



Board Members' Expenses Policy

Policy



Document Title	Board Members' Expenses Policy
Version number	001
Version date	March 2022
Author Title & Issuing Department	Head of Governance & Assurance Governance
Target Audience	Board/Committee Members and Trustees

Approved By	EMH Group Board
Date Approved	To be considered by Group Board on 25 March 2022
Review Date	September 2025

Links to Regulatory Standards – Economic/ Consumer Standards	<ul style="list-style-type: none"> ➤ Governance & Financial Viability Standard ➤ Code of Governance 2020 – Principle 1 Mission and Values ➤ Charity Governance Code – Principle 3 Integrity
Outcomes for Customers	n/a
How were tenants, residents and service users involved in the review/development of this document	Tenants, residents and services users have not been involved in the review/development of this document.
Training Provision	All Board and Committee Members will be provided with a copy of this Policy and will be provided with training via Teams.
Links to the Business Plan	4.5 Business and Financial Resilience
Links to Key Values	This procedure links to all of our key values of Integrity, Diversity, Openness, Accountability, Clarity and Excellence .

Version Control

Version	Revision Date	Author: Job Title	Change Description
001	July 2018	Governance Team	
002	March 22	Head of Governance & Assurance	Updated in line with policy review schedule and updated to reflect ability to make claims for expenses via the emh Cascade system.



BOARD AND COMMITTEE MEMBERS' EXPENSES POLICY

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1. Introduction

- 1.1 It is the Group's policy to reimburse Board and Committee Members (including Trustees within the Group) for personal expenses incurred in connection with their duties for the Group or its subsidiaries. This may include the costs of childcare or the care of a dependent adult as well as the normal expenses arising from attendance at meetings, away days, site visits and conferences and seminars.
- 1.2 The Board and Committee Members' Expenses Policy sets out the guidance to Board and Committee Members on what expenses can be claimed for reimbursement.

2. Definitions and Scope

- 2.1 This policy applies to all Board and Committee Members of emh group, emh homes, emh care and support, emh Treasury, Audit Committee, Governance and Remuneration Committee, Sharpes and Midlands Rural Housing.
- 2.2 All Board and Committee Members are required by emh group to familiarise themselves with this policy and to make sure they follow it at all times throughout their term of office with emh group or its subsidiary boards.

3. Specifics of the Policy

3.1 Policy statement and objectives

- 3.1.1 Expenditure should always be kept to a minimum. All claims should be made on the emh Cascade System by the 12th of the month in order to receive payment on the 25th of the month. Members in any doubt about whether an expense can be claimed should speak to the Group Company Secretary or the Head of Governance & Assurance.
- 3.1.2 For the purposes of expenses Board and Committee Members' place of work is Memorial House, Whitwick Business Park, Stenson Road, Coalville, Leicestershire, LE67 4JP. As such payment of travel costs to and from home to members' place of work is excluded from expenses payments.
- 3.1.3 The guidance in this policy covers the main areas of expenditure but will not cover every individual case. Where Board and Committee Members are unclear what they may claim, they should refer the question to the Governance Team.
- 3.1.4 In order to avoid potential income tax and national insurance charges, as well as reduce the administrative burden in our reporting requirements to HM Revenue and Customs (HMRC) with regards to expense payments, this policy will be strictly adhered to.
- 3.1.5 Only reasonable, authorised expenses that are incurred wholly, exclusively and necessarily in connection with the proper and efficient execution of emh group business will be reimbursed.

3.2 Types of Claim

- 3.2.1 The following claims may be made:
 - travel expenses on public transport
 - travel by taxi or car
 - expenses for items such as hospitality, childcare, carers, where prior agreement should be obtained
 - out of pocket expenses for such items as stationery.



3.3 Authorisation of claims

3.3.1 The Group Company Secretary and Head of Governance are responsible for authorising expense claims on behalf of the subsidiary Boards and the Group Board.

