

## **Car Use & Subsistence Expenses Policy (H2)**

If you require a copy of this policy in an alternative format (for example large print, easy read) or would like any assistance in relation to the content of this policy, please contact the Equality and Diversity team on 01803 656680.

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<b>Date of Issue:</b>	August 2016	<b>Next Review Date:</b>	August 2018
<b>Version:</b>	1.2	<b>Last Review Date:</b>	August 2016
<b>Author:</b>	HR Manager		
<b>Directorate:</b>	Workforce and Organisational Development		
<b>Approval Route</b>			
<b>Approved By:</b>		<b>Date Approved:</b>	
JCNC/LCNC		18 June 2013/23 July 2013	
JCNC		28 July 2016	
<b>Links or overlaps with other policies:</b>			
<i>Need to list all policies that are referred to, or have links to this policy. List them in numeric order.</i>			
Disciplinary Policy H1			
Reorganisation, Redeployment and Redundancy Policy (HR06) (exTSDHCT)			
Managing Staff Changes (No. 19) (exSDHCT)			
Condemns, Losses, Special Payments and Insurance Arrangements			

### Amendment History

Issue	Status	Date	Reason for Change
V1.1	Approved	July 2014	Changes in reimbursement rates
V1.2	Approved	August 2016	General Review & New Policy Template

## Rapid Equality Impact Assessment

<b>Policy Title (and number)</b>		Car Use & Subsistence Expenses Policy			
<b>Policy Author</b>		HR Directorate			
<b>Version and Date (of EIA)</b>		V1.2 August 2016			
<b>Associated documents (if applicable)</b>					
<b>RELEVANCE: Does the aim/purpose of the policy relate to each of the aims of the Public Sector Equality Duty?</b>					
• Eliminate unlawful discrimination or other conduct prohibited by the Equality Act 2010					Yes
• Advance equality of opportunity between people from different groups					No
• Foster good relations between people from different groups					No
<b>SIGNIFICANCE AND IMPACT: Consider the nature and extent of the impact, not the number of people affected.</b>					
Does the policy affect service users, employees or the wider community? (if no, proceed to sign off)					Yes
Does the policy affect service delivery or business processes?					No
Does the policy relate to an area with known inequalities (deprivation/unemployed/homeless)?					No
<b>EQUALITY ANALYSIS: How well do people from protected groups fare in relation to the general population?</b>					
<i>PLEASE NOTE: Any 'Yes' answers may trigger a full EIA and must be referred to the equality leads below</i>					
Is it likely that the policy/procedure could treat people from protected groups less favorably than the general population? (see below)					
Age	No	Disability	No	Sexual Orientation	No
Race	No	Gender	No	Religion/Belief (non)	No
Gender Reassignment	No	Pregnancy/ Maternity	No	Marriage/ Civil Partnership	No
Is it likely that the policy/procedure could affect particular 'Inclusion Health' groups less favorably than the general population? (substance misuse; teenage mums; carers; travellers; homeless; convictions; social isolation; refugees)					No
Please provide details for each protected group where you have indicated 'Yes'.					
What if any, is the potential for interference with individual human rights? (consider the FREDA principles of Fairness/ Respect/ Equality/ Dignity/ Autonomy)					
N/A					
<b>RESEARCH AND CONSULTATION</b>					
What is the reason for writing this policy? (What evidence/ legislation is there?)					
Clarify the procedure for claiming expenses and the eligibility under NHS terms and conditions of service.					
Who was consulted when drafting this policy/procedure? What were the recommendations/suggestions?					
JCNC					
<b>ACTION PLAN: Please list all actions identified to address any impacts</b>					
Action			Person responsible		Completion date
<b>AUTHORISATION</b>					
Name of person completing the form		HR Manager			

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## **1 Policy Statement**

- 1.1 Torbay and South Devon NHS Foundation Trust (hereafter referred to as the Trust) recognises that in order to carry out certain jobs within the Trust, expenses are incurred by staff in order to travel around the region (and beyond), whether that is a casual or essential requirement to fulfil their job role.
- 1.2 Detailed and up-to-date travel and subsistence allowances are available in the NHS terms and conditions of service handbook (section 17 and Section 18 and annex N respectively) and at section 8 and appendix 2 of this policy.

## **2 Purpose**

- 2.1 The purpose of this policy is to clarify the procedure for claiming expenses and the eligibility under NHS terms and conditions of service.

