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DOCUMENT TITLE:	Travel and Vehicle Expenses
DOCUMENT NUMBER:	ELHT/F05 Version 4.2
DOCUMENT REPLACES Which Version	Version 4.1
LEAD EXECUTIVE DIRECTOR DGM	Director of Finance
AUTHOR(S): Note should <u>not</u> include names	Chief Management Accountant

TARGET AUDIENCE:	All Trust Personnel
DOCUMENT PURPOSE:	To provide guidance for staff on the regulation and the process of claiming travel expenses and the criteria for being eligible for a Trust Lease car
To be read in conjunction with (identify which internal documents)	Agenda for Change Terms and Conditions Handbook Lease Car Policy

SUPPORTING REFERENCES	<ul style="list-style-type: none"> • Trust Standing Financial Instructions • Agenda For Change Terms and Conditions • Consultant Contract 2003 • Medical & Dental Terms and Conditions
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CONSULTATION		
	Committee/Group	Date
Consultation	Policy, Terms and Conditions Group	24/04/18
Approval Committee	Finance Senior Managers meeting	September 2019
Ratification date at Policy Council:	September 2019	
NEXT REVIEW DATE:	September 2022	
AMENDMENTS:	Paragraph 4 has been updated as a new Automated Expenses System has been implemented and a MOT declaration is required.	

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1. Purpose

The purpose of this policy is to:-

- Detail the travel expenses that may be claimed by Trust employees.
- Ensure the Trust discharges its duty of care to its employees and the public.
- Outline the principles for being eligible for a lease car.

2. Principles

Individual staff groups shall not be treated differently regarding reimbursement under this policy, except where national terms and conditions of service apply.

Wherever possible, staff should travel together where they are attending the same place of business e.g. attendance at courses/conferences.

Any incidental expenditure such as car parking costs, public transport costs i.e. train or bus tickets will only be reimbursed on presentation of the actual ticket or a receipt.

Mileage allowances are paid to cover the extra costs of using a vehicle, which you own and maintain, on your employers business. They do not reimburse for fuel costs alone nor are they a payment towards the purchase of a vehicle to undertake work. As the reimbursement is made irrespective of the type or age of the vehicle it is intended to reimburse the average car and driver. It cannot be guaranteed that reimbursement will cover all the extra costs incurred by drivers. However, reimbursement will continue to be a meaningful contribution towards the extra costs of using a vehicle for work. This means that, as now, for some people reimbursement could be above the actual extra cost incurred. In some cases it will be equal to the extra cost and in some cases it might be below.

3. Scope

This policy applies to the following staff groups:-

- Non-Medical Staff covered by Agenda for Change Terms and Conditions.
- Consultants
- Other Medical & Dental Staff.

However, the application of the policy to medical and dental staff is subject to modifications set out in their respective Terms and Conditions of Service Handbooks.

Relocation and removal expenses are covered in the Removal & Relocation Policy (F13).

Further details on Lease Cars are covered in the Lease Car Policy which is available via the Intranet.

4. Process for Reimbursement

All staff should claim re-imburement using the online automated expenses system. Line managers cannot accept paper claims. Any claims submitted to ELFS Shared Services on

paper will be returned and will not be processed for payment. The automated system should be used for all expenses including those incurred in respect of training.

Employees are required to self-register via the automated system prior to claiming any travel expenses. If an employee plans to use their own vehicle for Trust business, the appropriate documents (1) a valid driving licence, (2) a valid insurance certificate covering business use and (3) a valid MOT certificate (or an MOT exclusion certificate from <https://www.check-mot.service.gov.uk/> if applicable), must be attached when you register by uploading the documents into the automated system, your approver (line manager) will check validation and authorise.

All travel claims must be submitted with a three month period for authorisation. Claims outside this window will not be approved. Any claims submitted after this time will not be paid unless there are extenuating circumstances.

5. Agenda for Change Staff

The Authorising Officer within each Directorate is responsible for checking the claim form before authorising the claim for reimbursement. Ensure that:-

- a) All allowances claimed have had prior approval.
- b) ELFS Shared Services have instructions to pay all claims received as authorised by the Budget Holder/Authorised Officer - no amendments will be made to the claim.
- c) The cost of journeys or parts of journeys between home and headquarters of base is not allowable. When an employee travels direct from home to the course venue, home to base mileage will be deducted from the mileage claimed. Section 17 of the NHS Terms and Conditions of Service Handbook deals with the reimbursement of costs incurred by employees who use their own vehicle in the performance of their duties. These rates are reviewed and updated twice a year following the publication of the AA guide to Motoring Costs.

