



Guidance to Governing Bodies on Paying Governors' Allowances

Introduction

This guidance has been prepared in response to requests received from Governing Bodies for advice on developing a policy and procedure for the payment of Governor Allowances.

Summary of key points

The Education (Governors' Allowances) Regulations 1999 makes provision for maintained schools to extend their schemes for paying governors' expenses. Governing bodies can continue with their existing arrangements, or may adapt their schemes to take advantage of the additional flexibility provided by the Regulations.

- Governing bodies can continue to choose whether or not to pay governor allowances.
- Governor allowances will continue to be paid from the school's delegated budget.
- Governors should not be out of pocket and should be able to claim legitimate expenses where governing bodies have approved schemes.
- Any allowances for travel and subsistence cannot exceed the rates specified by the Secretary of State for the Environment, Transport and the Regions in respect of elected members of local authorities.
- Expenses need no longer be limited to travel and subsistence.
- The Regulations came into force on 1 April 1999 and apply to expenses incurred on or after that date.
- They apply to all maintained schools.
- Governors cannot claim attendance allowance or for loss of earnings.

Expenses can be paid to governors serving on temporary governing bodies, and to non-governor members of governing body committees.

In schools without delegated budgets, the LA will pay governor expenses.

All payment of expenses to Governors must be reported in the Annual Report to Parents.

These questions and answers are designed to assist Governing Bodies in understanding the implication of establishing a policy for paying Governor Allowances

2.1 What do Governing Bodies have to do?

Governing Bodies need to be aware that the 1999 Regulations permit allowances to be paid under more flexible arrangements. They will need to consider their current arrangements, and decide whether they wish to make any changes. This decision should be recorded in the Governing Body's minutes. Any agreed changes will subsequently need to be included in the Governing Body's scheme.

2.2 Do Governing Bodies have to pay allowances?

No. The Regulations are permissive. Governing Bodies can decide not to pay allowances if they wish. Alternatively, they may wish to consider whether paying certain kinds of allowances could help with Governor Recruitment.

2.3 How are these allowances funded?

The payment of Governor Expenses will need to be met from the school's delegated budget. Allowances may also be paid from any other sources of income to the school, so long as the provider of those funds is aware that they may be used for this purpose.

2.4 What allowances are eligible?

Before 1 April 1999 Governors could only claim for travel and subsistence expenses. The new Regulations allow for "payments by way of allowances in respect of expenditure necessarily incurred...for the purposes of enabling an individual to perform any duty".

The Regulations are not specific but leave it up to individual Governing Bodies to decide what should be eligible.

2.5 The following are examples of eligible expenses, which might be incurred: -

- Child care or baby sitting expenses.
- Care arrangement for an elderly or dependent relative.
- Travel and subsistence.

In the majority of circumstances support for Governors in respect of the following would normally be available through the school.

- Support for governors with special needs (eg. Audio equipment).
- Support for governors whose first language is not English (eg. Translations).
- Telephone charges, photocopying, and stationery.

This is not intended to be an exhaustive list. Individual Governing Bodies should make their own decisions in the light of their school's needs.

2.6 Are any kinds of expenses not allowed?

Yes. The Regulations do not allow Governors to be paid attendance allowances or for loss of earnings; Governors must actually incur the expenditure for which they are being reimbursed.

2.7 Are these payments taxable?

They are not, so long as the payments only reimburse the actual expenditure incurred.

2.8 How does the Governing Body decide how to reimburse travel and subsistence?

It is recommended that any travel and subsistence payments paid should be in line with those currently in use by the Council and Education Department. **The existing rates are attached.** The arrangements limiting travel and subsistence payments are specified by the Secretary of State for the Environment, Transport and the Regions, apply. Governing Bodies may pay less than this if they wish, but they cannot pay more. The rates are changed annually and these can be obtained from the LA's Payroll / HR Admin Team should be able to provide details of any changes. These rates are the same as those that apply to Members of the Council. If you are in doubt about any payments attracting a tax liability you should contact the Tax Office for advice.

