APPENDIX 1

# STAFF EXPENSES & ALLOWANCES POLICY

APPROVED BY HHP BOARD: March 2026
EFFECTIVE DATE: March 2026

hhp | hebridean housing partnership

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## INTRODUCTION

1.1 We will pay the costs and expenses wholly and necessarily incurred on our business by our employees. This includes extended periods of travel as a result of weather delays.

1.2 Current guidance relating to Payments and Benefits paid by RSLs is given in the 'SHR Regulatory Standards of Governance and Financial Management' which is the reference document used for our policy on Control of Payments and Benefits.

## AIMS

2.1 The aim of this policy is to enable our staff to be properly reimbursed on a fair and equitable basis for all expenses incurred in connection with their duties on our behalf.

## SUBSISTENCE

3.1 For an overnight absence from an employees usual place of residence, we will book accommodation in advance, up to a maximum of the rates (including VAT) below:

| Accommodation | | Amount (inc Vat) |
|---|---|---|
| In Hotel or Guest House | Mainland/Inter island | £150 |
| | London | £220 |
| | Outside UK | £220 |
| | Overnight Incidentals | £5 |

3.2 Various local authorities are currently consulting on implementing a visitor levy. The above rates exclude any levies which may be applied.

3.3 Where accommodation and meals cannot be obtained for the standard rates, the actual costs should only be accepted following the prior approval of a director being obtained.

3.4 Under exceptional circumstances, the Partnership will reimburse unplanned expenses and pay subsistence up to the maximum limits, but this will require explanation and evidence to be provided, and an appropriate sign off by a director.

3.5 Subsistence will be payable to employees who are prevented by their duties from taking a meal at their home, administrative centre or establishment where they normally take their meals, and thereby incur additional expenditure; an employee may be required by the manager to certify this.

3.6 The allowances do not apply to staff that are required to make journeys on a regular basis as part of their employment with us.

3.7 A meal is defined as a combination of food and drink and would take a normal dictionary meaning. Breakfast rate will only apply if the Employee leaves home, to commence their journey, before 6.00 am and incurs a cost on breakfast taken away from home after the qualifying journey has started. Breakfast rate will not be paid if the cost of an overnight stay includes breakfast.

3.8 The maximum amounts which will be paid for subsistence are:

| Meals | Type of Journey | Amount |
|---|---|---|
| Breakfast rate | Local/mainland | £15 |
| Lunch Meal | Local/mainland | £15 |
| Evening meal | Local/mainland | £30 |

3.9 The allowance shall not be paid where a suitable meal is provided for as part of an accommodation or course package where payment is made otherwise in accordance with any other provisions for personal expenses.

3.10 Expenditure will require to be accompanied by appropriate receipts.

3.11 Where the above subsistence rates are exceeded, expenditure should be appropriately authorised with an explanation provided as to why the expenditure exceeds the permitted allowance.

## CAR ALLOWANCE

4.1 Employees authorised by HHP to use their own car for official business shall receive allowances which will be paid at the HMRC approved rates which are currently:

| Type | Annual mileage | Rate per mile |
|---|---|---|
| Casual | Up to 10,000 | 45p |
| | Over 10,000 | 25p |

4.2 Where employees travel with a fellow employee (Or Board member) in a car or van on journeys which are also qualifying work journeys for them, an additional 5p per passenger per business mile for carrying fellow employees can be claimed. To qualify for this allowance the passenger must be a member of staff or Board member and claimants must provide the full name of the passenger when making a claim.

4.3 Permission must be given by a Director before a car is hired. Where permission is given and a car is hired, the cost of the fuel used should be claimed via appropriate receipts and not by way of a mileage allowance.

4.4 The allowance payable to an employee who chooses to travel by car rather than by public transport shall not exceed the amount of the allowance which would have been payable had public transport been used.

## MOTORCYCLE ALLOWANCE

5.1 The allowance payable to an employee who uses a motorcycle when travelling on HHP's business shall be as per the HMRC approved rate (Currently 24p per mile).

5.2 Employees shall only be entitled to use a motorcycle for business travel when it has been properly authorised in advance and where appropriate insurance is in place.

## CYCLE ALLOWANCE

6.1 Employees who use their bicycles for travel on official business are eligible to claim a bicycle mileage allowance.

6.2 The cycle mileage rate payable under the scheme will be as per the HMRC approved rate (Currently 20p per mile).

6.3 Employees are required to make arrangements to ensure that they are adequately covered under their Household Insurance policy or other appropriate Bicycle Insurance arrangements. Evidence of these arrangements is required prior to authorisation being given.

6.4 Employees wishing to use their bicycle for official business travel must sign declarations form verifying that they will observe the appropriate safety conditions.

6.5 The Manager, taking accounts of the needs of the service, will determine where for operational reasons, it is practical to use a bicycle for official business travel.

