

# REPORT TO PERSONNEL COMMITTEE MEAL AND SUBSISTENCE ALLOWANCES



**Report Reference** P-24-05  
**Meeting Date** 9<sup>th</sup> December 2024  
**Agenda Item** 6  
**Prepared by** Town Clerk

---

## 1.0 BACKGROUND

### 1.1 STAFF CHRISTMAS MEAL ALLOWANCE

In 2017, the Town Council introduced a subsidised staff Christmas meal as part of the council's employee offer, and it continues to be extremely valued by the council's employees. The resolution was a £25 subsidy towards a staff Christmas social event on the condition that it is spent in Knutsford. This has consistently been used as part of the food cost of a Christmas meal at a local restaurant. The actual purchasing power of the subsidy has been £30 (inclusive of VAT) where the restaurant has been VAT registered.

Initially, the subsidy funded the full cost of a Christmas menu at a local business. However, the value of the subsidy has not been adjusted in the last seven years and as such its relative value has reduced and it no longer covers the full cost of a meal. For example, the planned meal for 2024 (Gusto) is £38 per person.

Applying the Bank of England inflation calculator to the £25 value set in 2017 would give a 2024 value of £32.66.

### 1.2 STAFF HANDBOOK SUBSISTENCE ALLOWANCES

The Staff Handbook sets out subsistence allowances for meals whilst working at events away from the office. It provides for an evening meal costing no more than £10 and lunch of no more than £5. The rates were set in 2020 and similarly have not been adjusted. Claims are infrequent, and usually connected with the delivery of events e.g. the Christmas Market or Music Festival. Staff have highlighted that the purchase power of £5 for lunch at such events is limited (e.g. if seeking to use one of the event vendors at the Christmas Market for a warm lunch).

## 2.0 RECOMMENDATION

It is recommended that:

- a) the subsidy is increased to £33 for 2024 and 2025
- b) the value is index linked and adjusted annually for 2026 onwards
- c) the subsistence allowances are increased to be "in the order of £15 for an evening meal and £10 for lunch."