

THE GLASGOW SCHOOL OF ART

Expenses Policy for the Board of Governors

POLICY DETAILS:

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| Benchmarking | Glasgow Caledonian University University of Stirling University of Strathclyde |

THE GLASGOW SCHOOL OF ART

EXPENSES POLICY FOR THE BOARD OF GOVERNORS

1. SCOPE

- 1.1** This policy and procedure applies to all members of GSA's Board of Governors (including the Chair, Lay Governors, Ex Officio Governors, Elected Staff and Student Governors, and Trade Union Governors) (hereinafter known as Governors) and provides guidance to Governors claiming reimbursement of expenses incurred in relation to their role as a member of the Board of Governors. Where Governors are also members of GSA staff, they must also comply with GSA's staff Expenses Policy and where a policy conflict occurs, the stricter policy will be deemed to apply.
- 1.2** The Steering Group (Mackintosh) is not a committee of the Board of Governors but its membership does include Governors. Any expenses incurred by Governors arising from Steering Group (Mackintosh) activities shall fall out with the scope of this Policy and shall be subject to rules, authorisation and reporting procedures set out by the Finance Department.

2. INTRODUCTION

- 2.1** GSA is committed to conducting its business fairly, honestly and openly. This is in alignment with the *Nine Principles of Public Life in Scotland* which all Governors are expected to observe and which are set out in GSA's Statement of Corporate Governance: duty, selflessness, integrity, objectivity, accountability and stewardship, openness, honesty, leadership and respect.
- 2.2** GSA is committed to maintaining the highest standards, and conducts all of its operations and business in accordance with best practice in higher education corporate governance and all relevant legal and regulatory requirements (including the Bribery Act 2010).
- 2.3** This policy should be read in conjunction with GSA's staff Expenses Policy, GSA's staff and Board of Governors Gifts and Hospitality Policy, GSA's Anti-Bribery and Corruption Policy, GSA's Register of Interests Policy and Procedure and GSA's Financial Regulations (where appropriate).

3. EXPENSES

3.1 General Principles

- 3.1.1** It is the policy of GSA that Governors are reimbursed the actual cost of expenses incurred wholly, exclusively and necessarily in the performance of their duties as a member of the Board of Governors.

- 3.1.2** Governors are expected to minimise costs, to avoid GSA incurring any unnecessary expense and to ensure that funds are used efficiently and effectively.
- 3.1.3** Reimbursement will be made providing receipts support the claim (where receipts can be reasonably expected to be supplied). These must be the detailed receipts provided by the supplier. Credit card slips are not acceptable.
- 3.1.4** Expense claims must be submitted in typed form on the Expense Claim Form contained in appendix 1 and must be signed by the individual claiming the expenses and thereafter submitted to the Corporate Governance Office for processing. By signing the form, claimants confirm that they are acting in compliance with the terms of this Policy. The Corporate Governance Office shall provide confirmation to the Registrar and Secretary that the relevant expense claim complies with the current Policy in place. The Expense Claim Form will be countersigned by the Registrar and Secretary.
- 3.1.5** An expense claim should normally be used to reimburse incidental expenses only. Overseas Accommodation and Travel should be arranged and approved prior to travel using a GSA purchase order form in accordance with procurement guidance contained in the Financial Regulations manual using the Travel Management Company. UK Accommodation should be arranged through the Corporate Governance Office who shall make any bookings required on behalf of Governors. UK Travel may be booked directly by Governors or with the Travel Management Company via the Corporate Governance Office.
- 3.1.6** Expense claims must be submitted in a timely manner, normally within one month of the expense being incurred, with all claims for a particular financial year being submitted by 31 July in that year.
- 3.1.7** Expense payments are paid by the Finance Office directly into Governors' bank accounts. The payment frequency is currently once a week but may vary at busy periods.
- 3.1.8** Where expenses are incurred in foreign currencies, the amounts should be clearly shown in the currency in question on the expense claim form. However, reimbursement will be made in £ Sterling. The rate of exchange to be used will normally be the rate in force on the date the expenditure was incurred. Details on the correct exchange rate to use can be obtained from the Finance Office. Foreign currency amounts and Sterling amounts should not be included on the same claim form.
- 3.1.9** Persons authorised to approve expenditure should ensure that they do not approve expenditure where the claimant is a connected person. A connected person is defined as spouse/partner, family member or other closely related person. In that instance the Director should provide the authorisation in these circumstances.
- 3.1.10** In the event of any disputed claims or concerns regarding an expense claim, the matter will be referred to the Chair of the Board of Governors for consideration.

