

CHAPTER 80

WELFARE COMMITTEE, CANTEEN AND NON-PUBLIC FUNDS

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This chapter has been diversity and inclusion impact assessed by the sponsor in accordance with Departmental policy. No direct discrimination or adverse impact was identified. This chapter is due for review at the next routine amendment exercise.

CONTENTS

SECTION I - WELFARE COMMITTEE AND SHIP'S WELFARE FUND

Para

8001. Establishment of Welfare Committees

SECTION II - MESSES, CANTEENS AND BARS-AUTHORISATION AND LICENSING

8011. Authorisation of Bars
 8012. Licensing Requirements: Bars, Messes and Television Sets
 8013. Sale of Liquor in Bars at Shore Establishments
 8014. Sale of Beer, Wines and Spirits in Senior Ratings' Messes in HM Ships
 8015. Sale of Beer and Wine to Junior Ratings in HM Ships
 8016. Sale of Beer, Wines and Spirits to United Kingdom Canteen Staff
 8017. Purchase of Duty Free Tobacco in HM Ships
 8018. Spare
 8019. Spare
 8020. Insurance for Clubs in Service Establishments

SECTION III - CANTEENS AND BARS - SELF-RUN SYSTEM

8051. Self-Run System
 8052. Self-Run Bars in Chief Petty Officers' Messes Ashore

SECTION IV - SERVICE FUNDS

8071. General
 8072. Regulations for the Conduct of Service Funds
 8073. Duties and Responsibilities
 8074. Inspection of Accounts
 8075. Service Funds on Paying-Off
 8076. Guidance to Trustees

CHAPTER 80

WELFARE COMMITTEE, CANTEEN AND NON-PUBLIC FUNDS

SECTION I - WELFARE COMMITTEE AND SHIP'S WELFARE FUND

8001. Establishment of Welfare Committees

1. All ships, submarines, establishments, squadrons and units are to have established a Welfare Committee, chaired by the Executive Officer and comprising elected representatives from across the Unit Position List such that all ranks, rates or groupings are adequately represented.
2. The Commanding Officer may authorise a Welfare Committee to manage a Welfare Fund subject to current regulations in BRd18, Management Instructions for Non Public Funds.
3. The institution of a Welfare Committee is in no way to interfere with or prejudice the right of an individual rating to put forward suggestions through the Divisional Officer, nor to affect the responsibility of the Divisional Officer for looking after the interests of those in the division.
4. The items which Welfare Committees may discuss include living conditions in the ship or establishment, messing arrangements, recreational activities and any suggestions for the welfare of the ship's company. Responsibility for the administration of the ship's funds will also be undertaken by the Committees
5. General conditions of Naval Service, such as discipline, working hours, pay, allowances and leave scales and such matters as cooking and serving food from galleys are outside the scope of Welfare Committees.
6. The full regulations governing the objectives of Welfare Committees and Ship's Welfare Fund; their formation, the composition of the committee, the election of representatives, special arrangements for large establishments, meetings of the committee, together with guidance on administering the fund, its disposal on the loss of a ship are now contained in BR3 Naval Personnel Management Part 5 Annex 24A.

8002–8010. Unallocated

SECTION II - MESSES, CANTEENS AND BARS-AUTHORISATION AND LICENSING

8011. Authorisation of Bars

1. In the United Kingdom, Assistant Chief of Naval Staff (Personnel), and Flag Officer Sea Training within the limits of their areas, and Commandant General, Royal Marines, in respect of Royal Marines establishments, are authorised to approve the opening of bars ashore for the exclusive use of Service personnel, and to issue on behalf of 2nd PUS a certificate of authority to hold the bar. If these officers are prevented from issuing the certificate personally, authority may be delegated to their immediate deputies but no further: such delegation should be avoided if possible. The certificate should be issued in favour of the person concerned by reference to his/her official appointment, and should be expressed to include his/her successors in that appointment to avoid the need for renewing the certificate on the relief of the holder. The certificate should also give the situation of the bar and a description of the intoxicating liquor to be sold.

