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Trustee and Governor Allowances Policy

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**Statement of intent**

At Three Counties Academy Trust (TCAT), we are dedicated to good practice and ensuring equality through school processes.

The governance of schools in England is deeply rooted in the principle of voluntary service, but academies have the opportunity to decide whether they wish to pay expenses to Trustees and Governors. We believe that no Trustee or Governor should be out-of-pocket in respect to carrying out their duties on behalf of TCAT and, therefore, that the payments of expenses for Trustees and Governors are important in ensuring equality for all members of the TCAT community.

Weencourage all Trustees and Governors to submit claims for reasonable expenses incurred whilst carrying out their duties.

This policy has been created with the aim of ensuring all Trustees and Governors receive reimbursements for any expenses where TCAT has benefitted from the individual attending in their duty.

# Legal framework

This policy has due regard to all relevant legislation and statutory guidance including, but not limited to, the following:

* The Charities Act 2022
* The Trustee Act 2000
* The Charity Commission (2022) ‘Trustee expenses and payments’
* DfE (2020) ‘Governance handbook’
* ESFA (2023) ‘Academy Trust Handbook 2023’

This policy operates in conjunction with the following TCAT and school policies:

* Conflicts of Interest Policy

# Expenses Trustees and Governors can claim for

For the purpose of this policy, **“expenses”** are refunds paid to Trustees and Governors to cover the costs incurred whilst fulfilling their governance duties for TCAT. Allowances of properly incurred expenses are not a payment to Trustees or Governors for their services, nor do they count towards any kind of personal benefit.

In line with this policy, payments will only be made for expenditure necessarily incurred to enable the person to perform any governance duty.

Expenses will be paid on provision of a receipt, at the rate set out in the scheme, and will be limited to the amount shown on the receipt.

Trustees and Governors will be permitted to claim expenses in the following instances, on a case-by-case basis and with prior approval from theTrust Board:

**Travel**

* Claims for expenses may be made for travel between the Trustee/Governor’s household and an academy or TCAT’s central administration office in their personal car, at the level of mileage rates published by HMRC
* The nature of the travel must be related to the work of the Trust Board or a Local Governing Body, e.g. Trustee/LGB meetings, training courses
* Payments will be reimbursed for use of public transport or taxis, upon production of a valid receipt
* The costs of parking for business away from TCAT, where necessary, will be returned upon production of a valid receipt

**Hospitality**

* Claims for expenses may be made for the costs of meals taken whilst undertaking their duties and upon production of a valid receipt
* The costs for reasonable overnight accommodation and subsistence while attending meetings or conferences will be reimbursed, only when the proposed claim has been agreed by the Trust Board in advance

**Childcare**

* In cases where a Trustee/Governor does not have a spouse or family member to care for a child/children when they must attend meetings relating to the work of the Trust Board/LGB, expenses will be returned for the cost of childcare or a babysitter
* Allowances will also be reimbursed for the cost of care for elderly or dependant relatives where the Trustee/Governor must be absent due to their duties

**Specific needs**

* Trustees/Governors may claim allowances for expenses relating to specific needs incurred when carrying out approved duties. This may include expenses related to taxi fares, special transport for individuals with disabilities, audio equipment, support from a signer, braille transcription etc

**Telephone charges, broadband, photocopying, stationery, etc**

* Claims for reimbursements can be made where a Trustee/Governor is unable to use TCAT’s central administration office facilities for any of the above
* Allowances will be returned upon production of a valid receipt, where appropriate. In all other cases, a full written report must be submitted

**Reimbursement for loss of earnings:**

Trustees/Governors will be able to claim expenses for loss of earnings if there is suitable authority to do so and it would be of an advantage to TCAT.

