

EAST FARNDON PARISH COUNCIL EXPENSES POLICY

It is the aim of East Farndon Parish Council that no member will be financially disadvantaged when representing the Parish Council. East Farndon Parish Council will make reimbursement for all or some of the expenses the Clerk, Chair or Councillors may meet on its behalf when incurred in performing the duties required of the Council.

Purpose

This policy sets out the Council's rules on how to claim for expenses incurred in the performance of duties for the Council. The purpose of this policy is to ensure that legitimate business expenses are reimbursed and to ensure that these expenses are treated appropriately for tax purposes.

General procedure

The Council will reimburse you for actual expenditure that is incurred wholly, necessarily and exclusively in connection with authorised duties that you undertake. To claim for expenses, you must set out the reasons why the expense was incurred in writing. If you are unsure whether an expense can be claimed, you must seek prior written authorisation from the Clerk or the Chair. The Council reserves the right to withhold any payment where prior written approval has not been given.

Expenses will not be paid unless supporting evidence is provided. This should include original receipts or invoices with the date and time of the transaction (unless you are claiming for mileage). When claiming for travel expenses on public transport, you should enclose the tickets showing the departure point and destination of your journey, where possible. Credit and debit card statements will not be accepted. Where you are submitting a VAT receipt, you should set out:

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

Expenses claims must be submitted within 30 days of the expense being incurred. If this is not practical, written approval for any extension will be required from the Clerk or the Chair.

The Council will pay claims for authorised expenses by BACS transfer.

Clerk's Expenses

In general, the Clerk should not incur expenses other than in the categories listed below. However, if you have claims for expenditure other than for those categories listed below, you should seek written approval from the Chair before incurring the expense. The Council will accept email as written approval where it is required in this policy.

Homeworking

As a Homeworker, the Clerk's normal place of work as stated in their contract of employment will be their home. The council will reimburse all reasonable expenses incurred by homeworkers in the course of their duties upon receipt of satisfactory claims.

The council will provide a laptop to enable the Clerk to do their job.

The council will also pay the Clerk for the costs associated with heating, lighting, etc. HMRC rules allow for some of these expenses to be paid tax-free (see HMRC guidance: www.gov.uk/expenses-and-benefits-homeworking/whats-exempt).

Training

When attending training courses, the Clerk will be able to claim travel expenses for the difference in the usual home to work costs. Where the training takes place outside contracted hours, the Clerk should be paid on the basis as time spent on training is working time.

Some training can be very expensive and as a condition for funding training, the council requires full repayment of all costs incurred for any training course in excess of £350 should the Clerk not complete the training or leave the council within a year of completion. Repayment of costs reduces to 50% reimbursement in the second year.

Travel

The Clerk should consider whether or not travel is necessary or if there are more appropriate means (for example tele-conferencing or video-conferencing).

Rail

The Clerk may claim 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 the Clerk to use their own car when travelling on business, for example, travelling with 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 the Clerk's own car on business is subject to the Clerk:

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

Prior authorisation should be sought from the Chair before the Clerk uses their own car on business. The Council accepts no liability for any accident, loss, damage or claim arising out of any journey made on business. The Council will not pay for the cost of any insurance policy on the Clerk's car.

To claim for petrol expenditure, the Clerk should set out the distance of the journey undertaken on the Clerk's expenses claim form. 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.

Use of bicycle or Motorcycle

If use of the Clerk's bicycle or motorcycle is approved, the Clerk can claim a mileage allowance of 20p or 24p per mile respectively. Any use of the Clerk's own motorcycle on business is subject the same requirements as a car (see above).

Taxis

Any use of taxis will require prior approval 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 travelling together; or
- where personal security and safety is an issue, for example taxis may be permitted after 9.30pm.

The Clerk must obtain a receipt with details of the date, place of departure and destination of the journey.

Overnight accommodation

As a guideline for travel on council business the Clerk should book accommodation equivalent to three-star standard or less. The Clerk may book hotel accommodation of up to £120 maximum in a major city and £100 elsewhere. It is the Clerk's responsibility to ensure that any hotel reservations are cancelled within the required cancellation period if they are no longer required.

Meals

If the Clerk 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

The maximum amounts above are inclusive of drinks. Alcohol cannot be reclaimed under any circumstances.

The Clerk should supply 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 the Clerk should be reported immediately to the Chair. As a general rule, small tokens of appreciation, for example flowers or a bottle of wine, may be retained by the Clerk.

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 the Clerk will remain responsible for any expenses they incur.

Expenses that will not be reimbursed

The Council will not reimburse the Clerk for:

- the cost of any travel between home and usual place of work (except in exceptional circumstances for early morning/late night transport as set out above);
- the cost of any travel undertaken for personal reasons;
- the cost of any travel for their 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; and
- cash advances or withdrawals from an ATM machine.

The Clerk is required to pay for any travel costs incurred by a partner or spouse in the event that they accompany the Clerk on business. The spouse or partner must have adequate travel insurance for that journey.

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 Clerk. 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 prior to the discovery that the claim was not legitimate or correct, it may deduct the value of that claim from the Clerk's salary.

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 the Clerk's judgment.

The Council will take disciplinary action where appropriate and, in certain circumstances, may treat a breach of this policy as gross misconduct, which may result in summary dismissal. In addition, the Council may report the matter to the police for investigation and criminal prosecution.

Councillors' Expenses

Parish Councillors are unpaid and do not receive an annual allowance.

1. Travel and subsistence:

- Councillors may be reimbursed for travel and subsistence expenses when carrying out previously approved duties, i.e. doing anything approved by the Parish Council, attending training or anything that is approved for the purpose of, or in connection with, the discharge of the functions of the Parish Council or any of its committees or working parties. The same rules apply to Councillors as detailed above for the Clerk as regards travel claims.
- Councillors do not receive expenses for attendance at any meeting of East Farndon Parish Council or any work within the Parish
- Where possible attempts will be made to minimise expenses by sharing transportation

2. Stamps and stationery: Councillors may obtain these from the Clerk

3. Items purchased specifically at the direction of the Council: These shall be reimbursed. Councillors shall endeavour to obtain a VAT receipt in the name of the Council and pass this on to the Clerk.

4. Other expenses: Councillors will be expected to provide documentary evidence for items spent on Council-related costs.

Expenses that will not be reimbursed

The Council will not reimburse Councillors for:

- the cost of any travel undertaken for personal reasons;
- the cost of any travel for their 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; and
- cash advances or withdrawals from an ATM machine.

A Councillor is required to pay for any travel costs incurred by a partner or spouse in the event that they accompany a Councillor on business. The spouse or partner must have adequate travel insurance for that journey.

This is a non-contractual procedure which will be reviewed every three years.