

DIRECTOR EXPENSES POLICY

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Approved By	Hamwic Trust Board of Directors
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Background

In accordance with the “Trustee Expenses and Payments Guide, Charity Commission, March 2012” this policy sets out which expenses Directors are able to claim for.

Directors (Trustees) must not put themselves in a position where their personal interests conflict with their duty to act in the interests of the charity unless authorised to do so. However, trustees are entitled to have their expenses met from the funds of the charity.

This policy should be read in accordance with the following documents:

“Trustee Expenses and Payments Guide, Charity Commission, March 2012”

<https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments>

“The Academies Financial Handbook, Education Funding Agency, September 2016”

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/535870/Academies_Financial_Handbook_2016_final.pdf

The Governors Handbook, Department for Education, May 2014

What is a legitimate expense?

A legitimate expense is a reasonable cost which a Director has incurred in order to carry out his/her duties for the Trust. All expense claims should be submitted on a Trust claim form and receipts and relevant paperwork should be attached. The Chair of the Board / CEO will authorise Director expense claims. An expense over £1,000 will be authorised and signed by the Chair of the Board.

A ‘reasonable’ expense is one that factors in affordability, market rate, value for money and quality. Expenses that are included in this policy are:

- The reasonable cost of travelling to and from Trust meetings, and on trustee business and events. This can include the cost of using public transport, taxi fares, and petrol allowances to the level permitted by HM Revenue & Customs (HMRC) before tax becomes payable;
- reasonable refunds for the cost of meals taken while on Trust business;
- the reasonable cost of childcare, or care of other dependants (for example, an elderly parent) whilst attending trustee meetings;
- the cost of postage and telephone calls on Trust business;
- the costs of a trustee’s telephone rental and broadband subscription, so long as these are split to reflect the percentage of time relating to usage on behalf of the charity;
- communication support: translating documents into Braille for a blind trustee, or into different languages; provision of alerting and listening devices, and other special aids for people with hearing impairment;
- the costs of buying training materials and publications relevant to trusteeship;
- providing special transport, equipment or facilities for a trustee with a disability; and
- cost of reasonable overnight accommodation and subsistence (including any essential care costs) while attending trustee meetings or other essential events such as voluntary sector conferences or specialist training courses

Audit

When considering expense payments, the Board will ask the following questions:

- Who will receive the payment - will it be a trustee, or a person or business connected with a trustee?
- What is the payment expected to cover?
- Is the payment clearly in the best interests of the charity?
- Is there a legal authority for it?
- What conditions must be met if the payment is to be made?
- How will any conflict of interest be managed?
 - o A pecuniary interest register will be completed by all Directors at each Board meeting. Any Director with a conflict of interest may be asked to abstain from any discussion or vote that involves payment.

Directors expenses will be subject to external and/or internal audit.