Scottish Funding Council

Travel and Expenses Policy

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General

Background

1. This policy sets out the SFC's principles and requirements for claiming travel, subsistence and other expenses incurred on SFC business. It does so in a fair and transparent way, so that anyone who needs to incur expense can understand which claims are permitted and what steps must be taken to ensure reimbursement.

2. Procedures for staff reclaims can be found in Annex A.

3. Procedures for Board and committee members reclaims can be found in Annex B.

4. This policy is also intended to ensure that the that SFC complies with HMRC requirements for tax dispensation and the Scottish Public Finance Manual (SPFM) guidance.

Scope

5. This policy applies to all of us: staff, potential employees, SFC Board Members and SFC Board and Committee Members and all colleagues (including contractors, consultants and agency, whether or not reimbursed through the expenses system).

Key Principles

6. Any expenses incurred should reflect the SFC's commitment to **integrity, sustainability and value for money**.

7. Reasonable expenses that are actually and necessarily incurred in the performance of work for or on behalf of the SFC, can be reimbursed under this policy.

8. All staff should normally agree their travel/expenses arrangements, in advance of incurring costs, with their manager/approver. In the case of unforeseen circumstances or emergencies, the expectation is that a pragmatic approach will be taken by all parties that abides by the spirit of this policy.

9. All claims for expenses must be receipted if appropriate, and independently approved.

10. Reasonable adjustments to this policy will be considered for those with disabilities and/or medical conditions, welfare reasons, personal safety or other specific needs.

11. Payments outwith those covered by this policy may be reimbursed if they are necessarily incurred, however they may incur additional tax and national insurance costs. Any tax implications (other than those managed via payroll) arising as a result of these claims are the responsibility of the claimant.

12. This policy, together with related FAQ's, covers the main types of expenditure normally claimed, but will not cover every eventuality. If you are unsure whether a claim can be made, please contact the finance team for clarification before making the claim.

13. All claimants and approvers are expected to read and abide by this policy.

14. For further help and advice, contact the finance team.

Integrity

15. The SFC recognises that staff and board members are professional individuals and as such expects that claimants will act with honesty and integrity in the application of this policy.

16. Travel and expense claims should only reflect costs that are additional to normal daily expenditure and there should be no personal enrichment or benefit.

17. All expense claims are subject to audit checks to ensure compliance with SFC policy. If, following these checks, claims are found to be non-compliant you may be asked to repay the claim.

18. If you think you have made a mistake in submitting a claim, please report it to your manager or approver so that the error can be corrected. Other breaches of this policy may result in more serious consequences, including disciplinary proceedings.

Sustainability

19. Travel can be valuable and necessary for building and maintaining effective business relationships, and to advance specific business issues, but should be balanced against the impact on the environment.

20. Consideration should be given to whether a physical meeting is necessary or whether your objectives can be achieved with a remote meeting.

21. If travel is considered necessary, the Scottish Government's travel strategy and the SFC Carbon Management Plan encourage the use of the greenest and most cost-effective method possible. Apply the following sustainable travel hierarchy for your most efficient and eco-friendly travel:

    - walking and wheeling are most preferable.
    - cycling
    - public transport (buses, trains and ferries)
    - vehicle-sharing (taxis, hire-cars and private cars)
    - taxis, hire-cars and private cars (single-person travel)
    - air travel is least preferable.

22. All public bodies listed in Schedule 1 of the 'Climate Change (Duties of Public Bodies; Reporting Requirements) (Scotland) Order 2015' as amended by the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020, are required to report annually on compliance with climate change duties. Mandatory reporting began in 2015/16.

23. Information is gathered from expenses claims, including information to track the associated carbon footprint, and this is published annually.

Value for money

24. The SFC is a public body, accountable to Parliament and expenses incurred should demonstrate value for money, having regard to:

    - safety and security including information security

- wellbeing
- environmental impact
- efficiency and cost-effectiveness.

25. When booking staff travel, bookings should be made using the SFC's agreed suppliers e.g. for travel, accommodation etc.