The previous Regular User and Standard User mileage rates have been abolished and there is now a 'standard rate' which reduces once 3,500 miles have been travelled. Annex L of NHS Terms and Conditions of Service Handbook sets out how motoring costs will be reviewed and sets out the elements of costs involved in running a car which have been used to calculate the costs of business mileage.

The Line Manager and the employee will agree the most suitable means of transport for the routine journeys which employees have to make in the performance of their duties. Standard rates of mileage allowance shall not apply if an employee uses a private motor vehicle in circumstances where travel by public transport would be more appropriate and this was agreed. For such journeys the cost of bus fares and standard rail fares should be reimbursed.

In agreeing the most suitable means of transport the Line Manager and the Employee will take account of the following:-

- The nature of the employee's duties
- The length and complexity of journeys (including the number of changes and likely waiting times)
- The availability of public transport including the hospital shuttle bus

- Personal safety
- The time of day
- Relative journey times (public transport compared with private vehicle)
- Any other relevant factors - for example equipment or luggage to be carried

Standard Mileage Rates

The standard mileage allowance shall be paid to employees who use their own vehicles for official journeys other than in the circumstances where the reserve rate is applicable. The Standard rate will reduce once annual mileage exceeds 3,500 miles. These rates are subject to annual review. To view the most current rates applicable to Agenda for Change staff the NHS Employer's website should always be checked-

<https://www.nhsemployers.org/tchandbook/part-3-terms-and-conditions-of-service/section-17-reimbursement-of-travel-costs>.

Passengers

With the exception of lease car users, where other employees or members of the Trust are conveyed in the same vehicle on NHS business and their fares would otherwise be payable by the employer, passenger allowances are paid at the rates set out in the Agenda for Change Terms and Conditions. The name of the passenger must be included on the claim form to ensure the payment is processed.

Eligible Mileage

Employees will be reimbursed for miles travelled in the performance of their duties which are in excess of the home to agreed work base return journey. Normally, the miles eligible for reimbursement are those travelled from the agreed work base and back. However when the journey starts at a location other than the agreed work base, for example home the mileage eligible for reimbursement will be set out in the example in Table 1.

For the purpose of establishing the employee's agreed work base, the employee's contract of employment or any subsequent correspondence that varies the contract will determine this. Where an employee's contract of employment stipulates that an employee is expected to work at any East Lancashire Hospitals' site the employee will not be eligible to claim for any excess miles in relation to home to base or base to home mileage. However claims can be made where work starts or ends at another location and excess mileage is incurred.

Table 1 – Eligible mileage Agenda for Change staff

Journey Outward	Distance	Eligible Miles
<i>In this example the distance from the employee's home to the agreed base is 15 miles</i>		
Home to base	15 miles	none
Home to first call	Less than 15 miles	Eligible mileage starts after 15 have been travelled
Home to first call	More than 15 miles	Eligible mileage starts from home, less 15 miles
Journey Return		
Last call to base		Eligible mileage ends at base
Last call to home	Less than 15 miles	Eligible mileage ends 15 miles from home
Last call to home	More than 15 miles	Eligible mileage ends 15 miles from home

Reserve Rate of Reimbursement

A reserve rate of reimbursement will apply to employees using their own vehicles for business purposes in the following situations:-

- If an employee unreasonably declines the employer's offer of a lease vehicle.
- In determining reasonableness the employer and employee should seek to reach a joint agreement as to whether a lease vehicle is appropriate and the timeframe by which the new arrangements will apply. All the relevant circumstances of the employee and employer will be considered including an employees' personal need for a particular type of car and the employers' need to provide a cost effective option for business travel.
- If the employee's circumstances subsequently change the original decision will be reviewed. The agreed principles underlying local lease vehicle policies are in Annex M of the Agenda for Change terms and conditions.
- When employees are required to return to work or work overtime in on any day, and incur additional travel to work expenses on that day. This provision will apply if the employee chooses to be paid for the extra hours or takes time off in lieu.
- When a claim for excess mileage is made in situations where there is a compulsory change of base, either permanent or temporary, resulting in extra daily travelling expenses.
- If an employee uses his or her own vehicle when suitable public transport is available and appropriate in the circumstances, subject to a maximum of the public transport cost which would have been incurred and the rules on eligible miles in paragraph 5.7 and the rates stated within the Agenda for Change terms and conditions [click here](#).
- All travel between Burnley General Teaching Hospital and Royal Blackburn Teaching Hospital will be paid at reserve rate whilst there is a shuttle bus available to travel between the sites.