## **3 Scope**

- 3.1 This policy applies to all staff employed by Torbay & South Devon NHS Foundation Trust under Agenda for Change terms and conditions of service.
- 3.2 For those individuals who carry out work on behalf of the Trusts, but are not employees, their legitimate expenses will be reimbursed following the appropriate invoice submitted on an agreed claim form.
- 3.3 The travel elements of this policy are not intended for employees who have a lease car, for whom separate provisions apply.

## **4 Equality and Diversity Statement**

- 4.1 The Trust is committed to preventing discrimination, valuing diversity and achieving equality of opportunity. No person (staff, patient or public) will receive less favourable treatment on the grounds of the nine protected characteristics (as governed by the Equality Act 2010): sexual orientation; gender; age; gender re-assignment; pregnancy and maternity; disability; religion or belief; race; marriage and civil partnership. In addition to these nine, the Trust will not discriminate on the grounds of domestic circumstances, social-economic status, political affiliation or trade union membership.
- 4.2 The Trust is committed to ensuring all services, policies, projects and strategies undergo equality analysis.

## **5 Roles and Responsibilities**

### **5.1 The line manager is responsible for:**

- Ensuring that every employee who is entitled to reclaim expenses incurred in the course of their role understands how to do this in the correct way.

- Authorising claim forms and in doing so confirming the information is correct to the best of their knowledge.

#### **5.2 The employee is responsible for:**

- Honestly and accurately claiming the correct amount of expenses via the Trust's electronic expenses form.
- Repaying overpaid expenses after they have been brought to their attention.
- Ensuring that when using their vehicle in the performance of their duties they possess a valid driving licence, MOT certificate and motor insurance that cover business travel and the vehicle is appropriately taxed.
- Ensuring they are fit to drive and drive safely and that they obey the relevant laws.
- Informing the Trust if there is a change in status regarding their ability to use a motor vehicle for Trust business.

#### **5.3 Payroll is responsible for:**

- Checking, administering and paying expenses claims and for keeping accurate records of such claims.

#### **5.4 The Director of Finance or nominated deputy is responsible for:**

- Approving and countersigning expenses claims forms over three months old. They may also request information as to why the claims forms are being submitted this far in arrears prior to authorising payment.

### **6 General Principles**

- 6.1 Employees who make journeys on behalf of the Trust or for training can be reimbursed for both the cost of the journey and other expenses necessarily incurred. Reimbursement is in accordance with Agenda for Change Terms and Conditions of Service and, where appropriate, approved Trust contract conditions.
- 6.2 Car use and subsistence expenses are reimbursed by payroll in the monthly salary run and are itemised for payment on an employee's pay slip. Claims should be made monthly in arrears, and the claim form is to be received by payroll by the fifth day of the following month and should not be more than 3 months in arrears.
- 6.3 Claim forms must be completed using the Trust's electronic travel system and authorised by the line manager to enable reimbursement.
- 6.4 Employees are required to ensure that in carrying out of their duties, they exercise their duty of care to keep expenses to a minimum where this is possible. This may include, among other things, route planning so as to reduce mileage travelled.

- 6.5 Expenses for motorised transport which exceed the equivalent of 45p per mile are subject to the deduction of tax and national insurance. Additionally, subsistence expenses which are not accompanied by a receipt or proof of purchase may also be taxed as income.
- 6.6 Staff are encouraged to consider the use of public and non-motorised transportation wherever necessary to reduce the Trust's carbon footprint.
- 6.7 The Trust seeks to promote and maintain a model for relationships between employee and line manager that is characterised by honesty, transparency and trustworthiness. Any employee who takes advantage of this position and deliberately falsifies any part of an expenses claim will be investigated for potential gross misconduct under the Disciplinary Policy (H1). The Trusts will also seek to reclaim wrongly paid monies, resorting to criminal and civil proceedings as appropriate.

## 7 When Car Use Expenses may be Claimed

- 7.1 Car use expenses may be claimed for travel carried out wholly and exclusively in the course of an employee's role, as laid out in the job description or as a result of specific tasks required by the manager.
- 7.2 Car use expenses may not be claimed by an employee from their home to their base of work unless:
- 7.2.1 The employee is required to carry out temporary duties at a place other than their permanent place of employment. In this case, the employee may claim excess mileage at reserve rate for the duration of the temporary change; this payment will be subject to tax.
  - 7.2.2 The employee is required to return to their place of employment outside normal hours, for instance on an on-call rota or to perform overtime duties. In this instance, the employee is entitled to be reimbursed the full distance from home to work and back again at the reserve rate, as the journey is incurred over and above normal working requirements. Claims for reimbursement will only **not** be met when the individual incurs no extra expense for such additional journeys, for instance because they are a season ticket holder; this payment will be subject to tax.
  - 7.2.3 When there has been a compulsory change of base, resulting in extra daily travelling expenses. The employee will have been redeployed and is subject to the provisions of the appropriate policy Torbay & South Devon NHS Foundation Trust - Managing Staff Changes Policy (19). For ex TSDHCT – Staff Redeployment, Reorganisation, and Redundancy Policy HR06). This payment will be subject to tax.