Travel: general guidance

26. All tickets should be booked as early as possible in order to take advantage of reduced cost advance fares.
27. Tickets should be booked for specific times where possible, rather than purchasing fully flexible tickets. If a specific time is missed for reasons out with your control, you will be reimbursed for the incremental cost.
28. Standard class tickets should be booked unless business class or equivalent is required to accommodate, disability, medical or accessibility needs, and no standard class facilities are available that would accommodate these needs; or where no cheaper ticket or alternative travel option is available.
29. Ordinary commuting cannot be claimed. Ordinary commuting (OC) normally means travel from home to your permanent place of work (SFC Office), but also includes travelling to other places that are not significantly different to OC, for example a temporary workplace where the journey is substantially the same as that to the usual place of work (and at a similar expense). Further guidance and examples can be found in the FAQ's document.
30. The primary workplace of the Chair and members of the SFC Board (except the Chief Executive) and Committee members is their home address. Travel related to their role as an SFC member can be claimed.
31. Private travel and any additional costs in respect of a spouse or family member are not reimbursed unless expressly required for business purposes.
32. Travel to destinations outside of the United Kingdom is expected to be infrequent and staff should agree this with the Executive Team in advance. Board members should discuss and agree overseas travel with the Chair. Under the Public Sector Reform Act 2010, all international travel expenditure must be disclosed on the SFC website. Further guidance on international travel can be provided by the finance team if required.

Insurance

33. The SFC does not hold travel insurance. If travelling outside the UK on business is required, travel insurance for the journey should be arranged and the cost reclaimed.

34. Any losses incurred whilst on SFC business within the UK should be discussed with the finance team.

Combining business and personal travel

35. A business trip may accommodate some element of personal travel, but only if the personal travel is entirely incidental to the business trip.

36. In these circumstances, you must meet all additional costs relating to the 'personal' element of the trip.

Bus, rail and tram travel

37. Public transport is the preferred method for necessary travel.

38. Members of staff should note that only business-related journeys which do not overlap with your usual commute to work may be claimed.

39. Rail should be booked using the SFC account, please contact your directorate PA or group admin for bookings. In exceptional circumstances, rail travel can be booked directly and expensed.

Flights

40. The SG guidance is that air travel within the UK should be eliminated. Flights within mainland UK are therefore strongly discouraged due to the adverse environmental impact of air travel and should only be used in exceptional circumstances i.e. where it saves on other subsistence cost, where the journey is necessary due to the location of an institution, where the journey is urgent and where it is cost-effective to do so. Seat booking and other add-ons are allowed where justifiable and should be set out in the business case for choosing this method of travel.

41. The business case for choosing this method of travel should be fully documented, justified and staff should agree this in advance with a director.

42. Flights outside of the UK require advance approval from the CEO or Chief Operating Officer.

Taxis and car hire

43. Where safe and practical, you should use public transport for travelling on SFC business, in preference to taxis or car hire.

44. Taxis or car hire are only to be used in exceptional circumstances e.g. where a staff member is

required to work late[1], where heavy luggage or equipment has to be transported to and from the place of departure and arrival, or where time considerations take precedence. Please detail the business case for taking a taxi or hiring a car.

45. Local Taxis should be booked using the SFC account, please contact your directorate PA or group admin or SFC Reception for bookings. In exceptional circumstances, taxi travel can be booked directly and expensed.

46.

Mileage

Private vehicles

47. Private vehicles may be used if public transport is unavailable or impractical. Equally, it may be more cost-effective to use private vehicles when car-sharing. Car-sharing is encouraged wherever possible in order to reduce both the costs and the environmental impact of travel. In support of this, a passenger supplement per mile will be paid for the first and subsequent passengers (Annex C).

48. For staff travelling between their home address and a temporary place of work, this may be claimed, providing the journey is not ordinary commuting or private travel.

49. Mileage reimbursement rates are in line with allowable limits set by HM Revenue and Customs and are set out in Annex C.

50. Private vehicles may only be used where you have a valid driving license and hold insurance to drive for business purposes[2], and the vehicle has a current MOT if it is over three years old.

51. Reasonable parking expenses will be reimbursed when necessarily incurred on official journeys.

52. Fines and penalties will not be reimbursed.

Bicycles

53. When travelling using a bicycle, a mileage claim can be submitted for approval. Adequate safety measures must be taken when travelling by bicycle. Free secure bicycle parking is available for Apex 2 tenants, on a first come, first served basis.

[1] Late working is expected to be after 9pm, occasional and exceptional

[2] Claimants are personally responsible for ensuring that they have appropriate 'business use' car insurance in place

Overnight stays

Booking overnight accommodation

54. Bookings should be made on a bed and breakfast basis in a reasonable quality hotel (i.e. up to 4-star standard) and should be within the agreed rates set out in Annex C.

55. If suitable accommodation within the agreed rates cannot be found after making reasonable attempts to do so, a higher price booking can be made. If possible, staff should agree this with the approver in advance of booking.

56. To make a higher price booking, the booker on the travel portal can approve a higher rate by bypassing the warning that it is above the guideline rates.

