

Travel & Expenses Policy

Owned and maintained by:	Human Resources
Date checked/ created:	August 2024
Next review date:	August 2026

Introduction

1. This document covers travelling for business purposes, methods of travelling, reclaimable expenses and booking arrangements. In addition, it outlines the principles for dealing with travel expenses and sets out allowances and subsistence rates. The objectives of the policy are:

- To have a single travel policy for all colleagues
- To ensure that colleagues who have to travel regularly for business purposes do so in comfort and safety, and are not out of pocket, and
- Empower colleagues to make good decisions in varied circumstances about how they go about their work and the amount of expenses that are incurred and reclaimed. Colleagues should always consider the best use of transport from both a carbon and a financial point of view.

2. In keeping with our agreement on pay, terms and conditions with PCS, we have reached this policy through consultation with PCS.

The important principle of additionality

3. Your choices affect the business expenses you incur and the principle of additionality applies when you then decide to calculate your expense claim. Since the circumstances affecting your choice of business travel, overnight accommodation and meals are many and varied, it is impossible to create a set of firm rules about reclaiming expenses. A principled approach works best.

4. Factors you should consider when making your choices which incur expenditure include consideration of the wise use of public money, safeguarding our reputation, efficiency of your business time, your work/life balance, your safety and productivity. The cheapest option is not always the option that delivers value-for-money when these factors are properly considered.

5. When submitting your expenses, you should carefully consider whether the cost you have incurred represents additional expense to that which you would normally incur - for example, travelling to your normal place of work and/or base location (which cannot be reclaimed) when compared to the cost you have incurred perhaps travelling to a different location (e.g. a client meeting). The same applies to meal-related costs.

6. The responsibility for accurate, fair and reasonable expense claims rests primarily with each colleague.
7. A short note of explanation on your expense claim form with accompanying receipts can be helpful.
8. Line managers are responsible for checking expenses and ensuring that expenses are the best value for money and additionality has been applied where appropriate as set out above.

Lease Car Scheme

9. The lease car scheme is closed to new entrants.

Tax and National Insurance

10. Company car tax payments will vary depending on the type of car you have. Please contact our Finance team for further information.

Operation of the car scheme

11. The administration of Audit Scotland's car lease scheme is handled by a fleet management partner. Our Finance Team deal directly with the fleet management partner to allocate cars and finalise agreements for staff. Any queries about the car scheme should be directed to our Finance Team. A lease car policy and car scheme handbook are available from SharePoint within the Staff Handbook.
12. You should also inform a member of the Finance team if you move to part-time hours, as this will affect the level of your personal contribution.

Promotions

13. Colleagues with a lease car who are promoted (that is, from one pay band to a higher pay band) to a role which does not attract a lease car will be able to retain the lease car until the expiry of the lease or for six months, whichever is the greater. However, any cash for car allowance will cease immediately upon the promotion.

Travel

14. In principle, you should balance the most cost-effective option available along with the adverse environmental impact of the chosen method of travel. Colleagues are expected to travel by company car, where provided, and may be reasonably required to make available their car to provide transport to other colleagues. When a company car is not available, you should travel by public transport, or by using your own car.

Public Transport

15. Public transport is the preferred mode of travel because it often offers value-for-money and has a lesser adverse impact on the environment. Use of a lease car (including the sharing of travel in lease cars is also advantageous).
16. For journeys over 3 hours and/or when there is a need to work during a journey, or when colleagues travel in their own time, for example at weekends to help meet business needs, first class travel may be an option, but will have to be approved by Audit Directors or Directors in advance.

Hire Cars

17. Hire cars will only be considered if sharing company cars or using public transport is not a practicable option, and where there is a business case for it, including cost-effectiveness. Audit Directors or Directors must approve this option in advance.

Private Car

18. If rail or bus is a more cost-effective means of transport (using the value-for-money test which includes consideration of the impact upon your productive time, safety etc.), you may travel by your own car if you wish. This non-receipted expenditure has been agreed with the HMRC and will not be taxable.

19. The Principle of Additionality, set out at the beginning of this policy, also applies in this instance and the cost of the public transport option is a relevant factor. Colleagues should also consider the environmental benefit of public transport compared to use of private cars when weighing up the best mode of transport.