- 7.3 Reasonable expenses for parking, tolls and ferries incurred while on an official journey will be refunded to the employee, subject to the completion of an authorised and accurately completed expenses form.
- 7.4 Employees may claim the appropriate rate for each passenger carried (table at section 8).
- 7.5 For employees entitled to claim excess mileage, the line manager should complete and send the “Excess Mileage Authorisation Form” (appendix 1) to payroll. Monthly expenses claim forms must also be completed for the duration of the excess mileage period and sent to payroll in the normal way.

## 8 Rates of Reimbursement

- 8.1 Employees who use their vehicles to make journeys in the performance of their duties, e.g. to provide care in the patient’s home, will be reimbursed their motoring costs at the appropriate rates shown in the table below. These rates of reimbursement apply to journeys as at 1 July 2014.

Type of vehicle/allowance	Annual mileage up to 3,500 miles (standard rate)	Annual mileage over 3,500 miles * (standard rate)	All eligible miles travelled
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

\* First 3500 miles will be reimbursed at 56p per mile, and thereafter at 20p per mile

- 8.2 Employees will be reimbursed for miles travelled in the performance of their duties which are in excess of the home to agreed work base return journey. Previously, the miles eligible for reimbursement are those travelled from the agreed work base and back. However, when the journey being reimbursed starts at a location other than the agreed work base, for example home, the mileage eligible for reimbursement will be as set out in the example in table below:

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

## 9 Reserve Rate

- 9.1 The reserve rate will apply to employees with a Tusker lease car undertaking business mileage from 1 August 2016.
- 9.2 Reserve rates are necessarily incurred for all journeys outside of Devon, Cornwall and Somerset. Therefore, some staff will find it more cost effective to take these journeys by train or coach where possible.
- 9.3 Travel costs incurred when attending courses, conferences or events at the employers' instigation will be reimbursed at the standard rates in the table above (see section 8.1), when the employer agrees that travel costs should be reimbursed and as at 8.2 above.
- 9.4 Subject to prior agreement of the employer, travel costs incurred when staff attend training courses or conferences and events, in circumstances when attendance is not required by the employer, e.g. for personal development, will be reimbursed at the reserve rate (see section 8.1).
- 9.5 All accommodation, flight and rail bookings should be made through Capita. There are approximately 80 bookers throughout the Trust who are trained on the Capita system and able to make these bookings. Details can be found by accessing the Procurement Intranet Page. <http://nww.sdhct.nhs.uk/corporate/finance/procurement/Pages/BookingTravelandAccommodation.aspx>

## 10 Subsistence Claims

- 10.1 The Trust understands that, from time to time, staff are asked to be away from their normal base of work, thereby incurring personal expenses.
- 10.2 Where an employee stays overnight in a hotel, guest house or other commercial accommodation at the request or agreement of their line manager, the overnight costs will be reimbursed in line with subsistence allowances as detailed in appendix 2, as follows:
- The actual receipted cost of the bed and breakfast up to the normal maximum limit \*;
  - A meals allowance to cover the cost of a main evening meal and one other daytime meal

\* Where an overnight hotel price exceeds the limit for genuine business or geographic reasons, the line manager will need to authorise to pay for a more

