Travel and Expenses Policy

South Oxfordshire and Vale of White Horse District Councils

Change Record

Change Record	
Policy Title	Travel and Expenses Policy
Version Number	5
Owner(s)	People and Culture
Author(s)	People and Culture /Finance
Change Detail	Included the equalities email for those who require a different format and the inclusion that parental leave and paternity leave are now day-one rights. Updated Occupational Paternity Leave and Pay entitlements
Approved by	People and Culture Team, Finance UNISON & SMT
Effective date	22 July 2026
Renewal date	21 July 2029

Version	Date	Amended By	Change Notes
4	2014		Reviewed Nov 2014
5	2026	A Witting	Updated mileage rates, improved guidance on what can be claimed and VAT responsibilities.

Table of Contents

1 Introduction

1.1 Purpose

This document details South Oxfordshire and Vale of White Horse District Councils' (the councils') Travel and Expenses Policy and Procedure

1.2 Scope

This policy applies to all permanent and temporary employees of the councils, excluding Contractors/Agency Workers who are employees of third parties.

The councils reserve the right to revise, withdraw, or replace policies at any time and to introduce new policies from time to time to reflect the changing needs of the organisation.

This policy document supersedes any previous existing or alternative policies, agreements or arrangements relating to Travel and Expenses.

1.3 Contractual Status

This policy is non-contractual. The councils are entitled to introduce minor and non-fundamental changes to this policy by notifying you of these changes in writing. The councils will consult all employees on any major changes to the policy.

1.4 Relevant legislation, Guidance and Policies

Learning & Development

MyView Guidance

Transportation for Work – HSC08

VAT Guide 700

1.5 Alternative formats

Please do not hesitate to contact a member of the Equalities team if you would like this policy in an alternative format. Email: equalities@southandvale.gov.uk

2 Policy

2.1 Summary

This policy aims to ensure that employees receive fair compensation for additional expenditure incurred whilst on council business. Employees should not be placed at a financial disadvantage when carrying out work for the councils, nor should they personally gain at the expense of the councils. This policy will clarify which travel and general expenses you are able to claim for. This policy also aims to help each council reduce costs and carbon emissions by encouraging employees to use the most cost effective and sustainable method of transport in the course of their duties.

Employees should not use the expenses system for reimbursement of any type of expenditure not expressly set out in this policy.

2.2 Current operation and district net zero targets

Both councils have ambitious climate targets to become net zero in their own operations by 2030 and to become net zero districts by 2045. This policy reflects the councils' commitments to fight climate change and aims to reduce emissions from staff business journeys.

2.3 Requirements to travel – travel hierarchy

Where travel is necessary, staff and managers are encouraged to review the most environmentally friendly and cost-effective approach where practicable. This includes, but is not limited to, active travel (walking and/or cycling), utilising public transport, use of low emission vehicles (for example through an electric car club), or car sharing with a colleague.

Journeys should be reviewed on a case-by-case basis, including exploring a combination of travel methods where possible, such as making use of the park and ride service into Oxford, or driving to a train station and taking the train for the remainder of the journey. Details of how to submit claims for such journeys can be found in this policy.

Further information on car clubs:

Car clubs are short-term car rental services that allow their members access to locally parked cars which can be rented by the hour or day. Many car club vehicles are electric or hybrid and so help reduce the carbon footprint of your journey. Car clubs are based across the county and there are some situated in the councils' car parks. More information on how to find and use car clubs can be found on the councils' external websites.

South Oxfordshire Car Club Info

Vale of White Horse Car Club Info

2.4 Environmental awareness and carbon reduction schemes

The councils encourage all employees to limit journeys where possible to reduce expense and cut down on pollution. Staff and managers are encouraged to first consider the need for travel and whether a digital approach is suitable for the work being carried out.

The councils have net zero targets as well as aiming to fulfil national targets to reduce vehicle emissions. If you drive to work, you are encouraged to participate in car sharing schemes such as Hiyacar and Getaround.

