



Drumchapel Housing

Co-operative Limited

Policy on reimbursement of Board members' expenses

This document can also be provided in large print, braille, audio or other non-written format, and in a variety of languages

Date approved by the Management Board
Latest review date

August 2022
August 2027

1. Introduction

1.1 It is the Co-operative's policy that Board members should be able to participate in the Co-operative's activities without this resulting in a direct cost to them. In line with good practice, the Co-operative's will therefore reimburse to Board members any out-of-pocket and/or direct expenses properly incurred on the Co-operative's business.

1.2 For the absence of doubt and as noted elsewhere, the Co-operative's has opted not to pay Board members for their service on the Board. The term "expenses" must not therefore be confused with "payment". The service provided by Board members is on a voluntary basis and any reimbursement to Board members cannot therefore be for any service. Only direct expenses reasonably incurred by Board members can be considered for reimbursement.

1.3 Aims of the policy

1.3.1 The principal aims of this policy are to

- offer guidance on reimbursement of expenses to Board members wishing to attend Board meetings, seminars, training sessions, conferences and other meetings or events in connection with the Co-operative's business and
- provide the framework within which reimbursement can be made

1.3.2 Any Board member wishing further information should contact the Director or Depute Director.

2. Equality and human rights

2.1 The Co-operative's equality and human rights policy, which was approved by the Board in April 2021, outlines our commitment to promote a zero tolerance to unfair treatment or discrimination to any person or group of persons, particularly on the basis of any of the protected characteristics¹. This includes ensuring that everyone has equal access to information and services, and, to this end, the Co-operative will make available a copy of this document in a range of alternative formats including large print, translated into another language or by data transferred to voice.

¹ The Equality Act 2010 identifies the "protected characteristics" as age, disability, marriage and civil partnership, race, religion or belief, gender, gender reassignment and sexual orientation.

- 2.2 We are also aware of the potential for policies to inadvertently discriminate against an individual or group of individuals. To help tackle this and ensure that it does not occur, best practice suggests that organisations carry out Equality Impact Assessments to help identify any part of a policy that may be discriminatory so that this can be addressed. The impact assessment for this policy is contained in Appendix 1.

3. Risk management

- 3.1 The Co-operative's has considered the potential risks posed should we fail to observe this policy. This could include tenants or other stakeholders questioning the Board's and/or Co-operative's integrity and this could adversely impact our credibility. There could be reputational damage (from which it could be very difficult to recover) and, in some circumstances, it could lead to a notifiable event and/or regulatory intervention.
- 3.2 In order to minimise this risk, the Co-operative will ensure that all Board members are adequately briefed on what is available to them within their remit and how to make a claim. In addition, methods of validation and ensuring probity include annual external audit, internal audit and verification by the Secretary on an annual basis that the Rules relating to the keeping of books, registers and Board expenses have been followed.

4. Eligible expenses

- 4.1 Examples of eligible/reasonable expenses include:

- a) Travelling expenses
- b) Conferences, seminars, training courses and certificated courses
- c) Reimbursement for expenses in relation to the care of dependants
- d) Meals and subsistence expenses
- e) Overnight out-of-pocket expenses

All claims for reimbursement of expenses must be authorised by the Director or Depute Director.

- 4.2 More information is provided in sections 4.3 to 4.7 below.

4.3 Travelling expenses

- 4.3.1 Board members are expected to use the most cost-effective form of transport available unless there are specific reasons why an alternative needs to be used, such as for issues of safety, inaccessibility where a member is frail or has a disability, or where the times of departure and/or arrival are not suitable.

Board members are required to act reasonably when deciding the form of transport to use.

4.3.2 Permissible methods of transport are:

- The member's own private car
- Bus or train
- Taxi
- Ferry
- Air²

4.3.3 Where different "classes" of travel are available, for example first class or second/standard/economy class, the least expensive class will always be chosen. Train, ferry or air tickets should be the cheapest category possible, for example, tickets should be for a specific time and date rather than "fully flexible" as flexible tickets tend to be more expensive.

