to cover marginal costs of the car only (see above). It can be claimed when other, more cost effective, forms of transport are available and appropriate but you use a private car and you meet the insurance conditions set out at 3.4 of this annex, including a valid driving licence and MOT certificate.

However, please note the 120 mile guideline detailed in section 3.2.

The Standard Rate of motor mileage allowance is payable when:

- you are using the vehicle for a journey which the Agency recognises as appropriate for official travel by private motor vehicle, because it is clearly in the public interest to be used; and
- you have fully comprehensive insurance which contains a clause permitting the use of the vehicle for business; and
- an official vehicle, public transport or hire car is not available; or

- using your car is more cost effective than using public transport, an official car or a hire car (however, please note the 120 mile guideline –detailed in section 3.2); or
- you have a disability, are unable to use public transport and have fully comprehensive insurance which contains a clause permitting the use of the vehicle for business.

Standard Rate claims may be refused:

- where the journey could be made as a passenger in the car of another employee covering the same route;
- for a journey made regularly between two offices or other official stations within 60 miles of each other, where:
 - adequate public transport facilities exist; and
 - there is no advantage in time/cost terms in the use of a private car; or
- where insurance is restricted to third party and does not meet the insurance requirements set out at 3.4 of this annex.

The Public Transport Rate of motor mileage allowance is payable:

- if you use your private vehicle for a journey which the Agency does not recognise as appropriate for official travel by private motor vehicle but has agreed to allow it; or
- where the most cost effective means of travel were not used or where there were no other advantages such as time saved which outweighed the extra costs (e.g. if you use your own car where you could have reasonably been expected to use public transport, an official vehicle or a hire car); or
- when you have 3rd party insurance cover with a specific clause permitting the use of the vehicle for business.

Accounting Inspection teams and Cost Centre Managers will query any uneconomical Standard Rate claims.

Worked example:

To travel from Edinburgh to Bristol in a private car would take around 7 hours (one way) and cost £190 (return) if claiming public transport rate and £305 at standard rate. The train would take a similar length of time and would cost around £180 for a standard return. A flight would cost around £150 return with EasyJet and would be quicker. In this example the most cost effective method of travel would be by air. However, if your manager agreed you could use your own car, reimbursement would be restricted to public transport rate for all mileage.

3.2 120 Mile Guideline

Due to the relatively high cost of Standard Rate journeys, alternative methods of travel should always be considered when your journey exceeds 120 miles in any one day. It will normally cost less to hire a car for one day (including fuel costs) than a Standard Rate claim of 120 miles or more.

If your manager agrees that you should use your private car for a journey of over 120 miles in one day where an official vehicle or public transport is available and cost effective, then your mileage claim for the entire journey will be restricted to PTR.

If an official vehicle or public transport is not available, but a hire car is available and less expensive and you choose to use your private car, you can claim Standard Rate for the first 120 miles and PTR for all miles over 120 in one day.

You can only claim Standard Rate for all miles over 120 in one day when an official vehicle, public transport, or a hire car is not available or is more expensive.

Worked example:

A member of staff is travelling from Edinburgh to Lochgilphead (134 miles). They have no official or CAPES car and public transport is not practical. As this journey is over 120 miles, a hire car is likely to be more cost effective than using a private vehicle at the standard mileage rate. They should therefore consider using a hire car in the first instance. If they do not use an available hire car and there are no other advantages which outweigh the extra costs, then the mileage rate that can be claimed is Standard Rate for the first 120 miles and PTR thereafter. If no hire car is available, then standard rate can be claimed for the whole journey.

3.3 Calculation of Mileage Entitlement

The calculation of mileage for official journeys (whether claimed at SR or PTR) is usually the distance between the permanent office and the location visited using the shortest practicable route. However, in some instances, journeys may start from home, for example where the location visited is in the opposite direction to your permanent office or you are visiting the temporary location for a full day. The mileage you can claim for these journeys may be affected by the normal home to workplace commute – see section 2.5 of the procedure.

3.4 Car Insurance and Driving Licence

3.4.1 Personal Responsibility

If you are using your private motor vehicle either at the standard motor mileage rate or at the public transport rate of mileage allowance, it is your personal responsibility to satisfy the stated insurance conditions. In line with Operational Guidance Booklet 22 (Driving at Work) you are required to provide your manager with a copy of your driving licence and on an annual basis a copy of your valid car insurance certificate. Auditors and those carrying out finance support visits may also complete spot checks to ensure that your driving documentation is in order.

