

Personnel Committee - 24 January 2022

Reimbursement of Personal Expenses Policy

1. Purpose of the report

- 1.1 The purpose of this report is to seek Personal Committee approval for the revised Reimbursement of Personal Expenses Policy (Appendix 1) endorsed by CMT at its meeting on 13 January 2022.

2. Recommendations

- 2.1 Personal Committee is recommended to approve the Reimbursement of Personal Expenses Policy (Appendix 1) endorsed by CMT (13 January 2022).

3. Background

Aim

- 3.1 This report details the revision of an existing employment policy - Reimbursement of Personal Expenses Procedure, which was last updated in September 2014. The revised policy (Appendix 1) has been updated to reflect the following:

- An up to date and fit for purpose employment policy that is aligned to the council's vision, values and priorities and that reinforces the councils standards and behavioural framework;
- Clear identification of accountabilities in line with the councils standards and behaviours;
- Alignment with the council's new automated One Source system for processing and authorising expenses (where practicable);
- Alignment with the new Travel Management System (TMS) and recently updated purchase card (p-card) policy;
- Clear, consistent and concise policy containing easily identifiable principles and procedures;
- Removal of existing procedural detail not related to the claiming of expenses.

Know

- 3.2 Significant improvements have been made with the implementation of One Source, the new Travel Management System (TMS) and the recent revision of the Purchase Card Policy which have changed how expense claims are processed. These developments have been incorporated into the revised policy draft in conjunction with relevant colleagues across Payroll, Finance, Procurement and Admin and Business Support to ensure that the Reimbursement of Personal Expenses Policy will both compliment these new systems and processes and meet the needs of the business.

- 3.3 The revised policy offers clarity for the user by clearly breaking down, not only what can be claimed for (i.e. what is and is not eligible expenditure) but also clearly identifying how such expenses should be claimed;
- a) What should be purchased through TMS and P-cards in the first instance (relying only on the expenses claim process in exceptional circumstances);
 - b) What should be claimed for through One Source;
 - c) What should be claimed for through payroll;
 - d) What should be claimed for through finance, accounts payable;
 - e) What should be claimed for through other channels e.g. recruitment agencies.
- 3.4 In addition to clarifying, *what* can be claimed for and *how* it should be claimed, the policy also outlines the relevant authorisation levels for certain types of claims. The majority of expense claims should be authorised by line management (with the relevant financial approval levels) and these processes are automated either through One Source, the Travel Management System (TMS) or via the use of a purchase card (refer to Appendix 2 for a breakdown of claim type and most appropriate method of claim).
- 3.5 There are only two expense types that require a different level of approval (to that outlined in 3.4), namely Executive Director or Chief Executive authorisation (refer to section 7.3 and 7.4 of the policy), and these are;
- Air travel for business journeys
 - Hospitality expenditure in excess of £100 per transaction or event.
- 3.6 A summary of the main changes within the revised policy are as follows;
- Further clarity on what expenditure can and cannot be claimed for as an expense, including any maximum allowances as relevant (section 6.0);
 - Move to process all expense claims via One Source (where possible and specifically those currently made via claim forms), with minimal exceptions to this (e.g. those requiring ED/CE approval and for which alternative methods are more suitable e.g. TMS/P-card and those requiring tax deduction or specific payroll involvement);
 - Changes to the process when claiming expenses (where applicable) following the implementation of One Source expenses module;
 - Confirmation of what can be claimed for via One Source (section 6.0);
 - Updated car / motorcycle mileage information to reference electric / hybrid vehicles (section 6.1);
 - Updated car / motorcycle mileage information to reinforce employees responsibility to provide required documents for verification and advise necessary changes (section 6.1.7, 6.1.10);
 - Updated car / motorcycle mileage information to reinforce managers responsibility to verify required documents on an annual basis, complete document of record and upload to One Source (section 6.1.8);
 - Reinforcement of employee and managers responsibilities in relation to claiming and approving expenses through One Source (section 4.0);