All employees are asked to play a part in limiting emissions where possible. Where practicable, employees should use public transport for journeys on council business (including Oxford Park & Ride). It is appropriate to use public transport, when you do not have substantial loads to carry and when the time taken is roughly comparable with, or lower than, travelling by car.

An example of when it is more appropriate to use public transport than your own vehicle is travelling between Abingdon and Oxford. There are frequent buses and the journey time is under half an hour which is as quick as driving and using the Park & Ride. The cost of the journey to the council is about half as much if someone were to travel by bus, and the CO_2 emissions have been calculated as roughly halved if you travel by bus rather than by car.

Where employees do not use public transport, such as driving into the centre of Oxford, an explanation should be included in the subsequent expense claim detail to enable their manager to approve the claim.

Employees should plan their time to minimise journeys between sites and plan off-site visits or inspections in a systematic manner, scheduling these in a particular area during the same period. If employees have a visit or inspection close to home, they should carry this out on the way to or from work. If employees are attending the same venue with colleagues using private transport, they should try to travel together to reduce carbon emissions and cost. The councils pay a passenger allowance of five pence per passenger per business mile to promote car sharing (see section 2.5.6).

The councils also encourage the use of bicycles, allowing you to claim business mileage for travel by bicycle. Employees can also participate in the national cycle to work scheme allowing you to purchase a bike with up to a 40% reduction. Details of this scheme are available on OurSpace or through the cycle scheme website which includes an easy-to-use calculator to work out how much employees could save.

It is noted however that on occasions (e.g. injury, childcare responsibilities) or due to longer term reasonable adjustments due to disability public transport, walking or cycling may not be appropriate.

2.5 Business travel expenses

2.5.1 Overview

If employees travel on business from their place of work (specified in their terms and conditions) to other locations using public transport or their own vehicle, they can claim for the cost of their travel (see sections 2.5.5 to 2.5.7 below for more information). Business mileage can only be claimed when using your own vehicle and normal commuting costs (home to office) do not qualify as tax free expenses.

The councils are entitled to only reimburse the travel costs for the most appropriate route, e.g., site visits should be made in a logical order, and employees should travel on the most direct route.

Staff may be able to claim tax relief on cars, vans or motorcycles they used for work – this does not include travelling to and from work unless it is a temporary place of work. More information is available on claiming tax relief on the Government Website- staff need to conduct their own research, seek advice, and make claims.

2.5.2 Business fares using public transport

If employees are using public transport to attend meetings/other work activities they can claim the full amount, providing they have a relevant receipt(s). If employees normally commute by public transport, they should deduct the cost of their normal journey to work from the claim (for example if the train to attend their office location such as Abbey House costs £5.50 but the cost of attending a business meeting in Oxford is £7.50 they can claim £2.00). The Councils are entitled to reimburse the amount based on the most cost-effective way of travelling. For example, if employees are travelling by train they should travel in standard class and book a cheaper advance purchase ticket if practicable.

If employees use a combination of private and public transport for business travel, they may claim both. For example, if they drive from home to a station and then take a train, they may claim the full amount of the train journey and for any mileage above their normal daily commute.

The employees' line manager will authorise their claim and they will need to be satisfied that the correct amount is being claimed. If employees are uncertain of how much they can claim, they should check with the People and Culture team via hr@southandvale.gov.uk .

2.5.3 Tax and National Insurance on business travel expenses

Business travel expenses are paid directly into the employee's bank account as part of the monthly payroll process. Business fares (passenger transport) are not usually subject to tax or national insurance (NI payments). Business mileage is usually not subject to tax or NI payments if the amount paid does not exceed the standard rates approved by His Majesty's Revenue and Customs (HMRC) (2.5.7 below). As the councils currently match the approved HMRC rates, employee business mileage will not normally be subject to tax or NI (although please see the exceptions in the following paragraphs).

2.5.4 Eligibility for making business travel expenses claims

If an employee has a single place of work specified in their terms and conditions (and is not a senior manager grade 11 and above), they will be eligible to claim business travel expenses between different council premises. It is an employee's work location that is relevant. Business travel expenses for travelling between different council premises are not normally subject to tax or NI. However, if an employee spends more than 40% or more of their time at each site their expenses will be subject to tax and NI in accordance with HMRC regulations. This is because for tax purposes HMRC will consider an employee to have two permanent workplaces which will alter their tax liability. Please seek advice from the People & Culture team if this is relevant for you.