20. If you are using a private car for business travel (whether or not you are claiming mileage), you must ensure that you have the appropriate class of car insurance for use of the vehicle while on Audit Scotland business.

Air Travel

21. Due to the high adverse environmental impact of air travel colleagues are asked to consider other viable transport alternatives which are less harmful to the environment – e.g. rail travel.

22. When air travel is required, you should always obtain the best value fare available, having consideration for any business requirement for flexibility within the class of ticket, personal security and personal welfare (e.g. length of the working day on the day of travel) and operator selected. Flights should be booked through the Corporate Support team.

Using Taxis

23. If you consider taxi travel to represent best value over other forms of public transport you may reclaim the full cost of taxi fares. You must always use licensed taxi vehicles and you must obtain a receipt.

24. For taxi travel within Edinburgh, Audit Scotland has a contract arrangement with a taxi firm. You should always use this facility when travelling from Edinburgh locations. To book one of these taxis, contact the Corporate Support team. . You should quote your cost code (see Audit Scotland's intranet – Finance section) and travel requirements. You should request a receipt from the taxi driver which you should forward to Reception as soon as possible. You are not expected to make a cash payment for these taxis and will not need to make an expense reclaim.

International travel

25. For guidance and advice on international travel see appendix 1.

Environmental Issues

26. Through these proposals Audit Scotland wishes to support environmentally friendly initiatives and ensure car use is kept to the minimum. It will do this by:

- Encouraging the use of public transport or 'greener' cars (for example, more fuel-efficient ones).
- Encouraging the use of video conferencing in order to reduce the amount of travel to business meetings.
- Organising and supporting a car-sharing scheme.
- Providing interest-free loans to buy season tickets for public transport.
- Making good provision for cyclists by having secure and convenient parking areas and providing facilities for people who cycle to work.

Mileage Rates

27. If you travel by car for business purposes, you may claim mileage reimbursement for travel to venues which are not your normal place of work (base location). The principle of additionality, explained at the beginning of this policy, applies to all business expense claims.

28. Audit Scotland sets mileage rates in line with the HMRC advisory rates for company cars. Audit Scotland has a dispensation from the HMRC for the travel policy, and therefore cannot pay allowances above the HMRC rates. The HMRC would regard individuals as liable to tax on the difference between the advisory rates and any higher rate paid.

29. A passenger supplement will be payable for those who are not members of the car scheme to promote car-sharing and aid the environment. The amounts will be 2 pence per mile for the first passenger and 1 penny per mile for any additional passengers. It is expected that those with lease cars will carry passengers as required, and in the interests of economy.

30. Drivers using their own cars on business can claim tax-free allowances for this mileage. Many companies have made special arrangements with the HMRC in order to simplify the tax position for business mileage. Since mileage will be paid at the HMRC authorised rates, Audit Scotland has a dispensation.

31. Mileage rates for lease car holders and private cars users are held with TRS. They can be seen when you enter a travel expense claim.

Car parking and tolls

32. If car parking charges are necessarily incurred in fulfilment of your work then these will be reimbursed. Your claim for reimbursement should be accompanied by receipts unless you have used on-street meter parking. You should use the most cost-effective car parks (i.e. use long term airport car parking where applicable). All road tolls will be reimbursed if incurred on business travel.

Subsistence

33. Employees staying away on business will be reimbursed for actual expenditure within set limits. Receipts will be required for all subsistence claims.

34. All subsistence rates are published within the staff handbook on the Salary Bandings document.

Breakfast

35. If you choose to take your breakfast outside of a hotel or your journey began very early in the day then you can reclaim the expense up to the maximum value as published within the staff handbook. A reasonable charge levied by the hotel you are staying in above the maximum rate shown in the expenses claim form will be reimbursed by Audit Scotland if not already included in the room rate.