4.3.4 Members may use their own car or, for short journeys where public transport is unavailable or impractical, a local taxi service. Travel within Glasgow using a taxi will normally be permissible and should always be used at night, when it is dark, or when the Board member feels in any way unsafe or uneasy. Where a Board member uses their own car, they must ensure that their insurance cover is up to date. The Co-operative's does not require to have sight of the insurance certificate, but the Board member will be required to sign a declaration confirming that there is valid insurance cover (Appendix 2).

4.3.3 Car mileage for the driver and any passengers is payable at the rates which apply for employees within their Terms and Conditions of Employment. The rate is effective from 1 April each year, the current rates being 45p per mile for the driver and 5p per mile for each additional passenger.

4.4 **Conferences, seminars, training courses and certificated courses**

4.4.1 Board members who attend any of the above on behalf of/representing the Co-operative's will have their attendance fees paid by the Co-operative. The Director or Depute Director must check that any costs can be accommodated within the relevant budget prior to agreeing to the Board member attending.

4.4.2 Board members are entitled to be reimbursed for travel costs associated with attending conferences, seminars, training courses or certificated courses.

² This option, which we envisage will be used only exceptionally if at all, will only be selected where it represents the most reasonable option taking account of time and cost. Air travel has never been used for Association travel in our 31 years of operation but is included as an option in case it does represent the best mode of travel.

4.5 Reimbursement for expenses in relation to the care of dependants

4.5.1 Care of dependants will be payable if incurred in the course of the Board member duties. These can be paid for dependent children or adults for whom the Board member is the only or principal carer. In order to be reimbursed for these costs, the Board member must confirm that:

- a) they would not be able to attend the meeting, training, conference, etc unless care provision was available and
- b) for childcare, that the child(ren) is/are under 16 years old and, for adult care, that the dependant is in receipt of Attendance Allowance and/or Disability Living Allowance and/or a Personal Independence Payment and
- c) a non-household member is required to provide the service

4.5.2 The Co-operative's will apply the prevailing UK national living wage rates and no more than eight hours will be payable in any 24-hour period.

4.5.3 The method of payment will be cash on receipt of a voucher signed by the carer and the Board member, indicating the date and hours of service provided.

4.5.4 Any individual receiving expenses in this way will be responsible for making the appropriate declarations to HMRC or the Department of Work and Pensions.

4.6 Meal and subsistence expenses

4.6.1 The Co-operative's will pay for meals taken during the period of voluntary activity for events out with the Co-operative's area of operation where meals are not provided or, where they are provided, they are not suitable owing to dietary requirements. Any additional purchases, such as coffee or snacks, can be reimbursed on production of a receipt. Whilst we do not wish to be prescriptive, members should avoid excessive costs.

4.6.2 Where meals are not provided, subsistence at the prevailing EVH rates will be paid. Current (August 2022) rates are:

- 10 hours or more away from home £17.97
- 5 to 10 hours away from home £11.00

Amounts in excess of the above will only be paid where receipts are provided and, in the opinion of the Director/Depute Director, the cost is reasonable in the circumstances.

4.7 Overnight out-of-pocket expenses

- 4.7.1 Any overnight accommodation and associated meals will be booked and paid for directly by the Co-operative. This is most likely to happen when a Board member is attending a conference, but there may exceptionally be other instances where an overnight stay is required.
- 4.7.2 In addition to the cost of the accommodation and meals, Board members who attend venues involving overnight stays are entitled to claim an allowance of £25 per day to cover incidental out-of-pocket expenses. This would cover, for example, newspapers, Wi-Fi access, tea, coffee, drinks and snacks.
- 4.7.3 It is possible to be reimbursed for out-of-pocket costs and subsistence, but this would only apply where the Board member was attending an event requiring an overnight stay and no meals were provided. We do not anticipate that this will arise in practice.

4.8 Claiming expenses

- 4.8.1 Board members wishing to claim expenses should complete an expenses sheet (Appendix 3). We will aim to provide reimbursement up to three days in advance of the event where this is reasonable (for example, subsistence for conference attendance). Where possible, travel arrangements when using public transport will be booked and paid for by the Co-operative's staff for the Board member(s) requiring it and this will prevent members having to carry additional cash.
- 4.8.2 Some forms of reimbursement, for example for care costs or mileage, can only be paid after they have been incurred.