The Trust Board will consider this type of payment to be viable where the Trustee/Governor:

* Brings particular skills or perspectives which are valuable
* Cannot afford to serve as a Trustee/Governor as their employer does not pay them for their time spent undertaking their duties for TCAT
* Is self-employed, and carrying out their Trustee/Governor duties would cause them to suffer financially

If the payment is approved, the Charity Commission will normally impose a condition that the reimbursement is no more than:

* The amount which could be regarded as reasonable payment for the work undertaken; **or**
* The amount lost by the Trustee/Governor, whichever is lower

This list is not exhaustive, and the Trust Board may decide to reimburse in other instances; however, this will be discussed by the Trust Boardprior to any repayment of expenses.

# Payments which do not count as expenses

Trustees and Governors will not be able to receive allowances for the following:

* Payments for hotel accommodation or travel costs for spouses or partners who are not participating in the business of TCAT
* Payments for private telephone bills for business unrelated to TCAT
* Payments for private medical insurance
* Petrol mileage rates above the mileage rates published by HMRC
* Parking fines

This list is not exhaustive, and the Trust Board may decide to reject other requests for expenses which are excessive, false or unreasonable.

Any Trustee/Governor that attempts to claim expenses which are excessive, or which do not relate to legitimate TCAT activities, as outlined above, may be liable to removal from the Trust Board/LGB and, if the expense has already been reimbursed, may be liable to repay TCAT for the amount paid.

# How expenses are claimed

Trustees and Governors will claim expenses on a termly basis unless the amount to be claimed is substantial and/or urgent.

Claims will be made using a claim form and submitted to the Chief Finance Officer (CFO), via TCAT’s finance office.

An example of the Claim Form which will be used by the Trustee/Governor can be found in the appendices.

Claims will not be reimbursed unless authorised by the CFO.

All claims will be subject to independent audit. If claims appear to be too frequent or excessive, the Trust Board may ask for further details.

The Trust Board will account for all expenses in TCAT’s accounts and disclose the following information:

* The total amount of Trustee/Governor expenses
* The nature of the various expenses
* The number of Trustees/Governors involved

# Trustee and Governor payments

TCAT recognises that, with mutual agreement, there may be circumstances where Trustees/Governors provide additional goods or services over and above their normal duties.

Trustee or Governor payments will be paid from TCAT’s funds in return for the work the Trustee/Governor has carried out on behalf of the Trust Board.

Trustees/Governors may also receive benefits “in kind”, i.e. free use of a TCAT school’s facilities for which other users would need to pay.

Such payments will be classed as taxable income and, therefore, TCAT will only grant these payments if there is suitable authority from the Charity Commission to do so and TCAT’s Articles do not prohibit these payments.

The Charity Commission will only authorise these payments where it has been clearly shown to be in the TCAT’s interests, and will consider issues such as the following:

* The reasons for the payment
* Whether conflicts of interest have been managed appropriately
* Whether the Secretary of State for Education is in agreement
* Whether the payment of any Trustees/Governors is in the longer-term interests of an academy in TCAT or TCAT itself

Before the payment can be validated, and authority is received from the Charity Commission, the Trust Board will ensure that the following conditions are met:

* There is a written agreement between TCAT and the Trustee/Governor or connected person to whom the payment is to be paid
* The written agreement sets out the exact or maximum amount to be paid
* The Trustee/Governor concerned will not partake in decisions made by the Trust Boardconcerning the making of the agreement or the acceptability of the service provided
* The payment is reasonable in relation to the service provided and equivalent to the same service that may be provided by an equally qualified and experienced person
* The Trust Board follows the duty of care guidelines outlined in the Trustee Act 2000
* The total number of Trustees/Governors, or those connected to the Trustees/Governors, who are receiving the payment is a minority
* There is no prohibition against payment of a Trustee/Governor
* The Charity Commission’s guidance surrounding Trustee/Governor payments has been considered and adhered to where relevant
* The payment is in the best interests of an individual TCAT academy, all TCAT academies or TCAT itself

Before entering into this type of agreement, Trustees/Governors will ‘have regard to’ the Charity Commission’s guidance on the subject and be able to show that:

* They are aware of the guidance
* In making a decision where the guidance is relevant, they have taken it into account
* If they have decided to depart from the guidance, they have a good reason for doing so

