

## Trustee Expenses Policy

The purpose of this policy is to ensure that as a result of travelling or performing any other tasks as part of their post holder duties the Trustees within the Mill of Benholm Enterprise are not placed at a financial disadvantage. Equally there should be no financial gain from travelling or activities that are necessary to undertake the role of a post holder of Mill of Benholm Enterprise.

The policy reflects the Trustee Duties contained in Section 66 of The **Charities and Trustee Investment (Scotland) Act 2005** (the 2005 Act).

All trustees of the Mill of Benholm Enterprise have a duty to act with care and diligence in the best interests of the Mill of Benholm Enterprise. Trustees will act with a higher level of care than they may do with their own finances and affairs and this will be reflected in their minimising the expenses that they reclaim from the Mill of Benholm enterprise.

Trustee charity expenses will be a unique heading in the charities budget and in the charity's accounts.

### Reporting on Eligible Activities Expenditure

Trustee Travel and subsistence expenses will be an agenda item at board meetings.

As part of the annual budget process the Trustees will draw up a list of activities / events which Trustees are required to attend and for which they may claim expenses. The budget process will identify expected costs for approved trips. When the travel is being undertaken where the actual costs will be more than 10% above the budgeted figure for the trip the board will be advised of the increased cost prior to the trip being undertaken and approval sought of the committee (email process if necessary) before the cost is incurred.

Prior approval for travel and subsistence expenses for events which have not been included in the annual budget must be obtained. The Chair can approve one-off trips which will incur travel and subsistence costs of up to £250. Expenses over this figure require to be approved either at the Board meeting prior to travel, or, where travel requires to be booked as early as possible to obtain cheaper fares, by email approval process.

The approval process requires the proposed attendee to provide details of the event to be attended, full costs of the trip, Trustees required to attend the event and the benefit to Mill of Benholm Enterprise.

**The procedures outlined must be followed when claiming expenses.**

## **Principles**

- All expenses must be supported by itemised VAT receipts and claimed using the appropriate expense claim forms. The maximum amount allowable for each expenditure type is outlined in the attached table.
- The most cost-effective solutions available at the time should be sought.
- All expenses that fall out with these guidelines must be authorised in advance by the Executive Committee
- All claims must be authorised by the Chair and The Treasurer (where expenses are for the Chair or Treasurer then another committee member must authorise the form)
- Trustees will be reimbursed according to actual and reasonable cost.

## **Travel**

The most economical mode of transport should be used.

### **Rail**

Rail travel will normally be reimbursed at standard class rate except where relevant reductions are available e.g. cheap day return; Friends & Family, or it is better overall value to travel first class.

### **Car**

Mileage may be claimed for as per HMRC guidelines for cars and motorbikes

### **Note**

See the [HMRC rules re reporting of mileage and expenses](#). Whilst there is a HMRC maximum rate related to the total annual mileage there is nothing to stop an organisation paying say 20p per mile or whichever rate is considered acceptable for the first X number of miles and a lesser amount thereafter. These are decisions to be taken by the organisation.

Often in rural areas there may not be alternative public transport at suitable times and with restrictions on how people may wish to travel during/after the Covid pandemic alternate travel arrangements may be made which are not necessarily the cheapest but which provide what is deemed to be the safest acceptable method of travel. In all cases the purpose of the policy is to allow the Trustees to carry out their duties at no cost to themselves. Rates used should be agreed by the appropriate committee prior to their expenditure.

Fuel can only be claimed when a hire car is used. In all other circumstances mileage must be claimed.

If a trustee uses their own car for MoBE business they must ensure that their insurance policy covers them and any passengers that they may have for this purpose.

Trustees are responsible for any fines or penalties they incur whilst travelling on MoBE business.

Any parking fees or tolls incurred when travelling on behalf of MoBE may be claimed with the relevant receipts.

## **Taxi**

Where efficiency demands or this is the only practical option a taxi can be used.

## **Plane**

Where travel requires a flight or it is the most time efficient or economical method of transport, flights may be booked at the most economic rates.

## **Overnight Stays/Subsistence**

### **Accommodation**

Where an overnight stay is required, accommodation/hotel bookings should be within the vicinity of the location being visited. See table below for guidance on expenditure.

When staying at family or friends, it is not MoBE policy to make a gift in lieu of hotel charges.

You should cancel any hotel booking no longer required in good time to avoid cancellation charges.

Wi-Fi costs are claimable provided the Wi-Fi is being used for work purposes.

### **Meals and drinks**

When staying away from home on MoBE business, you may claim for the cost of meals and beverages according to the table below.

### **Other Expenses**

There may be other items that could be considered legitimate expenditure however these should be agreed in advance with the executive committee and be in line with this Policy Statement.

### **Procedure for claiming expenses**

Expense claim forms should be submitted promptly and must be submitted within a month of the expense being incurred.

### **Non pandemic process**

All expense claim forms must be signed and receipts attached prior to passing to the relevant trustee for authorisation. Only valid itemised receipts showing the name of the vendor, location, date and monetary amount will be accepted in support of an expense claim. Charge/credit card receipts or billing statements are not sufficient on their own. Photocopies are not acceptable. .

Trustees are responsible for ensuring that expenditure is kept to a minimum. They must check that all claims meet the requirements of this policy.

Expenses will be paid through BACS and only in special circumstances and for small amounts from petty cash.

Expense reports that are incorrect or incomplete will be returned to originator.

<b>GUIDANCE ON RECLAIMABLE EXPENDITURE</b>		
	<b>Acceptable Cost</b>	<b>Notes</b>
Public Transport	Cheapest mode of transport, making use of available offers	Exceptions would be where travel being undertaken on behalf of (insert name of the organisation) has time as an issue, or where public travel during the covid period makes use of the cheapest mode of travel an issue. The alternative travel mode must be authorised by the executive committee
Mileage (car)	45p per mile for the first 10,000 miles  25p for above 10,000 miles	HMRC Guidelines (or alternative rates as approved by the organisation)
Mileage (motorbike)	24p	HMRC Guidelines (or alternative rates as approved by the organisation)
Overnight Accommodation	Up to a maximum of £100 per night and if the cost is more than this, approval must be sought from the executive committee	Trustees are entitled to a single room with en suite.
Breakfast where this is not included in the room cost	To maximum value of £15	Can be claimed where the Trustee is required to work/travel before 7.30 am or if an overnight stay is required.
Evening Meal – [ <i>decide if alcohol allowed or not</i> ]	To maximum value of £35	Can be claimed if an overnight stay is required or if the Trustee is

		required to work/travel after 7.30 pm.
Lunch (e.g. sandwich, piece of fruit and soft drink/tea/coffee)	To maximum value of £25	Can be claimed where the Trustee is away more than 12 hours
Teas/Coffees and snack	To maximum value of £4	Refreshments can be claimed where Trustees are travelling long distances on business.

This policy will be reviewed to ensure it is compliant with current legislation and is working effectively at least every January or more often, if legal requirements have changed

## Document Version Control

### Trustee Expenses Policy

Version number	Change or update	Author or owner	Date	Signed
1.0	First version	Secretary	January 23	E. Pollock 13/01/23
1.1	First Version	Secretary	December 23	E. Pollock 06/12/2023
1.2	First Version	Secretary	January 2025	H. Wagner 12/01/25

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