Employees may claim business travel if they come into a council building on a day the office is closed (a weekend or Bank Holiday), providing this is not a usual working day for them and it means they are working more than 37 hours that week (37 hours applies regardless of whether you are full or part-time). Please see advice from the People & Culture team if this is relevant for you. If, in line with the criteria above, an employee went to somewhere that is not their usual workplace this can be claimed as non-taxable.

2.5.5 Calculating the travel you can claim – business mileage

Employees have a council location specified as their place of employment (even if they work in a hybrid manner) in their contract of employment (home will only be considered a designated place of work if the job can only be done from home, which is very unlikely to be the case). If employees make a return trip from their place of employment to another location, they may claim the mileage for that return journey. This also applies if employees travel to more than one location – they can claim the mileage from leaving their nominated place of work until they return to it.

Employees who travel from home to another location for work without including their nominated place of employment in the journey can claim the full mileage minus the distance of their commute (i.e. the travel cost from their home to their work location as specified in their contract of employment e.g. Abbey House, The Beacon) to their place of employment or their normal commute to their work location whichever is the shortest.

If an employee travels to work to a different location as a detour on their way either to or from work, they can claim for the mileage minus their normal commuting distance. For instance, if they normally travel eight miles to work and detour to another location means that their mileage from home to work is 12 miles you can claim the four miles above their normal mileage.

Employees may choose to travel by bicycle or motorcycle if this is practical. If travelling by bicycle employees should ensure they do not take excessive time on the journey, and they should also consider the need for business dress on arrival at your destination.

2.5.6 Passenger allowance

The Councils promote car sharing for business journeys wherever possible and pay a passenger allowance of five pence per passenger per business mile. This is paid to employees if they are the driver and are travelling on business. Passenger(s) must be employees or members, and they must also be travelling on a council business journey. As with standard business mileage, this will normally be non-taxable.

2.5.7 Business mileage – rates per mile

Business related mileage is paid at the standard rates approved by the HMRC (reviewed May 2026). These rates have been calculated to cover the cost of insurance, road fund license and general wear and tear on tyres. These amounts are as follows:

Type of vehicle	Business mileage rate payable per mile up to 10,000 business miles per tax year	Business mileage rate payable per mile over 10,000 business miles per tax year
Car or Van (petrol/diesel)	55p	25p
Motorbike	24p	24p
Bicycle	20p	20p
Company owned electric cars- can only claim electricity for business miles	7p (home charging) 15p (public charging)	

Standard business mileage as shown in the table is paid at the same rate per mile up to a threshold of 10,000 miles per tax year above the rates drop for car and van drivers. Please note that employee business mileage in all types of vehicles will count towards the 10,000-mile threshold. For example, if an employee changes their car for a van, they do not start a new ‘first 10,000 miles’.

2.5.8 Business mileage – Councils’ salary sacrifice car scheme

NB: Please be aware that this scheme is closed to new entrants and only applies to staff who have legacy arrangements. This section applies to those staff who have a current agreement in place with Tusker.

Please note that if an employee has arranged a vehicle through the councils’ salary sacrifice car scheme, lower rates will apply for business mileage. This is because the leasing arrangement on an employee’s car accounts for the maintenance and depreciation of the vehicle, factors which are incorporated into the calculation of the standard HMRC business mileage rates. To find out the mileage rate which will apply to their car, please see the details of the scheme, or search advisory fuel rates on the government website and look at the fuel rates for company cars.

2.6 Driving documents and business insurance

If an employee uses their own vehicle to travel to and from work or to claim mileage it is their responsibility to ensure that it is always roadworthy and is taxed and has a current MOT certificate (if an MOT certificate is legally required). Employees should read the Transportation for Work HSC08 alongside this policy and comply with requirements to complete an annual declaration. Employees must ensure that they have a valid driving licence and are fully insured (for business travel). Employees may be asked to provide proof of insurance, MOT, and their driving licence. The administration of council owned vehicles will be arranged by the councils and any employees legitimately driving a council owned vehicle will be covered by the councils' insurance.

