

Travel and Subsistence Policy

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1. Introduction

1.1 The Higher Education Funding Council for Wales (HEFCW) rules concerning travel and subsistence payments have been developed in the light of the following principles:

- the need for efficiency and effectiveness;
- the importance of ensuring that claimants are fully and speedily reimbursed for expenses actually and necessarily incurred;
- the need for administrative arrangements to be the minimum compatible with adequate accountability;
- the need for expenditure to be authorised in advance as far as possible;
- the need for payments not to incur a taxation liability for the individual.

1.2 The rules will be reviewed annually and may be revised in the light of experience and/or new circumstances.

- 1.3 Staff should normally travel by public transport unless there are reasons why this is not practical, or if there are other circumstances that would impede efficiency or effectiveness.
- 1.4 There may be occasions when it is not feasible to use public transport, or there may be positive benefits in using a car, eg. Avoiding the need to stay overnight in a hotel. In such circumstances employees may choose to use a private vehicle or self drive car hire.

2. Travel by private vehicle on official business

2.1 The HEFCW will normally reimburse staff only for expenses that they actually and necessarily incur in the course of official travelling using their own vehicle. 'Official travelling' means travel for the purposes of official business. It does not include travel between a staff member's home (permanent or temporary) and the employee's normal place of work. Please refer to Appendix B for guidance on claiming business mileage.

2.1.1 Staff who use their private vehicles for official travelling, are required to satisfy the following requirements

- i) confirm that they hold a valid driving licence;
- ii) confirm that they meet, HEFCW's insurance requirements – see 2.2 below;
- iii) confirm that their vehicle is legally compliant (MOT, Taxed).

2.1.2 Employees are advised that they should consider having membership of an appropriate breakdown, recovery service, which provides, as a minimum, roadside assistance cover.

2.2 Insurance

2.2.1 An employee using his or her private vehicle on official business or travelling as an official passenger in another staff member's car, is deemed to be in the course of his or her duty for the purpose of the Principal Civil Service Pension Scheme [Section 2(1) of the Superannuation Act 1972]. He or she is also covered by the Social Security Act 1975, subject to the decision of the Statutory Authorities in a particular case. In other respects, provision for injury or death due to an accident while a staff member is using his or her private motor vehicle on official business is the member of staff's own responsibility.

2.2.2 Staff using their own private vehicle for official business must satisfy certain insurance conditions. It is the staff member's own responsibility to ensure that their insurance policy covers the risks set out below and contains either:

- a clause permitting the use of the vehicle by the policy holder in person in connection with his or her business; or
- a clause specifically permitting the use of the vehicle by the policy holder in person on the business of their employer.

2.3 Loss or Damage

- 2.3.1 HEFCW will not reimburse any staff member for any loss or damage resulting from the use of their private motor vehicle on official business whether or not the cost of such loss or damage can be claimed under that staff member's insurance policy.
- 2.3.2 When a staff member is required to carry official cash or equipment in his or her private vehicle, he or she should ensure that their insurance cover will not be affected, if necessary by notifying his or her insurance company specifically. It is not intended that the staff member should arrange any special insurance cover in respect of the above.

2.4 Declaration

- 2.4.1 When first using their car on official business, staff must declare in writing (using the form at Appendix A) that
- i) they hold a valid driving licence,
 - ii) they know and understand the motor insurance requirements of HEFCW and whether they meet those requirements, and that they will notify HEFCW of any change which leaves them less cover than that required
 - iv) that their vehicle is legally compliant

HEFCW reserves the right to make spot checks on staff members' policies.

- 2.4.2 The Travel and Subsistence claim form also includes a declaration stating that the person making the claim meets all of the above requirements of HEFCW.

