



Expenses: Policy & Procedure

1. Introduction

All Trustees, Members and Volunteers are entitled to be reimbursed for out-of-pocket expenses which they legitimately incur while promoting and supporting the delivery of the LOIT objects.

This Policy & Procedure applies to all persons involved with LOIT.

This Policy & Procedure is based on the Charity Commission's guidance on reimbursing out-of-pocket expenses incurred by Trustees as in its publication "*Trustee Expenses and Payments*" (CC11)

www.gov.uk/government/publications/trustee-expenses-and-payments-cc11/trustee-expenses-and-payments

Some sections of this policy have been taken verbatim from that publication. (Crown copyright acknowledged).

The LOIT Trustees shall set (and from time to time review) the appropriate levels of expenses the LOIT will pay under this Policy. The current remuneration figure may be obtained from the Treasurer

Expenses vs Remuneration

In all cases, it is important to ensure that the reimbursement of out-of-pocket expenses is not – OR DOES NOT APPEAR TO BE – a disguise for making income payments (remuneration) to the recipient(s).

Expenses vs Purchases

Note that although claims for the reimbursement of purchases which have personally and properly been made on behalf of the LOIT are usually made together with claims for the reimbursement of out-of-pocket expenses, they are not counted as expenses. Instead such claims are accounted for as part of LOIT general expenditure in the usual way.

Changes to the Policy

LOIT Trustees reserve the right to change this Expenses Policy & Procedure to maintain consistency with current accepted Best Practice or with Guidance from the Charities Commission, and otherwise to meet the needs of the LOIT.

Whenever possible the LOIT will give appropriate advance notice of any such changes.

However, the LOIT reserves the right to change this Expenses Policy & Procedure with minimal or no notice when reasonably expedient to do so.

2. Policy

Volunteers are entitled to be reimbursed by the LOIT for all travelling and other expenses actually, necessarily, reasonably and incidentally incurred by them in carrying out their duties, on submission of an appropriately authorised claim form and relevant supporting point-of-sale receipts.

Where LOIT proposes to employ or compensate a Trustee or other volunteer the Trustees may only do so if it has the necessary authority as specified in the LOIT Governing Document. If the Trustees do not have that authority and still wish to compensate a person or persons then that authority must be sought from the Charities Commission.

Authorisation:

Expenses may only be incurred, and subsequently reimbursed by the LOIT, in respect of activities which are part of the LOIT's agreed and budgeted programme of charitable activities (i.e. by PRIOR agreement with the relevant budget-holder).

Likewise, goods and / or services may only be purchased on behalf of the LOIT, and subsequently reimbursed, in respect of activities which are part of the LOIT's agreed and budgeted programme of charitable activities (i.e. by PRIOR agreement with the relevant budget-holder).

3 Procedures: Reimbursement of Expenses & Purchases

Submitting Claims for Reimbursement of Expenses & Purchases:

- Claims for the reimbursement of expenses must be submitted on the LOIT's approved claims form.
- Ad hoc claims will not be considered;
- Claims for the reimbursement of expenses must be accompanied by documentary evidence of the expense (e.g.: point-of-sale receipt, travel ticket, etc).
- Where such evidence is not available the claimant must provide a written explanation to the Treasurer for approval;
- The LOIT reserves the right to decline to reimburse expenses for which reasonable documentary evidence or where the necessary prior approval has not been provided;
- Volunteers' completed expenses claim forms must be authorised by a LOIT Trustee.
- All expenses claims should be submitted within 30 days of the relevant activity.
- Expenses may only be claimed later than 30 days with prior approval from the Treasurer: to ensure that budget plans are accurately adhered to.
- Expenses claim forms may also include claims for the reimbursement of goods / services purchased, with prior approval, by the claimant on behalf of the LOIT

Travel Expenses:

While normally the use of public transport would be the most cost effective mode of travel, LOIT understands that due to our rural locality and spread of activities this is usually impracticable.

- Wherever practicable car journeys should be shared.
- When it is not practical to use public transport, or where more than one volunteer is travelling the same journey, travel by private vehicle (car, motorcycle, etc) is allowed and a mileage allowance (at the rates available from the Trustees) will be paid.

Land of Oak & Iron Trust

- You may only use your private car in connection with LOIT business if, at the time of each journey, it has a valid:
 1. certificate of insurance for the kind of journey involved (NB: journey may be classed as business use);
 2. road tax (if required);
 3. MOT certificate (if more than 3 years old); and
 4. you hold a valid driving license for that vehicle.
- Mileage should be claimed from your journey starting point, which in most cases will be from your home.
- Parking costs incurred when on LOIT business away from the normal place of work will be reimbursed. (LOIT recognises that receipts for parking may not be available).
- Taxis (preferably pre-booked mini-cabs rather than “on demand” hire) may be used where either no public transport is available or the journey time by public transport is unreasonably long (particularly where the journey involves multiple changes).

Subsistence:

Subsistence costs (e.g. for refreshments, meals & hotel accommodation) can only be claimed when a volunteer is on authorised LOIT business away from his / her home for more than 4 consecutive hours.

Telephone Calls:

The LOIT will reimburse employees and volunteers for the actual costs of calls made from their personal telephones made whilst carrying out work for the LOIT. This includes calls made on a home or mobile telephone or from a public call box. No ‘reimbursement’ will be made for the notional cost of calls which incurred no actual cost to the claimant because they were covered by a contract which included an allocation of ‘free’ calls;

Other Types of Expenses:

The above examples of expenses claims are illustrative, not definitive.

Expenses not detailed above will only be paid if authorised in advance (whenever possible) by the Treasurer or, if not available, a person appointed by the Trustees to act on his / her behalf.

Reimbursement of Expenses & Purchases:

- All claims submitted for the reimbursement of expenses incurred on LOIT activities and/or purchases made on behalf of the LOIT will be vetted for compliance with charity law, taxation law and these policies and procedures before being authorised for reimbursement.
- Claims which are not in the prescribed form, incomplete (e.g. missing required supporting documents), inaccurate or otherwise not compliant with relevant legislation will be returned for correction or rejected.
- Valid claims will be authorised for reimbursement as soon as is reasonably practical after receipt.
- Payment will usually be made by bank transfer directly to the claimant's bank account.
- Alternatively payment may be made by cheque or, in the case of small claims may at the discretion of the Treasurer instead be made by cash, where appropriate.

Adopted: September 2019

Reviewed: January 2021

Next Review January 2022