

WIRRAL COUNCIL

EMPLOYMENT AND APPOINTMENTS COMMITTEE

19 NOVEMBER 2007

REPORT OF THE DIRECTOR OF FINANCE

SUBSISTENCE REIMBURSEMENTS

1. EXECUTIVE SUMMARY

- 1.1 Committee received the attached report setting out revised maximum reimbursement rates for subsistence allowances that relate to all staff at its meeting on 24 September 2007. It was requested at that meeting that further information be produced to further justify the recommendations in particular in relation to overnight accommodation.
- 1.2 This report presents further information and recommends revisions to the various rates of maximum reimbursement.

2. BACKGROUND

- 2.1. As part of the 1997 Pay Award agreement the previously nationally recognised "Purple Book" that contained the conditions of service for Administrative, Professional, Technical and Clerical (APT&C) staff was significantly amended. Included in the changes was provision to locally set certain allowances. The revised "Green Book" made it the responsibility of individual local authorities to set their own levels of subsistence reimbursement.
- 2.2. Wirral Council has established these amounts with the proviso that:
- (i) these are not allowances.
 - (ii) this is a maximum level of re-imbursement.
 - (iii) the cheapest available and appropriate service should be chosen.
 - (iv) valid receipts must accompany claims.

3. HOTEL COSTS

- 3.1 In order to produce meaningful, timely information a search of the internet was undertaken on Monday 5 November 2007 for a hotel room on Monday 19 November 2007. The search produced the following information

In London:

- A single room in a one star bed and breakfast accommodation can be obtained for between £40 and £70.
- A single room in a two star hotel/bed and breakfast can be obtained for between £70 and £100.

- A single room in three star accommodation can cost from £100 to £200.

In Birmingham:

- A single room in a one star bed and breakfast accommodation can be obtained for between £30 and £60.
- A single room in a two star hotel/bed and breakfast can be obtained for between £60 and £80.
- A single room in three star accommodation can cost from £80 to £150.

3.2 A number of points need to be further considered:

- Rates will vary depending on proximity to city centres.
- Rates will vary depending on the length of notice given to book, generally, the longer the notice the cheaper the cost.
- In certain of the examples above breakfast may not be included.

3.3 Conclusions that can be drawn from this information are:

- It is sometimes possible to obtain a room in London for less than the £144 maximum allowance recommended in this report.
- It is sometimes possible to obtain a room in a provincial city for less than the £110 maximum allowance recommended in this report.
- It is, however, appropriate to retain a recommended maximum amount as some hotel accommodation can cost above this level.
- In order to minimise costs bookings should be made as far in advance as possible.

3.4. In order to facilitate more appropriate booking of accommodation the Procurement Unit will seek to produce a contract for a preferred provider. The procurement of train and other travel arrangements will also be considered.

4. **SUBSISTENCE RATES**

4.1 As previously stated the amounts proposed for subsistence are for maximum amounts that will only be reimbursed on the production of a valid receipt.

4.2 No reimbursement will be made where an officer has received a meal as part of the travel arrangements or at the venue or accommodation.

5. **PROPOSED NEW RATES**

5.1 Applying the increase shown in the table in the appendix attached to the September report shows that Overnight rates have increased; whilst only the day rates for Lunch and Evening Meal have increased over the rates approved from 1 October 2005.

5.2 The inflation increase from 2005-2008 will be utilised as the basis for next year's review to ensure an equitable maximum level for day subsistence rates is calculated for Breakfast and Tea.

6. FINANCIAL AND STAFFING IMPLICATIONS

6.1 The reimbursements are not allowances but represent only the amount spent by officers up to the preset maximum.

7. EQUAL OPPORTUNITY IMPLICATONS

7.1 There are no specific implications arising from this report.

8. HUMAN RIGHTS IMPLICATIONS

8.1 There are none arising directly from this report.

9. COMMUNITY SAFETY IMPLICATIONS

9.1 There are no specific implications arising from this report.

10. LOCAL MEMBER SUPPORT IMPLICATIONS

10.1. There are no specific implications for any Member of Ward.

11. LOCAL AGENDA 21 IMPLICATIONS

11.1 There are no specific implications arising from this report.

12. PLANNING IMPLICATIONS

12.1 There are no specific implications arising from this report.

13. BACKGROUND PAPERS

13.1 Report on Subsistence Allowances to Employment And Appointments Committee, 29 June 2006.

14. RECOMMENDATIONS

14.1 That the proposed new maximum reimbursement rates be implemented from 1 December 2007.

14.2 That the Director of Finance continue to review these rates annually.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/289/07

