

LEICESTERSHIRE

FIRE and RESCUE SERVICE

Status of Report:

Public

Agenda Item:

18

Meeting: Combined Fire Authority

Date: 10th December 2014

Subject: Travel, Subsistence and Other Allowances and Expenses Policy – Proposed Changes

Report by: Chief Fire and Rescue Officer

Author: Adam Stretton (Head of Finance)

For: Decision

1. Purpose

The purpose of this report is to present to the Combined Fire Authority (CFA) proposed changes to the Travel, Subsistence and Other Allowances and Expenses Policy for approval prior to consultation with representative bodies.

2. Executive Summary

The Travel, Subsistence and Other Allowances and Expenses Policy requires updating for changes to nationally agreed travel rates, changes in catering provision provided to employees, clarification on Members' subsistence and expenses and the methodology applied to inflating some of the subsistence rates.

3. Report Detail

3.1 The main proposed changes to the Travel, Subsistence and Other Allowances and Expenses Policy are highlighted in the paragraphs below. Note that the policy point references referred to below relate to the updated policy to be found at the **Appendix**.

3.2 Policy Point 6 – it is proposed that there are no lunch allowances across the organisation following the disestablishment of cooks and canteen staff. Meals may only be claimed within the evening meal and/or overnight stay allowances. Operational staff have the following clause in their contracts:

Employees necessarily incurring additional expenses in the course of their work in respect of travel, meals or overnight accommodation, will be reimbursed with approved expenses in accordance with Service arrangements.

The Policy is then directly referred to. There are no contract clauses for support staff.

- 3.3 Policy Point 11 – it is proposed that any inflationary increases for all subsistence allowances are reviewed prior to the 1st April each year and that this will form part of the Medium Term Financial Plan that is agreed by the Combined Fire Authority (CFA) in February of each year.
- 3.4 Policy Point 13 – it is proposed that a Statutory Officer in consultation with the Chair and Group Leaders can give approval for accommodation allowances over the national rate in the case of the Chief Fire and Rescue Officer (CFO).
- 3.5 Policy Point 22 – it is proposed that the wording in paragraph 22 of the Policy around the claiming and authorising of first class rail travel is adopted. It is proposed that a Statutory Officer in consultation with the Chair and Group Leaders can give approval of first class rail travel in the case of the CFO. It is further proposed that the Solicitor and Monitoring Officer maintains a register of all approvals of first class travel authorised across the organisation.
- 3.6 Policy Point 26 – the paragraph on disturbance allowances has been added to reflect the agreed arrangements for employees relocated to the new Birstall Headquarters in April 2013.
- 3.7 Policy Point 28 – this has been updated so that travel to and from training courses by firefighters and Control staff is paid at the casual user rate (currently 45p per mile) from 44.2p.
- 3.8 Policy Point 37 – the P11D mileage deduction rate for private mileage is to be identified within the Provided Car Policy.
- 3.9 Policy Points 45 and 46 – these two statements replace all previous policy paragraphs and appendices related to Members' Allowances. These have been removed from the Policy as they are set out in the CFA's Constitution.
- 3.10 Policy Appendices 1 and 2 provide the updated travel and subsistence rates at the time of writing this report.
- 3.11 Policy Appendix 3 provides updated guidance as the travel claim forms design has changed slightly since the original report.

4. Report Implications / Impact

4.1 *Legal (including crime and disorder)*

None.

4.2 *Financial (including value for money, benefits and efficiencies)*

The updated travel and subsistence rates are incorporated in the policy.

4.3 *Risk (including corporate and operational, health and safety and any impact on the continuity of service delivery)*

None

4.4 Staff, Service Users and Stakeholders (including the Equality Impact Assessment)

Travel rates for all employees will remain in line with the NJC for Local Authority Fire and Rescue Services.

4.5 Environmental

None

4.6 Impact upon Our Plan Objectives

This policy will assist in the aim of achieving efficient management of the CFA.

5. Recommendations

The CFA is asked to approve the following changes to the Policy for consultation with the representative bodies:

- a) That the lunch allowance be removed.
- b) That any inflationary increase to subsistence allowances is reviewed annually and incorporated into the Medium Term Financial Plan.
- c) That a Statutory Officer in consultation with the Chair and Group Leaders approves any overnight accommodation claim above the national rate in the case of the CFO.
- d) That the policy and authorisation for first class rail travel is adopted.
- e) That a Statutory Officer in consultation with the Chair and Group Leaders approves any first class rail travel in the case of the CFO.
- f) That a register of all first class rail travel authorised is maintained by the Solicitor and Monitoring Officer.
- g) That the mileage rate for travel to and from training courses for firefighters and Control staff is increased to the casual user rate.

