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1 Introduction

- 1.1 Employees have the right to claim reimbursement for reasonable expenses resulting from carrying out their roles and responsibilities provided that:
 - They are within approved limits and for agreed purposes
 - The correct claim forms are fully completed and submitted within set timescales
 - Original receipts or evidence of expenditure are provided with the claim
 - Prior approval is sought and obtained before expenses are incurred which are not covered by this policy
 - Personal expenditure will not be reimbursed. Normal home to work mileage is personal expenditure.
- 1.2 No Employees or Board Member may authorise their own expenses or petty cash claims.
- 1.3 Travel arrangements, accommodation, and meals should be pre-booked wherever possible and confirmed by the line manager when attending events on behalf of PCH. This can save significant amounts of money as PCH can negotiate lower rates and saves in the administration of expenses claims.
- 1.4 Employees should use the most economical form of transport except where this would be impractical e.g. where the mobility needs of the individual make certain forms of transport inappropriate.
- 1.5 Employees should always consider what is appropriate and necessary for the performance of their duties and ensure PCH derives maximum Value for Money and fulfils its environmental aims. It is not intended that Employees should make a profit from expense payments. Claims will be subject to review and authorisation. This policy applies to all expenses reclaimed, whether submitted through Civica Self Service, expense claim, company credit card or any other means.
- 1.6 Making false or negligent claims which give rise to payments to which the Employee is not entitled will result in disciplinary action which could lead to dismissal.
- 1.7 An employee's permanent workplace is defined in their employment contract (usually Plumer House). Under HMRC rules, for an employee's home to be the contractual workplace the employee must be required to perform their duties from home and not be able to perform those duties equally well from a company site (Plumer, for example). Where an employee works from home through choice HMRC do not permit home to be treated as the permanent workplace.

2 Travel

- 2.1 Employees should share cars wherever practical and only one claim should be submitted. Employees must hold a **valid personal insurance policy that covers Business Use.**

- 2.2 Taxi journeys should be avoided where possible as they can be expensive. They may be used, for example, to make a short journey from a train station to a meeting.
- 2.3 Civica self-service should be used to reimburse travel expenses, parking charges and bus fares. Mileage will be reimbursed using the [Mileage Form](#)

3 Authorisation of Expenses

- 3.1 Claims for expenses should be submitted through Civica self-service. Where this is not possible then the appropriate forms (Appendices 3-6) should be signed and dated by the claimant, and then approved by their line manager. PCH expense limits are set out in Appendix 1. The Chief Executive's expenses should be approved by the Chair of the Board.
- 3.2 Receipts or invoices must be provided to support claims other than mileage. The lack of receipts may result in non-payment. Exceptions include expenses for on - street car parking meters and other low value expenses (up to a value of £10) where receipts are not issued.
- 3.3 Travel claims must be supported by a description of the journey taken, including start, finish and any key intermediate points, the mileage covered and its purpose. Where claiming for passengers the passenger name(s) must be stated.

4 Payment of Claims and Time Limit

- 4.1 **It is expected that Employees will claim expenses each month. Claims for expenses older than 3 months will not be paid. Claims submitted after 3 months will require Director approval.**
- 4.2 Payments will be made with employees pay through the BACS system.

5 Insurance and Fines

- 5.1 It is the Employees responsibility to arrange insurance for business use if using their private vehicle on PCH business. Insurance cover and driving licences will be checked on receipt of a mileage claim. Employees must not use their car on PCH business without insurance for business use (whether reclaiming mileage expenses or not). Documentation must be updated annually and provided to the Fleet department.
- 5.2 PCH is not responsible for any damage to an Employees car or any injury to the driver or fellow passenger, nor any third party claims, whilst the car is being used in relation to the Employees work. Please note that claims by Employees against their personal insurance will be invalid if the Employee does not hold Business Use insurance.
- 5.3 PCH does not accept responsibility for any fine incurred by the Employee (whether parking or any other driving offence) whilst they are travelling in relation to their work. PCH may at its discretion pay any such fine (for

example where the fine is sent direct to PCH) and recover the amount from their salary, normally in the next pay month.

6 Expense Limits

6.1 The expense limits are attached as Appendix 1.

7 VAT

7.1 The VAT on all expenses should be coded to “SN” (Standard Non Recoverable). The Finance team will recover the allowed percentage of the VAT through the PCH Partial Exemption claim.

8 Validity

8.1 Any concerns about the validity of an expense claim will be investigated in accordance with PCH procedures.

Appendix 1: Expense Limits under PCH Terms & Conditions

In exceptional circumstances the limits set out in this Appendix may not be sufficient and the claimant should bring this to the attention of their line manager as soon as possible and obtain approval for a higher claim.