## PUBLIC TRANSPORT & PARKING

7.1 All employees will travel Second Class on Public Transport wherever possible.

7.2 All expenses must be evidenced by appropriate receipts or tickets.

7.3 All journeys must be properly authorised prior to being undertaken.

7.4 All parking fees will be re-imbursed in respect of authorised business.

7.5 When travelling on the mainland, taxis should only be used where public transport is not available or where its use would lead to:

a) Partnership business or a travel connection being missed; or

b) a wait in excess of 90 minutes for the start of a public transport journey not exceeding 10 miles; or

c) difficulties for disabled travellers.

## FIRST AID ALLOWANCE

8.1 Employees who have a current approved First Aid Certificate and who are designated First Aid Officers, shall receive an annual allowance at a rate as determined by EVH (Employers in Voluntary Housing). This allowance is currently set at a rate of £577 per annum and is payable monthly along with the Employee's salary.

8.2 This does not apply to these employees who have, as a condition of employment, the need to hold such a certificate or who have to have a basic awareness of first aid.

## MOBILE PHONES

9.1 We make mobile phones available to employees where the circumstances of their role make that appropriate. In that case, we will pay for any service charges and all calls of a business nature.

9.2 Mobile phones are provided for general business purposes. Personal use will be recharged to the staff in the event of any extra costs being incurred. The employee will be invoiced for any such costs and will be expected to pay such invoice within 30 days.

## PROFESSIONAL FEES

10.1 Where membership of a professional body or association is required by us for appointment to a particular post, we will pay for the annual subscription. If the employee leaves during the year, the appropriate amount of the Professional Fee must be repaid.

10.2 The qualifications recognised for the purposes of this section will be those determined from time to time by us and detailed in a list held by the Personal Assistant.

## PRIVATE USE OF VANS OWNED BY HHP

11.1 Where a van is provided to our employee, it is done on the basis that its use is intended for business and insignificant private use only. Insignificant private use means as an exception to normal business usage for short periods on exceptional and irregular instances. This distinction is made to ensure that HMRC do not view the provision of the van as a benefit in kind.

11.2 Specific review by HMRC as to what would be considered as private use would be dealt with on a case-by-case basis, but it is important that any private use for a significant time or purpose is approved in advance by the employee’s line manager. For the avoidance of doubt, ordinary commuting (as defined in clause 11.4 below) is deemed to be an appropriate private use.

11.3 Failure to comply with the above may mean that we will have to report the use of the van as a benefit in kind, which could also potentially result in an increased tax and NIC liability for the employee concerned. (2025/26, Benefit in Kind charge to tax of £4,020 if there is no payment for private use).

11.4 Provision of fuel for private use is classed as a benefit in kind by HMRC unless paid for by the employee. In order to ensure compliance with this, employees are required to reimburse HHP for all private use of these assets. The repayment per mile is set out in the quarterly Advisory Fuel Rates published by HMRC.

## RE-SETTLEMENT ALLOWANCE

12.1 Re-settlement Allowances are payable for the posts within the Executive Team:

a) Where there has been difficulty in recruitment for particular posts out with the Executive Team, the appropriate Director should make the case for a re-settlement package to the Chief Executive. It will be delegated to the Chief Executive whether a re-settlement allowance should be payable;

b) Employees who have received a re-settlement allowance must sign an undertaking to remain in our employment for a period of 2 years from the date of appointment or repay the amount in full;

c) Employees shall pay the full expenses in the first instance. They should thereafter submit all receipts, tender documents and necessary information for approval by the Director. Completed Claim Forms with all the appropriate documentation should be forwarded to the Director for authorisation before reimbursement, which should be within the normal time frame for re-imbursement of expenses;

d) The total allowance payable is subject to a limit of £5,000. Claims must be submitted within 2 years of taking up appointment; and

e) Any payment made to the employee's family/partner relating to relocation expenses must be declared on the claim form and a proportion may be deductible from the total claim payable by HHP.

12.2 The categories for allowance payable are shown at Appendix 1.

## OTHER PAYMENTS

13.1 Staff who are also tenants may be entitled to other payments relating directly to their tenancies if those payments would be made to any other tenant under a similar tenancy. Such payments should be recorded in the Employee Benefits & Payments register and include, inter alia:

a) Decoration allowance;

b) Disturbance allowance;

c) Compensation payment;

d) Home loss payment; and

e) Refund of rent.

## CLAIMING OF EXPENSES & ALLOWANCES

14.1 All expenses and allowances must be claimed at the end of every calendar month using an approved Claim Form.

14.2 The Claim Form must have all appropriate receipts attached, be signed by the claimant and approved by the appropriate Manager or Director.

14.3 Chief Executive expense claims will be reviewed by the Director of Finance and Corporate Services and approved by the Board Chair or Vice Chair in their absence.

14.4 Payment will be included in the following monthly salary transfer.

14.5 The period allowances are paid shall be from 1 April to the following 31 March.

## DRIVING LICENSE AND INSURANCE CHECKS

15.1 We will inspect the driving licence of any employees who before they are allowed to drive any Partnership vehicles.

15.2 It is a requirement that any employees who use their own vehicles for company business must submit the required documents for inclusion in a Corporate Resources register:

a) Driving licence;

b) Insurance policy confirming cover for business use; and

c) MOT certificate (where appropriate).

15.3 It is the responsibility of all employees to inform the Corporate Resources Officer of any changes in relation to the above.