Lunch

36. You may claim a daily lunch allowance (up to the maximum value as published within the staff handbook) supported by receipts providing:

- You are engaged in business for Audit Scotland which will involve you staying away from home overnight, or
- You have necessarily incurred additional expense as a result of being away from your normal place of work (base location). For example, if you were engaged in business abroad or if you were working in the UK and, in the interests of efficiency or effectiveness of the business, necessarily incurred higher costs than you would normally reasonably expect, then the amount of that additional expense can be reclaimed up to the maximum rate.
- If there is uncertainty about what additional expense may reasonably be incurred your line manager will be able to provide you with guidance.

37. Note that any lunch claim in respect of a business lunch with a client (e.g. client relationship management) should be claimed as a business entertainment expense and not lunch allowance. In this case you should indicate on your expense claim form with whom the lunch was taken and the purpose of the business lunch. All such claims should be receipted, reasonable and defensible (both to internal and external challenge) especially regarding the matter of maintaining professional independence. Any hospitality that you receive should be notified to the hospitality register.

Evening meal

38. If you take your evening meal in your overnight hotel then the cost of the meal including one non-alcoholic drink will be reimbursed. Sometimes the cost of your evening meal is included within the room rate. If not, then the table d'hôte meal cost at the hotel is a guide for the maximum limit under this arrangement. Alternatively, if you choose to take an evening meal outside of your hotel accommodation then a limit will apply when receipted. – see the travel and expenses rates form for details of the maximum claim limit.

Staying with relatives or friends

39. Colleagues will be entitled to claim an allowance in lieu of accommodation and subsistence costs. This is a taxable allowance, the amount of which is shown on the travel and expenses rates form, and should be claimed on a separate form.

Out of pocket expenses

40. All staff may choose to claim an amount per night for the first five nights they are away from home on business. Details of the two rates (the lower and upper rate) are shown on the travel and expenses rates form.

Extended periods away on business

41. No additional payments to be made but also no reduction in overnight accommodation or subsistence rates. The details contained within the travel and expenses rates form will always be the latest rates that apply. The rates are shown in the [Salary Scale Main Pay Bands](#) document available on SharePoint.

If Audit Scotland requests that you change your base location for work

42. If you are asked by Audit Scotland to change your base location (e.g. through a significant reorganisation of the location of our offices) then you may claim expenses in respect of excess travel for a period of four years from the date of the change. The excess travel is the difference between the distance from your home to your old base and from your home to your new base. Your entitlement to this allowance will cease upon promotion.

43. If you move homes within the four years, you may only claim for the lesser travel costs (i.e. if your new home is closer to your new base, you claim the difference between the distance from your new home to your old base and that of the new base. If your new home is further away, your claim will be capped to its original value).

44. If you are a member of the Audit Scotland car scheme, you may claim actual excess travel expenses at the agreed mileage rate.¹ Otherwise, the maximum allowance is that of suitable public transport (standard class fares) whether you choose to use such transport or travel in your private vehicle.

45. This allowance is taxable, and you must use a separate form, with other taxable allowances.

Season ticket loans

46. Audit Scotland will provide you with an interest free loan for the purchase of a season ticket for travel between your home and office, provided you are paid through the Audit Scotland payroll. Casual and temporary staff are not eligible for such advances. For more information and how to apply, please see the separate policy covering Season Ticket Loans in the Staff Handbook on Sharepoint.

Booking arrangements

Accommodation

47. When you need overnight accommodation, you should always seek best value and balance this with hotel location, acceptable standards of accommodation and service. This has often been achieved in the past by Audit Directors and/or Directors making local arrangements with accommodation providers. Where possible, accommodation costs should be charged to Audit Scotland. Corporate Support Services should make the booking for you.

Public Transport

48. Where effective local arrangements for booking travel have been negotiated by your Audit Director or Director, you should continue to use this facility. Usually you can arrange bookings through your local administrator.

Personal purchase of rail tickets

49. You may, if you prefer, purchase your own travel tickets and then reclaim the cost after the journey, by submitting your receipts with your expenses claim.

Procedure for claiming expenses

50. Expenses are claimed electronically through the Time Recording System (TRS). This should be used by all staff to reclaim business-related expenses. You should record your expenses on a weekly basis in conjunction with your weekly timesheets. It is essential that TRS expense records are kept up to date and submitted timeously. Taxable expenses should be claimed in the same manner, using the taxable expenses code.