6. Background Papers

Travel, Subsistence and Other Allowances and Expenses Policy (Senior Management Team – 14th April and 10th November 2014)

7. Appendix

Proposed Travel, Subsistence and Other Allowances and Expenses Policy

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FIRE and RESCUE SERVICE

SERVICE PROCEDURE

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FINANCE

**TRAVEL,
SUBSISTENCE AND
OTHER
ALLOWANCES AND
EXPENSES**

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AUDIT OF AMENDMENTS

Date	Paragraph Changed	Brief details of alterations	Approved by
APRIL 2007		TRANSFERRED TO SHAREPOINT	
JUNE 2009	10,13,18,28,31,44, Appendices A & B 33,35,42 34 - 52	Amended travelling and subsistence rates. Deleted Re-numbered 33 - 49	CFA Policy Committee, 17 March 2009
JUNE 2010	10,13, Appendices A & B	Amended travelling and subsistence rates.	Combined Fire Authority, 23 June 2010
JANUARY 2011	10,13, Appendices A & C	Amended subsistence rates which include VAT, and amended amount of VAT per mile in petrol element of car user rates.	VAT rate increase to 20% from 4 January 2011.
MARCH 2014		Reviewed and updated	
OCTOBER 2014	6, 11, 13, 22, 26, 28, 37	Updated travelling, subsistence and car user rates. Proposed amendments re lunch allowances; inflationary increases to rates; approvals for accommodation and first class rail travel for the Chief Fire and Rescue Officer; register of first class rail travel; disturbance allowances; Members policy	

LEICESTERSHIRE FIRE AND RESCUE SERVICE

TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES AND EXPENSES

TRAVELLING AND SUBSISTENCE

SUBSISTENCE ALLOWANCES – GENERAL CONDITIONS

- 1 Employees are **not** eligible to claim subsistence allowances where they operate routinely from more than one fixed base or where their duties are essentially mobile.
- 2 Eligibility to claim subsistence allowances is dependent on the claim being accompanied by a suitable receipt.
- 3 The following types of receipts are acceptable as a general rule:
 - a) Receipts should normally be produced on a daily basis and should show the date on which the expenditure was incurred.
 - b) The name of the establishment where the expenditure was incurred should preferably be printed or 'stamped' on the receipt, but if necessary may be self-written by the claimant.
 - c) Receipts should show some indication of what has been purchased, not simply the term 'goods', particularly on till receipts for "lunch box" items. Again, details may be self-written by the claimant if necessary.
 - d) The **actual expenditure** incurred should, of course, be evident.
- 4 Totally self-written receipts (including the use of standardised receipt books), receipts written by a partner/spouse, and receipts for drinks other than those purchased as part of an employee's meal are not acceptable.
- 5 It is acknowledged that there will be instances when it will be difficult to obtain proof of expenditure. The requirement to produce receipts may be waived by the Treasurer after careful consideration of the individual circumstances, but it is anticipated that waiver will occur only on rare occasions.

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- 6 Lunch allowances will no longer be paid. Meals may only be claimed within the evening meal and/or overnight stay allowances.
- 7 When an entitlement to claim an allowance has been established then an employee may claim their actual expenditure up to the maximum detailed in **Appendix 1**. Receipts must be produced for all subsistence claimed. VAT receipts are required in order to claim the higher allowance.
- 8 The NJC for Local Government Services does not produce subsistence rates for support staff. The latest national rates that can be applied for firefighters and control staff relate to the NJC for Local Authority Fire and Rescue Services. The Combined Fire Authority (CFA) has determined that these rates will apply to all staff and members alike.
- 9 Where an evening meal allowance is claimed, it is not permitted to also claim a tea allowance. Where an overnight stay is claimed, it is not permitted to also claim the standard evening meal allowance or a tea allowance.
- 10 Where main meals, that is a full breakfast, tea or evening meal, are taken on trains during an approved duty which would attract the payment of day subsistence, the reasonable cost of the meals, including VAT, may be reimbursed in full.
- 11 Any inflationary increases to Subsistence allowances will be reviewed annually before the 1st April of each year in line and will form part of the Medium Term Financial Plan that is presented to the CFA.

