

Finance and Resources Committee – Tuesday 23 June 2009

Expense Policy for Council and Committee members

Executive Summary and Recommendations

Introduction

1. Intermittently, the Finance and Resources Committee are asked to review the expenses policy for Council and Committee members to ensure that the policy is achieving value for money and that it is fit for purpose.
2. At your February 2009 meeting, consideration was given to the allowance for hotels since HPC had received feedback from Partners that at times it was difficult to secure accommodation in central hotels in major cities at the rates set out in the existing expenses policy. The paper proposed to increase the allowance for hotel accommodation for partners, Council and committee members and HPC employees staying in central London (travel zones one to four) and large UK cities. Accordingly, the Committee gave approval to the allowances being increased to reflect current rates of accommodation.
3. Consideration has recently been given to the policy to ensure that it is fit for purpose for the newly-restructured Council and that the language reflects the new structure, for example, deletion of references to alternates.

Travel Expenses Policy

4. Given our review of governance policy, it now seems appropriate to consider the travel expenses section under paragraph 6.3. We continue to be committed to value for money principles, particularly in the current climate, and given that we are a public body, we encourage all claimants to keep expenses to a minimum.
5. Currently, members are reimbursed for rail and air fares as follows:-
 - Rail fares:- 1st class at the cheapest available rates using the HPC nominated travel agent wherever practical;
 - Air fares:- Business class airfares will be reimbursed at the discretion of Council/Committee secretary

with mileage allowance for use of members' own cars reimbursed in accordance with the HMRC rates.

6. After consideration, the Executive recommends that the current paragraph 6.3, be replaced with the following:-

6.3.1 Travel

Rail Fares:	As a matter of course, standard class fares will be reimbursed. However, first class travel will be reimbursed provided that:- <ul style="list-style-type: none">• The cheapest available rates are secured using the HPC nominated travel agent wherever practical;• The rail journey time exceeds one and a half hours; and• The ticket has been purchased as far in advance as possible but no later than one day prior to the journey being taken.				
Air Travel:	All air travel undertaken must be in standard class with the exception of journeys exceeding 5 hours, where the cost of a premium economy ticket (or equivalent for those carriers that do not have premium economy) will be reimbursed.				
Tube, coach and bus fares:	Will be reimbursed as occurred. Those members travelling within London are advised to purchase an Oyster card and HPC will refund the cost of the original purchase. An online statement is required when submitting claims for reimbursement for journeys travelled on behalf of HPC.				
Mileage allowance:	Mileage allowance is payable for the use of Council/Committee Members' own cars. These are in accordance with HMRC rates, which are subject to change from time to time. The rates in force with effect from 1 st May 2002 until any further notification of change is made as follows: <table><tr><td>1st 10,000 miles</td><td>Additional miles</td></tr><tr><td>40p</td><td>25p</td></tr></table> Rates for rental cars, motorcycles & pedal cycles are available upon request	1 st 10,000 miles	Additional miles	40p	25p
1 st 10,000 miles	Additional miles				
40p	25p				
Taxi fares:	Will be reimbursed where public transport is not available or where a taxi journey is considered more convenient or more economical.				
Other travelling expenses:	Reasonable expenses incurred in respect of tolls, parking & ferries may be claimed				

Decision

7. It is recommended that:-

- (i) the expenses policy be updated to incorporate the changes made to the reimbursement of travel expenses;

- (ii) minor amendments be made to the policy to ensure that the language reflect the new structure and that the policy is accurate and up-to-date; and

- (iv) the expense policy be reviewed annually.

Background Information

None

Resource Implication

None

Financial Implications

None

Appendices

None

Date of Paper

16 June 2009