

DIOCESE OF
ST ALBANS
MULTI-ACADEMY TRUST

Directors/Governors' Remuneration Policy

Policy type	Trust Core Policy
Adopted by the Trust Board	26 th January 2017
For review	Spring 2018
Person responsible	Chief Operating Officer

This policy is a mandatory policy for all DSAMAT Academies and must be implemented with no amendments.

CONTENTS

PAGE NO:

1.	Introduction -----	3
2.	Principles -----	3
3	Appointment of Connected Persons -----	5
4	Out of Pocket Expenses -----	4
5	Payments for Goods or Services -----	3
6	Serving Headteacher Directors -----	4
7	Review -----	5

1. Introduction

- 1.1 The terms of this policy apply firstly to the Directors of the Board of the Diocese of St Albans Multi-Academy Trust (DSAMAT). They also apply to Members of an Academy Council (AC) in each Academy. Unless otherwise specified in this policy, the term 'Director' used throughout also applies to AC Members.
- 1.2 This policy is subject to any changes in the Academies Financial Handbook published from time to time by the Department for Education ('the Handbook').

2. Principles

- 2.1 Directors appointed to the DSAMAT accept that they are acting as volunteers, offering their time for free for the benefit of the Academies and children within the DSAMAT.
- 2.2 No person will enter into a Directorship or AC role with the intention of making any financial gain for themselves or for any person or business connected to them.
- 2.3 All Directors will be aware of the rules surrounding 'Connected Party' transactions as set out in Part 3.1 of the Handbook and are committed not only to complying with these provisions but also to avoiding any perception of financial impropriety.
- 2.4 The DSAMAT will publish annually a register of Directors' interests on the DSAMAT website and will require AC Members to do the same at each Academy.
- 2.5 No Director or Connected Person will receive any benefit from The DSAMAT (other than as a beneficiary of the DSAMAT, for example as the parent or carer of a pupil at an Academy, or a community user of facilities) save as set out in this Policy.

3. Payments for Goods or Services

- 3.1 The Articles of Association of the DSAMAT set out the circumstances in which Directors may be remunerated and these circumstances are further restricted by the Handbook.
- 3.2 No Director may be paid by the DSAMAT for his or her services as a director of the DSAMAT save:
 - 3.2.1 Where his or her employment with the DSAMAT requires him or her to act as a Director;
 - 3.2.2 For out of pocket expenses in accordance with paragraphs 4-6 below.
- 3.3 No Director or other Connected Party (as defined in Part 3.2 of the Handbook as may be amended from time to time) may be paid by the DSAMAT for the provision of any other goods or services except in accordance with the Articles and the Handbook. In order to receive payment from the DSAMAT a Director must first:
 - 3.3.1 Declare his or her intention to provide such goods or services and remove himself or herself from any decision relating to the awarding of any contract for those goods or services; and
 - 3.3.2 Ensure that any price tendered for the provision of such goods or services is no more than their 'cost' in accordance with the Handbook (Part 3.1) (provided that an AC Member may tender services other than at cost provided that tender is approved by the DSAMAT Board of Directors); and
 - 3.3.3 Enter into a contract with the DSAMAT in accordance with the DSAMATs financial

- procedures; and
- 3.3.4 Declare his or her interest in the contract.
- 3.3.5 The DSAMAT will not enter into a contract with a Director unless:
- 3.3.6 Entering into the contract will not result in a majority of Directors (or a majority of AC Members for any one academy) having received payment or benefit from the DSAMAT; and
- 3.3.7 The DSAMAT Board (excluding the Director concerned) is satisfied that the Director concerned has complied with the provisions set out in paragraph 2 above; and
- 3.3.8 The DSAMAT Board is satisfied that it is in the interests of the Company to employ or to contract with that Director rather than with someone who is not a Director. In reaching that decision the DSAMAT Board must balance the advantage of employing a Director against the disadvantages of doing so (especially the loss of the Director's services as a result of dealing with the Director's conflict of interest); and
- 3.3.9 The scope of goods or services to be provided is clear and the terms of the contract are no less advantageous than those of other providers; and
- 3.3.10 An entry is prepared for the Register of Directors' Interests or the register of AC Members Interests as appropriate.

4. Out of Pocket Expenses

- 4.1 A Director may, at the discretion of the DSAMAT Board, be reimbursed from the property of the Company for reasonable expenses properly incurred by him or her when acting on behalf of the Company but excluding expenses in connection with foreign travel. Any agreement to pay for travel or subsistence must be brought to the attention of the DSAMAT Board.
- 4.2 Mileage expenses are paid at the current HMRC rate, and rail travel will be for standard class travel only.

5. Serving Headteacher Directors

- 5.1 Where a school outside of the DSAMAT provides their Headteacher to act as a Director on the DSAMAT Board, that school will be entitled to reclaim the costs associated with any cover required in the absence of the Director to allow the school to continue to operate its normal business. Any such claims must not exceed the costs incurred by the school.

6. Employed and Seconded Directors

- 6.1 Neither the DSAMAT Board nor any AC shall include more than one third Directors who are employed by the DSAMAT or who are employed by a third party but seconded to the DSAMAT for any part of their employment.
- 6.2 The Remuneration of Directors employed by the DSAMAT shall be in accordance with Value for Money principles applicable to Public Funds and in accordance with the Handbook.
- 6.3 The remuneration to the employer of a Director seconded to carry out work for the DSAMAT shall be in accordance with Value for Money principals applicable to Public Funds and in accordance with the Handbook.

7. Appointment of Connected Persons

- 7.1 A person who is a Connected Party to a Director may apply for any position, paid or unpaid, within the DSAMAT. If a Director is aware of such an application from a Connected Person then he or she shall declare an interest in the appointment and remove him or herself from any decision making process in respect of that appointment.

7. Review

- 8.1 This policy will be reviewed by the Trust Board every year or if there are changes to the relevant legislation.
- 8.2 The next review will be Spring 2018.