

## Guidance on purchasing alcoholic drinks as ‘subsistence’

This note provides guidance on the purchase of alcoholic drinks as part of the University’s arrangements for funding ‘subsistence’ costs for its employees and reimbursement through the University Expenses procedure.

### Interpretation and guidance regarding alcoholic drinks as part of ‘subsistence’

The [Aston University Staff Expenses and Hospitality Guidance](#) allows for the cost of food and drink to be reimbursed, but does not specify whether the drink element can be alcohol. It is important that the University’s reputation is protected by having clear guidance on acceptable expenditure in this area and this guidance note clarifies the reasonableness tests to be applied to ‘subsistence’ claims including alcoholic drink.

Staff should keep in mind that the nature of ‘subsistence expenses’ dictate that there is a clear difference between what is necessary to remain ‘fed and watered’ and what is actually a discretionary choice.

Alcoholic drink is a problematic area because, for some, one or two drinks with a meal would be reasonable, however it is easy to see how the claiming of expenses or incurring of cost for a number of alcoholic drinks could be seen as a perk, or unnecessary expenditure, when a cheaper/soft drink option could have been taken. The University must also demonstrate a duty of care for staff and its attitude towards alcohol consumption should be both responsible and proportionate.

### Reasonableness tests

To determine what acceptable expenditure is, we need to apply two reasonableness tests. One is in relation to an alcoholic drink being taken with a meal, and the other is in relation to cost. The following guidance must be followed:

- 1) **Alcoholic drinks with a meal:** alcoholic drinks are NOT permitted as a reimbursable expense where they are bought for (and by) University staff members only, and are not being consumed alongside a meal whilst the person(s) are away from the University on business. For example, alcoholic drinks purchased at a bar or pub either during or after the working day, during travel or whilst waiting for air, train, other travel will not be reimbursed. The decision to buy an alcoholic drink would be considered discretionary; a soft drink, tea, coffee, or water would be adequate in terms of ‘subsistence’.
- 2) **Cost of alcoholic drinks:** the cost of up to two standard sized alcoholic drinks per member of staff may be reimbursed as part of the ‘subsistence’ costs, but only where the drink is taken with a meal. It is possible for a bottle of wine to be purchased for a group of staff members; however the ratio of bottles of wine to staff members should not exceed 1:4. In other words a single bottle of wine for two people would not be an acceptable level of alcoholic drink to be reimbursed, as it provides more than two standard sized glasses/drinks per person.

The price of an alcoholic drink can vary according to the dining venue and, especially in relation to wine, according to the quality of drink chosen. It is advised that staff must ensure that, if they do choose to consume up to two standard sized alcoholic drinks, these must only be of average or moderate price. Staff in the Payroll Team who review expenses claims will ask for further information where they believe that the cost incurred is neither moderate nor reasonable.

A moderate cost should enable the most common choices of alcoholic drink; being a glass of wine (of 175ml and reasonable quality), pint of beer or lager and a single spirit at most venues that our staff

should be using for their subsistence expenditure. We need to be mindful that the cost of meals and drinks in these subsistence circumstances is NOT about entertaining or meeting with external stakeholders, and staff should not be using venues where the cost implications are higher than reasonably needed.

### **More than one attendee**

If one member of staff is 'picking up the tab' for a group of University employees who are dining together whilst away on business, and claiming this back as expenses a list of every one of the staff members who has consumed the alcoholic drinks must be submitted with the expenses claim form.

Without these full details it will be assumed that only the claimant consumed the drinks and the value of the expenses to be reimbursed will be reduced according to the reasonableness tests above.

NOTE: staff should be aware that failure to comply with this advice will result in any expenditure incurred not being reimbursed via the expenses system.

Where staff are away from the University on business, and the venue or event has provided food and/or alcoholic drink as part of the included cost, staff should ensure that any subsistence claim is reduced in recognition of this provision accordingly.