3.2 Hospitality

3.2.1 Hospitality afforded to guests of GSA should be explicitly authorised in advance, wherever possible, by the Chair of the Board of Governors. This should also be communicated in advance to the Registrar and Secretary. The ratio of Governors to guests should not normally exceed 4:1 respectively. Appropriate and proportionate costs for providing hospitality will be reimbursed on production of receipts as detailed in clause 3.1.3 provided they are reasonable.

3.2.2 The following information must be attached to the Expense Claim Form:

- (a) the name(s) of the persons for whom the expense was incurred
- (b) the organisation they represent
- (c) the nature of the hospitality
- (d) the purpose of the hospitality
- (e) the date and location at which the expense was incurred

3.2.3 Expenditure under the heading of “Hospitality” should only be incurred for good business reasons. No claims for hospitality may be made unless a third party is present.

3.2.4 Governors should refer to the Board of Governors’ Gifts and Hospitality Policy for more detailed information.

3.3 Travelling Expenses

3.3.1 General

Travelling expenses are paid in accordance with the GSA’s travel policy outlined in the following paragraphs.

Governors should make arrangements for their travel before commencing the journey and the consequent expenses should be submitted on the Expense Claim Form via the usual procedure.

The mode of travel chosen for any journey must be decided subject to the following criteria unless there are exceptional circumstances, in which case these should be recorded on the expense form.

3.3.2 Air Travel

Flights should be booked sufficiently in advance to obtain the best possible price. The permitted class of travel is economy.

Where no economy class is available at or near the date of travel, permission to fly in a different class must be sought from the Registrar and Secretary.

Business class (or equivalent) may be permitted where the Governor has a documented medical condition that precludes travel in any other class. This will require prior authorisation from the Registrar and Secretary.

In the case of flights with a flying time duration of over six hours, premium economy or equivalent may be permitted for Governors who undertake three or more trips per year, subject to prior approval from the Registrar and Secretary.

All flights where there is an external source of funding e.g. AHRC, shall be booked in a class of travel that fits within the budget permitted.

All international flights must be authorised in advance by the Registrar and Secretary with the Director being informed. Any such flights shall be arranged by the Corporate Governance Office.

3.3.3 Rail Travel

Rail travel should be booked at the most economical fare available for the journey.

In the case of a journey (on-train time) of four hours or less, the permitted class of travel is Standard Class.

In the case of a journey (on-train time) of more than four hours, First Class (or equivalent) shall be permitted where such a ticket is booked as an advance purchase for less than the Regulated Standard Class Fare (UK only) and additional benefits will accrue, e.g. meals, free Wi-Fi etc.

First Class travel is permitted on journeys of any length if travelling in a country where Standard Class is significantly less comfortable than in the UK.

3.3.4 Use of Private Car

Governors should be mindful of the most economic methods of transport and should consider whether the cost of using their car significantly exceeds the cost of public transport. Where reliable and convenient public transport is available this should be used after considering the convenience factor, which may be high, especially if there are a number of passengers, or the destination is not well served by public transport. Common sense should prevail and the Corporate Governance Office will not refuse reasonable travel arrangements.

Subject to the above, GSA shall pay a mileage allowance of 45p per mile. For claims in excess of 100 miles per round trip, the claimant will be restricted to the equivalent standard class rail fare. Proof of the standard class rail fare must be provided with the mileage expense claim. In the event that the standard class rail fare exceeds the mileage allowance due to be paid, the lesser amount will be paid.

Governors who use their own private cars for business use must ensure that their vehicle is in a roadworthy condition and that they are licensed and sufficiently insured to permit their vehicle to be used on GSA business. GSA will not accept liability for any consequences arising from failure to do so.

No income tax liability should arise on those claiming mileage whilst using private cars for business journeys as the above rates paid by GSA are within the Inland Revenue guidelines. Where total mileage claimed in the tax year exceeds 4000 miles an assessable benefit may arise. Full details of the journey, including date, reason for journey, starting points and destinations, should be shown in the appropriate columns of the expense claim form.

Reasonable parking costs incurred in the performance of the duties of a Governor may be claimed via the expenses reimbursement system.

3.3.5 Overseas Flights and Hotels

Arrangements for overseas flights and hotels should be made through the Corporate Governance Office who will follow the guidance set out in the staff Expenses Policy.

3.3.6 Spouses and Partners

For reasons of good governance travelling spouses/partners must pay for their own travel. This rule applies even where the intention is to refund GSA at a later date. Spouses and partners may, however, benefit from discounts or other benefits obtained through the GSA connection.