3.4 Payment of expense claims

3.4.1 Expenses will be paid directly into the Members' bank accounts.

3.5 Legal framework

3.5.1 HMRC guidelines will be followed in the processing of expenses through Payroll and reported accordingly.

4. Implementation

4.1 Travel Expenses

For the purposes of expenses board members' place of work is Memorial House, Whitwick Business Park, Stenson Road, Coalville, Leicestershire, LE67 4JP. As such payment of travel costs to and from home to members' place of work is excluded from expenses payments.

4.1.1 Unremunerated Committee/Board members can claim mileage to all emh group premises.

4.1.2 Travelling expenses will be paid to Board and Committee Members who travel on business to other emh group business related locations. This is limited to the cost of travel from the member's normal place of work to the business destination and the return journey.

4.1.3 Where a member travels directly to a work location from home, the distance that is travelled from home to the normal place of work should be deducted from the mileage claim made for this business journey.

4.1.4 Wherever possible, members should use the cheapest form of transport available. Rail journeys should be made by standard class, although in exceptional cases first class rail travel may be used, but only with the prior consent of the Chair of the Board or the Group Company Secretary.

4.1.5 When travelling by private car, a mileage allowance will be paid in accordance with the casual user allowance at the appropriate Inland Revenue rate. Claims should indicate the total number of miles claimed and the engine capacity (cc). If travelling by car, members should always share journeys with others if possible.

4.1.6 The organisation will meet, in full, any appropriate travel costs which are wholly incurred on association business. Such payments include rail fares or a mileage allowance in accordance with the Association's mileage rates, which will be updated from time to time.

4.1.7 In circumstances where, due to disability or particular difficulties in travelling, travel by public transport or own private car is not practicable, the Association will consider claims for the use of a private hire car or taxi. Where this is the case, taxis and cars



should be shared wherever this is practicable. Payment for such claims will be at the discretion of the Group Company Secretary.

- 4.1.8 The Association will meet claims for car parking in circumstances where adequate free parking is not available. (Fines for breaching parking regulations are not included and are the individual board member's responsibility.)
- 4.1.9 The Association will meet claims for associated travel costs such as road/bridge tolls, tunnel fares and congestion charged incurred while on business. Original receipts are required for all claims.
- 4.1.10 Air travel should only be used in exceptional circumstances with the prior consent of the Chair, Group Chief Executive or the Group Company Secretary. Air travel will only be used if it will save other subsistence costs; the journey is urgent, and it is cost effective to do so. Air travel within the UK will be arranged on an economy-class basis. Claimants must seek to minimise the cost of air travel by booking tickets in advance, taking advantage of early booking discounts where available.
- 4.1.11 Receipts should always be provided and failure to produce a valid receipt will result in the claim request being rejected.

4.2. Subsistence

- 4.2.1 Meal expenses will be payable to Board and Committee Members who are prevented by their official duties from taking their meal at home (or the place where they would normally take their meal), and thereby incur additional expenditure. The Group will cover the reasonable cost of breakfast, lunch or an evening meal when the times of meeting requires. As a guide, claims for subsistence away from home must not normally exceed £39 in any one day:
 - £7 breakfast allowance – where a Board or Committee Member leaves home earlier than usual and before 6.00 am and incurs a cost on breakfast taken away from their home after the qualifying journey has started.
 - £7 lunch allowance – whilst working away from any emh group office over a lunch period.
 - £25 evening meal including drinks – where the Board or Committee Member is required to stay away overnight.
 - Receipts must be retained and submitted with the claim. Failure to produce a valid receipt will result in the claim request being rejected.
- 4.2.2 Board or Committee Members who have special dietary requirements, for example, Halal, medical intolerance or vegan/vegetarian will be reimbursed in full for reasonable costs. The determination of what is a 'reasonable cost' will rest with the Group Company Secretary who must be supplied with indicative costs prior to the expenses being incurred wherever possible.