- expensive hotel. This will be at the discretion of the manager. This will particularly be the case for overnight stays in London and the South East.
- 10.3 Where an employee stays for short overnight periods in non-commercial accommodation, for example, with parents or relatives, the flat rate sum set out in appendix 2 will be payable, if claimed. This amount includes an allowance for food during the 24 hour period and no receipts will be required.
  - 10.4 Where accommodation and meals are provided without charge to the employee i.e. on a residential training course, an incidental expenses allowance will be payable, at the amount prescribed in appendix 2. No other expenses during this timeframe are payable and the incidental expenses allowance is subject to normal deductions such as tax and national insurance contributions.
  - 10.5 Travel costs between the overnight accommodation and the temporary place of work (or training) will be separately reimbursed on an actual cost basis or at reserve rate. This should not ordinarily be by taxi, unless there are no alternative appropriate, safe means of transportation.
  - 10.6 For overnight stays of longer than 30 nights in the same location, the amounts payable are reduced to the maximum rates set out in appendix 2.
  - 10.7 For employees who are necessarily absent from home and more than five miles from their base (by the shortest practicable route) on official business day meals allowance rates are payable as set out in appendix 2. These allowances are not payable if they are provided free of charge at the temporary place of work, or at training).
  - 10.8 A day meals allowance is payable only when an employee necessarily spends more on a meal or meals than would have been spent at their normal place of work. A receipt is not necessarily required for claiming this allowance.
  - 10.9 For an employee to claim a lunch meal allowance, they need to be away from their base of work for a period of more than five hours and necessarily covering the period from midday to 2pm.
  - 10.10 To claim an evening meal allowance, an employee is expected to be away from base for more than 10 hours and unable to return to base or home prior to 7pm.
  - 10.11 There may be some occasions when an employee qualifies to claim a lunch meal allowance and an evening meal allowance on the same day.
  - 10.12 In relation to points above, there may be times when the line manager will authorise a meal allowance but the conditions relating to the time absent are not entirely met. This will be at the discretion of the manager.
  - 10.13 Claims for alcoholic beverages or gratuities will not be reimbursed.

## **11 Late Night Duty Allowance**

- 11.1 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 2. The decision to authorise this will be at the line manager's discretion. This allowance is subject to normal tax and national insurance deductions by payroll staff.

## **12 Contact Details**

- 12.1 Any queries regarding this policy should be directed to the Payroll Travel team of the Directorate of Workforce and Organisational Development.

- **Tel 653310 or 653321 or 653314**
- **email:- Payrolltravel@nhs.net**

## **13 Training and Awareness**

- 13.1 Advice and support will be provided by the Payroll Travel team to support staff and managers in adhering to this policy and their understanding of dealing with staff expenses.
13. The HR team will raise awareness of this policy through the publication of information on ICON and to advise staff of changes to the policy through the staff bulletin and ratification processes.

## **14 Monitoring, Audit and Review Procedures**

- 14.1 This policy will be monitored and audited on a regular basis. A full review will take place every two years by the Directorate of Workforce and Organisational Development unless legislative changes determine otherwise.

**15** Appendix 1 – Excess Mileage Authorisation Form

**MEMORANDUM**

To: Payroll Services Department, Regent House, Regent Close, Torquay, TQ2 7AN

From: \_\_\_\_\_

Date: \_\_\_\_\_

Re: Name of Employee: \_\_\_\_\_

Payroll No: \_\_\_\_\_

**EXCESS MILEAGE CLAIM**

Please pay the above named employee excess mileage at reserve rate.

- a) Base transferred from: \_\_\_\_\_
- b) Base transferred to: \_\_\_\_\_
- c) Return mileage from home to new base: \_\_\_\_\_
- d) Return mileage from home to old base: \_\_\_\_\_
- e) Excess daily mileage payable (c) – (d): \_\_\_\_\_
- f) Date of transfer: \_\_\_\_\_
- g) Duration of protection: \_\_\_\_\_

Kind regards

**Manager Name**  
**Manager Job Title**

cc – employee Name  
cc – employee file

## 16 Appendix 2 – Subsistence Allowances

**Schedule of recommended allowances** (Annex N – NHS terms and conditions of service handbook)

### 1. Night Allowances - first 30 nights

Actual receipted cost of bed and breakfast up to a maximum of £55, or subject to provisions of paragraph 18.3 (NHS terms and conditions of service handbook) if this is exceeded for genuine business reasons.

### 2. Meals Allowance

Per 24 hour period: £20.00

### 3. Night Allowances in non-commercial accommodation

Per 24 hour period: £25.00

### 4. Night Allowances - after first 30 nights

Married employees and employees with responsibilities equivalent to those of married employees

Maximum amount payable: £35.00

Employees without responsibilities equivalent to those of married employees and those staying in non-commercial accommodation

Maximum amount payable: £25.00

### 5. Day Meals Subsistence Allowances

Lunch allowance (more than five hours away from base, including the lunchtime period between 12.00pm to 2.00pm) £5.00

Evening meal allowance (more than ten hours away from base and return after 7.00pm) £15.00

### 6. Incidental expenses allowance (this allowance is subject to a tax liability)

Per 24 hour period: £4.20

### 7. Late Night Duties Allowance (this allowance is subject to a tax liability)

Per 24 hour period: £3.25