OVERNIGHT PROVISION

- 12 Employees who are required to make an overnight stay whilst performing their official duties will be eligible to claim an allowance for accommodation. The rates are shown within **Appendix 1**.
- 13 These allowances will normally be regarded as maxima and only in exceptional circumstances, where prior permission has been obtained from the Chief Fire and Rescue Officer, should they be exceeded. Any overnight accommodation above the maxima for the Chief Fire and Rescue Officer requires approval from the Monitoring Officer or Treasurer in conjunction with Group Leaders.

SUBSISTENCE ALLOWANCE – OFFICIAL BUSINESS DUTIES

- 14 When employees are engaged on official business (including residential courses and conferences), subsistence and accommodation can be

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claimed unless the organisers provide meals and/or accommodation and these are charged for in the course or conference fees.

- 15 All overnight accommodation claims must be supported by evidence of expenditure in the form of a VAT receipt.
- 16 The rates for out-of-pocket allowance for an employee attending a residential training course (other than a recruits training course) is shown in **Appendix 1** and receipts are not required to claim this allowance.

PROFESSIONAL BODIES

- 17 The Chief Fire and Rescue Officer has the discretion to approve the payment of travelling and subsistence allowance (in accordance with the rates in **Appendix 1**) to employees attending meetings of professional and similar bodies. Travel and subsistence allowances are also payable for attendance at meetings of the Chief Fire Officers Association (CFOA) and for duties in connection with the Employers' Association.

OVERSEAS TRAVEL SUBSISTENCE

- 18 Employees who are required by the CFA to travel abroad will be reimbursed actual reasonable subsistence costs as determined by the Chief Fire and Rescue Officer in consultation with the employee concerned.

BICYCLE ALLOWANCES

- 19 A bicycle allowance can be claimed by employees authorised to use a bicycle in the performance of their duties at work. The allowance is shown in **Appendix 1**.
- 20 It is essential to lock securely any bicycle used for work and also to consider taking out insurance against loss or damage. It is emphasised that unless a bicycle is locked securely, a claim for an ex-gratia payment will not be entertained if the bicycle is stolen at work.

RAIL TRAVEL

- 21 All employees travelling by rail are entitled to claim the cost of standard rail travel. If employees wish to travel first class they have the choice of upgrading to first class at their own expense. Tickets must be submitted with any claim for reimbursement. Alternatively tickets can be pre-ordered through relevant websites. These transactions must be appropriately documented and authorised if paid using an official procurement or credit card.

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- 22 Wherever possible, all employees should travel by standard class. In exceptional circumstances the Chief Fire and Rescue Officer will have authority to permit an employee to travel first class. The Monitoring Officer or Treasurer in conjunction with Group Leaders will have authority to permit the Chief Fire and Rescue Officer to travel first class. The Monitoring Officer will keep a register of all approvals.

AIR TRAVEL

- 23 Air fare may be paid if the rate does not exceed the cost of travel by an appropriate alternative means of transport, normally standard rail fare for out of County journeys, and an allowance equivalent to the amount of any saving on subsistence consequent on travel by air. In addition the approval of the Chief Fire and Rescue Officer can be sought when the use of air travel results in a substantial saving on time.
- 24 Where an employee or member is travelling abroad on official business, it is expected that this will be at the economy rate. If employees wish to travel business class, they have the choice of upgrading at their own expense. If any particular circumstances justify travelling Business Class, these should be agreed by the Chief Fire and Rescue Officer prior to travel and by the Chair of the CFA in the case of travel by the Chief Fire and Rescue Officer.

DISTURBANCE ALLOWANCES

- 25 A disturbance allowance will be paid, for a period of up to 4 years to employees who are redeployed, to cover additional travelling expenses. This will be paid at the national public transport rate.
- 26 Disturbance allowances will also be paid for a period up to 2 years where employees are compulsory relocated to cover additional travelling expenses. This will be paid to cover the additional mileage from home to the new place of work when compared to the mileage from home to the original place of work. The additional mileage will be calculated using the AA route planner. Payment will be at the agreed casual user rate (see **Appendix 2**).

