



Governor expenses policy

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Policy Version Control

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Chair's signature: David Sword

5th May 2016

Ormiston Academies Trust

Governor expenses policy

Policy Version Control

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Policy prepared by (name and department)	Victoria Taylor – Ormiston Governance Department
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I. Policy statement and principles

I.1 Policy aims and principles

Governance in England is rooted firmly in the principle of voluntary service therefore individuals cannot be paid for their role as a governor. There are a limited number of specific circumstances in which individuals serving as governors (including associate members) can receive payments from the academy's annual budget.

Allowances will only be paid where it is clearly in the best interests of the academy and does not include payments to cover loss of earnings or an allowance for attending meetings.

There are three circumstances in which governors may be paid by the academy:

- Reimbursement of reasonable expenses properly incurred when acting on behalf of the academy
- Payment for services provided outside the role of governor
- Payment of salary to staff governors or the principal in their capacity as an employee and not as a governor

We believe that paying governors' allowances is important in ensuring equality of opportunity to serve as governors for all members of the community. This makes sure that financial reasons do not prevent an individual from becoming a governor or for them to fulfil the requirements of their role.

To adoption of this policy does not mean that governors will always claim for expenses, it is the responsibility of the governors to decide for themselves whether or not to make a claim.

The objectives of this policy are:

- To ensure such expenditure represents the necessary and reasonable costs incurred by or on behalf of governors who are properly engaged on academy business
- To reimburse governors promptly for expenses incurred on academy business
- To detail the allowances that governors can claim for and the processes that should be followed

This policy is consistent with all other policies adopted by the academy and is written in line with current legislation and guidance.

I.2 Complaints

All complaints are dealt with under the **OAT Complaints**.

Complaints should be made in writing and will follow the OAT complaint procedures and set timescales. The handling of complaints may be delegated to an appropriate person.

The outcome of the complaint will be communicated in writing.

I.3 Monitoring and review

This policy will be reviewed annually or in the following circumstances:

- changes in legislation and / or government guidance
- changes in HM Revenue & Customs (HMRC) expenses rates
- as a result of any other significant change or event

- in the event that the policy is determined not to be effective

If there are urgent concerns these should be raised to the Chair of the Governing Body in the first instance for them to determine whether a review of the policy is required in advance of the review date.

2. Governor expenses

Any expenses paid must be considered reasonable, necessary and incurred as a result of fulfilling their role as governor.

Governors will be able to claim allowances providing the allowances are incurred in carrying out their duties, as a governor or representative of the academy. We consider that the following expenses are reasonable costs that may be claimed for:

- The cost of travel to meetings, training and conferences (see section 2.1)
- Subsistence (see section 2.2)
- Other reasonable expenses (see section 2.3)

Other expenses should be paid on provision of a receipt and be limited to the amount shown on the receipt.

Section 2.4 details expenses that can be claimed if they are agreed by the chair in advance.

2.1 Travel expenses

Mileage

Where governors use their own private car on academy business, the following mileage rates (HMRC approved mileage rates) will apply unless the academy policy for staff is of a lower amount, where this is the case the lower rate will apply.

	Up to 10,000 miles claimed	Over 10,000 miles claimed
Cars & Vans	45p	25p
Motorcycles	24p	24p
Pedal Cycles	20p	20p

The cost of motoring offences cannot be reclaimed under any circumstances.

Passenger payments - cars and vans

Any additional allowance of 5p per passenger per business mile for carrying fellow governors in a car or van on journeys which are also work journeys for them can be claimed. The expense claim should clearly state the journey and passenger details.

Public transport

Where public transport is used receipts should be retained for reimbursement. First class tickets can only be reimbursed where prior approval has been obtained.

It is recommended that UK rail travel is booked well in advance of the date of travel in order to take advantage of reduced / discounted fares and that costs are further minimised, wherever possible, by committing to a particular train / time.

Hire of Taxis

The use of taxis should be restricted to essential localised journeys only. Taxis should only be used where there is no appropriate form of public transport available. If a taxi is used then a receipt must be provided with the completed expenses form.

Car Parking

Parking costs incurred in the course of travelling away from the normal place of work may be claimed via the expenses system, with a valid receipt. Parking fines and fines incurred for road traffic offences will not be reimbursed.

2.2 Subsistence

Any payments for subsistence will be made in line with the academy policy for staff and must be accompanied by an itemized receipt.

2.3 Other reasonable expenses

Telephone charges

The cost of making business calls on a personal mobile telephone may be claimed by attaching an itemised telephone statement to an expense claim form. The cost of rental, top up cards or other charges in respect of personal mobile telephones will not be reimbursed.

Administration charges

The costs associated with photocopying, stationery, postage etc. may be claimed as expenses but only in circumstances where using electronic alternatives are not appropriate. Where documents can be sent by email this should be done in all instances.

2.4 Expenses requiring prior approval or decided on a case by case basis

The following types of expenses can only be claimed where prior approval from the chair is obtained and these will be judged on a case by case basis. All decisions related to this and the reasons why expenses were agreed / refused should be recorded. Such expenses include:

- Overnight accommodation
- Childcare or babysitting allowances (excluding payments to a current/former spouse or partner)
- Cost of care arrangements for an elderly or dependent relative (excluding payments to a current/former spouse or partner)
- The extra costs they incur in performing their duties either because they have special needs or because English is not their first language

2.5 Making a claim for expenses

In order to make a claim for expenses an expenses form should be completed (available on OAT Learning of from your clerk) and submitted for approval within six months from the date the expense was incurred. Claims for expenses are submitted to the chair of governors or chair of the finance and general purposes committee. Claims will be subject to independent audit and may be investigated by the chair of governors or chair of the finance and general purposes committee if they appear excessive or inconsistent.

3. Payment for services

There may be instances where a governor may be paid for goods and / or services that fall outside of the governor role. In these situations strict guidelines will be followed.

We will first ensure that any decision relating to a governor providing goods and / or services is in the best interests of the academy and any conflicts of interests are dealt with appropriately in the decision making process.

It is essential that any financial or contractual relationship does not undermine an individual's ability to continue to act impartially and objectively in their role as a governor.

When paying academy governors for another role:

- The amount paid must be reasonable in all the circumstances and must comply with the Education Funding Agency's Academies Financial Handbook which requires services to be provided at cost in certain circumstances where goods or services are provided by individuals or organisations connected to the academy
- The governor must be absent from any part of a meeting in which there is a discussion of the payment, not vote and is not counted in the quorum for that part of the meeting
- The other governors must be satisfied that it is in the best interests of the academy to contract with that governor rather than someone who is not a governor
- The reasons for their decision must be recorded in the minutes

A governor can also take part in the normal trading and fundraising activities of the academy on the same terms as members of the public.