If employees use their own vehicle to travel to and from work for commuting purposes, their vehicle insurance should automatically cover them for their commute. However, if employees use their vehicle to travel on business, either between council sites or to other locations, they should ensure they are covered for business. Please note that the councils will not accept responsibility for any form of claim involving an employees' own vehicle and will not pay any excess insurance penalties or fines they incur either travelling to or from work or on council business.

Employees will need to add the details of their vehicle onto MyView before they can submit a mileage claim. The details are saved for future expenses claims submissions, although employees will need to update their record if they subsequently change their vehicle. Details of how to do this can be found on OurSpace, under the MyView guide for staff.

2.7 Car Parking Permits

Digital staff parking permits are available to be used when on council business and cover a variety of car parks across the districts. Full information on obtaining and using these permits can be found on OurSpace.

Expense claims for parking in the areas covered by these permits should only be made in the event of:

- being a new starter and not having activated your digital permit pass
- an employee being on council business and the permit does not cover the parking (e.g., later than 6pm).

2.8 Air Travel

The Councils discourage all staff from utilising air travel for business travel. Any request to travel by air must be authorised in advance by the Director of Finance.

2.9 Emergency call out

If employees are called out from home to attend an emergency, they can claim travel expenses by specifying that it is due to an emergency on the online expenses claim form. Employees can claim under either mileage expenses or other expenses (excluding car journeys). Please ensure to add to the appropriate claim description in MyView to identify the claim is due to an emergency call out – this ensures the line manager can approve in line with policy requirements and that the reason for expense is clear for audit purposes.

In line with HM Revenue & Customs regulations, if employees are called out to their usual workplace, they will normally have tax and NI deducted from this payment. If an employee is called out to another location, they will be paid without having tax or NI deducted (as with business travel expenses). If employees are claiming under mileage expenses, they can claim the total mileage; employees do not need to deduct the distance of their normal commute to work.

2.10 Committee meetings

If an employee is required to attend a committee meeting at their contractual place of work this is considered to be part of their normal role and employees cannot claim travel expenses. If an employee attends a committee meeting at a different location from their contractual place of work, they may claim any relevant travel as business expenses minus the distance of their normal commute to their contractual place of work.

2.11 Accommodation and meal claims

If employees need to stay in overnight accommodation due to work commitments or attending a training course, they can claim reimbursement for this. Employees should seek line manager approval before booking any accommodation. In exceptional circumstances accommodation can be booked the night before/after an event (where there is an early start of the travel distance to the venue is not reasonable to do on the day). Whilst the Councils do not have set rates for accommodation you will be expected to choose reasonably priced accommodation.

Employees need to produce valid VAT invoice/receipt showing the VAT number to receive reimbursement for the cost of overnight accommodation. See section 5 for more info of what is required. Not all accommodation incurs VAT. For example, Airbnb venues may not be VAT registered but hotels are likely to be), and these should be attached when submitting their claim on MyView. Items such as telephone expenses (except for work related calls), newspapers, bar costs etc cannot be claimed under expenses.

Depending on the arrival time an employee may claim for an evening meal including a reasonable number of non-alcoholic drinks with the meal. Employees may not claim for a meal or drinks if food is already provided as part of a package or conference. The councils will not cover the cost of alcoholic drinks.

The following limits are set:

Employee subsistence rates	Upper limits
One meal (5 hour) ceiling	£10
Two meal (10 hour) ceiling	£20
Three meal (12 hour) ceiling	£40
24-hour ceiling	£50
Accommodation (London)	£150
Accommodation (outside London)	£130

If staff have an issue with staying within the accommodation limits set above they should speak to their line manager/HR in advance to discuss alternative solutions.

2.12 Low value purchases – stationery / desks / desk chairs

Purchasing low-value items such as tools, stationery, desks, desk chairs, cleaning supplies, and sports equipment should not be claimed via expenses.

