

# Finance Handbook

## Appendix 5 Governor Expenses Policy

<b>Title</b>	Finance Handbook
<b>Author</b>	CFO
<b>Approved by</b>	Trustees
<b>Issue date</b>	December 2022
<b>Review date</b>	March 2024
<b>Links to other procedures</b>	<p>This policy has been adopted by the Board of Directors of the South York Multi Academy Trust and applies to all schools that make up the Trust. This policy applies to each school operating within the South York Multi- Academy Trust.</p> <p>This policy will be monitored regularly by the Multi Academy Trust Board in line with the agreed timetable for policy review or sooner as events or legislation changes require.</p>

## **Appendix Five**

### **South York Multi Academy Trust Trustees' and Governors' Expenses Policy**

#### **Principles and Context**

Academy trusts are independent charities. Their Trustees are therefore also charity trustees who must comply with Charity Law. This means that they can only receive payment for carrying out Trustee duties if this payment is specifically allowed by the Trust's governing document or has express authorisation from the Charity Commission. For academies, this power is not currently in the model Articles of Association and any change to allow payment to Trustees would need Charity Commission authorisation. The Charity Commission will only authorise payment to Academy Trustees where it has been clearly shown to be in the charity's interests. They will consider issues like the reasons for payment, whether conflicts of interests are managed appropriately, whether the Principal Regulator (for academies this is the Secretary of State for Education) is agreeable and whether payment of any Trustees is in the longer term interests of the charity.

#### **Multi-academy Trusts**

Like standalone academy trusts, multi-academy trusts are charities. They usually appoint a local governing body for each academy within the trust. These local governing bodies are not charities themselves, and their members are not usually trustees of the multi academy trust. This means that the charity law restrictions on payment to trustees do not apply to members of a local governing body. However, the government expects voluntary service to remain normal practice for members of local governing bodies. The legality of paying members of a local governing body does not remove academy trusts' duty under charity law to act only in the interests of their charitable objectives. We would expect any multi-academy trust considering paying their local governing body members to review very carefully, whether this is in the best interest of the trust and whether this would be appropriate use of public funds. Trusts must also ensure they manage any conflicts of interest in accordance with their Trust's Articles of Association.

#### **Aims**

- To make provision for the payment of allowances to governors and associate governors.
- To ensure that allowances must only cover the expenses incurred in a governor's performance of their duties.
- To ensure travel costs will not exceed the Inland Revenue Authorised Mileage Rate guidelines.
- To ensure compliance with all relevant legislation connected to this policy.

#### **Paying Allowances**

Examples of where a claim may be made for incurred expenses include the following:

- they have special needs;
- English is not their first language.

#### **Childcare or babysitting**

- Claims for the actual cost of reimbursement to a registered child-minder or babysitter may be made whilst the governor is attending meetings of the governing body or its committees or other agreed activities, such as training events. Appropriate proof of payment should be submitted. This excludes situations where the individual has a spouse, partner or other responsible adult who normally lives in the family home to care for his/her child(ren).

#### **Care arrangements for an elderly or dependent relative**

- Costs may be claimed for situations similar to those for child care.

### **Telephone charges, photocopying, stationery, etc**

- Where a governor is unable to use the school's facilities for any of the above a claim for reimbursement may be made. Receipts must be kept where appropriate; in all other cases a detailed written record should be made and submitted.

### **Travel and subsistence**

- Mileage may be claimed for travel beyond reasonable walking distance for the purpose of attendance at meetings of the governing body or its committees or other agreed activities. Claims will be reimbursed at the rate of 40p per mile (this must not exceed the maximum level of the rates published by the Inland Revenue for travel and subsistence).
- Where public transport is used, the actual cost of the expenditure will be reimbursed, up to standard class rail travel. Where it is not possible to use public transport the actual cost of a taxi fare will be reimbursed. Receipts will be required.
- Claims for subsistence allowances, i.e. for meals that would not otherwise have been purchased or car parking charges that would not otherwise have been incurred, will be reimbursed upon the production of a receipt up to a maximum amount of £15.
- This list is not exhaustive and governing bodies should take account of their individual needs. They may, for example, wish to consider the inclusion of other criteria such as reimbursement for the provision of equipment and/or support for governors with special needs or where an individual's first language is not English.

### **Making a claim**

- Governors should claim in arrears on a termly basis unless the amount to be claimed is substantial.
- Claims should be authorised by (the Chair of Finance Committee/Chair of governors/Headteacher) and submitted to (school office) for payment.
- The policy and amounts payable will be reviewed every two years. (January 2023)
- This policy applies equally to all categories of governor, including associate members.

**South York MAT Trustees' and Governors'****Expenses Claim Form****Declaration - MUST READ**

This form must only be used for claiming the reimbursement of expenses incurred by trustees and local governors of South York Multi Academy Trust (the Trust) for expenses as outlined and provided for in the South York MAT Trustees' and Governors' Expenses Policy. When an individual returns a completed form to the Trust's Finance Department, they are declaring that they understand that any and all of the expenses they are claiming were solely made for the Trust and in line with the South York MAT Trustees' and Governors' Expenses Policy, that they have provided valid receipts/VAT receipts, that where receipts have not been provided they endeavoured to obtain them, that if any amount claimed is found not to be for the purposes of the Trust they will be repaid to the Trust, that sufficient approval has been sought from the relevant budget holder before the expense was incurred, that fraudulent behaviour may lead to disciplinary action being taken against them.

**Instructions - MUST READ**

Once completed and signed by the claimant please pass the form to the school's Office Manager or Finance Office, who will pass it to the South York MAT Finance Department for payment. Payments can take up to two weeks to be made and are usually processed on a Friday.

Before completing this form to claim expenses please ensure you have read the 'Declaration' and 'Instructions' section above, which includes your obligations as a Trustee, or Local Governor, claiming expenses and instructions for completing this form.

<b>Name (Claimant)</b>	
<b>School</b>	
<b>Date</b>	

Item	Purchase Description	VAT Receipt?	Net Value	VAT Value	Gross Value	Finance use	
						Nominal	Account
1					£ -		
2					£ -		
3					£ -		
4					£ -		
5					£ -		

<b>Claimant's bank details</b>	
<b>Account Name</b>	
<b>Account Number</b>	<b>Sort Code</b>
<b>Signed by the claimant</b>	<b>Date</b>

DECLARATION: By signing this form I confirm that I have read the contents of the 'Declarations' and 'Instructions' sections which are part of this spreadsheet (in electronic format), that all the expenses being claimed are/were used solely for the purposes of South York Multi Academy Trust and are in line with the South York MAT Trustees' and Governors' Expenses Policy and that if any expenses claimed were found not to be for the Trust's purposes I must return the monies paid to me as a result.

**For Finance Use Only - To complete when received and processed**

<b>Confirmed for receipts attached to the claim form</b>	<b>Date</b>
<b>Authorised First Signatory</b>	
<b>Authorised Second Signatory</b>	