



# Board Member Pay and Expenses Policy

Approved by: RHP Group Board

Approved on: 10 October 2024

Next review Date: September 2027

Applies to: RHP Group

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Everything we do is underpinned by our values.

For RHP and RHP Home these are: We know our stuff, We make it happen, and We care.

For Co-op Homes these are: We learn, We deliver, and We care.

### Statement of intent

This policy covers both board and committee member pay and expenses (the policy). The policy provides that the board members of RHP Board (the Board) and the members of all boards and committees within the RHP Group, subject to satisfactory performance, should be offered payment and reimbursement of expenses for undertaking their duties for the RHP Group at levels agreed by the Board (as set out in Schedules 1 and 2.)

### Scope

This Board and Committee Member Pay and Expenses Policy applies to non-executive board and committee members in the RHP Group. The Chief Executive and any other executive members of staff who serve on boards or committees from time to time shall not be paid any additional remuneration for their roles as board, subsidiary board or committee members.

### Our approach

The Board, having considered the recommendations of the Governance and People Committee (GPC) and the following factors, reaffirms that there still remains a compelling business case for board and committee member remuneration:

- ▶ Increasing regulation and responsibilities of board and committee members
- ▶ The ambitious plans contained within the Corporate Strategy and corresponding demands and risks to board and committee members
- ▶ The size and complexity of the RHP Group
- ▶ The importance of the recruitment and retention of appropriately skilled and experienced board and committee members from a diverse range of backgrounds
- ▶ Consideration of approaches to remuneration in the social housing sector.

Remuneration levels are set in the context of the National Housing Federation's Code of Governance 2020 (Principle 3 – paragraph 3.6) (the NHF Code).

The business case for remuneration of board and committee members, and the level of fees, shall generally be reviewed every three years by the GPC and considered by the Board. If it is decided that a formal review of remuneration levels or of this policy is justified sooner, it shall be undertaken in accordance with the requirements set out in this policy to ensure that payments remain reasonable and this policy remains appropriate. Remuneration levels are determined by the Board on the recommendation of the GPC having taken independent expert advice. Approval of this policy is a matter reserved to the Board.

Non-executive members serving on the RHP Board and all boards and committees within the RHP Group (including all members of the following) are eligible to receive remuneration:

- i. RHP Group Committees (i.e. Governance and People Committee, Audit and Risk Committee, Development and Asset Management Committee, Customer Services Committee)
- ii. Subsidiary boards of Registered Providers in the Group
- iii. Non-executive directors of wholly owned subsidiaries which undertake a substantial level of activity.

Any proposal to expand the scope of this policy further must be considered by the GPC, which, having taken independent advice, will make a recommendation, if appropriate, to the board for a revision to this Policy.

### Levels of payment

The levels of payment for board and committee members who are legally entitled to receive pay are set out in **Schedule 1**. Where serving in more than one role, an individual shall only be entitled to receive one payment set at the highest level for which they are eligible (taking into account all their roles within the RHP Group) as described in the tables in Schedule 1, but that is subject to any personal waiver of all or any amounts as determined by the individual from time to time as further set out below.

### Remuneration – subject to performance

- ▶ Payments shall be subject to satisfactory performance (as set out within the Governance Framework and Agreements for Services) against which individual performance is reviewed.
- ▶ The GPC shall consider the output of appraisals and evaluations, and any performance related matters, and advise the RHP Chair (and/or the Senior Independent Director) and, as applicable, the Chair of the relevant subsidiary board or committee, of any issues.

### Review of payments

Levels of Board member remuneration shall be reviewed every three years. Review of Board member pay shall be based on the guidance set out in the NHF Code and the Governance Framework.

Reviews shall also take into account best practice, market comparisons, benchmarking of levels and differentials and norms with the social housing sector, or relevant business environment. Reviews shall be undertaken by the Executive Director Corporate Services on behalf of the GPC and must involve full consideration of:

- ▶ External independent advice and guidance (to ensure independence and appropriate objectivity and rigour)
- ▶ The requirement for payment levels to be proportionate to the size, complexity and resources of the RHP Group
- ▶ The outcome of board effectiveness reviews.

### Recommendation and approval

The GPC shall make recommendations to the RHP Board on any amendments to this policy and all payments following due consideration of the requirements set out in paragraphs above. Unless the RHP Board or the GPC determine otherwise, the next review of payment levels shall be completed in 2027, as the latest review of payments levels is due to be presented to the RHP Board and Co-Op Homes Board in October 2024.

### Reporting

The process of review and the level of payment shall be fully disclosed in the Group Annual Report and the annual reports of other relevant entities within the Group.

### Method of payment and other considerations

Payments shall be made via the relevant payroll and will be subject to all statutory deductions for tax and national insurance (where applicable). Payments shall be made monthly by direct BACS payment. Board and committee members may decide to:

- ▶ Accept payment
- ▶ Waive their right to payment
- ▶ Donate their payment to another organisation or charity (RHP supports payroll giving).

