

BOARD MEMBERS' EXPENSES PROCEDURE

1.0 INTRODUCTION

1.1 We will reimburse reasonable 'out-of-pocket' expenses incurred by a Board Member in the course of fulfilling their responsibilities, under the following headings:

- Travel costs between the Board Member's home and the Almond HA office for official meetings and/or events [**see note below*]
- Travel costs for attendance at approved courses, conferences or on other Almond HA business, including the cost of overnight accommodation where appropriate
- Reasonable subsistence expenses, e.g. for meals while on Almond HA business where these incur additional costs, or for additional costs arising from overnight stays
- Childminding or care of a dependent relative, except where another member of the Board Member's household is looking after the child or other dependent
- Payment of loss of earnings, provided that:
 - the payment is **not** made in respect of a routine meeting
 - every effort has been made to hold the meeting concerned at a time which will avoid Board Members losing salary or annual leave
 - attendance by the Member concerned is authorised by the Board, and is important for the meeting to proceed, e.g. to act as Chair, or to ensure a quorum
 - the Board Member is able to provide a letter from their employer confirming that earnings have been lost or annual leave entitlement has been used, and the amount or value involved
 - the amount to be reimbursed does not exceed the current upper limit of expenses payable for jury service for the length of time involved.

[***Note:** Where, under current HMRC tax rules, such payments are taxable, it is the responsibility of the Board Member to declare such expenses as income.]

1.2 This procedure is one of a range supporting our Financial Regulations.

2.0 PROCEDURES

General

- 2.1 All claims for reimbursement of expenses will be made on the current expenses claim form and, except for mileage, will be supported by relevant receipts wherever possible. Claims will be authorised by either the Chief Executive or Director of Finance and Business Support.
- 2.2 All expenditure will be incurred in the most cost-effective manner, taking into account location, time of event, and whether other Board Members or employees will be attending, etc. (e.g. sharing of transport).
- 2.3 Where, following investigation by the Chief Executive, two other Board Members and the internal auditor, a Board Member is found to have falsely claimed expenses, the Board will consider the results of the investigation and, depending on its seriousness and whether the false claim was deliberate or inadvertent, may take action under the Board Members Code of Conduct, including deciding that the Board Member is required to resign.

Travel

- 2.4 Reimbursement of travel costs will include the following:
- Car mileage payable at current HM Revenue & Customs rates
 - Standard (2nd class) fares on public transport (rail, bus or ferry)
 - Taxi fares (only where unavoidably necessary)
 - Bridge tolls and car parking fees (but not fines for breaching parking regulations).
- 2.5 Where public transport is to be used, travel arrangements will be confirmed beforehand with Business Improvement and Governance staff who will, wherever possible, purchase tickets etc in advance.
- 2.6 Board Members wishing to upgrade their travel arrangements, or make alternative (more costly) arrangements, may do so at their own expense.

Accommodation

- 2.7 Accommodation normally required as part of attending a course or conference will usually be booked and paid for directly by Almond HA. Where a Board Member has to pay for accommodation, reimbursement will only be made on production of a receipt.

Meals

- 2.8 Meal expenses will only be payable to Board Members who are prevented by their official duties from taking their meal at home (or where they would normally take their meals), and as a result they incur additional expense.

This will not include attendance at Board of Management or any Sub-Committee meetings held at Almond HA offices, or where a suitable meal is provided or is included in the overall costs of an event, e.g. course or conference.

- 2.9 Actual meal expenses will only be paid up to the limits set annually by the Board at the time of approving the Association's annual budget.

Allowances

- 2.10 Board Members may claim an allowance to cover other out-of-pocket expenses incurred as a result of staying overnight at an authorised event, e.g. an annual conference. To qualify for this allowance, the minimum period spent away from home will be two hours between 11.00pm and 6.00am on any one night.
- 2.11 The allowance will be reviewed annually at the time of approving the annual budget. Such allowances are taxable income, and Board Members will be responsible for declaring any such payments received to HM Revenue & Customs.

Care of Child or Dependent Relative

- 2.12 Expenses for childcare will be paid for any child or step-child, or any child for whom the Board Member is the legal guardian, except where another member of the Board Member's household provides the care. The child will live at the Board Member's home and be under the age of 16 years.
- 2.13 The maximum payment will not exceed the current average rate charged by registered childminders in the local area.

- 2.14 Expenses will be paid for attendance at Board meetings and official events, including attendance at an approved course or conference. Expenses will not be paid where a cheaper alternative, e.g. a free or subsidised crèche, is available.
- 2.15 Expenses will be paid for the length of time the meeting or event lasts, plus the normal travel time to/from home before and after the meeting/event. For periods likely to last more than six hours, overnight care or longer periods, approval in advance of likely costs must be obtained from the Chief Executive. A receipt for all expenses incurred will be required.
- 2.16 Except when the care is provided by another member of the household, expenses for the care of a dependent relative will be payable where the Board Member has a 'legal duty of care' to the relative. This definition will normally include receipt of a statutory or other recognised welfare or other benefit payment. We may, however, also meet care expenses for elderly or infirm relatives who do not meet this definition, dependent on the circumstances in each case, the details of which will be recorded by the Chief Executive or Director of Finance and Business Support in approving the payment.
- 2.17 The same rates of reimbursement will apply as for childcare. In both cases receipts for the expenditure incurred will be required prior to reimbursement.

Loss of earnings

- 2.18 A Board Member satisfying the requirements may claim reimbursement of loss of earnings, or the value of loss of annual leave, up to the current maximum rates for attendance as a juror for the length of time involved.
- 2.19 The claim for loss of earnings must be supported by a letter from the employer confirming the loss of earnings or annual leave.
- 2.20 Loss of earnings will not be paid to Board Members who are self-employed.
- 2.21 Authorisation for such payments will be made in advance by the Chief Executive.

3.0 IMPLEMENTATION & REVIEW

- 3.1 The Chief Executive will be responsible for ensuring that these procedures are implemented by all Board Members, and by the staff involved in processing expenses claims.
- 3.2 The Director of Finance and Business Support will ensure that the details of expenses paid to Board Members are separately identified, recorded in the nominal ledger, and identified in the annual accounts.
- 3.3 The Chief Executive will ensure that these procedures are reviewed at least every three years.

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