2.9 Can Governing Bodies agree expenses for certain categories of Governor, whilst excluding others? For example, by only paying parent governors for child care?

No. Once the Governing Body has agreed to pay expenses this must apply to all categories of governors.

2.10 Can Governing Bodies pay expenses to non-governor members of Committees?

Yes, Governing Bodies should treat non-governor members of committees in the same way as governor members.

2.11 Do Governing Bodies have to pay expenses for additional Governors?

If the Governing Body has an agreed scheme, it must pay LA appointed additional Governors expenses in the same way as other governors. However, additional Governors appointed by the Secretary of State in the case of a school requiring special measures, are paid expenses by DfE, so there should be no charge against the school's budget for their expenses.

2.12 What happens if the school has its delegated budget withdrawn?

Where there is an existing scheme payments will be met by the LA. These arrangements may differ from those agreed by your school.

2.13 Are Governor allowances subject to audit?

Yes. The LA will want to be assured that there are no abuses, and that a school's resources have been used efficiently. Governing Bodies must ensure that they have an effective financial system for authorising and processing payments. Care should also be taken to establish procedures to guard against inappropriate claims.

2.14 How can Governing Bodies prevent the system being abused?

Many Governors choose not to claim expenses and where they do there is no evidence of abuse at present.

Governing Bodies may wish to consider excluding from the scheme care provided by an existing or former spouse or partner, or by a responsible person who normally lives in the family home as these individual would normally expect to play some part in caring for the child or other relative.

2.15 As all Governors have an interest, how can we decide what expenses to pay?

The Regulations permit all members of the Governing Body to vote on the nature and rates of allowances, irrespective of the rules on declaring direct and indirect financial interests. However, if an individual Governor's claim is being considered or approved, then that individual must withdraw from the meeting as he or she will have financial interest in the outcome of the discussion. It would be good practice for you to set criteria for paying claims. This should help to ensure that costs do not escalate and limit the need for claims to be approved individually.

2.16 What is the legal basis for paying these allowances?

The Education (Governors' Allowances) Regulations 1999 which apply to all maintained schools in England and Wales and cover expenses incurred by Governors from 1 April 1999. They have been made under paragraph 6 of schedule 11 of the school standards and framework Act 1998.

GUIDANCE ON THE PROCESSING OF GOVERNOR EXPENSE CLAIMS

- 3.1** All claims made in relation to Governors expenses should be made on the proposed standard claim form.
- 3.2** Governor expenses claim forms should be submitted within two weeks of the date when the expenses were incurred. All claims should be submitted before the end of the school term in which the expenditure was incurred, otherwise claims will not be processed.
- 3.3** Governor claim forms should not be processed if the claim form is incomplete in any way i.e. mileometer readings, where applicable receipts and other information requested.
- 3.4** Governors must provide details of all journeys i.e. start and destination of journey, reason for journey and distance covered to assist the person certifying the claim in assessing the validity of the journey undertaken.
- 3.5** Governor expense claim forms should not be processed if the claimant has not signed them, neither should they be processed for payment prior to certification by the appropriate authorised signatory the Chair of Governing Body or in the case of a claim by the Chair, the Headteacher.
- 3.6** It is essential that a system is established to ensure that cross referencing can be undertaken to ensure that claims have not be duplicated. This could be achieved by keeping a central record of payments to individual Governors showing the period of the claim and the amount.
- 3.7** When authorising Governors Expense Forms the authorised signatories should satisfy themselves of the reasonableness of the expenses being claimed. It is particularly important that mileometer readings are quoted in respect of claims for car allowance to enable this assessment to be completed.
- 3.8** The policy must specify the rate of reimbursement of other forms of travelling expenses claimed by Governors e.g. public transport and circumstances when 1st and 2nd class travel is appropriate
- 3.9** The policy should explain what is covered by section 3 of the proposed Governor Expenses claim form (Care Arrangements) if re-imburement of telephone expenses is to be allowed, then it should be clearly stated what information will be required before payment can be made.



