

## Expenses Policy

### 1. Introduction

The Charity Commission advises that “There should be a written policy for claiming and approving expenses so that trustees and staff know what expenses volunteers can ask to have reimbursed from the charity’s funds.”

This policy therefore sets out the basis on which Sustain Trustees and other people working with Sustain on a voluntary (unpaid) basis can claim expenses, and the process for claiming.

### 2. Members of Sustain’s Council of Trustees

Members of Sustain’s Council of Trustees are elected from Sustain membership and serve on a voluntary (unpaid) basis. We generally expect travel, subsistence and related costs to be paid for by the member organisation that the Trustee represents. In exceptional circumstances, Sustain may be able to reimburse Trustee travel expenses, where the member organisation is very small and may struggle to cover such costs. Sustain has limited core funds, but also does not want to discriminate unfairly against the involvement of our smaller alliance members. Sustain may also be able to pay expenses when Trustee participation in a particular event or activity goes beyond the normal expectation of a Trustee’s involvement, or for which specific funding is available and can legitimately be allocated.

### 3. Members of Sustain’s staff

Expenses incurred whilst undertaking work for Sustain are paid within one month of an expense claim being submitted. All original receipts must be retained and submitted along with the claim. Expense claims must be submitted on a timely basis, certainly within one month of incurring the expense. Substantial expenditure should be authorised in advance by the Project Manager – usually a member of the Senior Management Team. All rail fares will be reimbursed standard class and staff are asked to take advantage of cheap fares wherever possible. Taxis may be used where it is not convenient or reasonable to use other public transport, and staff should abide by Sustain’s Greener Travel Policy, see: [www.sustainweb.org/about/sustains\\_sustainability\\_policies/](http://www.sustainweb.org/about/sustains_sustainability_policies/).

### 4. Freelance staff and consultants

Freelance staff and consultants working for Sustain are not able to claim everyday expenses, such as travel and food, and we expect such reasonable costs to be covered within the freelance or consultancy fee. In exceptional circumstances, Sustain may be able to pay for travel, subsistence and accommodation costs, where such costs are built in to the project budget, agreed in advance and on receipt of evidence of expenditure such as receipts or invoices. In such circumstances, all rail fares will be reimbursed standard class and freelancers and consultants are asked to take advantage of cheap fares wherever possible. Taxis may be used where it is not convenient or reasonable to use other public transport, and Sustain encourages transport choices to be made in line with Sustain’s Greener Travel Policy, see: [www.sustainweb.org/about/sustains\\_sustainability\\_policies/](http://www.sustainweb.org/about/sustains_sustainability_policies/).

### 5. Sustain volunteers

As a small, independent charity, Sustain relies on the contributions made by unpaid volunteers, and often has opportunities available. In return, volunteers can gain experience and knowledge of campaigning and project work around various key food issues. For volunteers, Sustain reimburses expenses, if the person works five or more hours in that day, up to a maximum limit for travel and lunch, on submission of a claim form and the original receipt/ticket to Sustain’s Head of Finance.

## **6. Principles for Trustee expenses**

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

1. Expenses are refunds by a charity of payments which the Trustee has needed to meet personally in order to carry out his or her Trustee duties. They are not payments for services.
2. Expenditure should be made by the most cost effective means available, whilst also considering the environmental impact of that travel. Transport by train should be second class. Air flights should be made with the most cost effective airline (and are anyway actively discouraged, in line with Sustain's climate change policy). Meeting dates are normally notified well in advance so that Trustees can take advantage of cheaper tickets.
3. The 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, business class air travel.
4. Evidence must be provided that the expenditure has been incurred – a tickets or original receipt. These should be attached to any expenses claim forms.

## **7. Process for claiming expenses**

Any expense claims should be submitted on a Sustain expense claim form and sent to the Head of Finance together with receipts for all costs. Details of expenditure should be dated and itemised.

### **Policy approved by the Sustain Council, May 2018**

Availability: Reference in induction materials; publish on Sustain intranet; publish on Sustain website.

Based on advice from The Charity Commission (CC11, published March 2012): [www.gov.uk/government/publications/trustee-expenses-and-payments-cc11](http://www.gov.uk/government/publications/trustee-expenses-and-payments-cc11)

## Annex: Charity Commission guidance on Trustee expenses (extract from Charity Commission Leaflet CC11 - Payment of Charity Trustees)

16. Expenses are not payments in return for services. There can often be confusion over this.

17. Expenses are refunds by a charity of payments which a trustee has needed to meet personally (or which have been met on his or her behalf) in order to carry out trustee duties. Even in the absence of any specific authority in the governing document, the law clearly entitles a trustee to reimbursement of expenses that have been properly incurred.

18. As a general rule, claims for expenses should be supported by bills or receipts from third parties, except where it is unreasonable to expect this (eg where small amounts are claimed). Any costs that are reasonably necessary to allow trustees to carry out their duties can be classed as expenses, and repaid to them or met directly by the charity.

19. The following are examples of legitimate expenses:

- the reasonable cost of travelling to and from trustee meetings, and on trustee business (including taxi fares where necessarily incurred, and petrol allowances permitted by the Inland Revenue before tax becomes payable);
- the reasonable cost of childcare whilst attending trustee meetings;
- the cost of postage and telephone calls on charity business;
- communication support: translating documents into Braille for a blind trustee, or into different languages; provision of alerting and listening devices, and other special aids for people with hearing impairment;
- providing special transport, equipment or facilities for a trustee with a disability; and
- reasonable overnight accommodation and subsistence while attending trustee meetings or other essential events (eg specialist or voluntary sector conferences).

20. The following are examples of items which are not legitimate expenses, but rather trustee payments requiring explicit authority:

- loss of earnings whilst carrying out trustee business;
- allowances, eg financial loss allowance;
- honoraria (small or token sums not intended to reflect the true value of the service provided);
- payment for specialist skills and services.

21. The following are examples of payments which are neither legitimate trustee expenses, nor are they payments which could be authorised out of a charity's funds:

- payment of hotel accommodation or travel costs for partners who are not themselves travelling on charity business;
- payment of private telephone bills or other private expenses incurred on business unrelated to the charity.

22. If a payment is not allowed for by an express power in the governing document, and the trustees are in doubt over whether it is a legitimate expense, they should contact us [the Charity Commission] for advice, as our authority may be needed.