3 Mileage rates

- 3.1 There are two main categories of mileage allowance for private vehicles: the standard rate and the Public Transport rate. The rate which an employee may claim is dependant upon whether their journey is seen as the most cost effective means of travel – see paragraph 3.4 on Hire Vehicles

3.2 Standard & public transport rates

- 3.2.1 The standard rate may only be claimed where the standard mileage rate for journeys is more cost effective when undertaken in an employee's private vehicle. This is where the journey does not exceed the appropriate mileage threshold for hire cars. In these circumstances, the employee is entitled to claim the standard rate.

All Engine Sizes	Cumulative Business Travel	
	First 10,000 miles	Each additional mile over 10,000 miles
Standard Rate	40p	25p
Public Transport Rate	23.8p	23.8p

3.2.2 The public transport rate may be claimed where an employee chooses to use their private vehicle on business journeys where the mileage exceeds the threshold for hire cars. This public transport rate applies only to the excess mileage over and above the threshold for hire cars (see paragraph 3.4.4)

3.3 Passenger supplement

3.3.1 Staff who use their private vehicle and who carry passengers whose fares or mileage would otherwise be paid from HEFCW may be paid the following passenger supplement.

- 5p per mile for the first passenger
- 2.5p per mile for each subsequent passenger, up to a maximum of three passengers, per vehicle, per journey.

This may be paid over and above any limitation on mileage allowance.

3.4 Travel by self drive hire car

3.4.1 Journeys in excess of 140 miles per day should normally be undertaken in a hire car, using a car supplied by the Councils' contracted car hire company. Guidelines for claiming business travel are given at Appendix B. Guidance on the Car Hire Agreement can be found in Facilities.

3.4.2 In some circumstances where the car is delivered to the staff member's home the journey on official business may cover part of the staff member's normal journey to work. This is unavoidable and acceptable.

3.4.3 Private mileage should be kept to a minimum, but significant private mileage should be declared to the Finance section who will agree with the staff member the cost of the petrol used for private mileage, which will then be deducted from the staff member's next expenses payment.

3.4.4. A member of staff may elect to use his or her own private vehicle instead of a hire car and will be reimbursed at the standard rate for the miles up to the 140 threshold and the public transport rate thereafter.

3.4.5 The 140 mile threshold may be varied if exceptional circumstances justify it. For example, staff who are travelling in their own cars on journeys expected to be less than 140 miles and who find that they have to complete additional mileage that could not reasonably have been anticipated will, at the discretion of the Director of Finance & Corporate Services, be eligible to claim standard mileage rate even though the journey exceeds 140 miles.

3.4.6 Exceptionally a member of staff may be permitted to use their own vehicle at the Standard rate, for example, has personal circumstances or requirements which dictate the use of their own vehicle. Approval should be sought, in advance, from the Director of Finance & Corporate Services.

3.5 Tolls and car parking

3.5.1 HEFCW will reimburse the actual costs of toll charges incurred on official journeys. The claim should be supported, where reasonable and appropriate, by an official receipt. Where the toll charge is inherent in the journey, further verification by presentation of a receipt will not be necessary. Staff should take advantage of free parking facilities wherever possible, but where parking costs are necessarily incurred while using a vehicle on official business, HEFCW will reimburse the actual costs. The claim should be supported, where reasonable and appropriate, by an official receipt. Illegal parking will not be condoned or paid for.

4 Travel by public transport on official business

4.1 HEFCW will normally reimburse staff only for expenses that they actually and necessarily incur in the course of any official travel using public transport. 'Official travelling' means travel for the purposes of official business. It does not include travel between a staff member's home (permanent or temporary) and the employee's normal place of work. However, in exceptional circumstances, where an extra demonstrable expense is incurred in making a journey which includes in it the normal route to work, it is possible to claim the extra cost incurred.

4.2 Rail Travel

4.2.1 The class of travel to which staff are entitled is as follows:

- Chief Executive : First Class
- All other staff : Standard Class

4.2.2 Staff who are entitled to standard class travel may be allowed to travel first class when:

- they are travelling with the Chief Executive, Chairman or Council/Committee members; or
- they are travelling with staff of other Assembly Government Sponsored Bodies, or Assembly Government Officials who are travelling first class, that are attending the same meeting.