CAR ALLOWANCES

CAR ALLOWANCES – GENERAL CONDITIONS

- 27 The NJC for Local Government Services does not produce subsistence rates for support staff. The latest national rates that can be applied for firefighters and control staff relate to the NJC for Local Authority Fire and Rescue Services. The CFA has determined that these rates will apply to all staff and members alike.

CASUAL USERS

- 28 Area Managers may authorise any member of staff to use their car on official business when travel by public transport would result in an unreasonable waste of time or in undue inconvenience. This includes travel to and from training courses by firefighters and Control staff. For all employees, payment will be made in accordance with the rates in **Appendix 2**.

ESSENTIAL CAR USER RATES

- 29 The rates payable to essential car users are set out in **Appendix 2**. Essential allowances are only paid to existing claimants and will not be paid to other employees unless required under the terms and conditions of their employment.

DUAL PURPOSE VEHICLES

- 30 Where an Area Manager certifies that an employee must have a dual-purpose vehicle to allow them to carry goods/equipment in the course of their duties, the CFA will reimburse the additional cost of the appropriate excise licence over and above the normal license rate for a similar private vehicle.

JOURNEYS COMMENCING OR ENDING AT HOME (WITHIN THE EMPLOYEE'S NORMAL WORKING HOURS)

- 31 In these circumstances, an employee can claim as official mileage any additional miles travelled i.e. if an employee normally travels 5 miles from home to their approved base and they have to travel 10 miles from home to get to their destination they may claim additional mileage. In this case they would claim 5 miles, the difference between home and their destination and home and their approved base.

PARKING FEES

- 32 Where parking fees are incurred in the course of official business, they may be claimed from the CFA. Where possible a VAT receipt should be obtained.

CLAIMS FOR TRAVELLING AND SUBSISTENCE

- 33 When an employee requires reimbursement of travelling and subsistence claims, these should be submitted promptly each month for the preceding month in accordance with the instructions in **Appendix 3**. Claims which are for a period over 6 months old will not be paid unless there are extenuating circumstances and agreed by the Chief Fire and Rescue Officer.

EMPLOYEES RECALLED TO WORK OR REQUIRED FOR AN EMERGENCY AND WORK OUTSIDE THE EMPLOYEE'S NORMAL WORKING HOURS

- 34 In these circumstances, an employee can claim as official mileage the actual mileage from home to place of duty and return for which they will be paid the appropriate car mileage rate. However, this may be deemed to be taxable by Her Majesty's Revenue and Customs (HMRC) dependent upon the individual circumstances of the claim.

OUT OF COUNTY JOURNEYS

- 35 Generally, public transport fares only may be claimed for journeys, which extend beyond the County boundary, even though an employee uses their car. An Area Manager may, however, certify car mileage for an out of county journey where:
- i) the destination is inaccessible by public transport or the times of public transport are demonstrably inconvenient; or
 - ii) the employee is accompanied by another employee or member and the passenger(s) do not claim travelling expenses.

PROVIDED CARS

- 36 The Standard Provided Car Scheme prohibits the use of provided vehicles for private use. However individual employees have the right to 'opt out' of the Standard Provided Car Scheme and use the vehicle for their own private use, but must accept the individual tax liabilities that arise from this.

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- 37 Where a car is provided by the Authority for an employee's use, they must adhere to the conditions and regulations imposed by the CFA and the Treasurer. A monthly return must be submitted detailing actual mileage for the month split between official duty mileage and private mileage. All private mileage is charged at the rate identified in the Provided Car Policy and deducted from the employee's pay. At the tax year end the CFA shall provide each employee with a P11D. It is the employee's responsibility to pay any tax due to HMRC.

PROFESSIONAL BODIES – PAYMENT OF FEES AND EXPENSES

REGISTRATION FEES

- 38 Annual registration or comparable fees are reimbursed to all full time employees who are unable to practice their professions unless such fees are paid.

CHIEF FIRE OFFICERS ASSOCIATION

- 39 The CFA pays the annual subscription for employees who are members of the Chief Fire Officers Association and will also pay for travel and subsistence at appropriate rates in respect of any meetings attended.

OFFICE-HOLDERS

- 40 Where an employee is elected to hold office in a professional body, the Chief Fire and Rescue Officer has the discretion to approve travelling and subsistence claims for attendance at meetings. Where bodies pay expenses for such attendance, a claim should be made on the professional body and not on the CFA.