2. No bar for civilian staff should be started without Ministry of Defence (Civilian Management (Welfare)) approval.

8012. Licensing Requirements: Bars, Messes and Television Sets

1. In the United Kingdom no excise licence is required for the sale by retail of liquor by any naval canteen, bar, mess or club. Similarly, no excise licence is required to enable non-naval guests to purchase liquor on their own account provided that in each case individual sales are restricted to retail quantities only, ie, in quantities not exceeding 9.1 litres (equivalent to one case) of wine or not exceeding 20.475 litres, (equivalent to two cases) of beer or cider.

2. No licence from the 'Justices' is necessary for the running of any naval canteen, bar, mess or club.

3. For a function such as a dance, a publican or other trader may be invited to supervise the function and take out any licence which they may need; this is particularly desirable if the function is not being held within a Ministry of Defence establishment but at other premises such as a public hall hired for the purpose.

4. The appropriate authorities abroad should be consulted to ensure that the requirements of local laws and Customs regulations are met.

5. See Chapter 90 concerning the licensing requirements for television sets in HM ships or naval establishments.

8013. Sale of Liquor in Bars at Shore Establishments

1. Subject to the discretion of Commanding Officers, spirits (only for consumption on the premises) as well as beers and wines may normally be sold to all ratings, including apprentices, over the age of 18 in all bars, clubs and Social Centres to which they are admitted. No intoxicating liquor is to be sold to or for consumption by those under 18 years of age.

2. Senior Officers authorized to approve the opening of bars ashore (see [Para 8011 sub para 1](#)), guided by the policy communicated to them by the Ministry of Defence are in all cases to make the necessary rules to regulate the sale and consumption of liquor in Service establishments.

8014. Sale of Beer, Wines and Spirits in Senior Ratings' Messes in HM Ships

Amplification of this Regulation is within BRd 9600 Ch 10 to Ship's General Orders.

1. **Purchases - General.** The purchase of beer, wines and spirits by senior ratings on board HM ships is a privilege. While the drinking of spirits is permissible at sea under normal conditions the Commanding Officer has the authority to prohibit such sales when circumstances dictate, and in particular where the safety of the ship is involved. The Commanding Officer may also limit or stop the purchase of beer, wines or spirits by any individual or a whole mess when he/she considers it necessary because of any irregularity in the conduct of sales, including the failure to keep proper accounts or in the handling of spirits or when he/she considers consumption to be excessive or extravagant. The maximum period for which the privilege may be withdrawn is one month although this should be confined to the reasons listed above and not used as a consequential penalty for any other offence.
2. **Individual Bar Accounts.** As in the case of officers (**8112.2**) the bar accounts of individual senior ratings are to be scrutinized at regular intervals by Commanding Officers or officers deputed for this task.
3. **Duty-Free Spirits Bought.** Duty-free spirits bought in messes are not to be given or sold to civilians or junior ratings (*but see [Para 8016](#) and [Para 8017](#) regarding canteen staff*) nor must individuals stow or bottle spirits privately.
4. **Sales of Beer.** Sales of beer to Senior Ratings' messes are not to prejudice the arrangements for stowing the authorized ration for Junior Ratings.
5. Ships in which Alcohol may be Sold.
 - a. **Duty-Free Alcohol.** Duty-free alcohol may be sold to WOs, CPOs, POs and SNCOs in HM ships abroad and in ships in home waters which are in Category 1 for Customs privileges (BR 1990, Customs and Immigration Regulations for the Royal Navy). For the purpose of the alcohol issue, the category of a ship will be determined in accordance with BR 1990, and application must be made to NAVY LOG INFRA-OPS DFLO RFA for any change of category. In ships in home waters entitlement is limited to senior rates on board for 48 hours or more.
 - b. **Duty-Paid Alcohol.** Duty-paid alcohol may be sold to WOs, CPOs, POs and SNCOs in HM ships in home waters which are subject to the prior approval of the Fleet Commander or Flag Officer concerned.
6. **Responsibility of Mess President.** The regulations for conduct and discipline in WOs' CPOs', POs' and RM SNCOs' messes are laid down in **8147**. Mess Presidents are responsible for the proper conduct of the bar in their messes and for ensuring compliance with the regulations concerning the consumption and stowage of beer, wines, spirits and minerals and for the maintenance of proper accounts.