### Expenses

All members of boards and committees within the RHP Group are entitled to claim reasonable and documented expenses incurred in the performance of the duties of their office in addition to the remuneration set out in this policy. Claims must be made in accordance with Agreements for Services subject to compliance with the Rules of RHP or relevant subsidiary board (as applicable) and the policy requirements set out in Schedule 2 as amended from time to time.

### Taxation and benefits

Notwithstanding that non-executive board and committee members are not employees, payments made by BACS payment will be made net of PAYE tax and National Insurance contributions as required by law and regulation. It shall be a matter for individual board and committee members to make all declarations to the relevant authorities.

### Pensions

Members of boards and committees within the RHP Group are not eligible for enrolment in any of the RHP pension schemes including the auto-enrolment schemes.

### Implementation and Monitoring

This policy shall be reviewed every three years unless regulatory, legislative or housing sector developments or internal policy changes require otherwise. The Executive Director Corporate Services shall oversee the implementation and monitoring of compliance with this policy. The Executive Director Corporate Services shall ensure reporting on board and committee member remuneration meets regulatory requirements.

### Further reference - board remuneration and expenses

- ▶ Board member pay (NHF 2015)
- ▶ Charity Commission Guidance CC11 Trustee expenses and payments
- ▶ Income Tax (Earnings and Pensions) Act 2003
- ▶ HMRC Expenses and Benefits tax guides (published annually)

Board and committee members on approved leave of absence will not receive remuneration for the period they are absent from their duties.

Date	Description of Change	Approved by	Review Date
March 2026	Levels of pay updated for April 2026	CoSec	September 2027

## Schedule 1 - Levels of Board and Committee pay

### 1. RHP Group

The levels of payment for board and committee members who are legally entitled under the Rules of RHP and Co-Op Homes to receive remuneration were reviewed externally in 2025 and this table has been updated accordingly.

RHP Group	Base amount	Holiday amount (12.07% of base)	Total amount
For the RHP Board Chair	£13,919.87	£1,680.13	£15,600
For a Committee Chair/SID	£7,763.00	£937.00	£8,700
For a RHP Board Member	£5,799.95	£700.05	£6,300
For a Committee co-optee	£2007.67	£242.33	£2,250
For the Co-Op Homes Board Chair	£5,353.80	£646.20	£6,000
For a Co-op Homes Board member	£2,676.90	£323.10	£3,000

**Important Note:** Where serving in more than one role, an individual shall only be entitled to receive one payment set at the highest level for which they are eligible (taking into account all their roles within the RHP Group) as described in the tables in this schedule, but subject to any personal waiver of all or any amounts as determined by the individual from time to time as further set out in this policy.

## Schedule 2 – Board and Committee Member Expenses

### 2. Approach and responsibilities

This schedule sets out RHP’s policy in relation to board and committee members claiming and approving expenses, including what can be claimed and what is not eligible for reimbursement. It applies to all non-executive members of all boards and committees within the RHP Group. It should be read in conjunction with the Governance Framework, RHP Code of Conduct and Agreements for Services.

RHP will reimburse board and committee members for all reasonable and properly authorised and documented expenses they actually incur in performing their duties, subject to compliance with the Rules, articles of association and any relevant policies, Agreements for Services or Governance Framework, as amended from time to time.

If you are claiming for expenses you must do so in line with this policy. If you are unsure whether your expenses will be eligible to be paid you should seek advice from the Group Secretary prior to incurring them.

All entities within the RHP Group are required to maintain records of any expenses incurred, so anyone claiming expenses must be able to explain how their expenses link to the performance of their duties. Anyone approving expenses is responsible for making sure that all expenses claims comply with the principles set out in this policy. In approving claims, they are confirming that the claims comply with this policy and meet a legitimate business need.

All board and committee members are responsible for obtaining any relevant approvals and accurately claiming expenses as set out in this schedule.

The exempt charities within the Group operating in the regulated housing sector have adopted the NHF Code of Governance 2020 and Principle 1 (para. 1.5 covers) refers to integrity: board and committee members are required to maintain high standards of probity and conduct. Accordingly, they are also required to comply with the principles of the RHP Code of Conduct when considering all claims for expenses. All board and committee members are expected to uphold and promote the core policies, purpose, values and objectives of RHP and of its Group Entities and avoid doing anything which might bring RHP or any of its Group Entities into disrepute. Board and committee member remuneration and expenses shall be disclosed in the annual reports and accounts of relevant entities in accordance with regulatory requirements.

### 3. Expense Allowances

#### 3.1 Reimbursement

RHP will reimburse reasonable expenses that have been incurred by board and committee members in the performance of their duties as specified in Agreements for Services and the Governance Framework. All expenses included in the policy are allowable for tax purposes unless specified.

#### 3.2 Tax

Some expenses are subject to tax and national insurance contribution. Where this is the case the tax liability will appear on the board or committee members payslip or P11D form at the end of the tax year. Expenses that are (or may be) taxable include:

- ▶ Travel to the normal place of work
- ▶ Any mileage rate that is above HMRC rates
- ▶ Parking (near the normal place of work)
- ▶ Accommodation (near the normal place of work).