3.4.2 Public Transport Rate Conditions

You may claim the public transport rate (PTR) when using a private car for a journey the Agency does not recognise as appropriate for official travel by private car.

3.4.3 Public Transport Rate Insurance Requirements

If you use your private motor vehicle on official business and claim reimbursement at the public transport rate of motor mileage allowance you must meet the following requirements:

- You must have insurance (without financial limits) against claims in respect of:
 - bodily injury to, or death of, third parties;
 - bodily injury to, or death of, any passenger; and
 - damage to the property of third parties.
- The insurance policy must either contain a clause permitting the use of the vehicle by the policyholder in person in connection with their business, or contain a clause specifically permitting the use of the vehicle by the policyholder in person on the business of the Agency.
- In the case of a vehicle owned by your spouse/partner, the insurance policy should specifically cover the use of the vehicle on the business of the Agency or you should be the policy holder and the insurance should cover business use.
- you must possess a valid MOT certificate and road tax for the vehicle.

3.4.4 Standard Rate Insurance Requirements

If you use your private motor vehicle on business, and claim reimbursement at the standard rate of mileage allowance, you must have normal comprehensive insurance covering the risks as set above for PTR insurance requirements and damage to, or loss of, the vehicle. Insurance policies, which are otherwise fully comprehensive, may exclude liability for the following risks when a car is parked in the open:

- frost damage;
- theft of any part or accessory (unless the vehicle itself is stolen);
- any article left in the vehicle.

These restrictions do not prevent payment of standard rate of motor mileage allowance.

3.4.5 Individual clauses in motor insurance policies (for Standard Rate or PTR Claims)

You also need to be aware of individual clauses in motor insurance policies when checking that you fulfil insurance requirements - the following applies;

- **Total Abstainer Clause** - If your insurance cover is restricted by a total abstainer clause or endorsement you may qualify for mileage allowance, provided that the insurance gives normal comprehensive cover in every other respect.
- **Excess Clause** - A policy with an excess clause, which requires you to bear the first part of any claim is acceptable, but you should note that you cannot recover, from the Agency,

any amount which you may be called upon to pay as a result of the operation of the excess clause.

- **Cash and Equipment** - When you are required to carry official cash or equipment in your own private motor vehicle, you should ensure that your insurance cover would not be affected, if necessary, by notifying the insurance company. It is not intended that you should arrange any special insurance cover in respect of risks to the cash or equipment itself.

4. Car Provision for Employees Scheme (CAPES)

If you use a CAPES vehicle for official business, you should continue to review the cost effectiveness of your journey, as you may find that, at certain times, other forms of transport should be used. Cost Centre Managers are required to review CAPES mileage on an annual basis.

Annex B

Overseas Travel – Expenses Claims

1. Hours attracting premium payments and overtime

The rules governing payment for hours worked in the UK on Saturdays, Sundays and holidays are set out in the HR Policy and HR Procedure - Hours, Overtime and Travelling Time. You will only be paid overtime for hours actually and necessarily worked.

2. Expense limits

The rates provided by HMRC when staying in hotel accommodation are explained in the table below. Rates should be regarded as 'expense limits' – only actual expenditure will be reimbursed. Managers may approve expenditure beyond the limit if satisfied that the ceiling rates are inappropriate.

Room Rate	This is the upper limit when claiming 'actual' hotel costs (normally including breakfast).
Elsewhere	If you don't stay in the city quoted, normally actuals will be reimbursed for elsewhere, and these should not exceed the rates quoted for the selected city.
24 Hour expense limit	Includes the cost of food, drink and incidental travel. This is an upper limit and actual costs should be claimed.
Over 10 Hours	Is an expense limit relating to lunch and dinner, plus refreshments.
Over 5 hours	Is an expense limit relating to lunch, plus refreshments.
Lunch	Expense limit for lunch.
Dinner	Expense limit for an evening meal.

Rates are provided in the currency of the country visited and the expense you are seeking reimbursement for should be converted when a claim is submitted. Exchange rates can be obtained from local banks or through currency converters on the Internet.

On overnight journeys, the appropriate rate is determined by where you are at midnight local time. At sea, the country to which you are travelling determines the appropriate rate.

The overseas rates are payable when you arrive in the destination overseas (e.g. when you touch down at the airport) and end when you leave the overseas destination (e.g. on take-off). Any T&E expenditure incurred outside this period should be claimed using the normal UK T&E rates.