51. Claims are processed and paid monthly via BACS and published annually.

52. It is the responsibility of the claimant to print the expenses report from TRS. You should attach all relevant receipts to the form, check it is an accurate record of your expenses, sign and date the form and pass it to an authorised individual for approval.

53. All expenses must be authorised by an individual accorded that authority in the Audit Scotland Scheme of Delegation; namely Directors, Audit Directors, and Managers within our support functions. Advances will be paid only in very exceptional circumstances and will have to be approved by your Audit Director or other relevant Director.

54. Your line manager, or a delegated member of staff, is responsible for ensuring that the claim form has been correctly completed. In particular that:

- all claims are substantiated with a receipt (with the exception of agreed non-receipted subsistence and mileage);
- the appropriate rates have been used;
- the principle of additionality has been applied and;
- the calculations are correct.

55. Authorised expenses claim forms must be submitted on a monthly basis unless there are extenuating circumstances. Any expenses claim over 3 months old will not be accepted without Executive Director approval.

56. If you are seconded to Audit Scotland from another organisation, you may claim any business expenses agreed as part of your secondment terms incurred for the duration of your secondment, using the rates outlined in this document.

57. For further information, please refer to the 'Using Expenses in TRS Guidance Document' on the Sharepoint Finance homepage.

Appendix 1

International work assignments

From time-to-time Audit Scotland staff maybe required to work outwith the United Kingdom. In addition to the normal travel and expenses arrangements the following applies to international work assignments.

Country entry requirements

Where entry to the country of your work assignment requires you to possess an entry VISA or other document you should apply for and obtain it, then claim the cost back through the normal expense process. The cost of the VISA or other document should be fully supported by receipts.

Medical

Your occupational safety and health is just as important to Audit Scotland when your work assignment is out with the United Kingdom as it is in any of our offices. If you are advised that vaccinations are recommended for your foreign destination, then you should contact your GP or travel health clinic and arrange for them to be administered (failure to acquire the appropriate vaccinations will result in travel being denied). The cost of the vaccinations, supported by receipts, should be claimed back through the expenses process. Please allow sufficient time before deployment for the vaccinations to become effective. Staff who volunteer for international assignments must keep their vaccinations up to date.

Car hire

In line with Audit Scotland's environmental strategy, travel outside the United Kingdom should be by public transport wherever possible. It is recognised however that in some countries public transport is unsafe, unreliable or non-existent. In this case it is permissible to organise local car hire when transport is not provided for you by the host or main contractor. The type of car and the selection of a hire company should be on a most cost-effective basis taking into account reliability and safety. As Audit Scotland's car insurance policy does not cover cars out with the UK you should take fully comprehensive insurance (which includes an appropriate Collision Damage Waiver) to cover the cost of any damage to the car and its occupants. The cost of the car hire, insurance and fuel, supported by receipts, can be claimed back through the expenses process.

Foreign Currency

Audit Scotland recognises the additional financial burden placed on staff for hotels, meals, transport, etc. which may fall out with our contract with the engaging authority and therefore may have to be paid for in foreign currency whilst undertaking the international work assignment. To assist in reducing this financial burden, staff can apply for a monetary advance to purchase foreign currency. Up to £150 can be requested per night of assignment using the Foreign Currency Advance Form. Advances will be processed using the BACS system and therefore will be transferred directly to your bank account. Request for advances must be with finance five working days prior to travel. Requests for advances must be authorised by the chair of the international steering group or a senior manager.

On return to Audit Scotland staff must reconcile their advance and spend on their expenses form and where a surplus occurs they must return the surplus by means of a cheque made payable to Audit Scotland in GBP. All claims must be supported by receipts and accounted for on your expenses form, where receipts are missing a full account should be given in a supporting letter,

and endorsed by the claimants line manager, to the expense claim. The finance department reserve the right to decide whether a non-receipted expense claim item is taxable or non-taxable.

Flights

Many of the flights for international travel are organised and paid for by our senior partners on international projects e.g. NAO. Where staff have to organise their own flights this should be done through Business Support Services. Guidance on booking travel can be found on SharePoint - [Travel Guidance \(sharepoint.com\)](#)