



Lytham Town Council

Expenses and Allowances Policy

(Adopted: 29/10/2025, Review due: 29/10/2027)

1. Introduction

This policy sets out the arrangements for the reimbursement of expenses properly incurred by Parish Councillors and Council employees in the performance of their duties. It ensures that claims are dealt with fairly, consistently, and in accordance with legislation and good governance practice.

2. Legal and Regulatory Framework

The Local Authorities (Members' Allowances) (England) Regulations 2003 set out the framework for parish and town councils, including being allowed appropriate reimbursements of expenses incurred by Councillors in performance of their duties.

- Section 15(5) of the Local Government Act 1972 permits the Council to pay its Chair an allowance.
- Employees' rights to claim expenses are provided for in their contracts of employment.
- HMRC rules apply in relation to approved mileage allowance payments and taxable benefits.

3. Principles

- Only actual, reasonable, and necessary expenses will be reimbursed.
- All claims must be supported by receipts or tickets (except mileage), however recognising the relevance of technologies, digitally scanned copies / images are acceptable.
- Claims must relate to approved duties of the Council.
- Councillors and staff are encouraged to use the most cost-effective and sustainable means of travel.
- No individual may authorise their own expense claim without secondary verification.
- Expenses or Allowances claimed will be paid by BACS electronic transfer to the Claimant's nominated bank account.

4. Councillor Allowances

The Council does not operate a Members' or Chair's Allowance Scheme.

Councillors may only claim for reimbursement of expenses actually incurred in carrying out approved duties.

5. Travel Expenses

Travel expenses will be reimbursed for approved duties, including:

- Attendance at training courses, conferences, and meetings of recognised associations.
- Any other approved duty of the Council or its committees.

Reimbursable travel includes:

- Private car use: paid at the HMRC mileage rates in force at the time of use. Vehicles must be insured for business use.
- Public transport: standard class fare only.
- Taxis: only in necessary circumstances (with justification).
- Parking/toll charges: reclaimable with receipts.

Journeys should normally start and end at:

- Councillors - their home address.
- Employees - their contractual place of work (home address if contracted as a home-worker).

Where possible, car sharing must be considered and should be arranged.

6. Subsistence (Meals & Accommodation)

Subsistence claims are only permitted where attendance at approved duties requires meals or overnight stays away from home.

The travel must be in the performance of duties of the council.

Breakfast rate is paid when an employee leaves home earlier than usual and before 6am and incurs a additional cost on breakfast.

Prior approval from the Clerk/RFO or Chair is required.

Reimbursement is for actual expenditure incurred, the following costs are benchmark guidance, at time of authoring this Policy, and are inclusive of VAT and gratuities

- Breakfast: £6
- Lunch: £8
- Evening meal: £20

Overnight accommodation:

In exceptional circumstances, where it is not possible for the Town Council to make a direct booking, the actual receipted cost of accommodation, including breakfast, will be reimbursed subject to the following maximum limits:

- On business in London - £182.75
- On business elsewhere in the UK - £159.13

(Benchmark - Lancashire County Council Allowances & Expenses Policy 01/04/2025)

NB: Alcoholic drinks will not be reimbursed.

7. Training and Conferences

Attendance must be authorised in advance by the Council, Clerk, or relevant committee.
The Council will meet the reasonable cost of:

- Course/conference fees.
- Travel (as per section 5).
- Subsistence and accommodation (as per section 6).

8. Employee and Member Health-Related Expenses

In line with the Display Screen Equipment Regulations 1992, the Council will fund the cost of an eye test every two years for employees who regularly use computer equipment.

Members who regularly use computer equipment will be afforded the same entitlement.

The Council will meet the cost of annual flu vaccinations or other recommended vaccinations for employees and Members in order to maximise the opportunities to prevent seasonal illnesses and associated absence from work / role.

9. Claiming and Payment Process

a. Claims must be made on the Council's Expenses Claim Form (Appendix A).

b. All claims must:

- Be submitted within two months of the expense being incurred, unless there is supporting rationale to understand the delay in submission.
- Include original receipts/tickets (where applicable), scanned copies are acceptable.
- Be signed and dated by the claimant.

c. Authorisation:

Councillor claims - authorised by the Clerk/RFO and verified by the Chair.

Employee claims - authorised by the Chair and verified by a member of the Clerk Management Team.

d. Payments will normally be made by BACS transfer as part of the Council's regular payment run.

10. Audit, Abuse and Sanctions

All claims are subject to internal control and audit.

Fraudulent or misleading claims by staff may lead to disciplinary action.

Improper claims by Councillors will be treated as a breach of the Members' Code of Conduct.

11. Review of Policy

This policy will be reviewed every two years or sooner if legislation or guidance changes.

Version Control

Version	Date	Description of Change	Author
V1	29/10/2025	Policy approved and adopted	Luke Russell C/RFO

Appendix A - Expenses Claim Form

Claimant Name: _____

Date(s) of Expense: _____

Description of Expense / Duty: _____

Mileage (if applicable): _____ miles @ HMRC rate

Amount Claimed: £ _____

Receipts attached: Yes / No

Claimant Signature: _____ Date: _____

Authorised by: _____ Date: _____