

Expenses

Policy and Procedures for IPSA staff

Version 1.F

TABLE OF CONTENTS

1. Introduction	p. 3
2. Definitions	p. 3
3. Procedure for submitting claims	p. 4
4. Official Travel	p. 4
5. Subsistence	p. 6

1. INTRODUCTION

This policy sets out the arrangements for meeting the extra expenses incurred by anyone employed by IPSA on a permanent or temporary basis or contracted on an interim basis, when undertaking IPSA business. The aim is to provide for the reimbursement of reasonable expenses incurred actually and necessarily during the course of business. **All expenses incurred must be supported by receipts. Failure to provide receipts will invalidate a claim.** The policy has been developed in line with IPSA's commitment to openness and value for money.

These arrangements apply to all staff that are employed or contracted to work on an interim basis by IPSA, including staff, Directors and the Chief Executive. Expense claims will be regularly published for all individuals at Director level and above on IPSA's web-site.

Claims must not in any circumstances contain charges not occasioned by official duties. IPSA may refuse to meet in whole or in part claims in respect of unreasonable expenses, or those expenses which could have been avoided had a journey been better planned.

This policy primarily covers travel within the United Kingdom. If it is possible, foreign travel expenses must be claimed in accordance with these rules, although there will be occasions when this is not possible and these will be dealt with on a case-by-case basis. All foreign travel must be approved by the Chief Executive in advance, and foreign travel by the Chief Executive must be approved by the Chair in advance.

2. DEFINITIONS

The main definitions used within this guide are:

2.1 Official Travel

This means travel for the purpose of official business, including:

1. Attendance at another office
2. Attendance at training courses
3. Recall to duty from annual leave

But does not include travel between home and a permanent office (as defined by HMRC). The costs of travel between home and a permanent office are not reclaimable (except the use of "late night taxis", please see section 4.1 below).

2.2 Home

This means the place where an employee normally lives when working at a permanent office.

2.3 'Lesser of' Rule

The "lesser of" rule governs claims for official travel expenses. It applies when an employee travels somewhere other than the permanent office on official business. Reimbursement is then limited to the lesser of (a) the actual costs incurred travelling from the permanent office to the location or (b) the cost, which would have been incurred, if the journey, by the shortest practicable route, had begun from the permanent office. Journeys of this type usually start at home.

3. PROCEDURE FOR SUBMITTING CLAIMS

Each individual is responsible for the correctness and completeness of the claim they submit. Claims should be authorised by your Director but in some cases may be referred to the Chief Executive. The Director of Finance and Corporate Services will also review a sample of claims on a random basis.

4. OFFICIAL TRAVEL

Travel should be by the most economical method available, with regard to official time. **Only the actual costs of allowable travel, supported by receipts, will be reimbursed.** Individuals may use their private motor vehicles, but this option should be restricted to journeys that cannot be readily made by public transport, or if justified by other reasons. When using public transport, any cheap travel facilities available, e.g. day returns, season tickets or railcards, should be taken advantage of - where this is consistent with the efficient use of official time.

Frequent travellers are encouraged to sign up for any relevant loyalty card schemes. All points accrued from travel and accommodation incurred on IPSA business should be used for further travel and accommodation for IPSA.

Prior to meetings being held at other locations, consideration should be given to the need and whether alternative methods such as telephone or video conferencing would be more appropriate. It is acknowledged that this may not always be possible, and it is also acknowledged that if regular telephone or video conferencing conferences are held it will be beneficial to meet in person on occasion.

4.1 Travel by Taxi

Taxi fares are admissible only for journeys when:

- No other reasonable method of transport is available for all or part of the journey;
- a member of staff is working in the office very late ("late night taxis"),
- alternative methods of transport are impracticable due to pregnancy, disability, illness or injury.

In the event of a taxi being used for a journey, justification for the use of the taxi must be noted on the expense claim form. The use of late night taxis should be an irregular occurrence and their use must comply with HMRC guidance on the issue. Staff should seek advice from the Finance Department on the use of late night taxis to ensure that IPSA complies with current HMRC guidance.

