

Staff and Pensions Committee

5 October 2022

Subsistence Allowances for Staff

Recommendations

That the Committee:

1. Approves the alignment in Lunch and Evening Meal subsistence allowances between members and staff to be effective as soon as reasonably practical.
2. Authorises the Strategic Director for Resources to engage with schools on the proposal that the increase to subsistence allowances applies to all community and voluntary controlled Warwickshire schools and to finalise those arrangements having regard to the outcome of that consultation.

1. Executive Summary

- 1.1 The arrangements for subsistence allowances for staff have been in place for a number of years and with the recent changes in how we work, prompted by the Covid pandemic, it seems an appropriate time for the arrangements to be reviewed.
- 1.2 In terms of how we work as a Council, there has been significant change over the last 2 years, with a large proportion of our people being able to work in an agile way. Whilst there have been changes in our approach to how we work there is an ongoing need to reimburse colleagues who have a legitimate need to be away from home/ Warwickshire settings to undertake their duties.
- 1.3 The current arrangements for subsistence allowances for colleagues is set out below:

	<i>Maximum Allowance</i>	
<i>Breakfast</i>	<i>£4.48</i>	<i>If you set out before 7.30 a.m.</i>
<i>Lunch</i>	<i>£6.17</i>	<i>If you are away between 12.15 – 14.15</i>
<i>Tea</i>	<i>£2.43</i>	<i>If you arrive home after 18.30 but before 20.30</i>
<i>Dinner</i>	<i>£7.64</i>	<i>If you arrive home after 20.30 p.m.</i>

It should be noted:

- That these are not fixed allowances but the maximum amount that can be claimed on production of a receipt.

- Tea and dinner cannot both be claimed on the same day
- The cost of meals taken away from the workplace will only be reimbursed if expenditure additional to that normally incurred has been necessary.
- Managers should particularly note that in signing off the claim they will be deemed to have approved the reason for why the additional expenditure has been incurred.
- The County Council will only reimburse expenditure claims that are accompanied by receipts.

1.4 In the year to 31 March 2022 a total of 430 subsistence claims were made by 116 colleagues to a total value of £5,830.53. This total value will include subsistence claims in respect of meals and any claims relating to overnight accommodation.

1.5 Following the elections in 2021, the Council appointed an Independent Remuneration Panel, as required by the Local Government Act 2002 and the Local Authorities (Members' Allowances) England Regulations 2003, to review the Member Allowances Scheme 2018 and to provide their recommendations for any changes to that scheme. After carefully considering the 2018 scheme allowances for subsistence payments, which were set at £6.50 for lunch and £8.00 for an evening meal, the Panel observed that the "lunch allowance of £6.50 is adequate and easily allows the purchase of a 'meal deal' at a large number of outlets". However, the Panel considered that the evening meal allowance was too low and, "taking into account the prices charged in budget chain restaurants", recommended that the evening meal allowance be increased from £8.00 to £10.00. When the Panel's report was presented to Council in May 2022, this recommendation was accepted.

1.6 The Members' Allowances Scheme 2022 - 2026 provides for Subsistence Allowances as follows:

The council will reimburse actual costs up to the following maximum subsistence rates.

- i. Lunchtime - £6.50 per member
- ii. Evening Meal - £10.00 per member

1.7 The recommendation is for alignment in Lunch and Evening Meal subsistence allowances between members and staff. This would mean uplifting the Lunch payment for colleagues to £6.50 (increase of 0.33p) and the Dinner payment to £10.00 (increase of £2.36).

1.8 Breakfast and Tea allowances for staff would remain as currently, at the rates of payment set out in paragraph 1.3 above.

1.9 The increase in the subsistence allowances will have implications for schools, particularly for community and voluntary controlled schools who follow the Council's terms and conditions. Whilst we envisage that for the majority of schools the financial impact would be minimal, we consider that engagement with schools should be undertaken before considering applying an increase in

subsistence allowances to school-based staff. If the recommendations in this report are approved, appropriate consultation will take place with schools in relation to the financial impact on school budgets and any potential legal considerations which may arise should individual schools be unable to support the recommended increase.

- 1.10 This proposal will ensure that subsistence allowances for staff remain at appropriate levels of reimbursement and will provide a clear rationale for the rate of subsistence payments for staff.

2. Financial Implications

- 2.1 In the year to 31 March 2022 a total of 430 subsistence claims were made by 116 colleagues to a total value of £5,830.53.
- 2.2 Services fund staff subsistence costs from within Service budgets. Increases in lunch and evening meal payments are modest. As a result, it is not envisaged that changes in subsistence arrangements will have a significant impact on Service budgets.
- 2.3 We envisage that for schools the financial impact would be minimal, however these implications will still need to be considered and consulted upon as detailed above.

3. Environmental Implications

None.

4. Supporting Information

- 4.1 It is recommended that the Committee approve the alignment in Lunch and Evening Meal subsistence allowances between members and staff to be effective as soon as reasonably practical.
- 4.2 It is not envisaged that changes in subsistence arrangements will have significant impact on Service budgets given that the proposed increases in lunch and evening meal payments are modest.
- 4.3 This proposal will ensure that subsistence allowances for staff remain at an appropriate level if reimbursement and will provide a clear rationale for the rate of subsistence payments for staff.

5. Timescales associated with the decision and next steps

- 5.1 Subject to Committee approval the proposal is to communicate the changes to the subsistence allowances to staff and implement with effect as soon as reasonably practical.
- 5.2 Subject to committee approval consultation with schools will be undertaken before moving forward with the increased mileage rates applying to school-based staff.

Appendices

1. Appendix 1 – Revised Travel Code of Conduct Policy.

Background Papers

<https://democracy.warwickshire.gov.uk/mgAi.aspx?ID=6188>

1. Review of the Warwickshire County Council Members' Allowances Scheme - Report of the Independent Panel
2. Appendix 1 for Review of the Warwickshire County Council Members' Allowances Scheme - Report of the Independent Panel
3. Appendix 2 for Review of the Warwickshire County Council Members' Allowances Scheme - Report of the Independent Panel

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The report was circulated to the following members prior to publication:

Local Member(s): Not applicable

Other members: Councillors Andy Jenns and Bill Gifford