4.3 Business Entertainment/Hospitality

- 4.3.1 From time to time, as a courtesy to outside organisations with whom the Group works, Board or Committee Members may wish to buy drinks or meals for people from such bodies. This is not a practice which should be widespread in a publicly-funded body as anything other than occasional entertainment can give rise to justifiable concern and suspicion. This applies both to entertainment provided by the Group and to that



received. *The provisions of hospitality must be registered with the Company Secretary in accordance with the Board Members' Code of Conduct.*

4.3.2 Where Board or Committee Members wish to buy a modest lunch or similar for someone outside the Group, they should obtain advance approval from the Chair, Group Chief Executive or Group Company Secretary and may claim for themselves and their guest. Expense claims should name the person (and their organisation) being entertained. See also Members' Code of Conduct.

4.4 Out of Pocket Expenses

4.4.1 Board or Committee Members may claim for stationery, postage or any other out of pocket expenses incurred on the Association's business. Alternatively, the office can supply members with paper, stationery, stamps and free post labels.

4.5 Telephones

4.5.1 Land lines

Board or Committee Members who incur telephone charges as a result of undertaking duties on behalf of the Association will have these reimbursed. Each call must be identified on an itemised call list provided by the telephone company. The amount to be claimed plus VAT will be reimbursed on receipt of the itemised call list.

4.5.2 Mobiles

Board or Committee Members are entitled to claim the cost of business calls (inclusive of VAT) made using a personal mobile phone, but only where a highlighted itemised bill is provided. Claims for business calls cannot be claimed where the cost is included within an 'inclusive minutes' package where the monthly charge is not exceeded by the business call.

4.5.3 If the Chair uses their own telephone, the Group will pay 50% of the line rental plus calls undertaken on the Group's business.

4.6 Childcare/Carers

4.6.1 The Group will pay Board or Committee Members' out of pocket expenses for childcare arrangements or costs for carers for elderly disabled, partner/relatives where these are necessary to enable members to undertake their duties. Authorisation should, wherever possible, be sought in advance.

4.6.2 Child minding expenses will be paid for any child or stepchild of a board member, or any child for whom the board member is a legal guardian. The child must normally live with them and be under the age of 16. Claims for childcare should include a receipt and evidence that the person looking after the child is a registered child minder. Claims will not be paid without this evidence.

4.6.3 A carer for a dependant adult is defined as anyone who is responsible for caring for another adult who, because of disability, old age, addiction or illness, cannot manage at home without help. Reasonable expenses will be paid provided a receipt is produced and the person providing temporary care for the dependant is **not** a member of the Board Member's household, for example, a spouse or co-habitee.



4.7 Hotel Expenses/Overnight Stays

4.7.1 EMH Group will book accommodation for Board or Committee Members to attend seminars/conferences, and this will be invoiced directly to the organisation. Where accommodation costs cannot be invoiced directly, for example, because they are not included within a delegate fee, the overnight stay must be pre-authorized by the Group Company Secretary.

4.8 Computer Equipment, Consumables and Broadband Subscriptions

4.8.1 Laptops will be provided to Board and Committee Members; however, consumables and broadband subscriptions will not normally be provided but will be considered where it is necessary to build capacity of Board or Committee Members.

4.9 Professional Memberships

4.9.1 Where the Board or Committee Member is required to hold a professional membership in order for them to perform their duties, emh group will reimburse fees for one professional body. Members should claim these to be reimbursed with the relevant invoice/receipt attached.

4.9.2 Professional publications recommended to Board or Committee Members as part of their appraisals to read in the pursuit of their duties will be provided and invoiced directly to the Group.

5. Responsibilities

5.1 This Policy will be reviewed in line with the review date and monitored through Company Secretary authorisation, HR processing and financial audit.

5.2 The Policy will be kept under review by the Governance & Assurance team in relation to changes in legislation and business requirements.

6. Associated Documents

- ▶ Board Members' Code of Conduct
- ▶ Anti-Bribery and Corruption Policy