5. Policy review


- 5.1 This policy will be reviewed every five years, or earlier in line with legal, regulatory or best practice requirements. The next review will take place no later than August 2027.

6. Compliance Statement

- 6.1 It is important that all members of staff, in carrying out their duties for the DHCL, do so in accordance with the DHCL's policy framework. Our policy framework ensures we comply with laws and regulation, while giving guidance to inform operations and decision-making. Our policies have been designed to be clear and easy to understand and are available on our website and internal

G: Drive. If any member of staff is unclear as to their responsibilities under this policy, then they should refer to their line manager and / or the policy author for further guidance. A failure to comply with DHCL policies can have serious consequences for DHCL. Should an employee become concerned about serious non-compliance with the policy, they should speak to their line manager or refer to the guidance set out in the Whistleblowing policy.

Appendix 1

<p style="text-align: center;">Drumchapel Housing Co-operative Ltd Equality Impact Assessment Tool</p>			
Name of the policy / proposal to be assessed	Board members' expenses	Is this a new policy / proposal or a revision?	Revision
Person(s) responsible for the assessment	Pauline Burke		
1. Briefly describe the aims, objectives and purpose of the policy / proposal	To outline the Co-operative's policy for reimbursing Board members for expenses incurred whilst on Co-operative business.		
2. Who is intended to benefit from the policy / proposal? (e.g. applicants, tenants, staff, contractors)	Board members.		
3. What outcomes are wanted from this policy / proposal ? (e.g. the benefits to customers)	The Board member is not out-of-pocket when representing the Co-operative.		

4. Which **protected characteristics** could be **affected** by the proposal? (*tick all that apply*)

- ☐ Age ☒ Disability ☐ Marriage & Civil Partnership ☐ Pregnancy/Maternity ☐ Race
☐ Religion or Belief ☐ Gender ☐ Gender Reassignment ☐ Sexual Orientation

5. If the policy / proposal is not relevant to any of the **protected characteristics** listed in part 4, state why and end the process here.

If a Board member who had a disability required a specific (possibly more expensive) mode of transport, then this would be allowed under the policy. We do not consider that it impacts any of the other protected characteristics.

6. Describe the **likely positive or negative impact(s)** the policy / proposal could have on the groups identified in part 4

Positive impact(s)

Removal of any barriers that may prevent the individual from representing the Co-operative's at an external event.

Negative impact(s)

7. What **actions** are **required** to address the impacts arising from this assessment? (*This might include; collecting additional data, putting monitoring in place, specific actions to mitigate negative impacts*).

Raise awareness.

Signed:



Job title: Director

Date the Equality Impact Assessment was completed: 26 July 2022

Please attach the completed document as an appendix to your policy / proposal report

Appendix 2

Board member's claim for reimbursement of mileage costs

Name

Position

Mileage will be paid at the EVH rate for the principal traveller (normally the driver) and a reduced rate for each additional passenger.

Date of journey	Start and Finish	Reason for travel	Names of those Travelling	Number of miles

I confirm that I my insurance details are valid and I am carrying the above passengers within my duties as a Board Member.

I also confirm that it is my responsibility to notify HMRC and/or the DWP of the above if required.

Signed:

Date:

For staff use:

Amount to be reimbursed:

Calculated by (and date):

Checked/authorised by (and date):

Received by (and date):

Appendix 3

Board member's claim for reimbursement of direct and/or out of pocket expenses (excluding car mileage)

Name

Position

Date incurred	Nature of expenses	Receipt attached (if not, please briefly explain)	Amount claimed (£)

I confirm that I have incurred the above costs in connection with my duties as a Board Member and that, where required, I will notify HMRC and/or DWP that it has been reimbursed as direct expenses incurred.

Signed:

Date:

For staff use:

Amount to be reimbursed:

Calculated by (and date):

Checked by (and date):

Received by (and date):