Attendance on training courses

Additional travel costs incurred when attending courses, conferences or events at the employer's instigation will be reimbursed at the standard rates when the employer agrees that travel costs should be reimbursed.

Subject to prior agreement, travel costs incurred when staff attend training courses or conferences and events, in circumstances when the attendance is not required by the employer, will be reimbursed at the reserve rate.

Out of pocket" expenses in respect of business travel

This paragraph applies to employees for whom regular travel in a motor vehicle is an essential part of their duties. During a period when the employee's vehicle is temporarily "off the road" for repairs, "out of pocket" expenses in respect of business travel by other appropriate forms of transport, will be borne by the Trust. Reimbursement of these expenses will be subject to the rule on eligible mileage in Table 1.

Other Allowances

Employees who necessarily incur charges in the performance of their duties, in relation to parking, garage costs, tolls and ferries shall be refunded these expenses on production of receipts, whenever these are available. Charges for overnight garaging or parking, however, shall not be reimbursed unless the employee is entitled to night subsistence.

This does not include reimbursement of parking charges incurred as a result of attendance at the employee's normal place of work.

The Trust will not reimburse the cost of any motoring or parking penalties incurred by employees in the performance of their duties.

Transporting Equipment

Employees who use their vehicles in the performance of their duties may be required to take equipment with them. Employers have a duty of care under the Health and Safety at Work Act 1974 and related legislation, to ensure that this does not cause a risk to the health and safety of the employee. Employees should not be allowed to carry equipment which is heavy or bulky, unless a risk assessment has been carried out beforehand. When, after the necessary assessment has demonstrated it is safe to carry equipment, an allowance shall be paid for all eligible miles for which the equipment is carried, provided that either:-

- The equipment exceeds a weight which could reasonably be carried by hand; or
- The equipment cannot be carried in the boot of the vehicle and is so bulky as to reduce the seating capacity of the vehicle.

Pedal Cyclists

Employees who use pedal cycles to make journeys in the performance of their duties will be reimbursed for eligible miles travelled at the rate set out in the agenda for change guidance.

Public Transport

If an employee uses public transport for business purposes, the cost of bus fares and standard rail fares should be reimbursed.

Where there is a compulsory change of base, either permanent or temporary, resulting in extra public transport costs for the employee, these extra costs will be reimbursed, subject to a maximum period of four years from the date of transfer.

Reimbursement of Travel Costs Following Organisational Change (Excess Mileage)

An employee will be entitled to reimbursement of travelling costs for a period of 4 years when they are required to change base of work as a result of a reorganisation (temporary or permanent) or merger of NHS employers or when employees accept another post as an alternative to redundancy.

In these circumstances the reserve rate of reimbursement will apply to staff using their own vehicles or extra public transport costs can be claimed where public transport is used. To claim excess mileage complete and submit the ELFS Shared Service excess travel mileage form [click here](#).

If the contract of employment stipulates that an employee can be expected to work from any site within East Lancashire Hospitals NHS Trust, excess mileage would not normally be paid.

Tax Implications

Employees with a lease car incur a tax liability when claiming any home to normal workplace mileage including where an employee has moved base as a result of organisational change. **It is strongly advised that employees consider this before entering into any lease car agreement.** Managers should consider the impact of this when undertaking any organisational change and should make every attempt to minimise the impact when matching staff with alternative posts.

Also, it's important to note that employees who enter a lease agreement via the salary sacrifice scheme incur a tax liability as the arrangement is classed as a benefit in kind and a P11D will be issued at the end of the tax year. **It is strongly advised that employees consider this before entering into a salary sacrifice agreement.**

Please note that any mileage expenses which are reimbursed are liable for tax.

If unsure staff should always seek advice from the necessary persons.

6. Medical Staff

Expenses for Trust medical staff will be paid in accordance with the relevant terms and conditions of service:-

- Consultants - Schedule 21 of the Terms and Conditions – Consultants England 2003.
- Speciality Doctors, Associate Specialist and Staff Grade Doctors – Schedule 20 of the Terms and Conditions for Speciality Doctors/ Associate Specialists – England 2008.
- Other Medical Staff - Terms and Conditions of Service NHS Medical and Dental Staff (England) 2002.