**Written agreements**

Any written agreements for payments to Trustees/Governors will be recorded separately to Trust Board meeting minutes and include the following details:

* An accurate description of the goods or services to be provided
* The name of the Trustee/Governor or connected person (including a business) who will receive the payment
* Details of the amount, if a ‘one-off’ or fixed-term payment, or else the maximum amount for goods or services to be provided over the duration of the agreement. Where the benefit is a ‘payment in kind’, details of the benefit and its approximate value will be given
* A statement that the Trustee/Governor concerned (including one who is connected to a person providing goods or services) will withdraw from any discussion of the Trustees which has any bearing on the terms of the agreement, or the acceptability of the standard of goods or services provided
* A statement that the Trustee/Governor concerned will not vote on any of these matters and will not be included when deciding whether a quorum exists at a meeting to discuss them

The agreement will be signed by someone authorised by the Trust Board to do so. This could be one or more of the Trustees who do not stand to benefit under the agreement, or someone who is not a Trustee but who has a sound knowledge of the matter. The agreement will also be signed by the Trustee or connected person who is to be paid.

As the agreement forms part of TCAT’s accounting records, it will be retained for 6 years as recommended best practice.

**Duty of Care**

When exercising the statutory duty of care requirement to decide whether a payment to a Trustee/Governor is viable, the Trust Board will fulfil its requirements to:

* Act honestly, in good faith and exercise all reasonable care and skill in reaching their decision
* Exercise the power responsibly in the best interests of TCAT
* Seek professional advice when in doubt
* Be clear that the payment of a Trustee/Governor can be justified
* Ensure that conflicts of interest are properly and openly managed in accordance with TCAT’s Conflicts of Interest Policy
* Ensure that agreements are complied with, and that any poor performance is identified and addressed
* Retain the agreement
* Disclose the payments in TCAT’s accounts

In the application to the Charity Commission to approve a payment, the Trust Board will demonstrate:

* What steps have been taken to recruit Trustees/Governors without payment for their services and, if none, the reasons why
* Why it is considered advantageous to TCAT to pay a Trustee/Governor
* Whether the functions to be carried out are genuinely those of a Trustee/Governor
* That the payment is reasonable and affordable and will not affect the ability of the Trust Board to carry out its duties
* What risks have been identified and how they will be managed
* How the unpaid Trustees/Governors will be able to review performance, judge value for money and, if necessary, bring the payments to an end
* How conflicts of interest will be managed in accordance with the Conflicts of Interest Policy

# Monitoring and review

This policy will be reviewed in line with the published schedule at the front of this document and at any point material changes require it by the Executive Headteacher/CEO, CFO and the Trust Board. Any changes made to the policy will be amended by the Executive Headteacher/CEO and will be communicated to all members of staff.

The next scheduled review date for this policy is 31st August 2027.

|  |  |  |  |
| --- | --- | --- | --- |
| Signed by: | | | |
|  | Executive Headteacher/CEO | Date: |  |
|  | Chair of the Trust Board | Date: |  |

**Appendix A – Governor Allowances Claim Form**

This claim form consists of two sections. Section two must only be completed when payment has been made to another party, e.g., child carer.

**Section one**

|  |  |  |
| --- | --- | --- |
| **Name of Governor:** | | **Date:** |
| **Date of expenditure:** | **Details of expenditure:** | **Claim:** |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| **Total claim:** | | **£** |

**[To be completed once authorisation of the claim has been approved.]**

I certify that the above expenses are actual and necessary and confirm that the payment has been received.

|  |  |  |
| --- | --- | --- |
| **Signature of Governor:** |  | **Date:** |
| **Signature of Executive Headteacher:** |  | **Date:** |
| **Reimbursed by (name):** |  | **Date:** |

**Section two**

|  |  |
| --- | --- |
| **Duty of service:** |  |
| **Name:** |  |
| **Amount received (£):** |  |
| **Signature:** |  |
| **Date:** |  |