They are furthermore responsible for the good order and conduct of mess members and ensuring that a mantra of 'sensible, social drinking without prejudice to the highest standards of the Service' is advocated.

7. **Beer, Wine, Spirit and Mineral Accounts.** Stocks of beer, wines, spirits and minerals and sales to individuals, are to be accounted for in accordance with the rules laid down for Senior Ratings' Beer Funds in BRd18, Management Instructions for Non Public Funds. Accounts are to be inspected weekly by the supervising officer in accordance with [Para 8017](#) and monthly by the Commanding Officer, principally as a check on consumption. The Logistics Officer is to be associated with both inspections to check on the accuracy and general conduct of the accounts. Verifying officers for the funds of Senior Ratings' messes are to be appointed at the beginning of each Verification period and are to carry out a progressive verification (BRd18 Ch 10). The Executive Officer is to include this requirement when allocating Secondary Duties amongst the Wardroom.

8. **Supplies of Beer, Wines, Spirits and Minerals to Senior Ratings' Messes.** Except as in Clauses 11, all purchases of beer, wines, spirits and minerals by senior ratings' messes are to be made through NAAFI at retail prices. Individual bills are to be settled promptly. Such purchases will be recognised by NAAFI should annual dividend be declared.

9. The kinds of spirit to be sold in Senior Ratings' messes in ships are not to exceed 40 per cent Alcohol By Volume strength. Commanding Officers are to ensure that unsuitable spirits are not stocked.

10. **Arrangements in Ships Without NAAFI Canteens.** In small ships, and submarines, where there is no NAAFI canteen, Senior Ratings are to draw their requirements of spirits on repayment from the wardroom. If the supply of full bottles in these circumstances would lead to the provision of more than four days' estimated requirements, or where a fully secure stowage cannot be provided for the Senior Ratings, a more frequent issue of exact measures is to be made under the supervision of an officer. Issues to Senior Ratings' messes are to be recorded by wardroom messes on the current Form S.1827 (Cellar Stocks). SAGE accounts and Form S.1827 are to be made available if and when required by the Customs authorities.

11. **Stowage in Messes.** Each Senior Ratings' mess is to be provided with a secure locked stowage for stocks of canned beer, wines, spirits and minerals. The stowage should be capable of stowing four days' requirements of wines and spirits and at least one day's requirements of canned beer and minerals. The keys of Mess Spirits Stowages are to be treated as 'Important Keys' in accordance with **2914**. Equipment required for dispensing spirits, etc. is to be provided by messes from their own resources. Bottle measures or optic measures are to be used in accordance with the Weights and Measures Act 1985.

12. **Bar Persons.** Bar persons, if required are to be volunteers drawn from victualled mess members. A senior Rates 'Messman' if allocated is not to be employed in serving drinks to senior ratings.

13. **Bulk of Stocks of Spirits, Wines, Beer and Minerals.** The loading of all wines, beers and spirits for Senior Ratings' messes is to be recorded in the Gangway Wines and Spirits Book held in the custody of the senior member of the Royal Navy Police. Bulk stocks of wines and spirits, in addition to beer for the whole ship's company and, where stowage permits, minerals, will be held centrally on board by NAAFI.

