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## Reimbursement of Travel Costs in England

Joint statement on behalf of the NHS Staff Council – May 2022

### Introduction

In response to the rising cost of fuel, the NHS Staff Council has been discussing what this means for staff and employers in relation to the business cost of travel and motoring.

The NHS Staff Council acknowledges the impact that the rising cost of fuel prices is having on staff, in particular those who work in a community setting and who need to use their own cars to deliver community care to patients.

The NHS Staff Council has been exploring what options are available to support staff on the specific issue of mileage reimbursement rates and this has fallen into two areas:

1. temporary immediate options to address the impact of the rising cost of fuel; and
2. the need to review the national NHS terms and conditions of service (NHS TCS) mechanism for reimbursing motoring and travel costs – [Section 17: Reimbursement of travel costs](#) and [Annex12: Motoring Costs](#).

### National temporary options for addressing the impact of the rising cost of fuel

Working with the national stakeholders (DHSC and NHS England and Improvement), the NHS Staff Council has been exploring what national responses in England are available to temporarily enhance the current NHS terms and conditions of service (NHS TCS) provisions for travel reimbursement.

Through discussions with stakeholders, it has become clear that there is no prospect of central funding or a mandate to support a nationally negotiated solution in England.

In these circumstances, any temporary changes to the current national reimbursement rates in England, as set out in the NHS TCS handbook, will need to be considered and made at the local employer level.

### Local partnership discussions in England

Where a local need is identified, employers should work in partnership with their local staff side to agree what additional support can be provided for staff struggling with the increase in fuel and motoring costs who use their own, or a lease vehicle for work purposes.

When undertaking local discussions, employers and staff side are advised to take account of the following considerations:

- How local solutions can address the impact felt by those using their own private car or a lease vehicle for work purposes.
- What the impact of any local solution within current local funding allocations would be.
- How a local solution will be implemented on a temporary basis only, with a clearly defined end date when the agreement should be reviewed (for example, local agreements may be used for three or six months).
- Whether a local solution is a forward facing one or whether there is a backdated start date.
- What the impact of a local solution might be in the context of local integrated care systems, with consideration given as to any impact on neighbouring trusts.
- How local solutions take account of the Government HMRC [AMAP rate](#) of 45 pence per mile (for the first 10,000 miles travelled), including the additional tax liabilities for employees if exceeding this.
- What the best way to temporarily increase reimbursement rates might be, for example, whether to focus first on increasing the lower 20p national rate (currently being paid for mileage in excess of 3,500 miles), or whether to increase all rates (standard, reserve and lease) by the same amount.
- Whether lifting the 3,500-threshold for the 56 pence per mile rate might be appropriate.

In addition to financial reimbursement rates, employers should also consider discussing further options to reduce travel by staff and the use of greener alternatives where possible, practical, and safe to do so.

For staff facing financial challenges, employers could consider some of the following measures:

1. receipting fuel
2. providing fuel cards for staff
3. providing hire cars for staff
4. providing public transport travel passes
5. investing in pool cars for teams
6. paying travel expenses weekly rather than monthly
7. advancing mileage expenses rather paying in arrears

### **Further information to inform local discussions**

NHS Employers have produced a travel cost ready reckoner to support the trust level understanding of the additional cost of increasing the travel cost reimbursement rate(s). This has been sent out directly to HR Directors.

In the devolved administrations, local decisions have led to the following arrangements:

**Scotland** ([Temporary increase to NHS Scotland mileage rates](#))

- Car standard rate – 5 pence increase. (61 pence and 25 pence)
- Motorcycle and reserve rate – 3 pence increase.
- Temporary provision 01 April 2022 – 31 July 2022, with option to review and extend.

**Wales**

- Wales use the government AMAP rate of 45 pence per mile and have temporarily increased the standard rate of reimbursement by 5 pence per mile to 50 pence per mile.
- Temporary provision 01 April 2022 – 30 June 2022, with an option to review and extend.

**Review of the NHS terms and conditions reimbursement mechanism**

In addition to requesting immediate, temporary action to address the impact of the rising cost of fuel prices, NHS trade unions have formally requested that the NHS Staff Council undertake a review of the current travel and motoring cost reimbursement mechanism, as set out in the NHS TCS handbook (Section 17 and Annex 12). The NHS Staff Council has agreed the need for a review and will shortly write to the DHSC setting out the scope for a possible review and to seek a remit to undertake it.



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