

CHANGES TO AGENDA FOR CHANGES MILEAGE ALLOWANCES

On 1 July 2013 a new, harmonised system of mileage payments will come into effect. The new scheme was developed following a detailed review of mileage allowances. The purpose of the mileage review was to move to a system for payment which responded to fluctuations in fuel prices, met the green agenda and was a simplified and harmonised allowance system. In 2010, after consultation, the new scheme was agreed and signed up to by all the NHS unions for implementation in 2013. The current Annex L payment rates were "protected" for the period 2010-2013.

The new NHS mileage allowances are covered by Agenda for Change section 17. Details of mileage rates are in Annex L and information specifically related to lease cars is contained in Annex M. The NHS pay circular that relates to this issue can be found at: <http://www.nhsemployers.org/Aboutus/Publications/PayCirculars/Pages/pay-circular-AforC-3-2013.aspx>.

The key elements of the new Agenda for Change section 17 include:

- 67p per mile for all car users irrespective of engine size up to 3,500 business miles and 24p a mile thereafter.
- An annual calculation of motoring costs and a twice yearly calculation of fuel costs. If the cost of motoring rises by +5% over the previous 12 months the mileage rate would rise and if it falls below 5% the rate would reduce.
- Removing the Public Transport Rate (currently 24p) and replacing it with a Reserve Rate which would be 50% of the single rate (33p in July 2013)
- The full mileage rate to be paid on journeys for training.
- Pedal Cycle rate to rise to 20p a mile.
- Motor Cycle rate rises to 50% of the single rate (33p).
- Carrying bulky equipment 3p a mile.
- Passenger allowance 5p a mile.
- The single rate calculation will also be used for reimbursing staff for attendance at required training courses. Currently this travel is reimbursed at the lower Public Transport Rate.