Instead, these purchases need to be made via the Unite Procurement portal, further details of which can be found on OurSpace. If you are unable to find the required items via the

Unite Procurement portal, please contact the Procurement Team via procurement@southandvale.gov.uk for further advice.

If you require advice on appropriate equipment please see the Health and Safety Team pages on OurSpace in particular DSE advice or contact them directly. Advice is also available on the Health and Safety Website (for example Advice on Seating at Work.)

Regardless of the purchasing route, any items such as desks, chairs, monitor risers, footrests etc. (not consumables such as stationery or cleaning supplies) remain the property of the councils and must be returned if an employee leaves the councils.

The councils reserve the right to decline reimbursement of these items where a claim is made through expenses. The expenses system should not be used as a form of petty cash.

2.13 Professional subscriptions

The councils will reimburse employees for the cost of one membership of a professional body per year. The professional subscription must be directly related to your current job (e.g. Practising Certificate for solicitors). Employees will need to pay the subscription and then reclaim it via MyView. Employees will need a valid receipt and will only be able to claim for the core membership, not for any optional additional payments. If an employee pays in monthly instalments, they must pay for the full year before claiming reimbursement or only claim for the proportion paid to date.

The councils will also cover the cost of upgrading a professional membership if this is an essential requirement of an employee's role. If it is an optional upgrade, employees must cover the cost of the upgrade themselves. The councils will reimburse the full annual cost of the upgraded membership if it has increased in price from the previous membership. Where staff claim professional subscriptions during their probation period and do not successfully complete their probationary period the councils reserve the right to reclaim the proportion of the costs relating to the remainder of the subscription year from final pay.

All professional subscription claims are subject to tax. In most cases, the claim will not be subject to NI, although for an employee claim to be exempt from NI, the organisation they are claiming membership fees for must be on the HMRC 'approved' list of professional bodies and societies, available on their website. If the claim is for membership of a body not on this list, the employee will have NI deducted in addition to tax. Employees are responsible for enquiring and verifying the membership organisation is on the approved list and whether the cost is VAT exempt or not. If the cost includes VAT a suitable invoice/receipt will be required. See section 5 for more information.

Please refer to section 3.3 on how to process a professional subscription expense claim.

Where, in exceptional circumstances, an employee is unable to self-fund (i.e. pay up front and claim in expenses arrears) in the first instance due to financial reasons they should contact HR/Payroll to discuss alternative options.

2.14 Project-related expenses

Individuals submitting expenses and/or mileage related to project-related costs have a responsibility to inform their Finance Business Partner of this.

Claims should be submitted through MyView as usual, but it is not possible to assign submissions to different cost centres. As such, staff and managers should ensure that their Finance Business Partner is requested make the relevant adjustments in UNIT 4 as appropriate.

3 Processing of expense and mileage claims

3.1 Timescales for payment of expense claims

Expense claims will be paid with an employees' monthly salary into their bank account. For claims to be processed in a particular month, the claim needs to be authorised by their manager on or before the third working day of that month.

Claims must not be submitted more than three months after the expenses were incurred and any claims older than this will be rejected. In exceptional circumstances, an employees' line manager may put forward a case for them to have a claim authorised that is more than three months old. This must be done in writing to hr@southandvale.gov.uk prior to the claim being made.

3.2 Retention of claim documentation and incorrect claims and payments

Online information (MyView) regarding expenses claims and receipts relating to claims will be kept for six years before being deleted or destroyed.

If an employee deliberately submits or authorises a claim in order that they or someone else gains financially or benefits in some other way they will be liable to face disciplinary action and potentially criminal prosecution. If an employee realises that they have submitted a claim in error, they should advise their manager and HR of this as soon as possible.

If the employee has received more than they are due for their expenses in error, they will be required to pay back the amount they should not have received. They should notify hr@southandvale.gov.uk at the earliest opportunity after discovering the overpayment. Depending on the amount, an employee may not be requested to refund the total immediately but may agree a repayment scheme across several months that is affordable. If an employee has received less than they should have they would normally receive payment for the difference in their next salary.

