



# Travel and Subsistence Policy

Human Resources  
V2

Approved by NLL Board March 2016  
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# Contents

North Lanarkshire Leisure (NLL) operates a scheme to reimburse employees who have incurred expenses while undertaking official duties as part of their employment with NLL. Rates are in line with COSLA and HMRC guidance and will be revised in line with appropriate updates.

## 1. Subsistence Allowances

- 1.1 NLL policy on the payments of subsistence is that all claims must be submitted on the appropriate form (PY08) and that all reimbursements must be processed via the payroll.

### **Staff Subsistence**

- 1.2 NLL reimburse subsistence expenses to those employees who are prevented by their official duties from taking a meal at their home, administrative centre or other appropriate NLL establishment and thereby incur **additional** expenditure. Employees are reimbursed reasonable actual expenditure, supported by receipts, up to the following maximum amounts.

|              | (£)  |
|--------------|------|
| Breakfast    | 4.48 |
| Lunch        | 6.17 |
| Tea          | 2.43 |
| Evening Meal | 7.64 |

- 1.3 The purchase of alcohol is specifically excluded from claims, unless the claimant is providing or participating in official and authorised hospitality on behalf of NLL.
- 1.4 Where an employee is absent on NLL business for a whole day, they can claim reimbursement of the cost of breakfast and lunch, and **either** tea or evening meal, **not both**.
- 1.5 In exceptional circumstances and subject to the prior approval of a Director, subsistence expenditure above the maximum rates may be claimed, this usually arises in connection with travel to areas of higher cost of living e.g. London or business trips overseas.
- 1.6 Employees working at their normal place of employment, but outside their normal working hours and who are above the salary limit for overtime payments, may claim the evening meal rate, if they are required to work beyond 8.30pm. NLL regards such payments as a flat rate entitlement and, as such, supporting receipts are not required. Whilst such payments are rare these are subjected to PAYE and NICs deductions.

## 2. Travelling Expenses

Where an employee is required to use their own car on NLL business, the vehicle must be taxed and insured for business purposes and the employee must hold a valid driving licence. Arrangements are made through the Administration Team for annual checks to be made on these documents, to ensure that NLL meets its duty of care. Claims must be checked and authorised by the appropriate authorised signatory who has responsibility for the budget in which the employee's expenses will be charged.

### ***What is "Business Travel"?***

- 2.1 Business travel is defined as any journey made as an objective requirement of the employee's employment duties.

### ***What is not "Business Travel"?***

- 2.2 All journeys between home and the normal office are to be regarded as private and the costs of these journeys are **not claimed**.

- 2.3 For the purposes of determining the extent to which journeys may be regarded as business journeys the following rules apply:-

- a) ***Employees who normally work at a NLL office but occasionally travel to other NLL offices or clients.***

All journeys away from the normal base office on business such as to other NLL offices or clients may be regarded as business journeys:

Where the employee commences or completes a business journey at home, he/she is required to **deduct** their ordinary commuting mileage from any business mileage claim made.

- b) ***Employees who have no normal place of work but travel frequently and normally visit a number of locations each day.***

For these employees, travelling is an integral part of the job and consequently all travelling and subsistence costs incurred in the course of their duties will be reimbursed. No tax or NICs liability should arise in respect of such journeys.

Individuals travelling to the same destination should share the same car wherever possible. Where one employee has the use of a leased car this should take preference over a private car. Similarly, a car owned by an Essential Car User should take preference over one owned by a Casual Car User for shared travel.

### ***Others***

- c) Any employees whose travel arrangements do not correspond with either of the categories above (for example, any based at home or based at a succession of places and spending more than a few days at each, etc.) may be subject to different rules. Such cases should be discussed with the Payroll Department, the section responsible for the payment of the travel claims, before any payments are made.

## ***Rail fares***

- 2.4 Employees should ensure that the most economical class of travel is used. In general this will be a standard class return although employees are expected to investigate the availability of day return tickets or 'savers' which may be available at lower cost. Tickets may be purchased via a rail warrant issued by the employing department/unit. Alternatively the employee may purchase the ticket and reclaim the cost by way of the travel expenses claim form. **First class travel is not allowed or reimbursable.**
- 2.5 Receipts for the travel expenses claimed must be attached to the claim form.
- 2.6 Overseas air travel should generally be at tourist or economy class, taking advantage, wherever possible, of any reduced rates. **First class travel is not allowed or reimbursable.**
- 2.7 "Trading down" of travel tickets i.e. travelling by a lower class in order to claim an extra ticket for a guest of the employee are not permitted.

