



**Policy Title:** Payment of Expenses to Committee

**Policy Manual Section:** Governance

**Date Approved by Management Committee:** 27 September 2018

**Next Review Date:** September 2021

**This document will be made available in different languages and formats on request, including Braille and audio formats.**

## **1. Introduction**

- 1.1 It is the aim of this policy to assist and facilitate Committee Members to attend Committee meetings, seminars, training groups, conferences and other meetings or events in connection with Association business and ensure they are reimbursed for their out of pocket expenses.

## **2.0 The Principles**

- 2.1 The Association has decided that the role of the Committee Members is on a voluntary basis. A Committee Member cannot receive any payment for his/her work on behalf of the Association. Only expenses reasonably incurred by Committee Members can therefore be considered for reimbursement.
- 2.2 This policy takes account of the Association's Charitable Status and Scottish Housing Regulator's regulatory guidance on the control of payments and benefits.
- 2.3 The Scottish Housing Regulator's Regulatory Framework and associated guidance on Entitlements, Payments and Benefits places certain restrictions on RSLs to prevent the possibility of Committee or Staff members abusing their position or benefiting from their connection with the Association. The Regulatory Framework and model Entitlements, Payments & Benefits Policy which has been endorsed by the Regulator prevents payment or the granting of a benefit to the following relevant persons or businesses except permitted general or special exceptions
- Management Committee members;
  - Employees;
  - Close relatives of Committee Members or employees;
  - Anyone who has been one of these within the preceding 12 months
  - Any business trading for profit which any such people own or manage
- 2.4 The Scottish Housing Regulator Regulatory Standard 5.4 states "Governing body members and staff declare and manage openly any conflicts of interest and ensure they do not benefit improperly from their position". The Regulator expectations are that each RSL achieves high ethical standards and public accountability in the payments and benefits.
- 2.5 The SHR has endorsed the model Entitlements, Payments and Benefits Policy prepared by the Scottish Federation of Housing Association for the sector, where it complies with their Regulatory Framework. The SHR's expectation is that RSL either adopt the model policy or with appropriate revisions or its own policy, which allow it to meet Regulatory Standards, thus
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ensuring transparency, honesty and propriety and avoids any public perception of improper conduct.

- 2.6 The Association's Entitlement, Payments and Benefits Policy has been adapted to take account of existing and new policy provisions e.g. use of contractors, existing policy arrangements, terms and conditions of employment, etc.
- 2.7 Committee members will be responsible for any tax liability associated with the payments of Committee expenses.
- 2.8 The Association will regularly test this policy for Equal Opportunity implications and take any appropriate action where necessary.

### **3.0 Remit of the Policy**

- 3.1 This policy has been agreed by the Management Committee in order to clarify to all Committee members the nature of expenses that will be reimbursed.
  - 3.2 Committee Members will be reimbursed for all legitimate expenditure incurred whilst representing the Association. Expenses are defined as fees, outlays and travelling expenses incurred while on business of the Association.
  - 3.3 The Association will meet out of pocket expenses which committee members (including voluntary officers), and co-opted members incur while carrying out duties on behalf of the Association and which are acceptable within the terms of this policy.
  - 3.4 This policy also covers the conditions on which the Association will make payments related to loss of earnings to Committee Members, and the circumstances in which allowances are payable.
  - 3.5 All allowances aligned with Employees Terms and Conditions e.g. subsistence payments will increase in keeping with EVH Salary and Allowances structure.
  - 3.6 The Association reaffirms its commitment to the highest level of accountability and probity regarding any expenses paid to Committee Members.
  - 3.7 The Committee will seek comment from its Auditor on any significant revision to this policy.
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- 3.8 Committee should be aware that the requirement for a formal policy statement is designed to protect the individual and the organisation and ensure that all matters related to expenses are fair and consistently applied.

#### **4 Conditions for Paying Expenses**

- 4.1 Expenses will only be paid:
- For actual expenses where a receipt is provided.
  - To attend Management Committee or sub-committee meetings.
  - When undertaking other official business on behalf of the Association. This includes attendance at conferences, networking events, training events and seminars.
- 4.2 Claims should be made only for expenses, which are allowed for within this policy.
- 4.3 All claims should be made on the expenses claim form and submitted as soon as possible after the expenditure takes place to the Finance Department for authorisation prior to issuing payment. The claim form should be completed in full and signed and dated by the claimant. Receipts must be provided for all expenses claimed.

#### **5. Eligible Expenses**

- 5.1 In any of the circumstances listed in 4.1 of this report expenses will only be paid for the following, and where alternative provision was not included e.g. expenses cannot be claimed for meals, accommodation, transport etc. where these are already included in any attendance fee, or where they are provided free of charge.
- 5.2 Travel:
- 5.2.1 Committee Members are expected to use the most cost effective form of transport unless there are specific reasons why an alternative had to be used, such as for issues of safety, inaccessibility, medical grounds, or where the times of departure or arrival are not suitable.
- 5.2.2 The Association will meet travel expenses incurred by Committee Members during the course of their duties providing it falls within the conditions for paying expenses as listed in section 4.1 of this report.
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Under the terms of this policy, this includes:

- Standard class fares on public transport (rail, bus, air or ferry)
- Taxi fares when outside of Glasgow. (within Glasgow the T.O.A. account should be utilised)
- Car mileage. Committee members may only be recompensed by the Association for mileage whilst on Association business. It will only be paid for one journey to and from the meeting or event. (Committee members should check with their Insurers to ensure they have relevant business cover in place to facilitate car usage in the activities as a Committee Member i.e. attendance at training, conferences etc)
- The occasions when mileage payments would be made would be when use of a private car is necessary or cost effective e.g. 2 members travelling by car may be cheaper than both travelling by rail and taxi. Where a Committee or Staff Member take their car in preference to public transport for a journey outside Glasgow they can do so but will be reimbursed with the equivalent standard class public transport fare unless this is seen to more cost effective. Mileage is payable at the EVH Conditions of Employment rates for casual users which apply for employees within their Terms & Conditions of Employment.
- The Association will restrict travel or mileage claims to a maximum of £20 per meeting, except in situations with co-options are due to Regulatory involvement or exceptional circumstances.
- Bridge tolls, car park fees (parking meters and fines for breaching parking regulations are not reimbursable).

Committee members are requested to share cars or taxis in order to minimise costs incurred by the Association

### 5.3 Meals:

5.3.1 The Association agrees that the following payments are made to any Committee Member on business of the Association where they are not provided with meals:

Breakfast	-	£7.00
Lunch	-	£8.75
Evening Meal	-	£10.75

The Association will consider uplifting this award where members cannot source a meal at a venue e.g. conference hotel or in other exceptional circumstances. The Association's Director or Chairperson are delegated to consider additional payments in exceptional circumstances.

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Any additional award should be recorded in the Committee Member Expenses Register with 5 working days.

#### 5.4 Child Care:

5.4.1 The Association will pay childminding expenses to Committee Members as incurred in the course of their duties.

5.4.2 The Committee Member requesting childminding expenses has to confirm that, he or she would not be able to attend the Association business unless childminding facilities are available.

5.4.3 Payment will be made for children or step children less than 16 years of age and for adult dependants who are in receipt of appropriate benefit allowances, requiring assistance from the member as carer.

5.4.4 A maximum of 8 hours (not including travelling time) will be paid in any one day. Time spent in travelling is included for payments in addition to the duration of the meeting, etc.

5.4.5 Payment will only be made if a non-household member is required to provide the child minding service: If the person minding the child is a close relative and not a member of the household then it will be acceptable for the Committee Member to make payment and be reimbursed. The member's husband/wife/partner or a member of their household will not be paid.

Payment will be at the National minimum wage based on the child minder's age.

5.4.6 The method of payment will be in cash on receipt of a voucher signed by the child minder; the Committee Member, the date of the service; relationship to the Committee member; and hours of service provided.

5.4.7 Should the operation of this policy cause undue or excessive difficulties for Committee Members, then in extreme circumstances it may be varied at the discretion of the Chairperson of the Management Committee and reported retrospectively to the full Committee.

5.4.8 The Association may ask for documentary evidence of any child's age, their legal guardian or registered carer etc, before paying expenses.

5.4.9 Childcare costs cannot be claimed where cheaper or free alternatives were available e.g. a crèche was provided.

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5.4.10 The Association will cover accommodation costs for children less than 16 years of age where the Committee member is the parent or guardian, also their registered carer and attends conferences or seminars.

## 5.5 Accommodation:

5.5.1 Where accommodation costs are not covered in any other way e.g. within a delegate fee, Committee members will have their actual accommodation and bed and breakfast expenses paid up to a limit where discretion should be conservatively applied. A receipt must be provided. Committee members should attempt to secure accommodation expenses at a reasonable rate.

## 5.6 Subsistence

5.6.1 The Association will pay an allowance to those Committee members who are required to be away from home for more than two hours between 11:00 p.m. and 6:00 a.m. This payment is in addition to those made for expenses otherwise covered in this policy.

5.6.2 The allowance will be £35 per night where an overnight stay has been authorised in advance by the Management Committee.

## 5.7 Loss of Earnings

5.7.1 The Association will also reimburse a Committee Member for any loss of earnings or annual leave entitlement and conditions for payment are as follows:

- the payment is not being made in respect of a routine meeting or training and the attendance of the Committee member was important, for example the Chairperson of the Staffing Committee having to attend an interview panel or disciplinary hearing, Internal Management Planning Day, Mini-Conference Training Event;
  - every effort was made to hold the relevant meeting at a time which would avoid the Committee Member losing salary or annual leave;
  - the Committee Member must submit an official letter from the employer confirming that earnings have been lost or leave entitlement used, and the amount or value involved; and
  - The Association will pay a maximum of £10.20 per hour or a £71.45 a day (7 hours or more) for loss of earnings or leave entitlement, which is broadly in keeping with Jury Duty provision.
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## 5.8 Exceptional Circumstances

- 5.8.1 Occasionally, there are other reasonable expenses incurred by Committee that are not covered in this policy and these may be refunded by the Association. This will ensure the member is not 'out of pocket' whilst representing or undertaking activities of the Association. The Director will assess the payment of expenses in this category up to £20 per member, and cases above this amount will be considered by the Management Committee. Each case in this category will be assessed on its own merits without setting a precedent for the future.
- 5.8.2 The Director will present a report annually to Committee detailing the expenses he has authorised in this category.

## 6. Review

- 6.1 This policy will be reviewed in September 2021 and thereafter every three years.
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