3.3 Individuals' responsibility when submitting expense claims

Employees are responsible for following the guidance in this policy and submitting expenses in a timely manner with the appropriate evidence. Any issues or errors should be raised promptly with HR via hr@southandvale.gov.uk after checking within the MyVIew system that the claim has been submitted and authorised. If the payment is yet to be authorised, please follow up with their manager in the first instance. Managers should set up delegation rules when going on leave to prevent issues. There is an escalation process within MyView which if the claim is not approved by a manager within seven calendar days it is escalated to the next manager up the chain. If a claim is not approved within fourteen calendar days (total after escalation) it is withdrawn from the system and will need to be resubmitted.

3.4 Managers' responsibilities when checking expenses claims

Managers authorising expenses claim, must keep in mind that they **are responsible for checking the validity of the claim/s** (are the claims allowed within the policy, and if so, has the correct category, receipt/VAT receipt (where relevant) and information included).

Claims will be processed based on their authorisation and are only rechecked on a random basis as part of payroll checking. If a manager has any concerns about authorising a claim, please contact hr@southandvale.gov.uk prior to doing so. Claims should be made within three months of the expense, and it is managers responsibility to review the timeframes of the claims and supporting evidence being submitted by their teams.

Managers need to ensure **all claims include evidence of claim** (receipt attached) and date of claim. In the case of mileage claims, manager must ensure that the claim includes the dates of each individual travel day, as well as the from and to locations (e.g. postcode) as evidence for the mileage undertaken, including confirmation of a deduction for home to work mileage

All mileage claims must have a receipt for fuel that relates to the dates of the journeys or before this date (any receipt must relate to a purchase prior to (and preferably including) the date of incurring the business miles, one receipt can cover multiple journeys). If necessary, more than one fuel receipt may be submitted for each mileage claim. Employees should record the reason for the journey and the starting point, destination and end point they are claiming for. There is a template mileage log in Appendix 1 that staff may want to use and attach to a claim.

Fuel receipts need to cover the advisory company car reimbursement levels for the number of miles being claimed. The rates are published on the Gov.UK website [Advisory fuel rates - GOV.UK] and the current (June 2026) levels are as follows:

Engine Size (cc)	Advisory Fuel Rate
Up to 1400cc	14p
1401 to 2000	17p
Over 2000	26p

An employee in a 1400cc car claiming 100 miles could claim £55 but their fuel receipt would only need to be (100x14p=) £14.

4 Procedure

4.1 Guidance on submitting claims

Staff should read the MyView guidance for detailed instructions on how to claim expenses. Expenses must be submitted within 3 months of incurring the expenses (see above3.1 above)

Once an employee has submitted their expenses they will automatically go to their manager for approval. Once the manager approves them, they will be forwarded to be paid, except for 'Training' expenses which also need to be approved by the HR team see the Learning and Development Policy.

Expenses will be paid directly into the nominated bank account as part of the monthly payroll process. For claims to be processed in a particular month, the claim needs to be authorised by the manager (and by the HR team in for 'Training' expenses) on or before the third working day of that month. If a claim is not authorised by this date, it will be processed the following month. If an employee needs to be paid in a particular month, the onus is on them to check their manager has authorised the claim by the third working day of that month (MyView sends a notification when a claim is authorised). If their manager is not at work, for example on holiday, the next level of manager will be able to authorise the claim (providing delegations have been set up this will happen automatically when submitted or after 7 days in the absence of a delegation. After 14 days if not approved the claim will be cancelled and will need to be resubmitted).

4.2 Submitting a business travel expense claim (car mileage)

All mileage claims **must have a receipt for fuel that** is dated on or before the dates of the journeys. If necessary, employees may submit more than one fuel receipt per mileage claim. A receipt is required to comply with HMRC regulations and enable the councils to claim back VAT on business related mileage See section 5 for more information on what is required and which expenses are subject to VAT.

Fuel receipts need to cover the advisory company car reimbursement levels for the number of miles being claimed. The rates are published on the Gov.UK website Advisory fuel rates - GOV.UK and the current (June 2026) levels are as follows:

Engine Size (cc)	Advisory Fuel Rate
Up to 1400cc	14p
1401 to 2000	17p
Over 2000	26p

An employee in a 1400cc car claiming 100 miles could claim £55 but their fuel receipt would only need to be (100x14p=) £14.