57. Considerations as to whether accommodation can be deemed 'suitable' may include factors such as distance from destination / safety and security concerns.

Incidental expenses

58. Reasonable incidental expenses supported via receipts may be claimed when away from home overnight, subject to the limits set out by HMRC in Annex C. Examples of reasonable incidental expenses include:

    1. Private calls
    2. Non-alcoholic drinks
    3. Laundry

59. Costs relating to alcohol, movie hire or spa and gym costs will not be reimbursed.

Staying with friends and family

60. If you choose to stay overnight with a relative or friend while on official business you are entitled to claim the flat rate allowance set out in Annex C which covers the cost of all meals and incidental expenses. The concession for this type of payment has been withdrawn by HMRC and so it must be taxed. For staff, payment will be made through the payroll system so that tax can be deducted at source. Board and Committee members should claim this expense using the claim form.

Unforeseen/exceptional circumstances

61. If unforeseen circumstances result in travel disruption, additional receipted expenses for personal incidental can be claimed when staying away overnight on official business.

Meals and subsistence

62. Meals and subsistence costs that are supported with receipts may be claimed by Board and Committee members. They may also be claimed by members of staff when they are away from their regular place of work for a period of more than five hours or while they are staying away from home. The agreed maximum rates per meal for subsistence related costs are set out in Annex C.

63. The away period is defined as the elapsed time from leaving home or normal operating base, to

the time of your return.

64. In line with SG guidance, alcohol cannot form part of any subsistence claim.

Business hospitality

65. When meeting external contacts for official business, including while travelling on business, you may claim incidental hospitality expenses. The reasonable cost of business entertaining / business events can be reclaimed providing that a client, supplier or other business connection from an outside organisation is present. Examples include the provision of catering or buying meals for business contacts at an occasion when business is central (examples include discussing a business project or forming or maintaining a business connection). Any provision of alcohol must be modest.

66. There is a standard catering supplier for the SFC Office. In the event of a new/different catering supplier please complete the new supplier process in advance of the meeting and create a Purchase Order for the catering.

67. The expense must be in line with the current T&S maximum spend limit for lunch.

68. With the introduction of the Bribery Act 2010, it is now a criminal offence for anyone to give or receive any financial or other advantage which encourages improper performance or is intended to do so. Therefore, when considering business hospitality the antibribery and corruption regulations should be considered.

69. Under the Public Sector Reform Act 2010, all expenditure on hospitality must be disclosed on the SFC website

Other expenses

Miscellaneous expenses

70. The purchase order system and approved supplier route should be used as a rule, however in exceptional circumstances staff may also reclaim expenditure on other costs incurred wholly, exclusively and necessarily in the performance of their duties. Typically, these will include home office supplies and office catering supplies. Purchases not allowed include alcohol, personal shopping, fuel and gratuities/service charges.

71. Expenses for staff away days etc. involving only staff or a high percentage of staff requires the prior approval of a Director.

Interview expenses

72. The SFC's Travel and Expenses Policy also applies to interviewees, where the Council will reimburse reasonable expenses incurred by candidates in travelling to interviews. This will normally mean the refund of standard class public transport fare to/from the interview location.

73. Subsistence rates will not normally be paid to candidates attending for interview. However, where overnight accommodation is required this will be arranged through Human Resources. Candidates will be required to complete the *SFC Claim for Travel Expenses (non-staff) form* and will be reimbursed for the most economic form of travel.

Subscriptions to professional bodies

74. The cost of subscriptions to professional bodies will be reimbursed for staff, providing that the Society is on the list approved by HMRC, **and** that the activity of the Society or Learned Body is relevant to the office or employment of the employee concerned.

Telephone calls

75. Telephone call charges in respect of business telephone calls, made from either a staff or member's home or personal mobile phones, will only be refunded if an itemised bill is provided with the relevant costs identified. The cost of private calls, equipment and line rental are specifically excluded.

In-house catering

76. Light refreshments can be provided for employees and members of SFC Board attending meetings on SFC premises, where the meeting is unavoidably extended over the mealtimes.

77. Catering should be minimal and relate to a specific work event (e.g. training, meetings or other work-related event).

78. Catering should be arranged in advance with a purchase order, and the expense in line with the current T&S maximum spend limit for lunch.

79. Catering suppliers are identified in the purchase order request with a (Catering) behind their name.

Annex A – Procedures (Staff)

Arranging travel and accommodation

80. All staff travel and accommodation should be booked by the business support leads in your department (referred to as the Admin team), using the Scottish Government's National Travel contract. Booking through the Admin team negates the need for a retrospective expense claim.