7. Lease Cars

The provisions of this section do not apply to Hospital Medical and Dental Staff that are, in this respect, subject to separate provisions which are set out in the relevant Terms and Conditions of Service.

It is the default position that employees use their own vehicles for travel in the performance of their duties. However, the Trust may make alternative provision in the form of a lease car if it is in the interests of the service to do so.

The Trust may consider the offer of a lease when it is expected that the business miles travelled in a year will be an average of 3,500 miles.

If the car is to be used privately by the member of staff a charge will be made for the private use and deducted from the member of staff salary.

Staff should ensure they are made aware of the tax implications of having a lease car when signing the agreement along with details of early termination costs and the circumstances, in which they would apply, such as death in service.

The base vehicle (i.e. the employer's assessment of the particular size or type of vehicle appropriate to the post or its financial equivalent) should have an engine capacity no larger than 1800cc. However, this shall not prevent an employee who is willing to pay the excess costs (e.g. of a larger engine capacity or a better equipped car) from choosing a car other than the base vehicle, where the option of contracting for private use is exercised.

The reserve rate will apply if an employee unreasonably declines the employer's offer of a lease car.

In determining reasonableness the Trust and employee should seek to reach a joint agreement as to whether a lease car is appropriate and the timeframe by which the new arrangements will apply. All the relevant circumstances of the employee and Trust will be considered including an employee's personal need for a particular type of car and the Trust's need to provide a cost effective option for business travel.

If the employee's circumstances subsequently change the original decision will be reviewed. It is the line manager's responsibility to manage and discuss the changes with the staff member and the lease car officer. Examples are a change of base, change of post, change of employment or organisational change policies.

Withdrawal of Lease Car

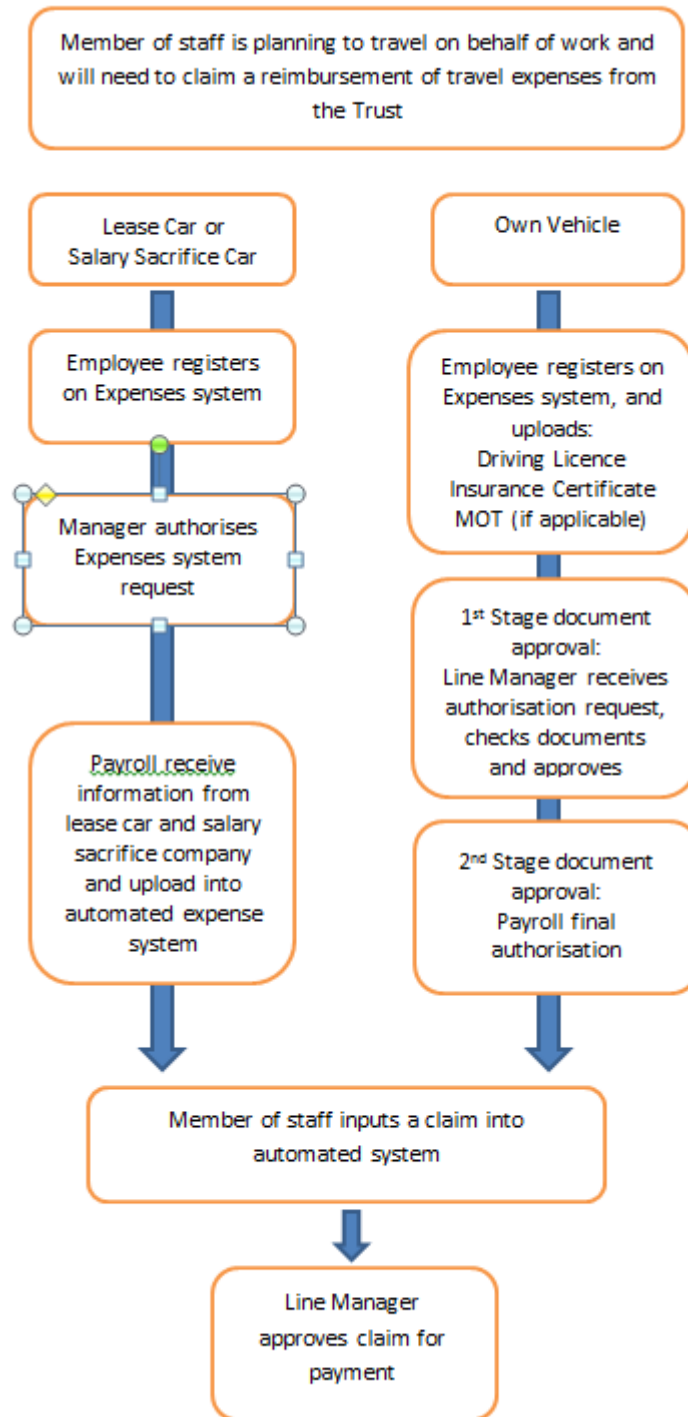
Where, after joint consideration of the current options, including the alternative means of mobility, the employer decides not to continue to offer of the use of a lease car to a lease car user i.e. due to not meeting the criteria stated above the employee shall be entitled to the standard rates set out in Table 1.

