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## **Director and LAB member Expenses Policy**

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## **DIRECTOR AND LAB MEMBER EXPENSES POLICY**

### **1. Introduction**

- 1.1 The Trust values the time and support given voluntarily by those who undertake Director and LAB member roles and responsibilities.
- 1.2 Multi Academy Trusts have a significant level of autonomy, which makes it all the more important for the Trust Board to consider the regularity, propriety and value for money of all aspects of Trust business.
- 1.3 This policy has been developed in accordance with the Department of Education's Governance Handbook, the requirements of the Education and Skills Funding Agency's (ESFA) Academies Financial Handbook (AFH), the Trust's Articles of Association and guidance provided from the Charity Commission (CC11)
- 1.4 The Trust has the discretion to pay allowances from the Trust's annual budget allocation to Directors and LAB members for certain allowances which they incur in carrying out their duties. Diocese of Hereford Multi-Academy Trust believes that paying such expenses, as set out below, is important in ensuring equality of opportunity to serve, as a Director or LAB member for all members of the community and so is an appropriate use of Trust funds.

### **2. Definitions**

- 2.1 In this procedure, the following words and expressions shall have the following meanings:

"Directors" or "Trust Board" means the Board of Directors of the Trust as constituted from time to time.

"LAB members" means the Local Academy Board of each Academy referred to as the LAB as constituted or where appropriate, any sub-committee of the LAB.

"Trust" means the Diocese Hereford Multi - Academy Trust and/or any of its academies;

### **3. Allowances**

- 3.1 Directors and LAB members of the Trust will be able to claim reimbursement of expenses providing they are incurred in carrying out their duties as a Director, LAB member or representative of the Trust.
- 3.2 Directors/LAB members will be able to claim for the following, on a case-by-case basis.

- 3.3 The reasonable cost of travelling to and from Trust meetings, and on Trust business and events, this can include the cost of using public transport, taxi fares and petrol allowances to the level permitted by HM Revenue and Customs before tax becomes payable. Mileage will be calculated according to the shortest route to and from the required destination. These rates are viewed and updated regularly by HMRC and the table below indicates the rates effective at April 2020.

	Up to 10,000 miles	Over 10,000 miles
Cars and vans	45p	25p
Motorcycles	24p	24p
Bicycles	20p	20p

- 3.4 Subsistence costs, payable at the specified rates for Trust personnel, for the cost of meals taken while on Trust business. The cost of postage and telephone calls on Trust business
- 3.5 Communication support; translating documents into Braille or into different languages; provision of learning and listening devices etc.
- 3.6 Cost of reasonable overnight accommodation and subsistence while attending Trust meetings or other essential events such as specialist training courses
- 3.7 Claims for the reasonable cost of childcare, or care of other dependent whilst attending Trust meetings or other agreed activities, such as training events. This excludes situations where the individual has a spouse, partner or other responsible adult who normally lives in the family home to help care for his/her child(ren)/other dependent.
- 3.8 All expenses incurred should follow the Academies Financial Handbook's principle of value for money i.e. "the economic, efficient and effective use of all the resources in the Trust's charge, the avoidance of waste and extravagance, and prudent and economical administration". They must also be affordable within each academy's general budget or the central Trust budget for Director expenses.

#### **4. Expense payments which will NOT be paid**

- 4.1. Any expense in connection with foreign travel
- 4.2. Payment of hotel accommodation or travel costs for spouses or partners who are not themselves travelling on Trust business.
- 4.3. Expenses that can be claimed from any other source
- 4.4. Compensation for loss of earning whilst carrying out Trust business
- 4.5. Attendance allowances.
- 4.6. Reimbursements for purchases made on behalf of the Trust are not counted as expenses and are accounted for as part of the Trust's general expenditure.

#### **5. Arrangements for making claims**

- 5.1. It is good practice for a Director or LAB member to agree the anticipated cost of any expenditure, which is to be reclaimed with their Chair before incurring such expenses. However, any expenditure, which in total exceeds £25.00, must always be pre-approved by their Chair prior to being incurred.
- 5.2. The following process and principles will apply to the approval of expenses:
- 5.3. The actual cost must be notified to the Chair within four weeks of incurrence, and
  - 5.3.1 A claim for reimbursement must be submitted to the Chair (see appendix 1) within four weeks of the expense being incurred.
  - 5.3.2 A receipt is required in order to obtain a refund.
- 5.4. In cases where the above principles have not been followed, the claim will be forwarded to the Trust's Finance and Resources Committee for review. If the Committee decides not to approve the claim then the claimant will be notified in writing of the reasons the expenses have not been approved and the claimant may then appeal in writing to the Chair of the Board of Directors whose decision is final.

- 5.5. In the case of a Chair of an LAB claim, the CEO of the Trust should approve this. In the case of the Chair of Trust Board reclaiming expenses, this should be authorised by the Chair of the Finances and Resources Committee, (if this is the same individual, it should be referred to the Chief Financial Officer of the Trust for approval).
- 5.6. Claims will be subject to independent audit by Internal Audit and may be investigated if they appear excessive or inconsistent.

## **6. Accounting for Director Expense Claims**

- 6.1. Annually a schedule of all expenses reimbursed to either Directors or LAB members will be submitted to the Trust Finance and Resources Committee for review.
- 6.2. As part of the applicable Statement of Recommended Practice the Trust will disclose as a note to its accounts:
- The total amount of Directors expenses
  - The nature of the various expenses
  - The number of Directors involved.

If Directors have received no expenses this should also be stated.

## **7. Other Payments**

No Director or LAB member may receive any other financial benefit from the Trust or any of its academies such as payment for services unless this is permissible under the Articles of Association.

## **8. Statement of Review**

The policy will be reviewed on a three yearly basis unless Government guidance or legislation requires an earlier revision. Any review will take into consideration all aspects of applicable legislation and advice current at the time of the review. The next 'Period of Review' will be **September 2023**.

## Appendix 1

Directors and LAB members expenses form			
*Month/Quarter Ending:			
Appointment Held:			
NAME:			
ADDRESS:			
<u>Travelling Expenses: (as detailed below)</u>			
Miles Claimed (maximum of 833 per month)		<b>0.45 p/mile</b>	
ADMINISTRATION AND OTHER EXPENSES: In order to comply with Inland Revenue Guidelines all Claims for other expenses MUST BE SUPPORTED BY RECEIPTS OR OTHER VOUCHERS, not credit/debit card receipts			
Stationery & Photocopying		=	
Public Transport		=	
Miscellaneous		=	
<b>Total £</b>			

TRAVELLING EXPENSES RECORD				
Date	Starting Point	Journey Details		Total Mileage
		Destination	Reason	
			<b>Total Mileage</b>	<b>0</b>
<i>NB Please submit the form as soon after the month end, or every 3 months if the total of the claim is less than £25.00. Please submit forms by email to <a href="mailto:finance@dhmat.org.uk">finance@dhmat.org.uk</a></i>				

**TOTAL CLAIMED**  
£

	<b>0</b>
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Signed:	Date:	Approved by:	Date:

Office Use		Date:	Reference
PSF Entered on system			
PSF Paid List			
Date Paid		Bacs Reference:	