The following paragraphs summarise GSA'S policy with regard to overseas travel and the occasions when Governors may consider taking spouses or partners.

GSA will not meet the travel cost relating to family and/or friends who accompany a Governor on a business trip. This also means any additional costs for shared accommodation or the cost of meals of family/friends will not be reimbursed. The only exceptions will be by prior approval in writing by the Chair of the Board of Governors or the Registrar and Secretary as appropriate.

GSA will not pay for any additional costs incurred if a Governor chooses to extend a trip for non GSA purposes.

Where there is a saving on airfare, for instance where a weekend reduction applies, the saving cannot be used to justify GSA meeting other costs.

The Corporate Governance Office is required to report in advance an itinerary of the extended trips to the Finance Office to confirm that the requirements set out above have been met.

3.3.7 Insurance

Governors must ensure that they are licenced and insured to use their vehicle on GSA business, and that their vehicle is in a suitably roadworthy condition for the journey. GSA will not accept liability for any consequences arising from failure to do so.

3.4 Hotel Accommodation

UK Hotel accommodation should be booked through the Corporate Governance Office, which shall follow procurement guidelines. The standard of accommodation booked shall be in alignment with that booked for staff and external visitors.

The use of a hotel mini bar or other personal use items e.g. movie hire, will not be reimbursed by GSA. Where these items are included on a bill, the costs should be deducted prior to the submission of the claim for reimbursement.

3.5 Subsistence

Reasonable costs for meals and snacks for Governors while engaged on GSA business (either within the UK or overseas) will be reimbursed by GSA on completion of an expense claim and production of the relevant receipts as per the requirements detailed in clause 3.1.3.

The cost of meals of family/friends who may accompany the Governor will not be reimbursed.

The following amounts are a guideline for subsistence amounts in the UK:

Lunch - £15.00
Dinner - £30.00

This will include the cost of any drinks.

The amounts will vary when on overseas business. If guidance is required, please contact the Corporate Governance Office.

3.6 Taxis

Taxis in Glasgow are hired from within GSA through the Reid Reception using the regular GSA taxi company. Governors requiring a taxi for School business should ask the receptionist at the Reid Building to order the taxi on their behalf. Governors visiting the Forres office should contact the reception in Altyre.

If out with GSA, it is permissible for Governors to hire a taxi directly but in all such cases costs must be reasonable and consideration should be given in the case of longer journeys to the use of public transport where appropriate.

3.7 Personal mobile or Home Telephone Expenses

Only in exceptional circumstances, and with the approval of the Registrar and Secretary, are Governors allowed to seek reimbursement of business calls made using their home or personal mobile telephones. Claimants must attach itemised statements in support of claims for business calls. Business calls must in some way be highlighted on the itemised statements.

No personal mobiles can be purchased via expenses or using a GSA purchase/credit card.

The claimant must pay the full cost of the telephone bill to the Telephone Company. GSA will not bear the cost of any private calls. The cost of such calls must be deducted from the total amount of each bill and only the net amount, representing business calls (and the VAT thereon), should be included on the expense claim form.

4 HOSPITALITY BUDGET - PROJECT WORK

- 4.1** At times it may be appropriate and necessary to provide individual Governors with an agreed hospitality budget in connection with certain GSA project activities in which they are involved. In such cases clear parameters for the budget will be agreed in advance with the approval of the Board of Governors. Such arrangements shall be subject to the same terms and guidance contained in this policy.

5. AUDIT AND REPORTING

- 5.1** The following expenses shall be audited by internal audit on an annual basis:
- a) All expenses submitted by Governors and
 - b) All Board of Governor related expenses incurred by the Corporate Governance Office e.g. expenses associated with Board Away Days, facilitation fees etc.
- 5.2** The following expenses shall be reported on a quarterly basis to the Audit and Risk Committee and the Board of Governors:
- a) A summary of all expenses submitted by Governors. This shall comprise the combined overall total of the expense claims submitted by Governors rather than individual Governor's expense claims.
 - b) All Board of Governors related expenses incurred by the Corporate Governance Office.
- 5.3** The Chair of the Board of Governors will be provided each quarter with a breakdown of the expenses submitted by each individual Governor.

6. MONITORING AND REVIEW

- 6.1** The Registrar and Secretary has primary day-to-day responsibility for implementing this policy and for monitoring its use and effectiveness and for dealing with any queries on its interpretation.