(A) SUBSISTENCE & ACCOMMODATION

Subsistence:

When away from normal workplace on PCH business for the whole or substantial part of a working day

- Meals including soft drinks max £20 per day (excluding dinner)
- Dinner (for an overnight stay or if arriving home after 7pm) max £30 including soft drinks. Where an alcoholic beverage is included, a Soft Drink Allowance of £3 will be paid instead.
- Receipts are required.

Accommodation (excluding London or major city):

Overnight accommodation up to £80.00 (bed & breakfast) with receipt, excluding personal expenditure.

Personal overnight expenses:

No personal expenses may be claimed including phone calls, newspapers, alcoholic drinks & pay TV. Internet access may not be claimed for unless there is an expectation of remote working during the stay.

Travelling with other PCH Employees:

Where there is more than one PCH employee claiming subsistence and/or accommodation for the same event it is acceptable for the most senior Employee to pay and reclaim the expenditure on behalf of the group.

(B) ACCOMMODATION (LONDON OR MAJOR CITY)

Employees may be reimbursed more than the prescribed rate if suitable accommodation is not available at the rate in (A). Receipts required. However it is expected that accommodation will normally be booked in advance by PCH.

(C) JOURNEYS ABROAD

All journeys abroad must be authorised in advance by the relevant Director.

(D) ENTERTAINMENT

Reasonable entertainment of customers and suppliers may be authorised in advance by the relevant Director. Receipt required with note detailing who was entertained, their organisation, type of entertainment and reason for entertainment. A meal attended only by PCH Employees must be claimed under subsistence rules (as per (A) above), not entertaining.

Where refreshments are provided at events or meetings only attended by PCH staff, Finance will check whether a tax liability arises and include this in the annual payment to HMRC for 'benefits in kind'.

[Board Member Gifts & Hospitality](#)
[Employees Gifts & Hospitality](#)

(E) RECRUITMENT EXPENSES FOR CANDIDATES INVITED FOR INTERVIEW

Reimbursement of travelling expenses for Candidates living outside of Devon and Cornwall attending interviews at PCH is at the discretion of the Head of HR & Organisational Development or Director of Corporate Services but will be limited to the second class rail fare to Plymouth from the nearest appropriate station. This will normally only be paid for hard to fill posts.

Successful candidates who decline the offer of appointment without good reason may have any recruitment expenses declined at the discretion of the Head of HR & Organisational Development. This should be made clear in the letter inviting candidates to interview.

(F) REMOVAL ALLOWANCE SCHEME

Relocation assistance may exceptionally be made to new employees where applicable. The allowance is at the discretion of the Head of HR & Organisational Development or Director of Corporate Services. Please refer to the Relocation Policy

(G) TELEPHONES IN PRIVATE HOMES

The cost of urgent non routine business calls will be paid for by PCH (itemised phone bill required). Line rental will not be reimbursed. It is expected that employees who are issued with company mobile phones will use these in preference to their own landline.

(H) MOBILE PHONES

Governed by PCH Acceptable Usage Policies. Mobile phones are provided for business use. Private calls must be reimbursed in line with the Acceptable Usage Policy.

[Acceptable Usage Policies](#)

(I) FIRST AID ALLOWANCE

PCH Designated First Aiders (only) will be entitled to a First Aid Payment (currently £156 per annum) provided they maintain a current First Aid Certificate.

Pro-rata for part time Employees. This payment is taxable and subject to National Insurance deductions.

(J) MILEAGE ALLOWANCES

Reasonable additional cost of travel incurred on PCH business, for example, to attend events such as meetings, site visits or training courses. This is limited to the lower of the distance that would have been travelled if the journey had started and finished at the normal work place (Plumer or other PCH office), or the distance actually travelled.

Examples are set out below to demonstrate the claimable mileage in different scenarios;

Example 1 - employee to attend a site visit, leaving from home in Ivybridge and travelling to and from site in Liskeard.

- Home (Ivybridge) to site visit (Liskeard) – 56 Miles (28 miles each way)
- Home (Ivybridge) to work base (Plumer) – 24 Miles (12 miles each way)
- Work base (Plumer) to site visit (Liskeard) – 32 Miles (16 miles each way)

In this example the lower of home to site visit or work base to site visit would be 32 miles, and this should be claimed.

Example 2 – employee to attend a training event in Exeter, leaving from home in Ivybridge and travelling to and from event in Exeter.

- Home (Ivybridge) to training event (Exeter) – 68 Miles (34 miles each way)
- Home (Ivybridge) to work base (Plumer) – 24 Miles (12 miles each way)
- Work base (Plumer) to training event (Exeter) – 92 Miles (46 miles each way)

In this example the lower of home to training event would be 68 miles, and this should be claimed.

Example 3 – employee to attend two sites visits, leaving from home in Ivybridge and travelling to Tavistock and then Liskeard, before returning home.

