

POLICY FOR REMUNERATION OF GOVERNORS EXPENSES

Version:	6
Sponsor:	Chair
Approval authority:	Remuneration Committee
Date of approval:	April 2024
Date of Issue:	April 2024
Date of next review:	January 2027

POLICY FOR REMUNERATION OF GOVERNORS' EXPENSES

1. INTRODUCTION

The purpose of this Policy is to state the circumstances under which Governors may be reimbursed for legitimate and necessary expenses described below incurred in the course of their duties as Governors of the Royal Devon University Healthcare NHS Foundation Trust (RDUH).

2. AUTHORITY

The policy is approved by the Remuneration Committee (RC).

3. PRINCIPLES

a. The post of Governor of a Foundation Trust is voluntary, and it is a fundamental principle that no Governor shall receive any form of salary for being a Governor; however, it is not the intention that Governors should fund the cost of reasonable expenses incurred as a result of their duties.

b. Expenses will only be reimbursed for the following expenditure:

- i. Travel expenses by the most reasonable means from the Governor's permanent home address (HOME) to the RDUH (BASE) (or other Trust appointed location if not on RDUH premises) to attend Council, working groups, designated sub groups, committee meetings, Development Days, rostered observations of the Board of Directors meetings, and Board committees as arranged by the Trust, and where applicable national and regional Governor network meetings, attendance at which has been authorised by the Trust.
- ii. Mileage rate, where authorised, will be consistent with the HMRC rates shown in Appendix 1 and as updated on the HMRC website. The use of HMRC rates is intended to avoid tax declaration issues for Governors but Governors remain responsible for ensuring that their tax affairs are in order and for checking their personal position with HMRC.
- iii. Attendance at any meeting in the capacity as a Governor outside of those mentioned above must be authorised by the Trust (Engagement Team) before any travel expense is incurred. Governors who attend meetings without specific invitation or prior agreement of the Trust will not receive reimbursement.
- iv. Parking and toll charges incurred as a direct result of attending the above meetings.
- v. Reimbursement of public transport fares on production of bus or train tickets will be given. The Sowton Park and Ride service to the RD&E Hospital is available

for free to Governors when on Governor business on production of the yellow Governor lanyard and Governor ID badge.

- vi. Reimbursed travel by taxi is not permitted unless in exceptional circumstances or authorisation is received from the Trust in advance.
- vii. Subsistence allowance where the Governor is away from home either, between 5 and 10 hours (current rate £5 max), or over 10 hours (current rate £15 max), for the purpose of attending one of the above meetings, *and where no refreshment is provided at the Trust's expense*. This will be payable on production of receipt of purchase. Unless in exceptional circumstances, overnight expenses will not be paid. Periods away from home are calculated from the times of leaving and returning home.
- viii. Expenses involved if a Governor is required to employ a registered carer to look after a dependent relative whilst the Governor is on Trust business as described above. The rate will be set at the National Living Wage for persons aged 25 years and over, and will only be payable on production of receipted invoices for the services.
- ix. When travelling Governors should only claim for the return distance between HOME and BASE, or the distance actually travelled if this is less. Only HOME to BASE travel expenses will be paid when the journey starts from a location other than the Governor's home address (if further away from BASE than HOME), unless in exceptional circumstances and authorisation is received from the Trust.
- x. Governors will also be reimbursed at the HMRC rate per passenger per business mile for carrying fellow Governors in a car on journeys which are also approved journeys for them when authorised.

The Trust will not be responsible for the payment of parking fines or the loss of personal possessions whilst on Governor business.

Discounts will also be given in the Trust's restaurant areas on producing the Governor Trust ID badge.

- c. The Trust supports paperless working with information provided electronically to Governors and in hard copy for formal CoG meetings on request. Where necessary, a limited number of documents such as the Annual Report will be printed for circulation amongst Governors. Governors may claim an allowance of up to £30 per annum for ad hoc costs, e.g. to support 'Buddying' arrangements or administrative costs such as telephone usage, home printing and postage costs. This allowance, established to assist Governors with any day to day costs that they may encounter in undertaking their role, requires no receipts and can be claimed once annually for each full year of tenure after the Annual Members Meeting where the Governor was appointed.

4. SUBMISSION OF CLAIMS

- a. Governors remain wholly responsible for the compilation and accuracy of their claims. Claim forms are available from the Engagement Office. When completed they should be passed to the Engagement Office for authorisation, who will forward them to RDUH Cash Management for payment.
- b. Claims will only be reimbursed direct to a nominated bank or building society account (the account number and sort code of which must be stated on each claim) in accordance with the Trust's accounting timetable.
- c. All claims must include receipts for individual items such as public transport, car parking and subsistence.
- d. Claims should be submitted on a regular basis and no later than within six months of the expense being incurred to allow for effective management of budgets. Claims over six months old will be submitted to the Chief Financial Officer for consideration of whether or not payment will be made. Claims over 12 months old will not be paid.

5. REVIEW

The Trust will review this policy every three years and make recommendations for any changes to the RC.

Appendix 1

The table below shows the rates at April 2023. These rates may be increased by HMRC from time to time in which case the rates shown on the HMRC website will apply: <http://www.hmrc.gov.uk/rates/travel.htm>

Approved mileage rates		
	First 10,000 business miles in the tax year	Each business mile over 10,000 in the tax year
Cars and vans	45p	25p
Motorcycles	24p	24p
Bicycles	20p	20p

Electric vehicles

From 1 March 2024, the advisory electric rate for fully electric cars is 9 pence per mile. Hybrid cars are treated as either petrol or diesel cars.

Passenger payments - cars and vans

5p per passenger per business mile for carrying fellow governors / members / staff in a car or van on journeys which are also approved journeys for them.