4.2 Travel by Air

Air travel should only be used when there is a cost advantage because of savings in subsistence and official time, or if some other reason justifies any additional cost. All air travel by staff will require the prior approval of the Chief Executive or a Director of IPSA. For air travel by the Chief Executive, prior approval of the Chair will be required.

All air travel will be in *economy class*.

4.3 Travel by Rail

Individuals should travel by Standard Class. The maximum rate reclaimable will be the "anytime standard open". If a cheaper ticket is available, the cheaper ticket may be procured and staff should claim **only** for the cost of the cheaper ticket. The cheaper ticket may be of a different class to standard.

Managers are responsible for ensuring that all travel is undertaken on the most cost-effective basis.

4.4 Travel by Private Motor Vehicle

4.4.1 Definition

Mileage expenses are payable when an individual's private motor vehicle is used. This is defined as a vehicle:

- owned and registered in the employee's name, or,
- being hired by the employee; or,
- registered in the name of the employee's spouse/partner, provided the appropriate insurance requirements are fulfilled and the vehicle is available for use on official business at any time, and to carry official passengers.

4.4.2 Factors which should be taken into account when considering the acceptability of a journey made by private motor vehicle are:

- the nature of the journey;
- any saving in official time;
- the effect on overall efficiency;
- the adequacy of public transport facilities;
- the cost, including additional subsistence costs, of alternative modes of travel.

Individuals may use their private motor vehicles for official journeys. However, reimbursement depends on whether your Director accepts that use of the private motor vehicle was justified.

4.4.3 Principles

Mileage on official business should be calculated using the “lesser of” rule. Types of journey which are not regarded as justifying payment of standard rate are where:

- adequate public transport facilities exist and there is no benefit to IPSA in the use of a private motor vehicle;
- public transport would be cheaper and there is no benefit to IPSA from the use of a private motor vehicle;
- the journey could be made as a passenger in the vehicle of another officer covering substantially the same route.

4.4.4 The “Standard rate”

The standard rate for private motor vehicles, including cars and motorcycles of all engine sizes, is 25p per mile.

5. SUBSISTENCE

5.1 Overnight Subsistence

Overnight Subsistence is payable when an employee is away from their office on official business, requires to purchase a meal, and receipts of the purchase are provided. The rates for overnight subsistence are maximum actual rates and members of staff should only claim for **costs actually incurred**. It covers a period of absence from your permanent office on official business of at least 10 hours, within a 24 hour period.

It is not payable:

- if an employee takes meals at home, or if the place visited is 20 miles or less by the most direct route from their permanent office;
- when an employee is provided with all appropriate meals at public expense during a visit.

5.1.1 Working Late

If an employee is required to work late (past 9pm) in the IPSA Office (and does not require overnight subsistence as the individual is not away from home on official business) the individual may claim up to £15 for food and non-alcoholic drinks. The claim for food and drink must be supported by receipts.

5.1.2 The rates

Category	Rate (maximum)
Working late (food and non-alcoholic drinks)	£15
Overnight: over 10 hours (within a 24 hour period) for food and non-alcoholic drinks	£25

5.2 Hotel Subsistence

Hotel Subsistence is payable to assist employees with accommodation costs when they are necessarily absent overnight from home on official business. It is intended to meet the costs of short absences from a permanent office.

5.2.1 Hotel subsistence is not payable when an individual:

- attends a residential training course and the cost of all the boarding expenses is met;
- is given bed and board at public expense or on official premises free of charge.

5.2.2 Hotel Subsistence Rate

Bed and breakfast costs may be claimed up to the following rate:

Location	Rate (maximum)
London	£130
Outside London	£105
Overseas	£130

If accommodation cannot be found at this price, the employee must pay the additional cost. Any other additional cost incurred during the time absent from home must also be met by the employee.