81. Before asking the Admin team to arrange travel, you must complete a *Travel Warrant*. All Travel Warrants must be approved (see section below). Approved Travel Warrants should be emailed to the Admin team for booking and the finance team (for verification against the eventual invoice).

82. If travel has had to be arranged by the Admin team urgently, approval must still be sought in advance of travel, but the Travel Warrant can be completed retrospectively, authorised and passed on to finance with the approve claim.

83. If you require overnight accommodation, complete a *Hotel Booking form*. Email the approved form to the Admin team and the finance team (for verification against the eventual invoice).

84. If travel or accommodation is not booked through the Admin team, you may incur and reclaim expenses retrospectively – as set out in this policy document - using an expense claim form. Where a non-preferred supplier is used, the reason for this should be documented on the Travel Warrant.

85. All claims must be submitted to finance@sfc.ac.uk on the relevant form.

86. Pass your signed, dated form to the budget holder (or your line manager, where you are the budget holder) for approval within **one month** of the expense being incurred.

Arranging taxis

87. An account has been opened with Central Radio Taxis and therefore this company should be used where possible for travel in and around Edinburgh, and the costs should be charged to the Council's account. To order a taxi, staff should contact reception who will arrange the booking.

88. Where a taxi company other than Central Radio Taxis is used, a receipt should be obtained from the taxi-driver and attached to the relevant claim form. Taxi bookings outside of Edinburgh can be booked via CTM Lightening (CCS Travel Framework) on their website by the Admin Team.

Arranging car-hire

89. The Admin team will arrange car hire through an approved service provider (Arnold Clark). Alternative providers should only be used where there is a clear financial, practical or operational reason for doing so.

Miscellaneous expenses

90. Claims should be made through the finance team using the Reimbursement of Miscellaneous Expenses Form.

Approvals

91. Travel Warrants, Hotel Booking Forms and Expense Claim Forms are subject to approval by an "approver", who is more senior than the expenses claimant. Claims from the Chief Executive will be authorised by the Secretary to the Board and Chair.

92. Before submission and as part of the approval process, claimant and approver should ensure that due regard has occurred for the SFC's travel principles, the claim complies with this policy's requirements, the claim form is completed correctly, a clear justifiable business rationale is included, the cost is coded accurately, and that receipts are attached where appropriate.

93. The completed claim should be sent to the claimant's line manager with the finance email copied in.

94. Line manager approval should then be emailed directly to the finance team for payment together with evidence of the approval, for audit purposes the approval should be sent directly from the line manager as authoriser.

95. Exceptions to the policy will be permitted where they are proposed on a reasonable basis; ideally we would ask staff agree exceptions in advance with a Director.

96. Under the SG's national travel contract a £10 admin fee is charged for train booking amendments and cancellations.

Advances

97. Members of staff may claim an advance of cash to ensure they are not out of pocket as a result of covering official travel costs in anticipation of a claim being made and can apply for a standing or casual travel and subsistence advance.

98. Members of staff should complete the *Advance of travel expenses Form*, and send to the finance team once their manager has approved.

99. All advances must be accounted for when travel claims are submitted.

Annex C – Summary of rates

Mileage – HMRC rates

Private vehicle mileage	Claim Limit
Private vehicle mileage – first 10,000 miles[3] – per mile	45p
Private vehicle mileage – above 10,000 miles – per mile	25p
Supplement for first and each subsequent passenger – per passenger per mile	5p
Motor Cycle Allowance: – per mile	24p
Pedal Cycle Allowance: – per mile	20p

Overnight rates

Overnight accommodation	Claim Limit
Bed and breakfast per night - London [4]	£180
Bed and breakfast per night – Outside London	£125
Overnight stay with relatives or friends	£36

Incidental rates – HMRC rates

Incidentals per 24-hour period	Claim Limit
Incidental Expenses within the UK	£5 **
Incidental Expenses outside the UK	£10

Meals

Reimbursement for food and subsistence	Claim Limit
UK	
Breakfast	£10 *
Lunch	£10
Dinner	£30

*If breakfast at your hotel or other accommodation exceeds the above rates, then it can be claimed with a receipt
** Refreshments e.g. hot beverage or a juice can be claimed, receipted, as an incidental cost

[3] Individuals are entitled to the higher rate for the first 10,000 business miles claimed in any tax year irrespective of where and to whom a claim is made. Claimants are therefore responsible for keeping a running total of their own mileage claims and must claim the lower amount if the 10,000 mile limit is breached.
[4] The London allowance is for visits within a five mile radius of Charing Cross