PAYMENT OF GOVERNORS' EXPENSES

HINDLEY NURSERY SCHOOL GOVERNING BODY

- 1.1 This policy statement has been developed in accordance with Education (Governors' Allowances) Regulations 1999. These regulations give Governing Bodies the discretion to pay allowances from the school budget to governors for certain expenses, which they incur in carrying out their duties.
- 1.2 Hindley Nursery School Governing Body believes that paying governors' expenses, in specific categories as set out below, is important in ensuring equality of opportunity to serve as governors for all members of the community and so is an appropriate use of school funds. The specific items allowable reflect this objective.
- 1.3 From April 1st 2009, all governors of Hindley Nursery School will be entitled to claim the actual expenses which they incur in attending meetings of the governing body, its committees or Wigan Education Service governor training sessions as follows:
 - 1.4 Childcare or baby sitting expenses
(However, where this care is provided by an existing or former spouse, or partner, or by a responsible person who normally lives in the family home and would, therefore, be expected to play some part in caring for the child or other relative, the reimbursing of expenses is not to be included within in the scheme).
 - 1.5 Cost of care arrangements for an elderly or dependent relative
(However, where this care is provided by an existing or former spouse or partner or by a responsible person who normally lives in the family home and would, therefore, normally be expected to play some part on caring for the child or other relative, the reimbursing of expenses is not to be included in the scheme).
- 1.6 The costs of travel from a Governor's home or place of work (as appropriate) by the most cost effective means possible. For this purpose, travel by private car will be allowable at the rates specified by the Secretary of State for the Environment, Transport and the Regions. The current agreed rates are identified by the LA.
- 1.7 Support for Governors in respect of the following will be available through the school:-
 - for Governors whose first language is not English (e.g. the provision of translations;
 - use the school's photocopier for Governing Body business; and
 - assistance with office services subject to the other demands on staff time.
- 1.8 The Governing Body will not pay allowances in respect of :-
 - the cost of stationary
 - photocopying,

- postage, and
- telephone calls.

Governors should use facilities within the school in respect of the above.

- 1.9 Governors making a claim under these arrangements will complete a claim form (obtainable from the school office), attaching, where possible the receipts, and return it to the School, within Two Weeks of the date when the expenses were incurred. All claims should be submitted for approval before the end of the school term in which they were incurred.
- 1.10 Completed application forms will be submitted for approval, by the Chair of Governors, or in the case of the Chair of Governors the Headteacher, and payment arranged. Governors reserve the right to refuse any claims which they judge to be excessive or unreasonable.
- 1.11 Claims will be subject to independent audit and may be investigated by the Chair of Governors if they appear excessive or inconsistent. The total amount of governors' expenses paid during the year will be recorded in the Governing Body's Annual Report to Parents.
- 1.12 All claims will be processed according to the procedures outlined in the attached guidance documentation.
- 1.13 This policy was discussed and approved by the Governing Body. It will be reviewed annually.

Signed on Behalf of the Finance Committee.....

Date.....

Reviewed April 2014.
April 2015.
April 2016
April 2017
April 2018
April 2019

SUBSISTENCE ALLOWANCES

Motor Car Mileage Allowance:-

Capacity	Rate (pence per mile)
1000cc +	52.2
Electric Vehicle Users	
Per mile	46.9

Where a Governing Body decides to pay in excess of 45p per mile the individual concerned may be liable for the payment of tax on the additional amount.

Day Subsistence:-

Allowance	Rate
	£
Breakfast	4.92
Lunch	6.77
Tea	2.67
Evening Meal	8.38

Over Night Subsistence:-

Allowance	Rate
	£
Absence Over Night	79.82
Absence Over Night in London as described by the regulations or attendance at Conferences specified in the regulations	91.04