HMRC generally considers the 'normal place of work' for a board or committee member is where the normal meeting place is located.

### 3.3 Allowable expenses

This section sets out the expenses which are eligible for reimbursement. With the exception of business mileage claims, receipts for all expenses claimed must be provided.

Allowable expenses include:

- ▶ Attending board and committee meetings, away days, strategy days, training, resident events and consultations
- ▶ Visiting new developments, estates, schemes, local authorities and other key stakeholder contacts
- ▶ Attending conferences, seminars and other external events directly relevant to the Group and its portfolio of businesses.

Any expenses over £250 per person should be pre-approved and accompanied by an appropriate business justification.

### 3.4 Mileage claims

Mileage claims will be paid at the prevailing HMRC rate for journeys from your starting point or home, whichever is the shortest distance.

### 3.5 Car sharing

We encourage car sharing which reduces cost, as well as our carbon footprint. Only the owner of the car (normally assumed to be the driver) is eligible to claim mileage expenses.

### 3.6 Car parking, toll and congestion charges

We will reimburse members for their car parking, toll and congestion charge costs (at a day rate only) where this was unavoidable or incurred when using the most reasonable route. Receipts must be provided. RHP will not reimburse any parking fines or any other fines incurred in connection with traffic offences

### 3.7 Public transport

Where possible, advance and discounted tickets should be purchased to minimise cost of travel on public transport. Where travel cards (such as Oyster) are used, the cost of the journey will be refunded, not the value of the 'top up'. Receipts (showing the journey made and its cost) must be provided

### 3.8 Taxis or hire cars

The use of taxis or hire cars should be limited to where they provide better value than using public transport, where it would be safer for an individual to use for travel (such as after the end of a late meeting or event), where an individual has restricted mobility or other special needs, or where travel is necessary to meet business need or enable the member to meet time commitments. If meetings finish late, then taxis will be arranged or can be booked. Receipts must always be provided.

### 3.9 Accommodation costs and subsistence (including meals)

Where a board or committee member is required to stay away from home in the course of their duties, arrangements can be made for accommodation on their behalf. The Group Secretary can be contacted if that support is required.

Accommodation may also be booked where it represents the best value option, when transport costs are taken into account. The type and quality of accommodation should be standard and cost should not exceed £200 per night in London or £150 per night outside of London. These rates should include breakfast where possible.

Where the board or committee member wishes to book more expensive accommodation than authorised under this policy or approved by the Chair of the Board, they may do so, but will be responsible for the payment of any cost above the agreed rate. Where this option is used, accommodation should be booked directly by the board or committee member themselves.

Reasonable subsistence will be reimbursed on production of valid receipts in relation to the accommodation costs only if an overnight stay is deemed to be absolutely necessary. The cost of meals may also be reimbursed when a board or committee member is required to travel to events or stay away from home overnight when engaged on business on RHP's behalf.

### 3.10 Incidental expenses

When staying away from home on business, a board or committee member may claim for reasonable personal incidental expenses. However, all incidental expenses must be itemised on the expenses claim form and authorisation must be sought in line with this Policy.

### 3.11 Providing hospitality

Where members wish to offer a modest meal for someone outside of the organisation whilst on RHP business, they are permitted to do so provided that any hospitality is not excessive and is offered in accordance with the requirements of the Gifts and Hospitality Policy. Working lunches within RHP are permissible for the purpose of business.

### 3.12 Consumables

Board and committee members who have been provided with iPads, laptops or other IT equipment may not claim the costs of printer cartridges, paper or any other consumables.

### 3.13 Telephone

Members who incur charges as a result of undertaking their duties will be eligible to have call charges reimbursed. Itemised phone bills should be provided to support such expenses claims. Charges for line rental will not be reimbursed by RHP.

### 3.14 Childcare / carers

Members will be reimbursed for reasonable child-care costs, the cost of carers for themselves, or the cost of care for disabled partners or close relatives while attending a meeting. Claiming care costs requires prior consent from the Group Secretary and should be supported by receipts from a registered carer. The cost of providing care for animals is not reimbursable.

### 3.15 Accompanying partners

With the exception of pre-approved carers, any additional costs of board and committee members being accompanied by partners when travelling to meetings or taking part in visits or other events on our behalf will not generally be reimbursed. Expenditure to be incurred in relation to spouses / partners attendance at formal events may only be claimed when their presence is formally requested by the RHP Chair, Chief Executive or an Executive Director has given prior written approval.

### 3.16 Reimbursement of expenses

Advance bookings should be made where possible to achieve the best rates.

Expenses claims and accompanying receipts must be submitted within three months of the expense being made. Except in exceptional circumstances, reimbursement of expenses will only be made when expenses claims are accompanied by the relevant VAT receipts.

Board and Committee Members Expense Claims Forms will be authorised by the Group Secretary for RHP and the Head of Governance for Co-Op Homes. Valid claims for travel, food and accommodation will be approved and approval may be sought from the relevant board or committee chair for all other expenses not included in this schedule. All expenses claims are paid via payroll.