

Hastings Bexhill and Rye Methodist Circuit Trustee Expenses Policy

1. Introduction

This policy sets out the basis on which the Hastings, Bexhill and Rye Methodist circuit Trustee expenses will be paid, and the process for claiming.

The circuit does not expect Trustees to be out of pocket in respect to work carried out for the charity and encourages Trustees to submit claims for reasonable expenses incurred whilst carrying out their duties as a trustee of the Hastings, Bexhill and Rye Methodist Circuit.

2. Principles

The Charity Commission has issued guidance on the payment of expenses to charity trustees. This is reproduced at Annex 1. Claims for, and payment of, expenses must be consistent with the following principles:

- Expenses are refunds of payments which have been made by a trustee in order to carry out their duties. They are not payments for services.
- Expenditure should be made by the most cost effective means available.
- Any expenses incurred must not be of a standard or nature which would constitute a personal benefit to the Trustee eg. elaborate meals, first class rail travel, because under charity law a trustee is not permitted to benefit personally from being a Trustee.
- Every expense claim should be fully supported with appropriate receipts.

3. Allowable expenses

The following are legitimate expenses;

- the reasonable cost of travelling to and from Trustee meetings, and on trustee business (including taxi fares, and petrol allowances permitted by the HMRC before tax becomes payable);
- the reasonable costs of childcare or dependent care, provided that it is agreed in advance, and in circumstances where a trustee would otherwise be caused hardship or would be prevented from participating in a Trustee Board meeting or other essential activity (please see section on child and dependent care below);
- the cost of postage and telephone calls on charity business;
- Communication support: e.g. translating documents (whether into different languages or Braille); provision of special aids for people with hearing impairment etc. The circuit will provide communication support appropriate to their role for Trustees who request it.
- providing special transport, equipment or facilities for a trustee with a disability;
- reasonable overnight accommodation and subsistence costs if attending essential events

4. Process for claiming expenses

All expense claims should be submitted on a Trustee expense claim form together with receipts for all costs. Details of expenditure should be itemised (i.e. Travel and accommodation given separately) with the date for each

Expense claims should be made at regular intervals. All expenses for the current financial year should be claimed before 31st August in that year.

5. Child and dependent care

To allow for variable rates in care costs, a rate of payment and the period for which care costs will be payable, must be agreed in advance between the Trustee and the circuit leadership team. Agreed costs will be paid to the Trustee upon presentation of an invoice or receipts. The circuit will not make payment to a Trustee's partner, spouse or other "Connected Person" within the meaning of charity law. Within this framework of reasonable costs agreed in advance with the circuit, the choice of carer, and responsibility for that choice lies with the Trustee.

6. Entertaining external parties

There may be occasional circumstances where trustees need to entertain those from inside or outside the circuit, such a lunch or training meeting,

(a) Entertaining expenditure must be agreed in advance by the circuit's leadership team

(b) Costs incurred in entertaining external contacts will only be reimbursed by the circuit provided that the occasion is clearly one which benefits the circuit and not the Trustee.

(c) A separate form will need to be completed for these expenses. Please note that HMRC requires that entertaining claims must detail all attendees (names and organisation) at the meeting as well as the reason for entertaining.

7. Small payments and gifts (From <https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments#payment-of-expenses-to-a-trustee> 5.8)

The Charity commission's permission is not needed for payment to trustees (excluding expenses) where this is less than £1000 in any year. The trustees still need to be satisfied that these payments are in the best interests of the charity.

For example, trustees may wish to make a small one-off payment (often known as an honorarium) to a trustee. which represents a gesture of appreciation and goodwill for services rendered to the charity - perhaps for long service.

Gifts to retiring trustees: this approach includes gifts to trustees who are retiring or leaving to take up another post, usually involving token payments or small gifts. It is difficult to place hard and fast rules on what is an acceptable value of gift in these situations; it is for the circuit to judge whether a person's length of service and quality of contribution to the charity should be acknowledged with a leaving gift directly out of charity funds, taking account of any possible effect on the charity's reputation.

Further information can be obtained from

Charity Commission guidance on Trustee expenses from <https://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments#payment-of-expenses-to-a-trustee> (updated Oct 2022)

Approved by: The Circuit Meeting

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