4.2.3 Purchase of rail tickets

Staff travelling on official business are required to pre book train travel as far in advance as possible and must take advantage of any low cost options that may be available, for example, cheaper "closed" tickets, where their use is consistent with the efficient and economic conduct of the official business. (E.g. Regarding train travel to London, purchase of a saver return plus an additional single ticket for a return at a different time, is still cheaper than an open return). Specific authorisation and explanation by the Head of Team is required where the booking and use of open train tickets is considered necessary. The procedure for booking of rail tickets can be found in Facilities.

4.2.4 Taxis

Costs of taxis will be reimbursed only:-

- where the saving of official time is important;
- when heavy luggage has to be transported to or from the place of departure or arrival;
- where there is no other suitable method of public transport
- when the individual travelling has a mobility problem and is unable to use public transport;
- if a journey is made after dark or the use of public transport would involve a long wait in circumstances in which the individual travelling would feel at risk; or
- where unfamiliar with location and associated public transport links
- a combination of any of these situations.

4.2.5 Travel around London

Journeys within London should normally be taken by Underground/public transport rather than by taxi. Wherever possible, taxi journeys should be booked. Alternatively, taxi journeys should be claimed on HEFCW's travel and subsistence form and supported by the appropriate receipt.

4.3 Air travel within the UK

Air travel should only be utilised

- where it represents a saving in cost over other forms of travel; and/or
- where it represents a significant saving in time and where the saving of official time is important.

4.3.1 Air travel should be arranged either by the member of staff travelling, if booking on-line via the web, or in line with procurement procedures, using the purchase requisition form. All bookings should be economy class for journeys within the UK.

4.3.2 Air travel should be arranged as far in advance as possible and is generally less costly by booking flights on-line, with the member of staff travelling paying by debit or credit card. This cost can then be reclaimed using the Travel & Subsistence Expense Claim Form. Staff should ensure they familiarise themselves with all terms and conditions of booking the flight on-line and are satisfied with these before confirming the booking.

4.3.3 If the member of staff prefers not to incur the costs themselves, they should follow HEFCW's procurement procedures in the usual way.

4.4 Travel outside the UK

4.4.1 Staff should obtain written approval from the Director of Finance & Corporate Services for overseas travel on HEFCW related business.

4.4.2 Air travel should be arranged as defined above in 4.3.1 – 4.3.3

- 4.4.3 For air journeys lasting six hours or less, staff will be required to travel economy class.
- 4.4.4 For air journeys lasting more than six hours, staff may travel business class.
- 4.4.5 HEFCW will reimburse any other actual expenditure necessarily incurred on official business on production of receipts.

5 Implications for taxation and National Insurance

- 5.1 No liability for tax and national insurance contributions will be incurred where journeys are taken on official business and in accordance with the principles outlined in the policy.

6 Subsistence

- 6.1 HEFCW will normally pay subsistence to staff members who necessarily incur expenses when they are away from home or their normal place of work. The subsistence paid must cover only the costs actually and necessarily incurred on accommodation and meals.
- 6.2 All claims for subsistence should be for the actual amount spent, up to the maximum limits, and wherever possible should be supported by official receipts. If a claim is made without an official receipt, an explanation of why no receipt can be supplied should accompany the claim form.

7 Alcohol

- 7.1 Claims for expenditure on alcoholic beverages will only be met in exceptional circumstances, eg. alcohol may be provided at HEFCW's expense when guests are present and it would cause HEFCW embarrassment not to provide appropriate entertainment. Claims for alcoholic beverages must be authorised by the Director of Finance & Corporate Services or Head of Resources and, wherever feasible, prior approval for the provision of alcohol should be obtained from the Director of Finance & Corporate Services or Head of Resources.