APPENDIX 1

Table of current and proposed maximum subsistence allowances

Allowance	Current Rate	Proposed Rate from 1 October 2007
Overnight Subsistence		
<ul style="list-style-type: none">• London and 'approved' conferences.	£138	£144
<ul style="list-style-type: none">• Provinces and other conferences.	£106	£110
Day Subsistence		
<ul style="list-style-type: none">• Breakfast	£6.00	£6.00
<ul style="list-style-type: none">• Lunch	£8.00	£9.00
<ul style="list-style-type: none">• Tea	£3.00	£3.00
<ul style="list-style-type: none">• Evening Meal	£10.00	£11.00

WIRRAL COUNCIL

EMPLOYMENT AND APPOINTMENTS COMMITTEE

24 SEPTEMBER 2007

REPORT OF THE DIRECTOR OF FINANCE

SUBSISTENCE ALLOWANCES

1. EXECUTIVE SUMMARY

- 1.1 Committee agreed on 21 September 2005 to a new policy including maximum reimbursement rates for subsistence allowances that relate to all staff.
- 1.2 It was agreed that I review these rates annually. This report details the outcome of the second review.

2. INTRODUCTION

- 2.1 The report on Subsistence Allowances in September 2005 simplified the system for payment of allowances, ensuring all staff claimed on a standard scale of maximum rates, claims related to actual expenditure incurred and were only to be approved when supported by receipts.

3. ANNUAL REVIEW

- 3.1 Members agreed that the rates should be reviewed at 1 April each year in accordance with inflation and rounded to the nearest pound. When these rates were last reviewed in June 2006 owing to the size of the inflationary increase the day rates did not change. It was agreed, therefore, that for day rates the Retail Price Increase from April 2005 to March 2007 should be applied. Accordingly the Retail Price Index All Items Monthly Indices shows:

Indices as at:	Day Rates	
	Points	Percentage
April 2005	191.6	
March 2007	204.4	
Increase	12.8	6.68%
Overnight Rates		
April 2006	196.5	
March 2007	204.4	
Increase	7.9	4.00%

4. PROPOSED NEW RATES

- 4.1 Applying the increase shown in the table above Overnight rates have increased; whilst only the day rates for Lunch and Evening Meal have increased over the rates approved from 1 October 2005.

4.2 The inflation increase from 2005-2008 will be utilized as the basis for next year's review to ensure an equitable maximum level for day subsistence rates is calculated for Breakfast and Tea.

5. FINANCIAL AND STAFFING IMPLICATIONS

5.1 The reimbursements are not allowances but represent only the amount spent by officers up to the preset maximum.

6. EQUAL OPPORTUNITY IMPLICATONS

6.1 There are no specific implications arising from this report.

7. HUMAN RIGHTS IMPLICATIONS

7.1 There are none arising directly from this report.

8. COMMUNITY SAFETY IMPLICATIONS

8.1 There are no specific implications arising from this report.

9. LOCAL MEMBER SUPPORT IMPLICATIONS

9.1. There are no specific implications for any Member of Ward.

10. LOCAL AGENDA 21 IMPLICATIONS

10.1 There are no specific implications arising from this report.

11. PLANNING IMPLICATIONS

11.1. There are no specific implications arising from this report.

12. BACKGROUND PAPERS

12.1 Report on Subsistence Allowances to Employment And Appointments Committee, 29 June 2006.

13. RECOMMENDATIONS

13.1. That the proposed new maximum reimbursement rates be adopted and implemented from 1 October 2007.

13.2 That I continue to review these rates annually.

IAN COLEMAN
DIRECTOR OF FINANCE

FNCE/177/07

Table of current and proposed subsistence allowances

Allowance	Current Rate	Proposed Rate from 1 October 2007
Overnight Subsistence <ul style="list-style-type: none"> • London and 'approved' conferences. • Provinces and other conferences. 	£138 £106	£144 £110
Day Subsistence <ul style="list-style-type: none"> • Breakfast • Lunch • Tea • Evening Meal 	£6.00 £8.00 £3.00 £10.00	£6.00 £9.00 £3.00 £11.00