



EXPENSES AND BENEFITS REGULATIONS

BBC BOARD OF GOVERNORS

1. **General policy**

- 1.1 The Royal Charter states that 'each Governor may... receive out of the funds or moneys of the Corporation the expenses properly incurred by him in the performance of his office.' [Royal Charter, 1994, section 9 (4)]
- 1.2 The BBC has a standard policy for claiming expenses incurred in the course of business which applies to employees of the organisation. The standard policy forms the basis for these Regulations for Governors; but the Regulations differ from the standard policy in a number of respects, reflecting Governors' role and responsibilities.
- 1.3 Governors will incur any expenses by the most cost effective means available, consistent with completing their duties effectively.
- 1.4 Any exceptions to compliance with these Regulations must be made with due consideration to the BBC Expenses policy and with prior agreement by the Chair of the Audit Committee.

2. **Travel and Transport**

- 2.1 The BBC will pay for all travel taken by Governors in the course of carrying out their duties.
- 2.2 Governors' travel may include the use of private car hire, first class rail or business class flights to complete the journey in line with 1.3 above. Whenever possible, all travel shall be booked through the Governance Unit or National Secretaries' offices who will use the BBC central bookings system.
- 2.3 Reimbursement of any additional travel expenses, which are not procured through the central booking system will be for the actual cost of fares or, in the case of use of a Governor's own car, on the basis of the official mileage rate laid down in the Inland Revenue Regulations and the BBC Expenses Policy.

3. **Accommodation and Meals**

- 3.1 Overnight accommodation will be booked for Governors when business or meetings start too early or finish too late reasonably to allow travel from/to home the same day.
- 3.2 Accommodation may exceed the standard BBC expenses limit and in line with 1.3 above any room should be obtained at the best possible rate available.

- 3.3 Governors may claim for or charge other incidental costs such as meals and refreshments, reasonably incurred whilst on BBC business. The limits on such incidental costs are set out in the BBC Expenses Policy.

4 Hospitality

- 4.1 The BBC will reimburse Governors for the cost of expenses incurred when providing hospitality on BBC business.
- 4.2 Governors are required to ensure that there is a demonstrable and appropriate business reason for hospitality, and that the level of expenditure is appropriate to the business purpose. Partners may be included, if there is clear benefit to the BBC.
- 4.3 Inland Revenue regulations require that receipts are submitted, the purpose of the hospitality is specified and the names and roles/titles of the recipients are stated in the claim. If BBC staff are in attendance, the claim should include staff names, and the Governance Unit will ensure that BBC staff numbers are attached to all relevant claims.
- 4.4 Governors should note the Conflicts of Interests Regulations and BBC Expenses policy on receiving corporate hospitality.

5 Making Bookings and Claims

- 5.1 Whenever possible all travel, transport and accommodation bookings shall be made through the Governance Unit or National Secretaries' offices who will use the central booking system to ensure value for money.
- 5.2 For all other expenses, reimbursement is for actual expenditure incurred in the course of BBC business and claims should be made within three months of the expenses being incurred. Claims should be submitted with original receipts or invoices (not debit/credit receipts); these should be valid VAT receipts where VAT is claimed. Payment will be made direct to the Governor's bank account.

6 Equipment to Support Working from Home

- 6.1 Governors are entitled to have both Information Technology (IT) and Audio Visual (AV) equipment installed at home as there is a business requirement for them to have access to this equipment at home.
- 6.2 The cost of providing and installing this equipment is met by the BBC and the equipment therefore remains the property of the BBC at the end of a Governors term.

7 Taxable Benefits

- 7.1 The Inland Revenue regard travel to work, accommodation and meals at work, and the provision of Audio Visual equipment to be taxable benefits. The value of these

benefits is collated by Group Finance, in consultation with the Governance Unit, for annual reporting to the Inland Revenue.

- 7.2 The BBC covers the costs of this liability for Governors so there is no further tax to be paid by the Governor. Governors' expenses are reported to the Audit Committee twice a year and all Governors will be asked formally to confirm the total amount incurred plus the associated tax liability in advance of its disclosure in the Annual Report and Accounts.
- 7.3 The Governors' place of work is considered to be the Governance Unit's offices at 35 Marylebone High Street, except for National Governors where the place of work is the relevant national or regional BBC office.

Adopted by the Board of Governors December 2005