8. Monitoring Mechanism

Measuring and monitoring compliance with the effective implementation of this procedural document is best practice and a key strand of its successful delivery. Hence, the author(s) of this procedural document has/have clearly set out how compliance with its appropriate implementation will be measured or monitored. This also includes the timescale, tool(s)/methodology and frequency as well as the responsible committee/group for monitoring its compliance and gaining assurance.

Aspect of compliance being measured or monitored.	Individual responsible for the monitoring	Tool and method of monitoring	Frequency of monitoring	Responsible Group or Committee for monitoring
Travel expenses being properly claimed.	Line manager	Line manager approval	Each travel claim	Internal Audit
Travel expenses being properly authorised.	Internal audit	Audit review	As determined by internal audit risk assessment	Audit Committee

Appendix A - Process Map



Equality Impact Assessment Screening Form

Department/Function	Finance			
Lead Assessor	Allen Graves			
What is being assessed?	Travel and Vehicle Expenses policy			
Date of assessment	11 October 2019			
What groups have you consulted with? Include details of involvement in the Equality Impact Assessment process.	Equality of Access to Health Group	<input type="checkbox"/>	Staff Side Colleagues	<input checked="" type="checkbox"/>
	Service Users	<input type="checkbox"/>	Staff Inclusion Network/s	<input type="checkbox"/>
	Personal Fair Diverse Champions	<input type="checkbox"/>	Other (Inc. external orgs)	<input type="checkbox"/>
	Please give details: consultation via Policy, Terms and Conditions Group.			

1) What is the impact on the following equality groups?		
Positive:	Negative:	Neutral:
<ul style="list-style-type: none"> ➤ Advance Equality of opportunity ➤ Foster good relations between different groups ➤ Address explicit needs of Equality target groups 	<ul style="list-style-type: none"> ➤ Unlawful discrimination, harassment and victimisation ➤ Failure to address explicit needs of Equality target groups 	<ul style="list-style-type: none"> ➤ It is quite acceptable for the assessment to come out as Neutral Impact. ➤ Be sure you can justify this decision with clear reasons and evidence if you are challenged
Equality Groups	Impact (Positive / Negative / Neutral)	Comments
Race (All ethnic groups)	Neutral	<ul style="list-style-type: none"> ➤ Provide brief description of the positive / negative impact identified benefits to the equality group. ➤ Is any impact identified intended or legal? Policy confirms in section 2 that 'individual staff groups shall not be treated differently regarding reimbursement under this policy, except where national terms and conditions of service apply.'
Disability (Including physical and mental impairments)	Neutral	As above.
Sex	Neutral	“
Gender reassignment	Neutral	“
Religion or Belief	Neutral	“
Sexual orientation	Neutral	“
Age	Neutral	“
Marriage and Civil Partnership	Neutral	“
Pregnancy and maternity	Neutral	“
Other (e.g. caring, human rights)	Neutral	No other equality groups identified.
2) In what ways does any impact identified contribute to or hinder promoting equality and		Not applicable.

diversity across the organisation?	
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3) If your assessment identifies a negative impact on Equality Groups you must develop an action plan **to avoid discrimination and ensure opportunities for promoting equality diversity and inclusion are maximised.**

- This should include where it has been identified that further work will be undertaken to further explore
- the impact on equality groups
- This should be reviewed annually.

Action Plan Summary

Action	Lead	Timescale
-		

This form will be automatically be inserted as an appendix in all Policies and Procedures which are presented for ratification at the Policy Council. Please do not hesitate to contact the qualityandsafetyunit@elht.nhs.uk if you have any queries.