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The Executive Officer is responsible for the security of the bulk wines and spirit stowage. He/she is to arrange for an officer, or the Officer of the Day, to be present to check the issue whenever the bulk wines and spirit stowage is open. This rule may be relaxed at the Commanding Officer's discretion to allow the Canteen Manager access for reasons other than making an issue of wines and spirits. The Canteen Manager will be responsible for:

- a. Deciding, subject to the Commanding Officer's approval, and within the limitations of Clause 9, on the types, brands and quality of wines and spirits to be carried; in accordance with the general wishes of senior ratings and taking into account stowage space and local availability.
- b. Maintaining an adequate stock.
- c. Maintaining such accounts as may be required by the Customs authorities.
- d. Rendering NAAFI Form 55A (Spirits) to the Commanding Officer at the end of each calendar month.

14. It is a requirement of HM Customs and Excise that there should not normally be any transfer of stocks of duty-free wines and spirits between the canteen and the wardroom (or *vice versa*). If a transfer of stock is essential to meet an exceptional and unforeseen shortage, the quantities transferred are to be kept to a minimum.

15. **NAAFI Spirit Store Keys.** The keys of the NAAFI spirit store are to be classified as 'Important Keys'.

16. **NAAFI Stocktaking.** At the end of each calendar month, an officer nominated by the Commanding Officer is to verify by muster the NAAFI stocks on hand declared by the Canteen Manager on NAAFI Form 55A (Spirits). This form together with the Gangway Wines and Spirits Logs and supporting vouchers are to be made available, on demand, for inspection by HM Customs and Excise. Any discrepancies in stocks should be reported at once to the Customs authorities at www.hmrc.gov.uk.

17. Senior Ratings' Mess Purchases. Warrant Officers', Chief Petty Officers', Petty Officers' and SNCOs' messes may purchase their beer in bulk at retail prices from NAAFI.



Note. *In exercising the privilege of buying beer it should be noted that world-wide re-supply arrangements for kegs are not available, and that no special replenishment arrangements will be made by the Ministry of Defence. When received on board the kegs will be under the sole control of the messes concerned, and attention is drawn to BRd18 which requires messes to insure against loss or damage to stock (this includes any containers) which is not carried at the supplier's risk. Messes should be aware that NAAFI does hold the suppliers risk.*

18. **Senior Ratings' Mess Entertainment.** Entertainment in WOs' and CPOs' messes will continue to be governed by **8148**. When in UK ports, duty is to be paid on that alcohol consumed by guests.

8015. Sale of Beer and Wine to Junior Ratings in HM Ships

See BRd 9600 Ship's General Orders Chapter 10

1. As in the case of Senior Ratings (**Para 8014 sub para 1**) the Commanding Officer has the authority to limit or stop the sale of beer to Junior Ratings when he/she considers it necessary because of any irregularity by an individual or a whole mess. This authority should not be used as a consequential penalty for any other offence. This authority may be delegated through the Executive and include the Executive Officer, Executive Warrant Officer (or equivalent thereof) or senior Regulating Police staff on board.
2. All beer is to be purchased from NAAFI at retail prices.
3. All mess Beer Bosuns are to sign Terms of Reference in accordance with Ships' General Orders and copies are to be retained by the Senior Royal Navy Policeman on behalf of the Executive Officer.

8016. Sale of Beer, Wines and Spirits to United Kingdom Canteen Staff

1. United Kingdom canteen staff may purchase spirits, wines and beer under the rules applying in the messes in which they are accommodated.

8017. Purchase of Duty Free Tobacco in HM Ships

1. To ensure that HM C&E audit controls are met duty free tobacco on HM Ships is to be sourced through NAAFI. Duty free tobacco is to be sold/purchased on board in accordance with current regulations in accordance with BR 1990. The Executive Officer through the Royal Navy Police is to ensure that the Ship's Company are routinely appraised of the extant regulations with respect to purchase and holdings of Duty Free tobacco, particularly when visiting the EU or when returning from Deployment.