MEETINGS

- 41 The Chief Fire and Rescue Officer has discretion to approve travelling and subsistence claims for attendance at meetings of professional bodies where it is felt that some benefit would accrue to the CFA from employees attending. Arrangements should, however, be made where possible for employees to share transport in order to minimise cost.

ADVISERS TO THE LOCAL GOVERNMENT ASSOCIATION

- 42 Where employees are appointed to act as advisers to the Local Government Association or to represent it on other bodies, payment for travel and subsistence expenses will be made.

TELEPHONE CHARGES

- 43 In cases approved by the relevant Area Manager, the CFA will pay the rental (and in appropriate cases the installation or connection charges) of telephones in an employee's home together with the cost of official calls. Alternatively a fixed monthly allowance may be paid. In cases approved by the Chief Fire and Rescue Officer, the CFA will pay the rental (and in appropriate cases the installation or connection charges) of Broadband connections.

DRIVING LICENCES

- 44 The cost of renewing an LGV driving licence is refunded to any employee appointed as a driver.

MEMBERS ALLOWANCES

- 45 Members' are allowed reimbursement for any costs incurred whilst undertaking the business of the CFA within their capacity as a member. Any submissions for claiming of expenses is authorised by the Solicitor and Monitoring Officer.
- 46 The Scheme of Members' Allowances states that "Subsistence and travelling expenses are paid in line with those received by Officers of the Leicestershire Fire and Rescue Service but also to include a rate for subsistence incurred in an overnight stay at the rate allowed for dinner for Members of the Leicestershire County Council and to reflect future increases in this rate automatically."
- 47 The CFA on the 21st September 2012 decided that the Childcare and Dependent Carers' allowance for members' should be claimed from the members' appointing Council.

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APPENDIX 1 TRAVEL AND SUBSISTENCE ALLOWANCES

The following rates shall apply:

	MAXIMUM EXCLUDING VAT	MAXIMUM INCLUDING VAT
Breakfast allowance – [before 7.00 am]	£5.80	£6.96
Tea allowance – [more than two and a half hours absence up to and including 6.30 pm]	£3.16	£3.79
Evening Meal allowance – [more than two and a half hours absence ending after 8.30 pm]	£9.93	£11.92
Evening Meal allowance – [where an overnight stay is involved]	£18.21	£21.85
Overnight Accommodation	£140.39	£168.47
Out-of-pocket allowance – Attendance at a residential training course	£4.89 per night £19.57 per week	
Bicycle Allowance	£0.28p per day	

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<p style="text-align: center;">APPENDIX 2 ESSENTIAL AND CASUAL CAR USER RATES (ALL EMPLOYEES)</p>
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	451 – 999 cc	1000 cc and above	1200 – 1450 cc
Essential Users			
Lump sum per annum	£ 846	£ 963	£ 1,239
Up to 10,000 miles per annum, per mile	45p	45p	45p
Over 10,000 miles per annum, per mile	25p	25p	25p
Casual Users			
Up to 10,000 miles, per annum per mile	45p	45p	45p
Over 10,000 miles, per annum, per mile	25p	25p	25p

An additional 5p per mile will be paid when one or more passengers travel to an approved duty in the same vehicle.

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APPENDIX 3 COMPLETION OF TRAVEL CLAIMS

Claims must include the date, journey details – from and to, together with the purpose of the journey. Times engaged are required where subsistence is claimed. Employees are expected to travel by the shortest possible route and allowances will be paid on that basis, unless a satisfactory explanation is given for additional mileage.

Travel from or to Base / Between Workplaces

Total mileage travelled should be entered in the 'P11D Actual Mileage' and 'Mileage Claimed in the Official' column.

Travel from or to Home

Claim forms should be completed as follows:

1. Journey details should commence and / or finish as appropriate with the word "home".
2. The **actual** mileage from home to the first place of call and/or from the last place of call to home should be inserted in the 'P11D Actual Mileage' column.
3. If the mileage claimable is actual miles travelled in the P11D Actual Mileage' column, then the number of miles claimed in the 'Mileage Claimed' column should simply be the difference between the actual mileage and any additional miles travelled. For example, if an employee normally travels 5 miles from home to their approved base and they have to travel 10 miles from home to get to their destination they would claim 5 miles, the difference between their home and destination and their home and approved base.

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