8 Meals and refreshments

- 8.1 Reasonable costs for meals and refreshments incurred by staff when away from their normal place of work or home on official business can be claimed using HEFCW's travel and subsistence claim form.
- wherever possible claims should be supported by official receipts;
 - where expenditure on meals and refreshments is higher than the limits shown below, higher payments may be made provided that official receipts for the full amount claimed are provided, and an explanation is given as to why such expenditure was incurred;
 - claims for alcoholic beverages will not be reimbursed and should be paid for by the individual concerned;
 - claims will need to be authorised by the budget holder and may be referred to the line manager;

- subsistence costs for individuals that are not employed by HEFCW will not ordinarily be reimbursed.

8.2 The subsistence rates described in Appendix C apply and may be revised annually as determined by HEFCW.

9 Hotels

9.1 All hotel bookings should normally be made in advance through the appropriate booking procedures

9.2 Staff should not normally stay overnight at HEFCW's expense before a meeting when it is reasonable to travel on the day of the meeting. In order to monitor compliance with this, the starting times for all meetings, events, training courses etc, should be included on the purchase requisition form for booking overnight accommodation.

9.3 The staff member should ensure that the appropriate procedures and requisition form are completed for all hotel accommodation and authorised in advance.

9.4 If the cost of staying in a specified hotel is above the maximum limits set by HEFCW, authorisation should be sought, in advance, from the Director of Finance & Corporate Services or Head of Resources for the additional expenditure, and supported by official receipts and must be authorised by the appropriate line manager. An explanation should be given for the additional expenditure.

9.5 Hotels will invoice HEFCW's booking agent, who in turn will invoice HEFCW for payment. However staff are responsible for settling their accounts for all items except bed and breakfast (the cost of an evening meal may also be included on the invoice if appropriate). Very rarely it may be necessary for staff to settle the entire account before departure and if this applies, the booking agent will notify the member of staff at the time of making the booking.

9.6 Allowable expenses may be claimed using HEFCW travel and subsistence claim form.

9.7 In exceptional circumstances, where it is necessary for a staff member to book hotel accommodation personally, a claim for reimbursement should be made on the HEFCW travel and subsistence claim form. The claim must be supported by official receipts and must be authorised by the appropriate line manager and budget holder. Before authorising the claim, the line manager should satisfy him or herself that the overnight stay was necessary and unavoidable in order to conduct the HEFCW business.

Hotel Accommodation (minimum 3*)	Maximum Amount Payable
Inner London accommodation, including breakfast.	£120 per night, including VAT.
Accommodation elsewhere, including breakfast.	£85 per night, including VAT.

10 Staying with friends or relatives or in a second home

If the overnight accommodation is provided by a friend or relative:

- An allowance of £25.00 per night may be claimed to enable the staff member to show their appreciation for hospitality received.
- This allowance is also available when staff are able to stay in accommodation owned by them but which is not their prime residence ie second home.

11 Incidental expenses allowance

When a staff member has to spend a night away from home on approved official business or attending a residential course, he or she may claim an incidental expenses allowance of £5 per night. This is an allowance to cover personal expenses such as newspapers, personal telephone calls and laundry. Staff members will not be required to submit receipts against this allowance. When travelling overseas the incidental allowance is £10 per night.

12 Implications for taxation and National Insurance

Payment of actual subsistence costs should not attract a liability for tax or national insurance contributions.

The incidental expenses allowance is exempt from tax and national insurance contributions.

13 Payment of expenses

Reimbursement of expenses will ordinarily be made within 15 working days, upon receipt in Finance of a complete and properly authorised travel and subsistence claim form. Payments will be made directly into the staff member's bank or building society account. Delays will occur where a claim form is incomplete or requires further authorisation.

14 Further information

- For further information on HEFCW's travel and subsistence policy, staff members should speak to the Finance or HR.
- Queries on payment of claims should be addressed to the Finance Department.
- For information on the Car Hire policy contact Facilities.

