

UKMBA

Expenses policy

Last updated: December 2022

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THE CONTEXT

The UK Municipal Bonds Agency plc (UKMBA) was launched in 2014. Its purpose is to reduce local authority financing costs by issuing bonds in the capital market and lending on to councils, providing cheaper borrowing than the Public Works Loan Board (PWLB).

The company is wholly owned by local government. Its shareholders are 56 English councils, along with the Local Government Association (LGA) as the largest shareholder.

Under Article 24 of the company's Articles of Association, UKMBA can pay any reasonable expenses which the directors of the UKMBA properly incur in connection with the discharge of their responsibilities.

This expenses policy covers the directors, alternate directors, the company secretary and any staff in the employ of the UKMBA.

1. APPROVED DUTIES FOR REIMBURSEMENT OF EXPENSES

1.1 The UKMBA will pay expenses relating to:

- Attendance at UKMBA Board, committee, general and shareholder meetings, excluding virtual meetings.
- Attendance as the company's appointed representative at meetings with representatives of local government or the finance sector or with any other partner or stakeholder.
- Attendance as the company's appointed representative at receptions, visits, conferences, seminars or other functions or any other promotional event legitimately intended to further the agreed purpose and objectives of the UKMBA.
- Any other responsibilities covered under the Board of Directors' policy (published June 2020), which sets out the roles, responsibilities and remuneration of directors or any other UKMBA policies as appropriate.

1.2 It is the responsibility of directors and staff to ensure that expenses incurred are reasonable and appropriate to a company that is wholly owned by local government and may be subject to public scrutiny.

2. REIMBURSEMENT OF TRAVEL EXPENSES

- 2.1 Wherever possible, directors and staff are expected to travel by public transport. Where it is necessary for a director or staff to use their own vehicle on an approved duty, mileage will be paid at the standard HMRC rate of 45 pence per mile.
- 2.2 The UKMBA will reimburse rail fares on the basis of the standard fare. Directors and staff are expected to make reasonable effort to book as far in advance as possible to secure the best rate available.

- 2.3 Where it is necessary for a director or staff to travel by air, either within the UK or overseas, reimbursement will be on the basis of an economy class fare. Directors and staff are expected to make reasonable effort to book as far in advance as possible to secure the best rate available.
- 2.4 The UKMBA may reimburse the cost of a first class rail ticket or premium economy or business class air fare, subject to reasonable effort to secure value for money or in exceptional circumstances. A clear written justification must be submitted for prior approval by the company secretary or another designated person. The UKMBA will not reimburse the cost of first-class air travel.

3. REIMBURSEMENT FOR MEALS AND REFRESHMENTS

- 3.1 Directors and staff may claim reasonable cost of meals and beverages (subsistence) incurred in the course of UKMBA business.
- 3.2 Occasionally, directors and staff may wish to offer hospitality to representatives of partners and stakeholders. This should not be regular or excessive. UKMBA will reimburse the cost of meals and beverages.

4. OVERNIGHT ACCOMMODATION

- 4.1 The cost of overnight accommodation may be reimbursed when:
- A director or member of staff attends a residential event as the UKMBA's appointed representative.
 - A director or member of staff attends a non-residential meeting or event as the UKMBA's appointed representative which requires him/her to leave home before 7.00am or arrive home after 11pm.
- 4.2 When booking accommodation, directors and staff are expected to make reasonable effort to secure the best rate available.

5. CARER'S ALLOWANCE

- 5.1 Where a director or member of staff is the primary carer for a close relative or partner, a carers' allowance may be paid towards the cost of care for the period during which they are undertaking any approved duties set out in section 1. This applies to children or to elderly or disabled relatives or partners.
- 5.2 The carers allowance is also payable for the period of travel to and from the approved duty.
- 5.3 The rate of reimbursement for carers' allowance is equivalent to the living wage for directors living outside London and the London Living wage for directors living in London. These are currently £10.90 per hour and £11.95 per hour respectively for employees over 21.
- 5.4 The allowance will not be payable to a member of the claimant's own household.

6. MAKING A CLAIM

- 6.1 All claims must be submitted on the UKMBA expenses claim form, which can be downloaded from the UKMBA website, and submitted to the company secretary or another designated person. Claims by the company secretary should be signed off by the chairman.
- 6.2 Receipts must be provided for all travel, accommodation and subsistence claims, including claims for carers' allowance. No claim will be paid unless a valid receipt is provided.
- 6.3 Claims should be submitted promptly identifying clearly and fully the meeting or event to which the claim refers.
- 6.4 Any outstanding claims should be submitted promptly by the end of the financial year in order that the UKMBA can finalise its accounts for audit purposes. Claims submitted more than three months after the end of the financial year may not be paid.

7. PUBLICATION OF EXPENSES

- 7.1 In the interests of openness and transparency the UKMBA publishes summary of allowances and expenses paid to directors and staff on its website