8018. Spare**8019. Spare****8020. Insurance for Clubs in Service Establishments**

1. Clubs which are located in Service establishments and have facilities for entertaining guests must take out insurance, in the joint names of themselves and the Secretary of State for Defence, against third-party claims for personal injury (including injury resulting in death) and loss of or damage to property. The insurance is to cover all accidents which may be suffered by guests when on Ministry of Defence property for the purpose of visiting a club, as well as within the premises of the club itself. The cost of insurance premiums is to be met from non-public funds.
2. Separate regulations exist for the use of Ministry of Defence land for functions such as motor-racing, karting or motor-cycle meetings, gymkhanas and also for Establishment Open Days, Charity days, Fireworks displays and similar. These regulations are found within JSP 368 and extant DIN08 series.

8021–8050. Unallocated

SECTION III - CANTEENS AND BARS - SELF-RUN SYSTEM

8051. Self-Run System

1. A canteen for the sale of goods and non-alcoholic drinks may be established on the self-run system where, owing to the absence of a properly fitted canteen or for any other special reason, it is not possible for the canteen to be conducted by the Navy, Army and Air Force Institutes. NAAFI makes supplies available at special prices and terms to self-run canteens both afloat and ashore, and this source of supply is to be encouraged. This also applies to Senior Ratings' messes ashore operating their own bars under the arrangement in [Para 8052](#).
2. Goods required for resale in self-run canteens are obtained by direct purchase and the general administration of self-run canteens is undertaken by the Welfare Committee or, in the absence of a Welfare Committee, by the Commanding Officer.
3. **Supervision.** The Commanding Officer is to exercise supervision over the working of the canteen and, where no Logistics Officer is borne, is to nominate an Officer, or a Senior Rating if no Officer is available, as business manager and accountant, who is to be responsible for all purchases, custody of cash and cash transactions in connection with the canteen.
4. **Subsidiary and Non-Public Funds.** The rules as to subsidiary and non-public funds given in [Section IV](#) are to be strictly applied to the administration of self-run canteens and early approach made to Base Logistics Staff if in any doubt.
5. **Advances of Public Money.** To enable payment to be made for initial supplies, advances of public money may be made to the Commanding Officer on commissioning under the arrangements laid down in JSP 754 Tri Service Regulations for Pay and Charges.
6. **Safe Custody of Canteen Stores.** The Commanding Officer should satisfy himself/herself that proper arrangements are made for the safe custody of all canteen stores and that all possible precautions are taken to avoid losses. Frequent careful musters of stock are among the more important precautions necessary and should include a muster by an officer or (in the case of Minor War Vessels only) a suitably experienced senior rate without conflict of interest, at intervals of not more than 1 month.
7. **Liability in Event of Loss or Damage.** Before stocks are received it is very important that the Commanding Officer should obtain from the suppliers precise information concerning the liability of the ship or establishment in the event of loss or damage, either of stock supplied on credit or of stocks paid for but not consumed. In the light of this information, the Commanding Officer should make arrangements, by way of an agreement or by effecting an insurance, to ensure that the ship or establishment is relieved of any liabilities arising from loss or damage that would be beyond its capacity to meet.

8052. Self-Run Bars in Chief Petty Officers' Messes Ashore

1. Assistant Chief of Naval Staff (Personnel) and Flag Officer Sea Training within the limits of their areas, and Commandant General Royal Marines, in respect of Royal Marines establishments may approve requests that Senior Rates/Senior Non-Commissioned Officers ashore should run their own bars, subject to the conditions in the clauses following.

However, most establishments are now committed to binding contracts with civilian firms for the management of establishment infrastructure and invariably this includes management of messes which limits, but does not remove, the scope of this regulation.

2. The instructions concerning non-public funds in Section IV and BRd18, *Accounting Instructions for Non-Public Funds*, Appendix A, are applicable.
3. **Opening Hours.** Opening hours are to be subject to the approval of the Commanding Officer.
4. **Wine Merchants.** Messes that are allowed to conduct their own bars may choose their own wine merchants. Sales are to be confined to normal bar items. See **Para 8051 [sub para 1](#)** on use of NAAFI as a supplier.
5. **Expenditure of Public Funds.** No expenditure of public funds may be incurred in connection with taking over by a mess of any bar previously managed by NAAFI. No equipment other than that already authorized in the regulations may be supplied, and Service personnel may only be employed in running the bar outside normal working hours, and without detriment to their Service duties.
6. **Management.** Messes that may contemplate making a change should bear in mind that NAAFI will be under no obligation to resume management of a bar if the wishes of the mess members change.
7. In the case of a bar run by NAAFI the Corporation's local representative must be given two months' notice in writing if the mess wishes to make a change.
8. **Contractors' Debts.** Members of messes are to declare their liability for any contractors' debts incurred, whether by the mess as a whole, or by one of their number (e.g., the caterer) acting as their agent.

