

Travel Expenditure Costs in Relation to Official Business Clerk's Briefing Note

The Local Government Act 1972, section 111, Subsidiary Powers of Local Authorities gives the Town Council the power to spend, borrow or lend to facilitate, whether that be conducive or incidental to, the discharge of any of its functions. Any reclaim of travel expenses by a member or an officer would fall within this power.

Although a legitimate budget expense¹, as this was a slightly unusual item of expenditure, it would have been appropriate to have agreed it in advance, prior to reimbursement, rather than relying on Financial Regulation 3.4 which in hindsight is not appropriate. Whilst the procedure for reimbursement has been applied incorrectly by the Clerk/RFO, the legal power to reimburse is not in question and there has been no impropriety by the councillors concerned.

The budget agreed in relation to mileage claims (Travel) has been agreed at £400 and is only rarely reclaimed by Councillors. The Town Council also has an agreed budget of £8,000 for Town Council Development, which includes costs associated with the public relations business of the Council; website, newsletters, paid for press, non-routine administrative costs and in this year Town Twinning Travel for the Chair of the Council and the Town Council's Representative on Town Twinning.

In considering whether it is necessary to have a policy on travel expenditure costs, it might first be practical to consider whether a policy is actually necessary; how often is travel undertaken by members and officers?

Upon seeking advice from NALC and neighbouring Councils, it is clear than no-one has an actual policy that has been written to include both mileage and more substantial travel. Other than agreeing that costs incurred in the course of official duties are reimbursed on production of receipts and mileage claims, there is no official policy. It is also evident that travel is not a key concern as very few travel outside of their towns/parishes for official business.

The advice of the Chief Officer of NALC is that Council's should reimburse official business, as it is a legitimate expense and if members were expected to fund their own travel/expenses it may deter them from carrying out their role.

My advice would be that travel expenditure and Town Twinning are separated. It is very unlikely that members and/or officers are going to incur radical travel expenses for anything other than town twinning, therefore this budget is adequate and the reimbursement of mileage when attending training and meetings is expected and need not come before full council for agreement, other than as an account to be paid.

With regards Town Twinning, it would be more transparent and in keeping with the concerns raised regarding this expenditure if a budget was set for Town Twinning; this would demonstrate the Council's commitment or otherwise. In budget planning, the Council could agree those who would be funded to travel, and any hospitality when our friends from Mitry-Mory visit Prudhoe.

Each year may present different circumstances. Judging by the festivities in France this year, they had planned very special events but that may not be the case every year and although this would necessitate having the information relating to Town Twinning events in advance, it would be advantageous in regards planning expenditure.

¹ Reimbursement of return air travel for Mayor and Representative on Town Twinning to Mitry-Mory (Paris) at a cost of £295.60/per person.

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The Council do award a grant to the Town Twinning Association (£325 in 2019/20) but this does not cover reception events which have previously been paid from Town Council Development; our financial commitment is low in comparison to our twin town.

Whilst I would not advise that agreeing a travel policy is a priority or absolutely necessary in response to this retrospective reimbursement and error on my part, below is an example that has been adapted from Balsall Parish Council.

Travelling Allowance

Any Councillor (elected or co-opted) shall be entitled to be paid a travelling expense in respect of travelling undertaken in connection with the duties set out below and only for journeys outside the parish boundaries.

Councillors may be reimbursed for expenses for travel when carrying out duties approved by the council, or anything of a class so approved for the purpose of, or in connection with, the discharge of the functions of the council or any of its committees or working parties. This includes attendance at training courses.

Approval for the attendance at events referred to above will normally be approved in advance at a full council meeting, however in emergency situations or if the details of the event are published between meetings, expenses may be approved after the event. Councillors will not receive expenses for attendance at any meeting of Prudhoe Town Council or work within the Town.

The council will pay a travel allowance in accordance with the following: Cars: 45p per mile, Motor cycles: 24p per mile, Bicycles: 20p per mile; Public transport: lowest available second-class fare only, ticket receipts required; Parking cost: actual cost with receipt.

Claims by Town Councillors in respect of travel should be made monthly on the prescribed form supplied by the Clerk and signed by the claimant. All claims to be made no later than 7th April next following the end of a year.

Payments shall be made to each Councillor by bacs in arrears.