- Confirmation of bicycle mileage allowance not previously referenced but claimable (section 6.12);
- Confirmation that the booking of all types of rail travel, air travel and hotel accommodation should now be undertaken on the council's new Travel Management System (TMS) in the first instance and only where in exceptional circumstances it has not been possible to procure through the TMS or P-Card scheme is a claim through the expenses policy permitted for rail travel and hotel accommodation (section 7.1, 7.2, 7.3);
- Subsistence rates have been updated in line with inflation (section 6.5);
- Further clarity on the method of processing all types of expenses, including a subsequent review of any remaining claim or approval forms (as necessary following policy approval) (section 7.3, 8.0);
- Clarity on what is still to be claimed outside of One Source, either via payroll or another method and the processes for these claims (sections 8.0, 9.0, 10.0, 11.0);
- Updated information in an existing mileage guidance document and incorporated relevant detail into the revised policy, negating the need for two expenses related documents – the existing and outdated mileage guidance will be deleted as a reference when the revised policy launches;
- Addition of HGV medicals expenses (to align with One Source expenses guide / categories), previously claimed but not referenced (section 6.6);
- Addition of reimbursement of Digital tachograph card, previously claimed but not referenced (section 6.7);
- Addition of specific HCPC / Social Work England registration fees (to align with One Source expenses guide / categories) and specific exclusion of restoration fees (section 6.8);
- Professional fees section updated, specifically that these can be approved by a manager with authorisation to approve in One Source, only where eligible in line with the Pay Policy Statement (revised for 22/23) (section 6.9);
- Inclusion of the process for self-employed / consultants (inside IR35) to claim expenses (section 9.0);
- Further clarity provided on process for claiming expenses for both volunteers and agency workers (section 10.0, 11.0);
- Details regarding claims for personal telephone usage updated in line with the BYOD guidance (section 12.0);
- Removal of all references to the following (as they are not a reimbursable expense and/or are covered elsewhere):
 - Eye-testing vouchers – not an expense, voucher issued by Transactional HR;
 - Travel scratch cards – not an expenses, voucher issued by A&BS;
 - Relocation expenses – now covered in a separate policy;
 - Interview travel expenses – for external candidates, as these are not employees/workers covered by the scope of this policy;
 - Reimbursement to the council of using council owned mobile device for personal use – not an expense and covered in the

Code of Conduct (additional detail to be covered in the pending Code of Conduct review).

Council corporate plan priorities

- 3.7 This policy review is directly aligned to the internal focus priority within the Corporate Plan, delivering services that are efficient and effective.

Response

- 3.8 Subject to approval, HR / Payroll will finalise all associated guidance / forms (where applicable) and prepare a workforce communication and implementation plan ready for launch.

Review

- 3.9 Employment policies will usually be reviewed on a three yearly cycle, unless legislation or internal organisational need prompt a review earlier.

4. Financial Implications

- 4.1 There are no anticipated financial implications associated with the revision of this policy as it stands.
- 4.2 It is anticipated that the majority of the development work required within One Source can be completed in house with no additional costs. The only exception to this is some minor development work currently being discussed with the council's third party One Source Support Partners in relation to bicycle mileage development, which ideally will be picked up as part of the current contractual arrangements.

5. Legal Considerations

- 5.1 There are no anticipated legal issues arising from this report.

6. Risk Management

- 6.1 An equality impact assessment is attached (Appendix 3).

7. People

- 7.1 The policy applies to all council employees including Directors, Executive Directors and the Chief Executive, as well as casual workers (where applicable), agency workers (where applicable) and self-employed individuals / consultants who fall inside IR35 regulations and are paid through the council's payroll.
- 7.2 There is no direct impact on our citizens as a result of this policy. The policy is however, part of the employment framework that helps to ensure that residents of Walsall get the best possible services from council employees.

8. Consultation

- 8.1 The policy has been consulted upon with senior managers and trade union colleagues across the council between 5 February 2021 and 26 February 2021. Consultation with finance, payroll, ICT, ABS and procurement colleagues has been ongoing throughout to ensure the draft policy and associated forms meet requirements and compliment and align with the One Source expenses module, the revision of P-card scheme and the Travel Management System.
- 8.2 Feedback from managers' consultation resulted in some minor wording amendments to aid clarification and understanding.
- 8.3 Trade Union colleagues raised no specific issues or concerns with the revised policy.
- 8.4 CMT endorsed this policy on 13th January 2022

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