## ***Tax position***

- 2.8 Provided that the requirements are satisfied that all employee travel is for bona fide business purposes, no tax or NICs liability arises in respect of expenses claimed for rail or air fare.

## ***Leased Car User ("LCU")***

- 2.9 A LCU must have a car available at all times for business purposes. The LCU is paid a lower rate per business mile driven. Details of the current rates are given below:

|           |         |
|-----------|---------|
| To 1199cc | 0.7116p |
| 1200cc +  | 0.7846p |

## ***Casual Car User ("CCU")***

- 2.10 A CCU is not required to have a car available at all times but they may, if they wish, use their own car for business purposes. The CCU is paid a higher rate per business mile driven. Details of the current rates are given below:

|                   |       |
|-------------------|-------|
| To 10,000 miles   | 45.0p |
| Over 10,000 miles | 25.0p |

- 2.11 NLL pays a supplement of 5p per mile per passenger (passenger must be an employee of NLL or client for business purposes) and 5p per mile for essential equipment carried on business journeys.

### ***Claiming Business Mileage***

- 2.12 Where mileage is claimed, sufficient detail of the places visited and the business reason for the journey must be shown on the travel claim form to allow verification of the mileage claimed. Vague references such as “Various locations”, are not acceptable and reasons could be ‘to deliver training’, ‘attending meeting’ etc. Distances claimed which appear to exceed the journey described cannot be allowed. This may, potentially, render any payment liable to further tax and NICs.

Please refer to the guidance note for full details of how to complete form PY08 Employee Travel and Subsistence form.

### ***Mileage Allowances***

- 2.13 As and when the mileage rates are amended the section responsible for paying claims will undertake to revise the levels of the maximum journey for all users.

### ***VAT on Mileage Claims***

- 2.14 VAT receipts must be provided to support mileage claims. This allows NLL to reclaim the VAT from HMRC. The VAT to be reclaimed will be calculated by Payroll and processed by the Finance Team.

## **3. Foreign Travel**

- 3.1 Travel, including foreign trips, to conferences/events by staff will only be approved if the staff member can fully justify the reason for the trip, how this will benefit the company and how it can be funded.
- 3.2 The request must be submitted on the Business Travel Authorisation Form (Appendix 1). All sections must be completed and submitted to the line manager who will consider this and if they approve they should sign the form and pass to the Managing Director for final approval. The travel should only be booked once the Managing Director has signed the authorisation.
- 3.3 Where the Managing Director is proposing to undertake business travel, they must also complete the Authorisation Form and submit to the Chairman of the company (or where the Chairman is unavailable the Vice Chair) for approval.
- 3.4 If a situation arises where a Board Director is undertaking business travel on behalf of the company they should advise the other Board Directors and majority approval must be given.

**NORTH LANARKSHIRE LEISURE  
BUSINESS TRAVEL AUTHORISATION FORM (Appendix 1)**

| <b>Contact Details</b> |  |
|------------------------|--|
| Name:                  |  |
| Business Address:      |  |

| <b>Details of Business Travel</b>   |
|---|
| <i>Please provide details of the proposed business travel e.g where, when &amp; purpose</i> |

| <b>Benefits of this trip</b>  |
|---|
| <i>Please advise the benefits to be gained from this travel both in your role and for NLL</i> |

| <b>Funding for the trip</b>                       |
|---|
| <i>Please advise how the trip is to be funded</i> |

| <b>Amount<br/>£</b> | <b>Cost<br/>Centre</b> | <b>Account Code</b> |
|---------------------|------------------------|---------------------|
|                     |                        |                     |

| <b>Authorised Signatory - Line Manager</b> |       |
|--|-------|
| Signature:                                 | Date: |
| Designation:                               |       |

| <b>Authorised Signatory - Managing Director / Board Director</b> |       |
|--|-------|
| Signature:   | Date: |
| Designation:   |       |