## OTHER BENEFITS – AIR MILES, CREDIT CARD/LOYALTY POINTS, ETC.

16.1 Air miles, petrol tokens, credit card/loyalty points etc. acquired by an employee are not taxable if they were acquired in the same way as applies to any other member of the general public, for instance by buying goods or services on which such benefits are given.

16.2 Provided the vouchers, air miles or points belong to the employee rather than the employer, they are not considered as being provided by reason of their employment even if the goods or services giving rise to them happen to be purchased as part of the employee's business travel or using a credit card provided by the employer.

16.3 Compensation being provided by Airlines for delayed travel is payable to the passenger in accordance with European Union Regulation 261/2004.

## STANDBY PAYMENTS

17.1 There will be some occasions, i.e. weather events, where in order to ensure a repairs service is provided, staff will be required to be on standby.

17.2 The Partnership recognises that standby may disrupt and inconvenience those who carry it out, and this policy provides details of the payments employees will receive and highlights the obligations placed on both management and operational staff in successfully operating such schemes.

17.3 The overriding principle of standby is employee Health & Safety.

17.4 Standby payment arrangements apply to all employees except the Executive Team and covers the times when the office is closed.

17.5 The purpose of the Standby payment is to compensate the employee for the limitations on their activities which are substantial. Alternatively, it may be where the employee cannot use the time effectively for their own purposes.

17.6 A payment of £30.74 a day will be made to employees on standby. It does not apply to the situation where an employee is actually asked to work. Where an employee is asked to work, they will be paid for their time as detailed below:

| Day | Rate |
|---|---|
| Normal working day | Time |
| Christmas Eve | Double time |
| Christmas Day | Double time |
| Boxing Day | Double time |
| Hogmanay | Double time |
| New Year's Day | Double time |
| Day after New Year's Day | Double time |

17.7 An employee will be on "Standby" duty if they have been assigned to be in a state of readiness to perform normal work when called upon.

## EQUALITIES MONITORING

18.1 This policy will be applied fairly and consistently to all employees, ensuring that no individual is disadvantaged on the basis of any protected characteristic.

## MONITORING AND REVIEW OF POLICY

Review

19.1 This policy will be reviewed on an annual basis to ensure that the rates are reasonable and consistent with recommended practice.

Breaches

19.2 If a member of staff knowingly breaches the conditions of this policy, this may be grounds for disciplinary proceedings.

## INTERPRETATIONS & ABBREVIATIONS

The following interpretations and abbreviations are used in this policy:

| WORD | INTERPRETATION |
|---|---|
| *HHP or Partnership* | Hebridean Housing Partnership |
| *Board* | Means the Board of the Hebridean Housing Partnership |
| *Board Members* | All Members of the Board including co-opted Members |
| *Close relative and/or Member of the family* | A person is a close relative or a member of the family if:<br>he or she is the spouse of, or cohabits with, that person (whether the same or different sexes), or<br>he or she is that person's parent, grandparent, child, stepchild, grandchild, brother, sister. |
| *Claim Form* | Expenses Claim Form |
| *Executive Team* | Chief Executive, Director of Finance & Corporate Services, Director of Operations and Head of Executive Office. |
| *HMRC* | His Majesties Revenue and Customs |
| | |

All references to the masculine gender in this policy shall read as equally applicable to the feminine gender

If there is a conflict between this Policy and any statutory provision or regulation, the latter shall prevail.

## APPENDIX 1

Conditions to re-settlement allowance

Removal

Employees must obtain at least 3 competitive written tenders. The allowance payable is based on the lowest of such tenders and will include actual expenses incurred inclusive of insurance, vat and storage charges. The employee may, however, select an alternative contractor and pay the difference in cost between this and the lowest tender.

Sale of former residence

Allowances payable will include the actual costs of agency fees, mortgage redemption fees and advertising costs associated with the sale of the former residence.

Breaking of tenancy agreement

Allowances will include the payment of actual costs involved in breaking of a tenancy agreement on former residence as a consequence of the employee taking our offer of employment.

Purchasing of property

Allowances will include the actual costs of legal fees, mortgage fees, survey fees (both successful and unsuccessful) and stamp duty associated with the purchase of the new residence.

Disturbance and/or settling in allowance

Allowances will include actual costs of incidental expenses connected with moving home (alteration or replacement of curtains, fixtures and fittings; relaying of floor coverings; conversion and installation of electrical appliances, etc). The claim payable will be subject to a limit of £1,000 (20% of total claim).

Lodging allowance

This allowance will be payable as a measure of temporary assistance to an employee who is unable to sell his/her former residence or arrange rental of that property and is therefore forced to maintain two residences.

Upon the employee signing an undertaking that they are not receiving any rental income on their former property and are actively trying to sell that property, HHP shall grant the following:

For the first 8 weeks, reimbursement of reasonable rental costs,

Thereafter, for a period not exceeding a further 31 weeks, an allowance of £96.74 per week, with that position to be reviewed at the end of the period by the Director of Finance & Corporate Services.

Completed claim forms should be submitted to the Director of Finance & Corporate Services for approval.