8053–8070. Unallocated

SECTION IV - SERVICE FUNDS

8071. General

1. A Service Fund is a fund, comprised of money, stock and other assets, which is not the property of the Crown but which is used for the benefit of Service personnel to promote their well-being and efficiency. Non-Service personnel who contribute to the promotion of military efficiency are also entitled to benefit from such funds. The Crown has no liability whatsoever for any loss of cash, or loss or damage to stock or property, belonging to Service Funds. Such funds enjoy charitable status (so long as they are used solely for the benefit of those entitled beneficiaries as above) and, are subject to the regulations of the Charities Act 2006.

2. Service Funds are not private; they are official funds and their proper conduct is an integral part of the fabric of discipline and administration of the Royal Navy. Official support may therefore be provided for the maintenance, regulation and auditing of non-public funds. In circumstances where official support cannot be provided, the Commanding Officer may, in fulfilling the duties of Sole Managing Trustee, require the funds to be audited by a professional civilian accountant. The cost of such audits is not admissible as a charge against public funds but is an acceptable charge to the fund being audited.

3. **Non Publicly Funded Activities.** The Ministry of Defence generally accepts no legal liability for activities of Service personnel assigned responsibility for activities which are wholly funded by Non-Public Funds. A Commanding Officer is therefore to ensure that such activities have the requisite commercial insurance cover set out in single Service regulations.

4. The Commanding Officer is the sole managing trustee of all Service Funds existing for the benefit of the personnel under his/her command and as such he/she is ultimately responsible for ensuring that:

- a. Each fund confines itself to its activities and expenditure for the purpose for which it was instituted.
- b. The finances are managed to the maximum advantage of the beneficiaries.
- c. The law as laid down in the Trustees Investments Act 1961 is observed as far as investments are concerned.

8072. Regulations for the Conduct of Service Funds

1. Regulations for the conduct of Service Funds, together with accounting and audit advice are contained in BRd18, *Management and Accounting Instructions for Non Public Funds*.

8073. Duties and Responsibilities

1. All those involved in the administration of Service Funds are to be fully conversant with their duties and responsibilities, as detailed in BRd18, *Management and Accounting Instructions for Non Public Funds* or AC 60450, *Service Fund Regulations*, for Royal Marines.

8074. Inspection of Accounts

1. A list of Service Funds authorised by the Commanding Officer or administrative authority is to be kept as an article in the Commanding Officer's Standing Orders. At inspections this is to be produced for the scrutiny of the inspecting officer, together with the accounts of the funds listed and of the Wardroom funds and the Ship's Welfare Fund.

8075. Service Funds on Paying-Off

1. On paying-off, the Commanding Officer is to ensure that proper arrangements have been made for the disposal of all Service Funds, in accordance with the instructions contained within BRd18, *Accounting Instructions for Non Service Funds*.

8076. Guidance to Trustees

1. The Charity Commission for England and Wales exists to offer advice and guidance on the correct administration of Service Funds. Their view should be sought whenever a trustee needs to clarify whether a particular activity of a Service Fund, or the beneficiaries of that activity, lies within the bounds of the Charities Act 2006.

2. Enquiries should be directed to The Charity Commission for England and Wales, Woodfield House, Tangier, Taunton, Somerset TA1 4BL. Telephone: 0870 333 0123. Fax 01823 345003. General Helpline 0300 066 9197. Website – www.charitycommission.gov.uk