4.3 Submitting a business travel expense claim (passenger transport)

Employees should upload a valid ticket or proof of purchase of the ticket showing the date and amount when claiming for train/bus travel.

NB: Section 5 gives details of the difference between taxable and non-taxable business mileage.

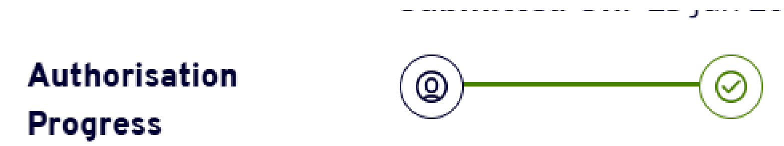
To process a travel claim using public transport, employees will need to claim under other expenses (excluding car journeys). Employees will need to select business (non-taxable) from the drop-down tab.

4.4 Checking an expense or mileage claim in MyView

Employees can check the status of their expense or mileage claim at any time in MyView.

Upon logging in, go to ‘My Requests History’ on the left-hand side bar. Employees will be presented with filter options, under **Event Filter** choose ‘Expense Claims’ and under **Status Filter** select all. This will allow employees to see all claims they have made, regardless of whether it is approved or not yet. Select **Search.**

Employees will be presented with a list of all historic expenses and mileage claims. By selecting the right-hand side drop down arrow, you will see **Authorisation Progress.**



By selecting the ticked circle (or orange question mark if not yet approved) employees can view the date and time of authorisation, as well as who authorised their claim.

5 Guidance on VAT for expense claims

A VAT receipt is not required for certain specified expenses incurred under £25, a proof of purchase alone will be sufficient to make a valid expense claim and allow the councils to claim back VAT.

These are:

- coin operated machines
- toll charges
- car parking charges.

For all other expenses VAT receipt or simplified VAT invoice including the following will be acceptable for claiming expenses and for the councils to reclaim VAT:

- supplier, name, address, and VAT registration number
- the time of supply (tax point)
- a description which identifies the goods or services supplied
- for each applicable VAT rate, the total amount payable, including VAT, and the VAT rate.

See table below for information on which expenses usually incur VAT and therefore require a VAT receipt.

Expense	Can VAT be claimed?	Evidence/conditions required
Business mileage (petrol/diesel)	Yes, on the fuel element only	Must provide a valid VAT fuel receipt. One receipt may cover multiple journeys. The receipt must be dated before or during the Journey (not after).
Business mileage Electric Vehicle (EV) charging	Location dependent	Yes, if charged at a public charging point or Council premises and a valid VAT receipt is held. No, if the employee charges the vehicle at home (per current HMRC policy).
Public Transport (bus/train)	No - zero rated	Passenger transport is zero rated for VAT. No VAT is charged, and no VAT can be claimed. Receipts/tickets are still required as proof of business expenditure
Hotel accommodation	Yes	Fully recoverable for employees. Requires a full VAT invoice from the hotel.
Meals and subsistence	Yes (actuals only)	Fully recoverable for actual costs incurred on business trips.

Staff entertainment	Yes	Recoverable for events solely for staff (e.g., team building, staff parties).
Car parking/tolls	Yes	VAT charged on off -street parking and tolls is recoverable. Receipts are required, though HMRC waives the VAT receipt requirement for tolls/parking under £25.
Professional Subscriptions	Depends on provider	Employees need to check whether VAT is applicable and whether the professional membership is on the HMRC approved list.

6 Appendix 1- Mileage Log

Name:_______________________________________

Normal commute mileage to be deducted from business mileage:_______________________

(Insert Info for normal commute journey which is from home to normal work location)

Date of travel	Starting postcode	Ending postcode	Journey Miles	Business Miles (excluding home to work miles)	Purpose (e.g. business meeting, site visit)	Notes
01/01/2026 (example)	RG14 5LD	OX2 0JJ	29.7 miles	4.7	Meeting with recruitment agency	To discuss HR recruitment