Appendix A

Travel by private vehicle on official business

Declaration of insurance: Employees of HEFCW

I confirm that:

I hold a valid driving licence

I have received a copy of the rules regarding insurance, Section 2.2 of the Travel & Subsistence Policy , when a staff member uses his/her private motor vehicle on official business;

I understand these requirements;

I am covered accordingly; and

I will notify the HEFCW of any change which leaves me with less cover than the rules require; and

My vehicle is legally compliant

NOTE

Provision for injury or death due to an accident while a staff member is using his/her car on HEFCW business is the individual's own responsibility. No liability can be accepted by HEFCW in the event of any accident, damage, injury or death.

Signed: _____

Name: _____

Date: _____

HEFCW employees should return this form to the Finance department

Appendix B

Guidelines for claiming business travel

1. Any journeys undertaken in order to carry out the duties of your employment that are funded by HEFCW, do not result in a tax charge. The exception is travel that is 'ordinary commuting or private travel' and HEFCW would not ordinarily fund such journeys.
2. In general terms 'ordinary commuting' is travel between your home or any other place you attend for personal reasons such as the home of a friend or relative and your permanent work place. Such journeys would include those undertaken outside of a normal work pattern. For example, if you come into the office on a Saturday, it is still regarded as 'ordinary commuting'.
3. Journeys that count as business travel and therefore do not attract a tax charge are:
 - those you have to make in the course of your job. For example if you travel from your office to visit a client and use your own vehicle;
 - those you make to and from a place you have to attend in order to do your job.
4. If you travel to a temporary workplace from home you are entitled to claim for the lower of:
 - the mileage from your home to the temporary workplace, or
 - the standard mileage from the HEFCW office to the temporary workplace

A Standard mileage listing is attached for journeys from HEFCW's Llanishen Office.

Standard mileages from HEFCW office, Llanishen.

HE Institutions	Mileage
University of Wales Institute, Cardiff	
Western Avenue	5
Colchester Avenue	4
Cyncoed	4
University of Wales, Newport	
Allt-yr-yn	12
Caerleon	16
North East Wales Institute of Higher Education	138
Swansea Institute of Higher Education	41
Trinity College Carmarthen	65
University of Glamorgan	11
University of Wales, Aberystwth	108
University of Wales, Bangor	179
Cardiff University	4
University of Wales, Lampeter	84
University of Wales, Swansea	42
Royal Welsh College of Music & Drama	4
University of Wales Registry	4
Open University (Cardiff)	5
Other Organisations/Locations	
National Assembly for Wales	
Cathays Park	4
Crickhowell House	6
WJEC	3
Wales Audit Office/WAO (Cardiff)	4
Welsh Language Board	4
HEFCE	39
LSC, Coventry	128
Cardiff Central Station	5
Cardiff International Airport	16

Appendix III

Type of Subsistence	Maximum Amount Payable
<p>Breakfast</p> <p>A claim for breakfast may be made if a staff member has:</p> <ul style="list-style-type: none"> • made a previous overnight stay, or; • left home before 8.00 am and is working away from their normal place of work. 	<p>Up to a maximum of £8 supported by receipts.</p>
<p>5 Hour Allowance</p> <p>A claim may be made for food and beverages if the staff member is</p> <ul style="list-style-type: none"> • working away from their normal place of work • for more than 5 hours including the period 12 noon to 2.00 pm. 	<p>Up to a maximum of £10 supported by receipts.</p>
<p>10 Hour Allowance</p> <p>A claim may be made for food and beverages if the staff member is</p> <ul style="list-style-type: none"> • working away from their normal place of work for more than 10 hours and beyond 7.30 pm • staying in overnight accommodation. 	<p>Up to a maximum of £30 supported by receipts, to include</p> <ul style="list-style-type: none"> - the 5 hour allowance of £10, and -an evening meal allowance of £20.