- Home (Ivybridge) to site visit 1 (Tavistock) – 36 Miles (18 miles each way)
- Home (Ivybridge) to work base (Plumer) – 24 Miles (12 miles each way)
- Site visit 1 (Tavistock) to site visit 2 (Liskeard) – 36 Miles (18 miles each way)
- Work base (Plumer) to site visit 1 (Tavistock) – 30 Miles (15 miles each way)
- Work base (Plumer) to site visit 2 (Liskeard) – 32 Miles (16 miles each way)
- Site visit 2 (Liskeard) to home (Ivybridge) – 56 miles (28 miles each way)

In this example the lower of home to site visits would be 49 miles and this should be claimed, broken down as follows;

Distance Travelled

- Home to site 1 = 18 miles (1 way trip)
- Site 1 to site 2 = 18 miles (1 way trip)
- Site 2 to home = 28 miles (1 way trip)
- Total travelled = 64 miles

Mileage claim allowed

- Plumer to site 1 = 15 miles (1 way trip)
- Site 1 to site 2 = 18 miles (1 way trip)
- Site 2 to work base = 16 miles (1 way trip)

Total = 49 miles = **mileage to be claimed**

Mileage claims for journeys outside of Devon and Cornwall will be capped at the second class rail fare for the journey plus a £15 allowance for taxi fares as these would likely have been incurred if using the train. Please obtain costings of a second class rail fare as evidence. Any variation of this is to be authorised by a Director (for example, where an Employee is on call & needs to have a vehicle whilst away). It is our expectation that Employees will make travel arrangements which offer maximum Value for Money and meet our environmental aims.

(K) CEO/EMT MILEAGE

CEO and EMT are provided with cash equivalent for a car as part of salary package. They may reclaim reimbursement of fuel cost only at HMRC rates (Appendix 2).

(L) RAIL TRAVEL

Second class rail fare may be claimed (pre – booked in advance). First class rail travel in exceptional circumstances (e.g. where required by a disability) to be authorised in advance by the relevant Director.

(M) PRIVATE USE OF PCH VEHICLES

Private use of PCH vehicles is prohibited by Part 1 of the [PCH Drivers Handbook](#). Commuting directly to and from work in a company van is not defined as private use *. Anything else should be considered as private use.

The cost to PCH of not declaring the private use of vans to HM Revenue and Customs would be substantial, and therefore the act of an employee using a PCH vehicle for private use will be classed as Gross Misconduct.

* Per HMRC rules

(N) EMPLOYEE CAR PARKING

Reclaim parking incurred on PCH business and training on Civica Self Service. Receipts where available.

(O) EYE TESTS FOR VDU USE

Reimbursement of eye tests including VDU assessments are eligible once a year, in addition a contribution towards cost of glasses ***specifically for VDU use*** can be claimed up to a maximum of £55.

(P) PROFESSIONAL SUBSCRIPTIONS

Reimbursement of two professional subscription connected with the person's work. The professional body must be recognised by HMRC (List 3). The list is extensive and is available on the HMRC website.

(Q) PCH TAXI ACCOUNT

PCH have an account with a local taxi company. This is intended for use by tenants and Board members who would otherwise be unable to attend meetings. The account may be used – strictly for business purposes only (i.e. excluding home to work travel) - by PCH Employees when no other reasonable and cost efficient option is available with prior approval of their line manager.

Appendix 2: HMRC Rates

Rates will be determined by the HMRC Rates payable at the time of the claim (please click the link to view the [website](#))

The following rates are available from the HMRC website. As of 1st December 2020 these are:

Table 1 HMRC Approved Mileage Rates – Employees Vehicle

	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motor cycles	24p	24p
Bicycles	20p	20p

Table 2 Company cars — advisory fuel rates from 1 December 2020. Employees using a company car.

Rates

The advisory electricity rate for fully electric cars is 4 pence per mile.

Hybrid cars are treated as either petrol or diesel cars for advisory fuel rates.

The advisory fuel rates for petrol, LPG and diesel cars are shown in these tables.

From 1 December 2020

Engine size	Petrol - rate per mile	LPG - rate per mile
1400cc or less	10 pence	7 pence
1401cc to 2000cc	11 pence	8 pence
Over 2000cc	17 pence	12 pence

Engine size	Diesel - rate per mile
1600cc or less	8 pence

Engine size	Diesel - rate per mile
1601cc to 2000cc	10 pence
Over 2000cc	12 pence

References:

HMRC Travel — Mileage and Fuel Allowance (Private Cars):

[Expenses and benefits: business travel mileage for employees' own vehicles - GOV.UK](#)

HMRC Travel — Mileage and Fuel Allowance (Company Cars):

<https://www.gov.uk/guidance/advisory-fuel-rates>

Appendix 3: [Mileage Expense](#) Claim Form

Appendix 4: [Travel and Subsistence](#) Claim Form

Appendix 5: Claim for [Miscellaneous Employee](#) Expenses Form

Appendix 6: Reimbursement of [DSE Eye Test](#) Form